

## HOUSE OF ASSEMBLY

Tuesday 3 June 1997

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

### SUMMARY OFFENCES (PROSTITUTION) AMENDMENT BILL

Petitions signed by 385 residents of South Australia requesting that the House urge the Government to support the passage of the Summary Offences (Prostitution) Amendment Bill 1996 were presented by Messrs Andrew and Clarke, Mrs Geraghty, Messrs Leggett and Rann and Mrs Rosenberg.

Petitions received.

### GLENTHORNE RESEARCH STATION

A petition signed by 1 033 residents of South Australia requesting that the House urge the Government to obtain ownership of 'Glenthorne' at O'Halloran Hill from the Federal Government and develop the site for community use was presented by Mrs Greig.

Petition received.

### LICENSED CLUBS

Petitions signed by 300 residents of South Australia requesting that the House urge the Government to allow licensed clubs to sell liquor to a club member for consumption off the premises were presented by Messrs Leggett and Rossi.

Petitions received.

### AGE OF CONSENT

A petition signed by 73 residents of South Australia requesting that the House urge the Government to amend the age of consent to be consistent with the Age of Majority (Reduction) Act was presented by Mrs Rosenberg.

Petition received.

### CAPITAL PUNISHMENT

A petition by 72 residents of South Australia requesting that the House urge the Government to consider the reintroduction of capital punishment was presented by Mrs Rosenberg.

Petition received.

### SHOP TRADING HOURS

A petition signed by 131 residents of South Australia requesting that the House urge the Government not to implement extended shop trading hours was presented by Mrs Rosenberg.

Petition received.

### MULTICULTURALISM

A petition signed by 26 residents of South Australia requesting that the House urge the Federal Government to

give a firm commitment to the principles of multiculturalism was presented by Mr Rossi.

Petition received.

### PUBLIC WORKS COMMITTEE

**The SPEAKER:** I lay on the table the fifty-first report of the committee on the Christies Beach High School redevelopment which has been received and published pursuant to section 17(7) of the Parliamentary Committees Act.

### AUDITOR-GENERAL'S REPORT

**The SPEAKER** laid on the table the Auditor-General's report relating to contract summaries.

### QUESTION ON NOTICE

**The SPEAKER:** I direct that the written answer to question No. 9 on the Notice Paper be distributed and printed in *Hansard*.

### PAPERS TABLED

The following papers were laid on the table:

By the Treasurer (Hon. S.J. Baker)—

Rules of Court—Magistrates Court—Magistrates Court Act—Criminal Assets Confiscation Act  
Statutory Authorities Review Committee—Response by the Treasurer—Review of the Legal Services Commission (Part 1) Report

By the Minister for Housing and Urban Development (Hon. S.J. Baker)—

Architects Act—Fees  
Development Act—Interim Operation of Shacks—(Land Division and Upgrading) Plan Amendment Report  
Development Act—Regulations—Development Categories

By the Minister for Finance (Hon. S.J. Baker)—  
Friendly Societies Act—Lifeplan Australia Friendly Society—General Laws

By the Minister for Industrial Affairs (Hon. Dean Brown)—

Regulations under the following Acts—  
Industrial and Employee Relations—Unfair Dismissal  
Road Traffic—Emergency Vehicles

By the Minister for Health (Hon. M.H. Armitage)—  
South Australian Health Commission Act—Regulations—  
Prescribed Hospitals  
Prescribed Services

By the Minister for Environment and Resources (Hon. D.C. Wotton)—

Environment Protection Act—Environment Protection (Milking Shed Effluent Management) Policy 1997  
Survey Act—Institution of Surveyors—Report, 1996.

### CHILD ABUSE

**The Hon. S.J. BAKER (Treasurer):** I lay on the table the ministerial statement relating to child sexual abuse made today in another place by the Attorney-General.

### PUBLIC WORKS COMMITTEE

**Mr OSWALD (Morphett):** I bring up the fifty-seventh report of the committee on the Tanunda Primary School relocation and move:

That the report be received.

Motion carried.

**The Hon. G.A. INGERSON (Deputy Premier):** I move:

That the report be printed.  
Motion carried.

### AUTOMOTIVE INDUSTRY

**The SPEAKER:** I inform the House that I have received the following letter from the Premier:

Dear Mr Gunn,

As Premier of South Australia, pursuant to section 52 of the House Assembly Standing Orders I wish to raise as a matter of urgency in the House of Assembly today a matter of concern to all South Australians.

The matter which I wish the House to consider may best be summarised by the following proposition:

That the South Australian Parliament endorses the position of the State Government to reject the Productivity Commission's Report on the Automotive Industry and calls on the Federal Government to take into account in any decision on tariff settings past the year 2000:

- the significance of the automotive industry to Australia and the South Australian economies;
- the importance of the automotive industry in ensuring the maintenance of a viable manufacturing industry in Australia;
- the impact on jobs in the automotive industry in South Australia;
- the lack of access to international markets for the Australian car industry; and
- the future of investment in the car industry in Australia.

Yours sincerely,

(Signed) John Olsen, Premier.

I ask those members who support the proposed matter to please indicate.

*Members having risen:*

**The SPEAKER:** I call on the Premier.

**The Hon. J.W. OLSEN (Premier):** This matter is about jobs, security and families in South Australia. It is about confidence in South Australia's future and about further investment in South Australia's manufacturing industry, and that in itself brings job security and confidence for South Australians. For five months we have championed South Australia's case here and interstate. South Australia's case coincides also with the national interest, and that is why over the past five months we have talked on numerous occasions to the Prime Minister, senior Ministers and key policy makers in Canberra about the effects of the proposed cuts. We have led a delegation of national industry representatives to private meetings with the Prime Minister and have visited Victoria and New South Wales to gather support and explain the potential impact on the State and the national economies.

We met with senior executives from Toyota, Mitsubishi and Bridgestone in Tokyo to gauge their commitment to the Australian car industry and the accelerated tariff regime; we sponsored economic research that refuted the figures and assumptions underpinning the commission's original draft report; we met with Ministers and senior Government officials of four APEC countries to discuss trade liberalisation issues; we detailed alternative policy changes to improve the performance of the car industry, including taxation and microeconomic reform in Australia; and we explained to key national economic writers and commentators the effect of radical tariff cuts on the lives of workers and families. Thankfully, at least in respect of the national agenda, those initiatives have brought about no talk of the original draft commission's report being accepted. The 2.5 per cent is now off the agenda; the first objective has been met. Other objectives now need to be pursued to ensure that the outcome is in South Australia's best interest—and that coincides with Australia's interest.

I point out to the House that, in an AGB survey of 1 000 people on the Eastern Seaboard, 82 per cent of those surveyed

indicated that they wanted maintenance of the tariff and automotive industries in Australia because they saw it important for the manufacturing industry and jobs in Australia and, in particular, South Australia. Much has been said in recent days. A compromise scheme is now being worked through. I shall take some time today to debate that compromise scheme and to tackle two key areas. First, I refer to the APEC commitment and the Keating commitment to APEC that has been endorsed by the Howard Government.

*An honourable member interjecting:*

**The Hon. J.W. OLSEN:** Don't roll your eyes; just get it right. Keating put down the APEC commitment, and the Howard Government supported it. The compromise can meet industry requirements and Australia's commitment to APEC. In addition, we want certainty so that we get tooling up for reinvestment in the next model of motor vehicles in Australia—and that objective can also be met. Over the past 10 days we have constantly met with and engaged in dialogue with industry people, not only as it relates to tariffs but to the export facilitation scheme—a WTO acceptable scheme. A submission that went to the Commonwealth Government last Thursday has received industry support in terms of a replacement scheme for access to market—that is important.

The automotive industry and the automotive component supply industry out of South Australia and Australia now export \$2 billion of product onto the overseas market. It has the capacity by the year 2005 to be worth \$6 billion in exports out of Australia. To ensure that we access that market opportunity and potential together with job generation, job certainty and job security in Australia we need to ensure that there is a replacement scheme which gives our product access to the international market place. We need to bear in mind that the international market place, particularly in the APEC region, is not open and free.

A commitment to investment and jobs in Australia should be paramount, and it should come before APEC. But it does not have to be to the exclusion of the APEC principles. There is a model and a policy option which, at the end of the day, can meet both objectives. There is no benefit in gaining greater export market access for some products if it is at the expense of dismantling production and export capabilities in other products. Therefore, the modelling of this policy option needs to be kept in mind. I refer to the trade Ministers convention in Vancouver on 8 and 10 May this year at which Australia specifically suggested that energy, processed foods, fish and fish product sectors are candidates for early liberalisation. Interestingly, not one APEC country has yet put on the table a trade liberalisation plan relating to its automotive industry.

Our point is that we should not precede a firm commitment by the other APEC countries to trade liberalisation. Consultations with the Department of Foreign Affairs and Trade have revealed that none of the APEC members has included automotive industry in their proposals, and it is also very unlikely that Australia will add automotive industry to its nomination list of priority sectors for trade liberalisation. It also implies clearly that member countries such as Indonesia and Malaysia, which have high levels of protection of 200 per cent and 125 per cent respectively, are continuing to seek protection for their automotive industries.

The argument about tariffs canvasses a number of key issues. One issue is that this is supposed to be a populace move not in the national interest. I will tackle that question. The economic modelling that South Australia has undertaken indicates that a tariff cut from 15 per cent to 5 per cent will

result in a national GDP and consumption of .02 per cent. When we take into account the loss of jobs, the dislocation to economies such as South Australia, Victoria and New South Wales there is no net national gain by tariff reduction from 15 per cent to 5 per cent. Against this must be set these risks and costs; that is, adjustment costs, unemployment, relocation and retraining of workers, as I have mentioned. Loss of tariff revenue is another of the negative impacts on the Federal budget deficit. The Federal Government receipts from tariffs this year amount to \$887 million. At a time when South Australia—with its debt level—next financial year will contribute \$51 million to the Federal Government to help it out of its black hole, why on earth would we reduce tariffs further to compound that problem?

It is illogical compared with other policy settings to which this State and other States are complying. In addition, it will worsen the deficit on the automotive balance of trade. The deficit on the automotive industry balance of trade in 1995-96 was \$6.7 billion. In addition, the other key national aspects are the sequence of microeconomic reforms and their importance. The economic modelling by both the Industry Commission and Chris Murphy indicates that the national economic gain was far greater from taxation reform than from tariff reform. So, let us get the agenda right in Australia: let us tackle the taxation reform before we pursue the tariff reform. Promised microeconomic reforms to offset the impact of further tariff reductions (promises by the former Keating Government) have not been delivered. The investors, management and the work force have done their bit, but Governments have not done their bit to reduce the operating costs of these plants in Australia as was promised in the Button car plan.

The sequence of microeconomic reforms is critical to industry competitiveness and Australia's ability to attract investment. Reform of the taxation system, the labour market, and transport should precede further tariff reforms. They are important national policy initiatives that should precede further tariff reform. We are not opposed to tariff reform in principle. The timing and the pace of the change is the critical question, which is exactly what the industry is saying. We want to ensure that we do not remove a competitive advantage for Australian industry in economies of scale, production runs and maintenance of that industry sector in Australia. It is not only the automotive industry, because the automotive industry brings a quantity of work, economies of scale and quantum of work to the manufacturing industry. It underpins the manufacturing industry in Australia, not to mention the very substantial contribution to research and development and manufacturing.

It is untenable to suggest or think that a developed country such as Australia would not have a viable, aggressive, internationally competitive manufacturing industry as we move into the next century. For us to have that viable manufacturing industry into the next century it has to be underpinned through economies of scale by the automotive industry. In the past five years the automotive industry in this country has demonstrated that it is an internationally competitive industry.

I have put to this House on numerous occasions how our automotive industry is accessing international markets for our goods and services, creating jobs for South Australians. Why on earth would you want to put at risk that direction, that thrust, and an export market increase from \$2 billion to \$6 billion in the course of the next eight years by wrong policy settings at this time? On a number of occasions in this

House I have referred to taxation reform as being critical and vital to this whole policy question.

In relation to APEC, it is important for South Australians to well understand that, in the year 2003, APEC will embark upon trade liberalisation amongst the ASEAN countries. We should wait and ensure that the ASEAN countries do move to trade liberalisation in the year 2003: we should not move ahead of them. My point to those who want to keep their APEC commitment is that they can still maintain that commitment without jettisoning the industry on the way. We can still attract major international investment into South Australia and into Australia by giving certainty and predictability in policy settings through to the year 2005 and then meeting the 2010 APEC commitment at the end of the day.

The Industry Minister has proposed a compromise scheme, which is currently being debated by various industry sectors. The South Australian Government has continued to negotiate with the major manufacturers and the automotive components supply companies in South Australia and interstate, because interstate is important to us. For example, some 26 per cent or 28 per cent of the build of a Toyota comes from automotive components firms in the State of South Australia. Therefore, it is important for us to negotiate with all companies here and interstate.

We have worked through with them the compromise scheme in relation to export facilitation and that is now on the table. I am sure that, at the end of the day, that will be accepted. Who in their right mind would reject assistance to an industry that will grow from \$2 billion to \$6 billion in the course of eight years? It would be illogical for anybody not to give that a tick at the end of the day. In relation to the APEC commitment, I simply put the point that the industry is looking for surety as to the levels of tariffs through to the year 2005. That can be met by some adjustments in existing tariffs and by continuing a tariff momentum through to the year 2005.

We have championed this cause consistently and relentlessly, and we will continue to do so. I spoke at length with the Industry Minister this morning, I will speak with the Prime Minister this afternoon and further meetings will take place in Canberra this evening and possibly over the course of next week. I assure the House of absolute commitment to and, I take it, bipartisan support in championing the pause in South Australia's interest, which is also the national interest of Australia. This is not just a Premier pleading for the State and regional economy of South Australia, as I am and as I freely acknowledge I am: this policy is all about manufacturing industry in Australia and a national policy setting in the interests of Australia.

With the bipartisan support of this House, I will convey to the Prime Minister that, as one, South Australia is speaking up and saying, 'You can meet your APEC commitments, you can give predictability and certainty, and you can protect further investment in the industry in South Australia. The bottom line is jobs for South Australians, security for those jobs and confidence in the future for South Australia.'

**The SPEAKER:** Order! The Premier was heard in silence and I insist that the same courtesy be shown to the Leader of the Opposition.

**The Hon. M.D. RANN (Leader of the Opposition):** We support this motion because we believe it is vitally important that there be a bipartisan position on trying to save jobs in the car industry. However, we would like this motion to be stronger, and I hoped that there would be a vote on this

motion so that we could have the opportunity to include in the motion some specifics, because there are no specifics contained in the motion before the House. The specifics that I would have liked to take to the Prime Minister tonight include a motion calling for a freeze on tariffs on motor vehicles, original equipment and replacement components at 15 per cent at least until 2005 whilst maintaining our commitment to APEC.

Secondly, I would call for the establishment of a transparent measure by which the progress of our trading partners, in reducing their tariff and non-tariff barriers, can be judged. Also, I would call for the continuation of export facilitation, which is so important to companies such as Mitsubishi, which is currently exporting about \$350 million worth of vehicles with projected exports of \$600 million by the year 2000. Unfortunately, under the procedures of the House, we do not have the opportunity to include these specifics which we could take to Canberra to put the hard word on those who count, on those who will have to vote on this issue in the Parliament.

I talk about specifics, because last night a six point plan on tariffs was put before the Federal Parliament, and it included a freeze on tariffs, transparency and monitoring arrangements for our trading partners so that we do not die in the ditch while they laugh at us. It also included an commitment to export facilitation. That motion passed in the Senate last week with the support of every single Labor member, the Democrats, the Greens and Senator Harradine: only the Liberals in their entirety voted that down in the Federal Parliament. So last night, Simon Crean, our industry spokesman, came into the House of Representatives and moved the same motion that had passed in the Senate, calling for specifics—not generalities but specifics—in terms of saving the car industry and car industry jobs. He had just started his speech after moving the motion when suddenly Mr Bruce Scott stood up and put a motion that the member for Hotham, that is, Simon Crean, be not further heard. There was a gag motion in the Federal Parliament last night to stop a debate about specifics on tariffs.

Do you know what happened? On the eve of the most important industry decision in this country's history since the Second World War, the Liberals, one by one, voted to stop Simon Crean arguing to save jobs in South Australia. Who supported that gag motion? Let me read the list: Neil Andrews, Alexander Downer, Trish Draper and Chris Gallus voted against the car industry in South Australia. Also—wait for it—Susan Jeanes, the member for Mitsubishi, the honourable member who put up the signs against tariff cuts and in support of Mitsubishi workers, voted against a motion to try to save car workers in her own electorate. Then we have Ian McLachlan and Christopher Pyne. He was the one who, last night in Canberra, voted to gag Simon Crean in arguing to defend the industry and jobs in South Australia, but last night in Canberra—

*An honourable member interjecting:*

**The Hon. M.D. RANN:** That's right: it was quite different from what he said in the Parliament of South Australia.

**Mr ROSSI:** I rise on a point of order, Mr Speaker. The House is debating a motion. The Leader of the Opposition is repeating himself, and his comments are irrelevant.

*Members interjecting:*

**The SPEAKER:** Order! The member for Lee is out of order. We are dealing with a matter of public importance. We do not have a motion before the Chair.

**The Hon. M.D. RANN:** Thank you, Sir. Then there is Christopher Pyne doing one thing in Canberra and saying something else in South Australia. There was also Andrew Southcott, who has a Mitsubishi plant in his electorate. He voted to gag the debate on the tariffs last night, to gag support for a motion that would have saved thousands of jobs. Then there was Barry Wakelin. Every single South Australian Liberal member of the Federal Parliament voted down the chance for Simon Crean to argue to defend jobs in South Australia. That is a roll-call of hypocrisy in the Federal Parliament.

But we will continue to be bipartisan in this Parliament. We are pleased that there is an urgency motion. I moved a motion last week in this House. It was a motion that we could vote on, a motion with specifics, a motion calling on the Federal Government to immediately release the final report of the Productivity Commission. I stood up in this Chamber with the support of my colleagues, and not one single Liberal member of Parliament stood up to support me or to speak; the matter was simply adjourned. That is how urgent it was last week.

But we will put the hard word on those Federal Liberal members of Parliament in both the Senate and the House of Representatives, because the one thing that has been missing in the reporting of this debate is the fact that there has to be legislation. It is not something that the Government can do by a whim; it does not merely announce that tariffs will be cut: it has to put legislation before the Federal Parliament. I can guarantee you one thing: that every single Labor member of the Federal House of Representatives and the Federal Senate will vote to save jobs in South Australia, because that is our historical responsibility.

I would like those members of the Federal Liberal Party from South Australia to support the Premier's current position. They do not. They support the position that he held in 1991 in the Federal Senate, when he argued for zero tariffs and an end to assistance to the car industry. But I am pleased that the Premier has changed his mind. I am delighted that the Premier is now on board.

*Members interjecting:*

**The SPEAKER:** The member for Hart and the member for Custance will come to order.

**The Hon. M.D. RANN:** I remember back in 1992, when I was the Chairman of the Automotive Task Force of this State, which was a bipartisan body—tripartite, involving industry and unions, including people from Victoria—that we paid tribute to Steele Hall's courageous and patriotic stand against John Hewson on tariffs. I called on the then leader of the Liberal Party, Dean Brown, and on the then Senator, John Olsen, to support Steele Hall in that matter, and I was condemned by the Liberals. Each of us has been consistent right the way through on car tariffs. We do not go off to Canberra and say one thing. We mean what we say, and we say what we mean. So, my suggestion to the Premier, with my strongest support, is that tonight he lines up each of those hypocrites from South Australia in the Federal Parliament and tells them to defend their jobs and put their State before their Party and before their Party leader.

It is important that we continue to fight on this issue right down to the line, because a compromise, which could be a cop-out, must not be sold as a victory. We have to win this on the tariffs and on export facilitation, and we have to fight it right down to the line, because thousands of workers' jobs are on the line. Quite frankly, those MPs who voted last night

to gag Simon Crean's attempt to save the industry deserve the condemnation of their electorate as well as of their Party.

I was pleased to be involved in talks on the industry. I was pleased, when the Premier stood up in March and appealed to me for bipartisanship, to offer to join him in Japan in talks with car industry leaders. That offer was not taken up, and that is fine. However, I went to Japan and met with the heads of Mitsubishi and Bridgestone. And what were we told? In my three-hour meeting with Mr Kuromizu there was plain talk—and I will quote directly, because Senator Chris Schacht and I took notes of the meeting, and our notes are exact as to our recollections. He told us that there were countries in APEC which would welcome Mitsubishi's investment. He told us that, either at the end of next year or in early 1999, Mitsubishi executives in Tokyo would make a decision on whether or not to invest \$443 million in the new Mitsubishi range of models—the next Magna and the Verada—for 2002.

He also reminded us of what happened with Nissan. A few years ago, when Nissan felt it was not productive to produce cars in Australia, it pulled up stumps and moved elsewhere. Nissans are still being sold on the streets of Adelaide, but they are not produced in Australia. Here we have people at the highest level at Mitsubishi issuing a clear warning to us—'Tell them that we're not bluffing. Tell them that we'll have to review our investment or decide whether we move to another APEC nation in the region to set up shop.' That was a pretty clear message to us about what could happen if we betray this industry and show that we do not honour its investment.

Then we went to Bridgestone, whose heads said much the same thing. They said that if these decisions went ahead we would see a fatal blow to the car components industry and a serious impact on the tyre industry in Australia. So it goes on. My plea today is that, in a bipartisan way, not with phoney games for the media we can—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. M.D. RANN:** Some of them seem to want to support Christopher Pyne and Susan Jeanes, it seems, from their interjections.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. M.D. RANN:** I would have liked to see support for resolutions with detail so that, in a bipartisan way and on behalf of the entire population of South Australia, the South Australian Parliament can go to the Prime Minister and hand him a six-point plan to save jobs, support the industry and ensure a future in South Australia for Mitsubishi, Holden's and the car components industry.

**Ms GREIG (Reynell):** If the Leader of the Opposition were serious about a bipartisan approach, he would stop playing games and playing with this motion—

*Mr Clarke interjecting:*

**The SPEAKER:** Order! I warn the Deputy Leader of the Opposition. The member for Reynell.

**Ms GREIG:** What the Leader of the Opposition was proposing to do was totally inappropriate, and he realises that. He knows that that sort of motion is something we should consider once Government car tariff policy has been decided. So, why do we not look at the industry—

*Members interjecting:*

**The SPEAKER:** Order!

**Ms GREIG:** You know very well we do not. We look at the industry policy that will be put before us, but in the meantime we must make our position very clear to the Federal Government. This issue is important to everybody, particularly in my electorate and our region. I admit that the Federal member for Kingston has done her damndest to get our messages across very clearly. My contribution to this debate will be brief, because the messages have been put across and we continue to put them across. The facts speak clearly for themselves; they are very clear. The automotive industry accounts for one-sixth of South Australia's manufacturing activity and one-tenth of this State's total exports. Some 5 300 people are employed at Mitsubishi Motors Australia, and a further 4 221 at General Motors. Some 17 000 South Australians owe their employment to the automotive industry, and 2 100 of these workers are from my electorate. Here we have 17 000 reasons why this issue is important to us all as a State.

Air International, A.E. Baker & Co., Alderson's, Australian Arrow, Arrowcrest/ROH, the Auger Group, Bridgestone Automotive Components, Bridgestone Tyre and Development Division, Britex, Bundy Tubing, Castalloy, Exacto Plastics, GNB Battery Technology, Henderson's Automotive, Lear Corporation, Johnson Controls, Lawrence and Hanson, Munroe Australia, Numetric Manufacturing, Plastic Component Painting, Precise Plastic Tooling, Plastec, Rodney Robertson, Tecalemit, TRW Carr, Tubalco Manufacturing and Walker Australia are 26 more reasons why this issue is important to us as a State.

As I said earlier, 17 000 people are directly employed in the manufacture of car components, and the livelihoods of a total of 50 000 to 70 000 South Australians are dependent on the State's automotive industry. The member for Kaurna and I have petitioned the southern electorates. We have had an information table at various local shopping centres for the past month. We have really wanted to make clear the message on how important this issue is to all of us, not just the car industry workers: we are all affected by it. As I have said, we have doorknocked, petitioned and even stood outside the Productivity Commission hearings for three mornings in a row while they were held here in Adelaide. We put on a visual display to make sure the message got across, not only to the people attending the hearings but to all those involved. It is important to note that in Melbourne Ford and Toyota clearly demonstrated to the Productivity Commission that a further collapse in tariffs after the year 2000 without offsetting microeconomic reforms and the cost of production would place future investment in South Australia at risk.

Our car industry has not sat back for 10 years or so and let change and global reform pass it by. The industry has upgraded its productivity and efficiency gains, and the work force is delivering a product that, in terms of price, quality and reliability of supply, is now accessing the international marketplace. Our manufacturing industry underpins this country's economy, and any policy decision that goes against our motor vehicle industry will have a major impact on the South Australian economy. My electorate is relying on a commonsense decision and a fair and just response from our Federal Government that will ensure an industry policy that is in the better interests of the industry but more importantly in the better interests of workers and jobs in South Australia.

**Mr CLARKE (Deputy Leader of the Opposition):** Unfortunately for South Australia, it is abundantly clear that the Liberal Party in South Australia has failed its task in

producing champions for this State amongst any of its Federal representatives. It would never have happened in the Labor Party but, unfortunately, the Liberal Party cannot produce the likes of Mick Young.

*Members interjecting:*

**The SPEAKER:** Order!

**Mr CLARKE:** South Australia has four Liberal Cabinet Ministers out of 15 in Canberra, and not one of them is a champion for South Australia. Whether it be Downer, McLachlan, Vanstone or Hill, not one of them can hold a candle to the work that Mick Young used to do for this State in championing our interests in Canberra. It is a sad indictment on the Liberal Party in South Australia that it is not able to produce champions for this State. When the Premier talks about supporting tariff reductions alongside microeconomic reforms in areas such as labour markets and transport, let us be clear on what he means. By 'labour market reforms' he means the Liberal code for slashing wages for workers in the automotive industry and the automotive supply industry. When he talks about reform to the transport industry it is Liberal code for slashing the waterfront unions. That is what the Liberals stand for—slashing the waterfront unions to allow the ships of shame onto the coastlines of Australia and into this State. That is what the Liberal Party means by microeconomic reform.

Let us also remember that yesterday the Prime Minister insulted South Australian workers at Mitsubishi and Holden's by saying that this was merely a populist reaction. These are workers with families and they have their livelihoods on the line. It is not populist to stand up and look after your family and your job. Howard demeaned himself by those sorts of descriptions of Australian workers. It also clearly shows that Federal Liberal Party policy on car manufacturing is not to continue with it. It is all right to have a used car industry, but not a vehicle manufacturing industry; sales people but not manufacturing workers in this State or in Victoria. It is about time the Liberal Party here in South Australia got its act together.

It is all very well here in this House to stand as one in support of the car industry in this State, but what about the 10 Liberal South Australians out of 12 Federal MPs? What have members opposite done about them? What has the Premier done about lining up their preselections and saying, 'You support this State and the workers of South Australia or you will have difficulty in keeping your job'? What are the members for Reynell and Kaurana doing about asking the member for Kingston (Susan Jeanes), 'What are you doing about voting against a motion in the House of Representatives which calls for the maintenance of tariff protection for the people you allegedly represent down in the south'??

It is all very well to perform stunts, but members opposite should put in the hard yards. What are members opposite doing about Alexander Downer? Why not say to him, 'Look, stop being so busy putting on stockings and modelling for the cameras and do something for the workers of South Australia by ensuring that your voice is heard in the Cabinet to protect South Australian jobs.' That is what members opposite ought to be doing. I cannot believe the lack of affect this Premier has on his Federal colleagues when every Liberal Senator in this State and every Liberal MHR voted unanimously to a person against resolutions in the Senate and the House of Representatives calling for the retention of the car manufacturing industry and South Australian jobs. Shame on the Liberal Party in South Australia for being so weak.

**Mr WADE (Elder):** Previously in this House I have called for a commonsense approach to tariff reduction—commonsense from the point of view of South Australians who earn their living directly and indirectly from the automotive industry. I talked about firms in my area such as Mitsubishi, Hendersons, Bridgestones, Motor Traders and numerous automotive and motor vehicle suppliers. I remind the member for Ross Smith that it was the Federal Labor Government that promised microeconomic reform to offset the impact of tariff reductions, and we are still waiting for it.

Industry believed the former Federal Labor Government; it embraced the reduction with courage and, as agreed, also looked to our international neighbours, fellow members of the Asia Pacific Economic Cooperation Forum, to reduce their tariffs and protection mechanisms to zero by the year 2010. We are still waiting for that tax reform. We are still waiting for our trading neighbours to honour the agreement to liberalise their trade restrictions. Meanwhile, our tariff protection is being reduced according to that agreement and as though the Federal Government had delivered on its promised tax reforms.

When we in South Australia stand up and say, 'Hold on a minute. Industry is doing the right thing but no-one else has fulfilled their part of the bargain. Let us wait a minute. Let us pause and wait for everyone else to catch up, or at least start moving in the right direction,' we are indirectly accused of being cheap populists. If a cheap populist is a person who demands that an agreement be honoured by all parties, I admit to being one. If a cheap populist puts South Australian jobs before Federal Labor promises, I admit to being one.

If a cheap populist is someone who wants a fair go for the people of this State, who are dependent on a viable, healthy and competitive local automotive industry, I am one, and I am proud to be one. Zero tariffs for Australia but not for our trading partners is zero gain for South Australia. Zero tax reform is zero gain for South Australia. We are facing a catastrophe that is not of our making. We are the sacrificial lamb to be slaughtered on the altar of unfulfilled Federal Labor Government promises and that most dismal of doctrines the 'global level playing field'. What a farce!

Let us go no further than 15 per cent until the Federal Government fulfils its promises to the automotive industry and delivers the tax reforms for the people of South Australia. Let us say to our trading partners, 'We are prepared to impose on you the same restrictions that you impose on us. If you have zero tariffs on our goods, we will place zero tariffs on your goods. If you perform a tax audit on anyone who buys Australian-made cars, we will do the same to any Australian who buys your cars.' This is not tit for tat: this is fair trading. This is the level playing field, and it is putting South Australians first.

**Ms STEVENS (Elizabeth):** General Motors-Holden's has been and is an integral part of the northern suburbs. It is the largest company in that area and the centrepiece of that region's economy, with many other automotive component industries spanning out from it. Over 4 000 workers are currently employed at General Motors, Elizabeth. Over 4 000 families are directly dependent on the future of car production in the Elizabeth plant. When one adds to that the workers employed in related component industries, such as Bridgestones, Lear Seating and other industries mentioned by members today, one can see that 17 000 jobs in our State depend on the automotive industry.

I believe we all agree that Australia needs an internationally competitive car industry and I, too, would argue that the automotive industry has played its part in recent years to achieve that. I do not know a lot about Mitsubishi, but I certainly know a lot about General Motors- Holden's. I have visited that plant many times and seen for myself its achievements in relation to the production of internationally world-class motor vehicles. Twelve months ago I attended the plant with others to see the one hundred thousandth Commodore move off the production line. I have seen the quality circles and the work done between managers and workers to achieve a quality product, and I know of the plans for production of the new model, the Vectra.

This issue is paramount to the northern suburbs. The member for Reynell spoke about the concerns of ordinary people in the south. Let me say that, in the northern suburbs, and certainly in my area, the concerns are just as great. People know that, if Holden's collapses, Elizabeth is finished. That is what people know and that is what people are saying. That is why they are signing the petitions, that is why they come to me and ask what is happening, and that is why they speak on talk-back radio and write to the local paper. Ordinary people know that this issue is important.

I too am disappointed that we were not more specific in our remarks. I believe we should have stated that, as the Leader of the Opposition mentioned, we wanted a freeze on tariffs at 15 per cent until 2005, while at the same time keeping our APEC commitments. We should also have said quite clearly that we need to monitor progress of our other trading partners to ensure that they hold up their end of the bargain. I noted the Prime Minister's reported comments that people who were against the reduction in tariffs were engaging in cheap populism. I too was disgusted at that comment. I would like the Prime Minister to visit Elizabeth and say that to the people. The Prime Minister needs to understand that people want their jobs—it has nothing to do with populism. People want to work and they want a future, and it is the Prime Minister's responsibility, as it is the responsibility of all of us, to ensure that this happens.

**Mrs ROSENBERG (Kaurna):** I support the Premier's approach today and ask for six specific things, none of which are populist: first, I ask for the support of a viable motor industry; secondly, I ask for sustainability for associated manufacturing industries; thirdly, I ask for certainty in the market place on which business makes decisions and investments; fourthly, I ask for the tax system to be overhauled as a serious consideration alongside the tariff debate, so that Government takes the responsibility it should; fifthly, I ask for a decision giving absolute priority to employment within South Australia to put families and people before ideology; and, sixthly, I ask for the recognition by Prime Minister Howard and the Federal Cabinet of the efficiency gains already made by the South Australian vehicle industry.

I emphasise that it is not populist to strive to protect jobs and industry in South Australia. Twenty nine per cent of my electorate of Kaurna consists of 10 to 29 year-olds, and 34 per cent of the work force in my electorate is represented by tradespersons, labourers and factory workers. My electorate relies on the car industry and the related industries. An estimated 14 000 to 17 000 South Australians depend on this industry. Recent investments by Mitsubishi have had major positive effects in the south and have resulted in 700 new jobs, and investment growth is expected to reach \$1.9 billion during 1997.

Efficiency gains by the vehicle industry already make it one of the most cost competitive industries in South Australia. This has been achieved while the Labor-Button plan has reduced tariffs and while imports have risen from 18 to 47 per cent of the new car market. Decreasing tariffs too quickly or too far will force our efficient manufacturers out of the market place, because the level playing field simply does not exist. A complete overhaul of the tax system, including an examination of vehicle sales tax, must take place side by side with the tariff debate.

The quick and devastating effects of sales tax were clearly demonstrated when new vehicle purchases were cancelled after Keating's announcement to raise vehicle sales tax. Mitsubishi has shown that it can compete with the best in the world, but industries of this size make investment decisions years ahead and require a sound, sustainable policy framework. This is all they ask; this is all we ask. If a tariff reduction is to occur, the industry asks for time to adjust to the changed market conditions. No-one in the industry objects to competition or to the level playing field. We argue only that domestic markets will be disadvantaged by the removal of tariffs too quickly. I commend the Premier's remarks to the House.

**Ms WHITE (Taylor):** I represent an electorate with a large number of car industry workers who work at Holden's Elizabeth plant and at a number of other local car component companies. Their jobs depend on one thing and one thing only: the effectiveness of State Liberals in overturning Federal Liberals. Unlike the Liberal position, the Labor position on tariffs is clear. We support a 15 per cent freeze on tariffs until at least the year 2005, together with continuation of export facilitation. There is no equivocation on our part; there is on the Liberal's part. Labor, both State and Federal, solidly supports saving car industry jobs, but the Liberals are divided. The Liberals have caused this problem. Let them now get off their butts and sort this out with their Federal colleagues. They must stop pretending that they are doing everything they should be doing in this debate, because the very thing that they should be doing is the thing that they will not bite the bullet on, that is, sorting out their Federal Liberal colleagues. I support the proposition.

**Mr CAUDELL (Mitchell):** I thought that this debate was about jobs and not about political stunts, because that is all we got from the Leader of the Opposition, the Deputy Leader of the Opposition and the member for Taylor. This motion is about the 17 000 people who are employed directly in this State in the automotive industry. This motion is about the more than 50 000 South Australians involved indirectly in this State's automotive industry. This does not concern the political grandstanding about which the Deputy Leader of the Opposition went so red in the face. This is not about political stunts. This is about jobs.

The Leader of the Opposition criticised the Liberal members of this Parliament in relation to his motion before the House. He said that the Liberal members of this Parliament did not support his motion in relation to tariffs. The Leader of the Opposition's motion had nothing to do with tariffs. Instead, it referred to the Productivity Commission Report and the release of that report. The Leader of the Opposition stood up in this Parliament and asked for that report to be released. Under this Parliament's Standing Orders relating to Private Members' time, the Leader of the

Opposition is well aware of the process whereby he speaks to his motion and then it is adjourned.

The Leader of the Opposition is a hypocrite in this place, and he is well aware of it. When we refer to hypocrisy let us not forget the situation in 1995 when on the one hand the Keating Government reduced tariffs and on the other hand jacked up sales tax on cars. It jacked up the average cost of a car by \$1 000. Whilst it played around with those figures and made sure that imports were all right, the average price of imported cars at the top end of the market went through the roof. People involved in the rural and mining industries, who rely on four-wheel drive vehicles, ended up paying an extra \$5 000 per vehicle.

With respect to sales tax we find that a cut from 22 per cent to 5 per cent as recommended in the majority draft report would result in car prices falling by 14 per cent and a national consumption gain of \$53 million to \$78 million greater than any gain from any tariff cuts. The tariff cuts would represent only a .02 per cent reduction in car prices against a sales tax reduction of 14 per cent. The people of the electorate of Mitchell, which abuts the Mitsubishi factory, are asking, 'Why are we going through all this pain for .02 per cent?' It is time to pause, to reflect and to stand up for the jobs of South Australians. It is time to end this trauma. It is time to end the political grandstanding of the Labor Opposition and to get on with what we are here for, that is, South Australians and the jobs of South Australians. I support the Premier's proposition.

**Mr FOLEY (Hart):** I support the Premier's proposition, because it is important, and it is important that we all have the opportunity today to put our views forward. The tariff debate has been with us for some time. One of the most disturbing aspects of the debate in recent months was John Howard's decision to extend the debate by releasing the Productivity Commission's first report and then its final report, when it was clear that the Productivity Commission would not greatly change its first draft report. The message that has sent to the major car makers in Japan (Mitsubishi and Toyota) and America is that the tariff debate in this nation will continue for a long time and that, despite whatever decision is made today or during the course of this week in Canberra, the tariff debate will be with us for many years, because there is a large body of policy makers based in Canberra and the Eastern Seaboard who will revisit the issue of tariff reduction at every opportunity they have between now and the year 2010.

In Canberra we have a policy making body that is hell bent on zero tariffs. If it does not get it this time, it will come back to it in the years 2000, 2005 and 2010 or until it achieves its goal. My criticism is that the Federal Government did not need the past six months to make its decision. It could have made a decision based on the very first draft report and could have given a very clear message to investors in Japan, particularly the likes of Mitsubishi which, as we all know, thinks long and hard and takes many years to decide whether or not to provide the next \$.5 billion of investment in this State.

We all know that Mitsubishi's last commitment is now a couple of years old and that it will be considering right now whether or not it should invest another \$.5 billion to \$1 billion in its next model. That decision is being thought through right now in the boardrooms of Tokyo. As a nation, what have we been doing? We have been bleeding for six months as to whether or not we will reduce tariffs, freeze them or adopt a compromise position.

The thinkers in Japan will believe that the far right of economic policy in Australia has driven this debate very hard. They may or may not win the day this time, but they will want to revisit the issue in 2000 or 2005. If you are an investor from Japan, it means that you will think seriously about whether or not Mitsubishi should put in place that next tranche of investment. My only fear is that the Mitsubishi policy makers, despite whatever results from this debate and the final report, may have already made up their mind that the next time around it will be too difficult.

That is a tragedy for this nation's debate. We should have been more decisive as a nation and we should have made a decision very firmly and very quickly to reject the draft report of the Productivity Commission and not allowed this debate to extend for the past four or five months, and indeed drag on for the next five to 10 years. The point has been made well today that there are many members of this Chamber who were euphoric when John Howard won the last election and who were euphoric that we had four Cabinet Ministers from South Australia and that that would mean good times for this State. Liberal members are now experiencing the real pressure of what Federal Government is all about, that is, when your colleagues in Canberra will make a decision based on what they think is in the national interest and not in our interest. Welcome to the national policy debate.

**Mr De LAINE (Price):** I strongly support the Premier's proposition. Prior to coming into this place I spent 34 years working in the motor vehicle industry and from that experience I know only too well of the implications of a reduction in tariffs on the motor vehicle industry. It would hijack investment in this State and therefore would cost many thousands of jobs, both directly and indirectly, throughout the parts and support service industries. If the Federal Liberal Government adopts the recommendations of the Productivity Commission's report, it will be acting in an entirely irresponsible manner and will condemn tens of thousands of workers both in South Australia and Victoria to the dole queues.

**The SPEAKER:** Order! The matter stands withdrawn.

#### BOLIVAR SEWERAGE PLANT

**The Hon. G.A. INGERSON (Deputy Premier):** I seek leave to make a ministerial statement.

Leave granted.

**The Hon. G.A. INGERSON:** As I advised last week, an auditor, Mr Ken Hartley, an eminent person in the field of sewage treatment, has been appointed to conduct an audit of the Bolivar water treatment works operations. The review will cover operational performance of the effluent and sludge treatment process in regard to odour generation. Sludge flows from Port Adelaide and Glenelg waste water treatment plants to the Bolivar plant will also be covered by the audit given they are disposed of at the Bolivar waste water treatment plant. The auditor will report through the EPA to United Water and SA Water Corporation and any future options for improving plant performance will be reviewed by Government.

Mr Hartley, ex Gutteridge, Haskin and Davy and now with the University of Queensland, will arrive in Adelaide this Thursday. It is expected the audit will take some three weeks to complete and will be commenced on Thursday. As we are now all aware, organisms in the effluent lagoon have been affected by the introduction of primary treated effluent. This has led to an increase in organisms that produce odorous



gases. The effluent lagoons use a biological process and it is difficult to overcome this event quickly.

The effluent lagoons are being monitored by United Water to determine their health, through key parameters such as algae count, oxygen and sulphide levels. Operational procedures involving the mixing of algae rich water from the unaffected parts of the effluent lagoons have been implemented to try to speed the regrowth of desirable organisms. Laboratory testing is being carried out to determine if there are any chemical approaches that can be adopted. These, however, are difficult to implement given the scale of the effluent lagoons. It is anticipated that it may take several weeks before the biological processes in the effluent lagoons restore themselves; however, as I have earlier advised the House, the lagoons are being monitored daily.

## QUESTION TIME

### STATE TAXATION

**The Hon. M.D. RANN (Leader of the Opposition):** My question is directed to the Premier. Given the Premier's strong criticism on Friday that the former Premier tied the Government's hands with his promise of no new taxes, will the Premier rule out any new State taxes or increases by more than the CPI if his Government is re-elected at the next election? The Premier—

**The Hon. S.J. Baker:** Is this hypothetical?

**The Hon. M.D. RANN:** You will have to ask your Premier whether his speech was hypothetical.

*Members interjecting:*

**The SPEAKER:** Order! I will withdraw leave. The Leader of the Opposition will resume his seat. I warn the Deputy Leader for the second time and I point out to the honourable member that he appears to have taken it upon himself to give a running commentary whether or not the Speaker is on his feet. I tell the Deputy Leader that one transgression by him today and he will be named. I point out to the Leader that he will comply with Standing Orders, too. I also advise the member for Mawson that he is very close to the wind as well.

*Members interjecting:*

**The SPEAKER:** Order! The Minister for the Environment and Natural Resources is out of order. I call on the Leader.

**The Hon. M.D. RANN:** The Premier was reported last week as having in a speech on Friday accused the former Premier, the Hon. Dean Brown, of making tax promises which tied the Government's hands. The report said that the Premier told business leaders:

We went into government with our hands tied because we promised no new taxes.

What new taxes does the Premier have in mind?

**The SPEAKER:** The Leader is commenting.

**The Hon. J.W. OLSEN:** Once again, we have the Leader of the Opposition with his cheap throw away line at the end of his question and explanation. What I was attempting to influence—

*The Hon. M.D. Rann interjecting:*

**The Hon. J.W. OLSEN:** No, I was not.

**The SPEAKER:** Order! The Leader of the Opposition will not interject.

**The Hon. J.W. OLSEN:** The point I was making in my speech was clearly as follows: regarding the level of debt that

had been left by the former Labor Government to South Australia, in Victoria and Western Australia they created a tax related to the debt. Perhaps a tax called the 'State Bank Labor Party tax' in South Australia might have driven home to South Australians the level of debt with which we had to persevere. It was not only the \$3.5 billion State Bank debt but some \$4 billion of State superannuation unfunded liability. The bank debt was about half the debt level we had to pick up. It is to the credit of this Government, the former Premier and the Cabinet over the past 3½ years that, despite what we inherited, we have brought in a balanced budget as at 30 June 1998.

That has not been achieved without some pain. We would have preferred not to make some of the decisions made in the past 3½ years, but it would have been totally irresponsible for us not to pursue the course that we pursued. We have been responsible in the way in which we have approached this. We have put down a foundation that will stand this State in good stead in future years. The Leader of the Opposition knows full well—and he put it in his press release last week, which makes an absolute nonsense of his question today—that I said, 'The opportunity for that has now passed us by.' That is a historical perspective only, and the Leader of the Opposition knows full well that that is the case.

*Members interjecting:*

**The SPEAKER:** Order! The member for Hartley has the call.

### ADELAIDE 21 REPORT

**Mr SCALZI (Hartley):** Will the Premier comment on what arrangements have been put in place to progress the Adelaide 21 report, which was released in July 1996?

**The Hon. J.W. OLSEN:** I am pleased to indicate that, following the recent council elections and discussions with the new Lord Mayor, Dr Jane Lomax-Smith, a good working relationship has been established between the Government and the Adelaide City Council, and I certainly welcome her election as Lord Mayor of Adelaide. It is a new arrangement that will enable us to work together constructively and positively for the future of the CBD, the Adelaide City Council area and South Australia.

After consultation, Cabinet has signed off, as has the Adelaide City Council, to appoint an Adelaide 21 coordinator with the necessary knowledge, skills and personal standing to progress the work of the Adelaide 21 exercise. The coordinator will be supported by a small staff and will report directly to me and the Lord Mayor. We also propose establishing a City-State forum to act as a reference group of stakeholders with an interest to develop and implement a strategy to revitalise the City of Adelaide. In the course of the next few weeks, announcements will be made which will underpin the new working relationship between the Adelaide City Council and the South Australian Government.

In addition, we propose to establish an Adelaide 21 marketing authority as a distinct entity, collocated and integrated with the Adelaide 21 office. That will deliver a coordinated and planned approach to marketing of the city centre. That marketing authority will be a private, non-profit organisation. Funding details are being worked out between the South Australian Government and the Adelaide City Council. The City-State forum has agreed to appoint a coordinator and has agreed to joint funding of just under \$400 000 from the State Government and the Adelaide City Council. This will move forward the plan and the strategy for

the revitalisation of the CBD, something that we have not seen over a number of years because of difficulties related to the Adelaide City Council. We are past that, this is a new phase, a plan is in place, and this coordinated, cooperative, cohesive approach will see the revitalisation of the CBD.

### UNEMPLOYMENT

**Mr CLARKE (Deputy Leader of the Opposition):** Why did the Premier say that his Government's aim was to have the State's unemployment rate reach the national average by 1998-99 when his budget papers, released just two weeks later, reveal that the policy settings under this year's budget will keep employment growth at least 25 per cent lower than the national employment growth rate for the foreseeable future? The 1½ per cent employment growth forecast to the turn of the century is less than half that promised by the Liberals at the last election.

**The SPEAKER:** Order! The Deputy Leader is commenting. I call the Premier.

**The Hon. J.W. OLSEN:** When I was asked at a news conference what the goal was in relation to unemployment, I indicated that, within 2 to 2½ years, I expect it to reach the national average, and I stick with that. I also remind the Deputy Leader of the Opposition, although they ignore and do not like it, that every policy decision this Government takes will have one objective, that is, job creation and job generation. One icon is required in South Australia, and that icon is a job for all South Australians, and we will pursue relentlessly that opportunity. That is why, after 20 years, we have brokered the Glenelg project and it will go through to fruition.

*Mr Clarke interjecting:*

**The SPEAKER:** Order! There will be no further interjections.

**The Hon. J.W. OLSEN:** I know that the Deputy Leader is a slow reader, but the simple fact is that the budget papers show an allocation for the infrastructure of the Glenelg project. Just look at the budget papers. The Glenelg project is about construction jobs and tourism jobs, and is a stimulus in the economic region of Glenelg. Since we announced the project, some \$20 million worth of sales have occurred off the plan. There is a fair chance that all the stage 1 development will be sold before we sink the first post hole to dig out the marina off the car park at the end of the Anzac Highway. That being the case, we will be able to move to stage 2. That is a better, positive sign for South Australia. I know that Opposition members do not like it, but that is a positive sign.

The Government has also made a \$20 million commitment to the National Wine Centre. There will be construction jobs at the National Wine Centre which will become a tourism icon, bringing about an international tourism focus and creating something for the State and the wine industry, which is a \$900 billion industry in South Australia. It will position us ahead of the other States. Jobs in construction and in tourism will flow on from the construction of that facility.

That is why we put in place the Torrens Domain, to look at the whole North Terrace-Torrens precinct and to create a coordinated plan for construction in the Torrens Domain. It is a tourist precinct that will bring about development in that area. An announcement will be made this Thursday about a further investment and several hundred jobs in South Australia. Next Monday or Tuesday there will be a further announcement about the consolidation of back office operations in South Australia, followed by another announce-

ment on about Thursday next week. Three announcements about expanding back office operations are coming up. I bet that the Opposition will not like that, acknowledge it or concede it when it occurs.

*Members interjecting:*

**The Hon. J.W. OLSEN:** I am glad that you asked about Sizzler. The member for Hart is an absolute hypocrite. He stood up in this House not five minutes ago and talked about the effect of national policies. Sizzler was related to a national chain—Bells—which made a decision across Australia. The decision was not particular to South Australia and has been felt across Australia. The advice the Government has received from Bells is that it is negotiating currently with an international operator from the United States to sell the chain to that company. Those people are confident that, perhaps within two months, those facilities will be open and operating again, and we will work with them to make sure they do. I hope that the loss of the Sizzler jobs is a short-term aberration of a month or two until they reopen and people are re-employed in those restaurants.

I could go on in terms of the other capital works and construction programs, the \$1.29 billion worth of capital works and the Deposit 5000 scheme, which yesterday's ABS figures showed has led to a 25.4 per cent increase in building approvals in South Australia, and that will translate into construction jobs over the next three to six months. I make the point to the Deputy Leader of the Opposition that nobody in this State wants high levels of unemployment, including the Government and me. Every policy objective of this Cabinet will have the clear objective of job generation and job creation, not short-term boom and bust jobs, but long-term sustainable jobs in industry sectors that bring about a sustained recovery for the economy of South Australia.

That means getting over the hurdle of the legacy of the debt as it relates to investments by boardrooms in the Eastern States coming to South Australia. We have to get over that hurdle. We have to re-market South Australia as an investment destination, and the fact that the State Bank building was sold only last week to a Malaysian company indicates that investment in major commercial or industry properties in South Australia is starting to pick up. I concede that it has a long way to go. I do not resile from the fact that we have a lot to do, but some progress is being made and let us at least get acknowledgment of that.

### GAWLER POLICE STATION

**Mr BUCKBY (Light):** Will the Minister for Police explain to this House the future of the Gawler Police Station in light of the Focus 21 program instigated by the Police Commissioner?

**The Hon. G.A. INGERSON:** This is a very important question, because it looks as though the Labor Party is running out its rumours and spreading all sorts of stories in all sorts of areas. Truth has nothing to do with anything that the Labor Party puts out. The Gawler Police Station is not subject to any closure. As a matter of fact, 15 new police officer positions will be located there and 15 positions will be redeployed in the Gawler-Elizabeth area. That means that there will be an additional 30 police officers in the Gawler-Elizabeth area, so there will be 15 more patrols in that area. The Focus 21 program, which was put together by the Commissioner, recognises that in the northern and southern suburbs of our city there needs to be an increased number of patrols and an increased number of police out in front.

Extra funding amounting to \$21 million has been put into the police budget, in the capital works and recurrent works programs. In real terms, that is a 7 per cent increase on the position in 1993 when we took over. As members opposite are obviously startled by the figures, I will run through them again for their benefit. I point out that 15 police will be deployed in the Elizabeth/Gawler area, and 15 new police positions will be created in the area. That will mean a total of 30 new police positions in the area of Gawler and Elizabeth. That ought to enable us to have 15 new police patrols in the city north. We are about making sure that the whole system is modernised; that we do not have police officers sitting in the police stations; and that they are out there where everyone wants them to be, that is, working directly and in direct contact with the community of South Australia.

### CAPITAL WORKS

**Mr FOLEY (Hart):** My question is directed to the Premier. How many jobs have been lost or not created by his Government's underspending on capital works by almost \$600 million during the term of this Government? On 28 May, the Premier told the House—

*Members interjecting:*

**Mr FOLEY:** That was the member for Mawson, Sir.

*Members interjecting:*

**Mr FOLEY:** Absolutely!

*Members interjecting:*

**The SPEAKER:** Order!

**Mr FOLEY:** I do only on Liberals. On 28 May, the Premier told the House:

If one looks at the past three years of this Liberal Government, slippage has occurred of the order of \$375 million.

The budget brought down last Thursday shows a further underspending this year of \$200 million, making a total underspending of \$575 million for the four years of Liberal Government. The claimed extra capital works spending in next year's budget of \$200 million is exactly the amount underspent this year.

**The Hon. J.W. OLSEN:** There he goes again! Given the question that was asked last week and our reply, I would have thought that the member for Hart would desist from asking this question today. I do not know whether the member for Hart has heard of work in progress or about balances brought forward or carried forward from year to year, but in most balance sheets there is such a thing. If the honourable member is comparing this Government with the former Government, I detailed to the House last week that the last three years of the Bannon/Arnold Government had a rollover of \$362 million; in the three years of this Liberal Government, it is \$375 million. There is not much difference between its rollover and our rollover. What does that demonstrate? When you are spending about \$1 billion a year on capital works projects, there is a rollover of those projects: it is called work in progress. If the member for Hart wishes, I can give him the telephone numbers of a few accountants around town who can tell him about the sort of principle that is included in the annual balance sheets of most private sector companies.

This Administration is no different from the former Administration in terms of rollover of capital works. However, the difference is the quantum that has been added this year—and why has it been increased? We have had the National Wine Centre, just to name but one project that has

been added into that capital works program. There is also the Royal Adelaide Hospital \$121 million program, of which \$5.84 million is in the budget for next financial year, and an allocation for the second stage in the second financial year is included in the budget papers, despite what the Opposition tried to indicate last Friday. For the member for Elizabeth's benefit, I ask her to visit the Royal Adelaide Hospital and see how close some of the buildings are. If you want to construct a new facility, you have to clear the way, at the same time maintaining your services and facilities as a health unit. You just cannot move in tomorrow, move something to one side and build a new facility. That is why we have signed up for a seven-stage plan, which the Minister championed to the Cabinet, to which we agreed, and for which there is an allocation in the next financial year and for stage 2. That is another example of the rebuilding.

*Ms Stevens interjecting:*

**The Hon. J.W. OLSEN:** The member for Elizabeth talks about its being two years away. I remind her that, for 22 years, nothing was done at the Royal Adelaide Hospital. For the 11 years that the Party of members opposite was in Government, they did not have a plan. There was no plan and no strategy for the provision of these health services. At least we are tackling it in a coordinated, strategic way to rebuild the Royal Adelaide Hospital and undertake other capital works programs. It will to the benefit of South Australians, and it will be a stimulus for job creation in this State.

### STATE BUDGET

**Mr BRINDAL (Unley):** Will the Treasurer inform the House of the reaction to his fourth budget?

*Members interjecting:*

**The SPEAKER:** Order!

**Mr BRINDAL:** I have been approached by a number of Unley electors who have—

*Members interjecting:*

**The SPEAKER:** Order! I suggest to the member for Unley that he has explained his question fairly well.

**Mr BRINDAL:** —demonstrated a misunderstanding of the Olsen Government's objectives in restoring South Australia's finances following the State Bank and SGIC disasters which were foisted on us by the Labor Government.

**The Hon. S.J. BAKER:** I thank the member for Unley for his question. It is obviously of great interest to the electorate. The pamphlet explaining the budget outcome has been exceptionally well received, because at least everybody knows what is going on. The Government should feel pleased with the response to the budget. Even those who would not necessarily be close to us have praised some segments of the budget, and the Government should feel well pleased. However, I reflected upon the effort of the Leader of the Opposition.

In response to the 1995 budget, he said that it was a fraud, and there was a billion dollar hole. He never found it, but that was the 1995 response. In 1996, he said that the budget was a fraud and a farce. Members may well recall those comments. This year he says it is a fraud and a cruel hoax. I suggest to the House that, for a Leader who is making claims about the quality of the budget—and he is not even in here—it is amazing how few questions I have received on the budget.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.J. BAKER:** He has been provided with the opportunity of Question Time and can ask me any question he likes on the budget and its construction, although we would all recognise his vocabulary limitations. I ask him: is it a fraud to restore the finances of this State? Is it a fraud to reduce the debt of this State? Is it a fraud to balance the books and pay our way? I will tell the Leader what a fraud is so that he gets it right. It is a fraud to attempt—

*Mr Quirke interjecting:*

**The SPEAKER:** Order! The member for Playford is out of order.

**The Hon. S.J. BAKER:** It was a fraud on his part to support Marcus Clark and John Bannon in the destruction of this State through the State Bank. What he tried to do with Roxby Downs was a fraud. It was a fraud on his part to spend, spend and spend when we were in the middle of the hurricane.

*Members interjecting:*

**The SPEAKER:** Order! The members for Playford and Mawson are out of order.

**The Hon. S.J. BAKER:** It was a fraud on the Leader's part to be personally involved in the loss of the Grand Prix. It was a fraud on his part to be one of those responsible for the highest unemployment seen in this State since the Second World War. The Leader is a fraud as an Opposition member. If he wants to respond to the budget, let him do so in a constructive fashion.

#### MODBURY HOSPITAL

**Ms STEVENS (Elizabeth):** My question is directed to the Minister for Health. Given the Minister's announcement in February 1995 that Healthscope had contracted to build a new 65-bed private hospital at Modbury at a cost of \$14.5 million which would be open by January 1997, what is the new completion date and cost? In February, the Chief Executive Officer of the South Australian Health Commission told the select committee inquiring into the Modbury Hospital contract that Healthscope had been given an extension of time to build the new hospital. Page 47 of this year's Budget Paper No.2 indicates that the new private hospital is funded at only \$5 million, and no completion date is given.

**The Hon. M.H. ARMITAGE:** The way in which the Opposition spokesperson seems to vacillate is fascinating. On the one hand, the Labor Government is totally against the private sector, and yet the thesis of this question is that she is very keen to see the private sector building this hospital. I assure her that in that respect the member for Elizabeth is correct. What we have done at Flinders Medical Centre—on which the previous Labor Government failed to deliver time and again—is provide the opportunities for better care for public patients by using the private sector money to provide infrastructure costs. Indeed, at the Flinders Medical Centre the taxpayer of South Australia is saving \$12.5 million in infrastructure costs which they do not have to provide.

When you are losing \$3.15 billion and watching it go willy-nilly down the drain, I know that \$12.5 million is a mere bagatelle to the ALP, but let me assure members opposite that the taxpayer of South Australia is very keen to see us providing those sorts of infrastructure costs. At Modbury Hospital the same opportunities will be provided and, as the member for Elizabeth knows only too well, it is a matter of 'Watch this space'.

#### RURAL BENEFITS

**Mrs PENFOLD (Flinders):** Will the Minister Assisting for Small Business and Regional Development explain some of the major benefits for regional South Australia in the budget?

**The Hon. R.G. KERIN:** I know that the member for Flinders shares my view that last week's budget contains many positives for rural and regional South Australia.

*An honourable member interjecting:*

**The Hon. R.G. KERIN:** You listen! Next time you go to Port Augusta you might be able to deliver some facts. A range of initiatives in health, education, rural roads, tourism and job development give encouragement to country people that this Government is looking at and responding to their needs. Several people were quoted in the media late last week who, whilst identifying the above, felt that rural South Australia had not received its fair share of the budget's substantial capital works program. I believe it is important to put this matter in context, as I am convinced that this capital works program has delivered very well to regional South Australia.

Whilst considerable money is to be spent in the regions, I also believe that a more lateral view needs to be taken concerning statements made about many of the big ticket items being either in Adelaide or near Adelaide. Let us look at a few of these projects. The \$48 million runway extension at Adelaide Airport delivers exactly what our regional fresh food exporters have been after. I spoke in the House last week of the importance of increasing food exports, and this runway extension is absolutely pivotal to achieving that. Certainly, it is being constructed at West Beach but the majority of the benefits will occur in regional South Australia.

Another major project in metropolitan Adelaide involves the \$20 million allocated to the National Wine Museum. This will be a very important boost for our wine industry, which is a regional industry, creating many jobs in regional South Australia. The location of this facility in Adelaide is logical and fully supported by the wine industry. To put it in any specific region would have disenfranchised the other wine regions. As my rural colleagues here would know, the upgrade of the Royal Adelaide Hospital will also be welcomed by many country people and reflects upgrades that have occurred in many of our regional hospitals in recent times. As the local member in a rural electorate, I have received more complaints about the Royal Adelaide Hospital than about any of our local facilities. This upgrade will benefit all South Australians, after many years of Labor neglect of that facility.

Likewise, the South-Eastern Freeway project will be an enormous bonus for many country people in the Murray Bridge area, the Mallee and the South-East, and I know how beneficial the divided road to Port Wakefield and the passing lanes have been to people in the north and on the Eyre Peninsula. So, it is important to stress that this is not just a city project. This budget provides more than \$38 million funding for road upgrades in regional areas of South Australia and continues the commitment of this Government to upgrade far more regional roads than previous Governments have done. The Berri Bridge funding is also included in the budget, and I am sure that the member for Chaffey is getting quite excited about the opening of that long-awaited facility—and so he should be.

In education, we see country schools participating in the capital works program. This is welcomed and, along with the

last two budgets, we now see a resulting improvement in what was a disgraceful rundown in the condition of our school buildings across the State. Mr Speaker, you will agree that the extra \$2 million for incentives to attract experienced teachers to country areas is much needed and welcome. As this House well knows, one of the biggest worries for many rural communities has been the ability to both attract and retain doctors. The \$6 million package in the budget to provide incentive to doctors to practise in rural South Australia is a very important step in solving what has been a very complex problem, and I congratulate and thank the Minister for Health for what is a wonderful initiative. The \$10 million increase in health funding for country areas is also a massive boost for our regional hospitals.

Major capital works at Mount Gambier, Port Augusta and Port Lincoln and the expansion of health services at Roxby Downs will provide excellent regional facilities. We again see a major commitment to provide clean filtered water, with more than 90 country towns benefiting from a \$110 million program. In addition, this budget provides the regions with significant tourism development—notably, at Wilpena, Hawker, Wirrina and the Barossa. Tourism equals jobs and, in this case, it is jobs in regional South Australia. In the budget, Port Lincoln and Port Pirie benefit from Housing Trust redevelopments, and there is increased money for regional development boards. The Minnipa Research Centre is to be upgraded, and there is much more.

This budget is a good one for regional and rural South Australia. A close analysis of the capital works budget highlights projects which are fundamental to the prosperity of our regional industries and economies. This budget marks an important milestone in the task of getting South Australia's finances back in order, and regional areas will be major beneficiaries of the Government's sound financial management.

#### KENNEDY, Ms A.

**Mr CLARKE (Deputy Leader of the Opposition):** What discussions has the Premier had with the Deputy Premier regarding the views of his new senior adviser, Ms Alex Kennedy, that—and I quote directly from the *City Messenger* of 4 December 1996 and 21 January 1997:

Ingo, the bumbling darling of the wets, has been installed as Deputy and, frankly, he hasn't the toughness of personality nor the dexterity of thought to be the headkicker and manipulator the Deputy's role demands. Ingo hasn't changed and, as a Deputy, Baker would leave him for dead.

The quote continues:

Graham Ingerson was a bumbling non-entity in shadow Cabinet. And further:

Ingerson is now a massive liability to the Government.

With your leave, Sir, and that of the House, I will briefly explain.

**The SPEAKER:** Order! I believe that the honourable member has given a considerable explanation. It needs to be brief or the Chair will have difficulty understanding to whom the member is referring.

**Mr CLARKE:** My explanation is brief, Sir. The Opposition has been informed that Ms Kennedy has been working as a speech writer for the Premier since before those views were expressed.

**The Hon. J.W. OLSEN:** Clearly, on performance she is wrong. I am heartened by some advice that I heard late last week that, when the Leader of the Opposition heard that she

might be doing some work during the campaign, he went white—and well might he do so, Sir.

#### APPRENTICES

**The Hon. H. ALLISON (Gordon):** And he also ran. Will the Minister for Employment, Training and Further Education advise the House what steps the Government has taken to increase the number of apprentices and trainees in South Australia?

**The Hon. D.C. KOTZ:** I certainly thank the member for Gordon for his question and for his great support and involvement in the area of apprenticeships. It is important to understand that in its time in office the Labor Party presided over a decline in apprenticeships which has cost this State dearly in terms of the skills base of the work force and in the area of youth unemployment. The Liberal State Government has been determined to arrest that decline and turn it around, so I am pleased to say that we are indeed succeeding. Figures for the first quarter of the year show that 1 683 young people began apprenticeships, and this is an increase of 100 new positions compared with the same period last year—and this is just the start. In partnership with the Federal Government, the Government has introduced the State's first one-stop shops for apprenticeships and traineeships.

I had the pleasure to launch the South Australian Food and Beverage Industry Apprenticeship and Traineeship Centre at Kent Town last week, while my parliamentary colleague the member for Gordon launched the South-East Apprenticeship and Traineeship Centre at Mount Gambier. These centres bring all Government apprenticeship and traineeship services under one roof and thereby make it extremely easy for employers to recruit young workers and access the very generous wage subsidies that are available. In most cases a single phone call followed up by a single visit from one of the centre's staff is all that is needed to identify suitable new employees, sign all the paperwork and put in place the wage and training subsidies. For employers this represents a truly one-stop shop in taking on new apprentices in the workplace.

The Adelaide based centre is expected to double the number of apprentices and trainees in South Australia's largest manufacturing and training sector—the food and beverage processing industry. This industry currently employs 16 000 people in this State and has a dynamic growth rate which projects to an additional 25 000 jobs being created in the industry in the coming years. These new one-stop shop apprenticeships will make sure that this growth translates to jobs for young South Australians. By December this year it is expected that more than 760 new apprentices and trainees will begin their training in this sector alone. In addition to the \$200 000 that this Government has contributed to the one-stop shop for apprentices, we are providing more than \$1.4 million towards the delivery of apprenticeship training. These funds will largely offset the training costs which would otherwise be borne by employers.

The efforts of both the State and Federal Governments to assist industry in providing employment opportunities for youth do not end there. South Australia expects to get \$20 million of the \$265 million apprenticeship wage subsidy package announced in the Federal budget. This will provide wage subsidies for about 8 000 new apprenticeship positions, and it certainly complements the programs already in place, such as the very successful group training program. Group training has successfully continued to show extreme results, with almost 1 800 apprentices signed up, and this figure is

growing daily. I remind the House that the figures I mention are in addition to the 3 500 apprenticeships that the Government has already put in place since the beginning of our term in Government. By reducing the red tape, removing the paper trail and providing substantial wage subsidies, the Government is making a solid commitment to apprenticeships and providing real skills and real job opportunities for young people. Again I say that this is a matter of this Government doing it and not just talking about it.

#### KENNEDY, Ms A.

**Mr FOLEY (Hart):** Has the Premier's soon to be appointed senior political adviser, Ms Alex Kennedy, informed him of her long held concerns and criticisms regarding the water outsourcing contract and, if so, what action will the Premier take in terms of strict adherence by United Water to the terms and conditions of the contract? Ms Alex Kennedy has written at least five articles in the *Business Review Weekly* and the *City Messenger* strongly criticising the bid process for the water contract and the lack of adherence to provisions for local equity and economic benefits. In one article she stated:

The furore over the Adelaide contract does suggest problems, and brings into question the competence of bureaucrats to handle negotiations of such magnitude and complexity with some of the world's biggest companies. Phrases such as 'lambs to the slaughter' and 'babes in the woods' are being used to explain the Adelaide situation.

**The SPEAKER:** Order! The honourable member is commenting.

**Mr FOLEY:** Ms Kennedy further states:

So far, it [the Government] is fudging its economic development figures.

**The SPEAKER:** Order! The honourable member is out of order; leave is withdrawn. Does the Premier want to respond?

**The Hon. J.W. OLSEN:** Yes, Mr Speaker, I certainly do want to respond to the member for Hart. Through the member for Hart's trumped-up committee, on which he has Labor Party operatives and the Democrats in the Upper House, he has tried to lay a glove on the contract. However, to date he has not laid a blow on the contract itself. Members have talked about the process and when an envelope was received and opened, but not a glove has been laid on the substance of the contract or its outcome.

Only the other day the Deputy Premier clearly enunciated to the House that in the first year there was a requirement of \$9 million worth of exports, and what do we have? In year 1, we have \$24 million worth. That certainly puts the lie to what the member for Hart might say. Instead of standing under signposts pointing to Melbourne encouraging people to leave South Australia, why does he not get off his Mr Miserable, negative, carping, criticising tack and start to talk about the good things in South Australia, about some of the positive decisions that have been made in this State, and about how some individuals and companies are internationally focused, export orientated and creating jobs in this State?

I would have thought that Question Time was an opportunity for the Opposition to look at major policy initiatives required for South Australia for the one fundamentally important policy area in this State—jobs for South Australians in the future. But, what do we see, Question Time after Question Time? Nothing to do with the major policy directions of the Government or South Australia: we see cheap political one-upmanship. I draw to the attention of the

House the fact that the Leader of the Opposition has been absent from Question Time for all but one question.

How often do we see the Leader of the Opposition absent from the Parliament during one of the most important periods of parliamentary proceedings—Question Time? Where is he today? Is he out there trumping up another press release or is he doing something constructive for South Australia, for a change? All I would say to the Opposition is to look in the mirror at its own performance and the fact that it has not put any policies or ideas on the agenda for South Australia. If it wants to be judged as a credible alternative Government, it has a basic and fundamental responsibility: put up some alternatives rather than stunts.

#### PARENTING SA

**Ms GREIG (Reynell):** Will the Minister for Family and Community Services explain how the effectiveness of the Parenting SA program will be enhanced by the Commonwealth's decision today to commit \$240 000 to support the program? Last month an independent evaluation carried out by the University of South Australia praised the effectiveness of Parenting SA in providing parents with practical advice and support.

**The Hon. D.C. WOTTON:** I thank the member for Reynell for the support she continues to provide to programs that give assistance to families in South Australia. We all recognise that, under the previous Labor Government, State debt and job losses almost destroyed families in this State, and there is plenty of evidence to support that statement. I make the point that, in what has been a very successful program, the Labor reaction to Parenting SA came from the member for Elizabeth who referred to the new program as 'absolutely offensive'.

*Mr Atkinson interjecting:*

**The Hon. D.C. WOTTON:** The honourable member who interjects, the member for Spence, is a critic of telling parents how to discipline their children, and that is all he has been able to say in what is now recognised—

*Mr Atkinson interjecting:*

**The SPEAKER:** Order! The member for Spence will come to order.

**The Hon. D.C. WOTTON:**—both in this country and overseas as an excellent program to provide support for families in South Australia. We are very much aware of how families suffered under the previous Labor Government; in contrast, this Government determined that families would have a very high priority, and that is exactly what has happened. First, we established the Office for Families and Children, and one initiative of that office has been the establishment of Parenting SA, which helps parents with their demanding and important role as parents. Practical and commonsense parenting tips are available to parents in three ways—

*Members interjecting:*

**The Hon. D.C. WOTTON:** It is great to hear the Opposition objecting in this way, because I would suggest that the vast majority of people in this State strongly support what Parenting SA is about. The Opposition's knocking will do it no good whatsoever. That support has been spelt out very clearly because over one million Parent Easy Guides, emanating from 100 locations throughout South Australia, are now in circulation. We have a free telephone system, and over 2 000 people per week are calling the 24-hour parent

help line, and by Internet some 2 000 users per month are visiting the parenting web site.

In addition, Parenting SA has provided \$90 000 to 154 community groups to offer creative and innovative programs to support parents and families. As the member for Reynell said earlier, I was delighted with the independent evaluation we received through the University of South Australia, which praised Parenting SA and which indicated that 88 per cent of parents who had seen the information sheets thought that the content was excellent, which is in stark contrast to that which the member for Spence is trying say. I am delighted that the Federal Government has found fit to allocate an extra \$240 000 funding for this excellent program to provide support and appreciation to families in this State.

This Government has provided an extra \$500 000 in the 1997-98 State budget, and the extra \$240 000 from the Commonwealth will assist that program. I am delighted that part of that \$240 000 will provide a service to enable people, when requested, to visit homes to assist parents. We will be trialing such a service in the southern areas of the metropolitan area. I am delighted that that is happening and, after 12 months, we will look closely at the effectiveness of that program. This Government is giving strong support to all of South Australia's 404 000 families, in contrast to Labor's demoralising anti-family and anti-jobs record.

#### CHILD CARE

**Mr De LAINE (Price):** Will the Minister for Employment, Training and Further Education, representing the Minister for Education and Children's Services in another place, intervene to prevent the closure of the child care centre called the Children's House at The Parks Community Centre, and will the Minister investigate ways to ensure that the facility remains open for The Parks community? This centre provides child care facilities for up to 64 children each week and has been operating since 1979 when it was funded by the State Government. In 1990, the facility was classified as a community-based centre and, since that time, has been funded by the Federal Government. It has been announced that the Children's House will close on Friday 6 June as a result of funding cuts by the Howard Liberal Government.

**The Hon. D.C. KOTZ:** I certainly agree that from time to time circumstances arise that need to be looked into. I know that, over the years, The Parks has provided extremely important services to that area. The honourable member is aware that this is not an area of my responsibility, but I am quite happy to take the question on notice and bring back a reply from the appropriate Minister.

#### PREPARED TO WIN PROGRAM

**Mr CAUDELL (Mitchell):** Will the Minister for Recreation and Sport inform the House of expected economic benefits arising from international teams visiting Adelaide as a training and acclimatisation venue in the lead-up to the Sydney 2000 Olympic Games and the Paralympic Games as part of the Prepared to Win program?

**The Hon. E.S. ASHENDEN:** I thank the member for Mitchell for the question, as the honourable member has shown a considerable interest in this area since his election to this Parliament. I need to provide members with a little background: it is estimated that the total value to Australia from the Olympic Games will be in excess of \$7 000 million, of which one-third (\$2.8 million) is expected to flow on to

States other than New South Wales. Austrade and the Australian Sports Commission have also estimated that the economic impact of pre-games training and acclimatisation to Australia is worth about \$200 million. South Australia expects to receive about \$20 million of that amount. To achieve this, we have set up a strategy called Prepared to Win, which is designed to attract Olympic and Paralympic teams and athletes to South Australia, both now and in the lead-up to the games. This strategy is something which—

*An honourable member interjecting:*

**The Hon. E.S. ASHENDEN:** I know from their interjections that Opposition members do not like to hear this. Once again it is a good news story for South Australia, and one would think that the Opposition would be pleased that the Government is taking steps to attract international athletes to South Australia not only, as I said, in this period now but in the important lead-up period to the Olympic Games. We have also put the Prepared to Win program on the Internet to ensure that we provide the maximum advice to all teams and individuals who could be encouraged to come to South Australia.

We have also set up another key strategy in promoting South Australia which involves the use of personal contacts or ambassadors. We have engaged some of South Australia's leading athletes to sell the benefits of training in South Australia. I know the Opposition does not like this one bit, but if I talk about some of the training programs we have already been able to attract to South Australia it might then realise just how successful the Government has been. With respect to basketball, we have attracted the Latvian, Croatian, Russian and Brazilian teams; in cycling, we have attracted the Latvian, New Zealand, Italian, American, German and Indonesian teams; in hockey, we have attracted the Pakistani team; in volleyball, we have attracted the Indonesian team; and, in swimming, we have attracted the Swedish and Japanese teams.

Those athletes will be using the facilities this Government has provided. I also point out that a very high profile group from the United States has visited South Australia to analyse what we have to offer. They have indicated that, when the athletics stadium is up and functioning, we will have a facility not only second to none in Australia but probably not second to any other facility in the world. They have already indicated that they will utilise that facility. I can assure members that the program that this Government has undertaken will bring a lot of teams to South Australia and, of course, a lot of economic benefit to this State.

#### KENNEDY, Ms A.

**Mr CLARKE (Deputy Leader of the Opposition):** Is the Premier allowing his new senior adviser, Ms Alex Kennedy, to continue to fight against the member for Unley's electioneering methods? Last year Ms Alex Kennedy was quoted in the *City Messenger* as saying:

... and I don't hide that as the then Liberal Leader's media adviser I fought hard against Brindal's methods, which included letters to constituents, which I found abhorrent.

Further, she said:

There is also an argument that, as the Unley MP, Brindal was less than proficient.

**The Hon. J.W. OLSEN:** Let me correct some things in terms of the title that you're giving. Let me also go on to say—

*An honourable member interjecting:*

**The Hon. J.W. OLSEN:** I can say plenty. The fact that this matter has today brought about three questions from the Opposition must mean that there is some concern about the involvement in this campaign. Why would you take such a close interest? Ordinarily, there is an unwritten rule in the Parliament that staff who cannot defend themselves in the Parliament—

*Mr Clarke interjecting:*

**The Hon. J.W. OLSEN:** Yes, you know there is.

*An honourable member interjecting:*

**The Hon. J.W. OLSEN:** You know that that is the unwritten rule. Staff—

*An honourable member interjecting:*

**The Hon. J.W. OLSEN:** By the way, she is not on staff. You know that, because staff of Ministers or members do not have the capacity as we do to talk in this Parliament, they are generally not referred to in parliamentary proceedings. But she is big enough and, certainly, I am, for you to ask these three questions today. But the fact that you have broken that rule and that you have focused on her possible involvement while she takes some leave from *BRW* to help with the construction of the campaign must mean that you are concerned. My advice—and the Leader of the Opposition turned white when he heard the news—must be accurate; in fact, it came from a very senior member of the Labor Party.

*Members interjecting:*

**The Hon. J.W. OLSEN:** It was sort of a leak; it came around a circuit. So, full circle on the leaks, so-called. But the Leader of the Opposition turned the Royal Adelaide Hospital press conference into a full scale assault last Friday. Some sections of the media were somewhat amused at the Leader of the Opposition's having climbed out of his tree and reacting in such a way that someone would be assisting in the construction of our campaign. Mind you, the fact that Randall Ashbourne is doing the Leader of the Opposition's 28 day campaign period is not something to which I have referred in the Chamber before, but you are entitled to have whomever you want to draw together the thrust of your campaign. He did a good job for Henry, so I wish you all the best in terms of the construction of the campaign. We will look at all this the day after the election. It does not matter how many questions you ask; I know who will be smiling most after the election.

### HOSPITAL SERVICES

**Mr ROSSI (Lee):** Will the Minister for Health inform the House of the expected impact of the 1997-98 budget on hospital services?

**The Hon. M.H. ARMITAGE:** I thank the member for Lee for his very important question, because this health budget provides for an increase of \$45.5 million and represents a real increase of 6 per cent over the last Labor budget before the Labor Government was so unceremoniously dumped by South Australia's taxpayers. The State's public hospitals have performed particularly well over the last few years in that they have reduced costs, they are now recognised as the nation's most efficient and they have delivered more services. It is very important that we all acknowledge that hospitals are now providing, in relation to the most recent year, 306 732 admissions compared with 275 000 when Labor was last in power. That is an increase of 31 000 admissions every year. Attendances at accident and emergency and outpatients have increased by 149 000. At the same time, there has been nearly a 45 per cent decrease in the

number of people waiting 12 months or more for elective surgery. I would have thought that that was pretty positive.

Recently, I was fascinated at a forum I attended which was organised by the Public Service Association and at which the member for Elizabeth spoke in relation to the increased number of services. Once I had quoted the fact that there were 31 000 extra admissions every year and 150 000 increased attendances as an outpatient or accident emergency, the member for Elizabeth said:

I would argue that simply the delivery of more services was not a positive outcome as such.

When referring to the Labor Party in government, the member for Elizabeth said:

We are not interested in doing more things. . .

I honestly ask whether it is any wonder that, under the previous Labor Government, which operated for 11 years in a policy vacuum with absolutely no plan for the future of South Australian health care, waiting lists, costs and the drain on the taxpayer went up. One could almost say that it is an abrogation of the duty of a shadow Minister for Health, but it is extraordinary that someone with a potential position of responsibility would say, and I requote:

I would argue that simply the delivery of more services was not a positive outcome as such. We are not interested in doing more things. . .

I look forward to that forming part of the Labor Party's plank for the next election, because every single South Australian will reject that out of hand.

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### SPEAKER, PRIVILEGE

**Mr ATKINSON (Spence):** Mr Speaker, I draw your attention and that of the House to an article on page 4 of today's *Adelaide Review* which I believe is potentially a breach of privilege. The article is written by Mr Chris Kenny, and the relevant three paragraphs are as follows:

For more than three years now the House has been chaired by Graham Gunn. Badly. He dresses for the part in funeral-director grey, braces and the ceremonial gown. He's even brought back the wig. God knows why. But the standard of debate has slipped. Rulings are hard to follow, interjections often run out of control and Labor is completely justified when complaining about its treatment.

Good Speakers can set the tone for all the debate that happens around them. Harold Allison has shown that when he's stepped in as Acting Speaker. The right touch of humour and firmness can maintain the dignity while allowing for lively debate. Gunn hasn't been able to do it. He suspended Deputy Opposition Leader Ralph Clarke for comments made outside the House. Then he was forced to suspend Liberal MP Peter Lewis for a similar transgression in a sideshow that again highlighted Liberal disunity. He has seemingly lost his temper when naming and suspending Clarke and Kevin Foley for minor indiscretions. But he has allowed Government MPs great latitude.

According to Erskine May, reflections upon the character or actions of the Speaker may be punishable as a breach of privilege. Mr Speaker, you have quoted that passage, as you have also quoted House of Representatives practice when it says that traditionally a reflection on the character or action of the Speaker inside or outside has been punishable as a breach of privilege. Sir, you suspended the member for Ross Smith for statements attacking you as Speaker outside the House on 16 November 1995 and you suspended the member for Ridley on 27 May 1997.

**The SPEAKER:** Order! The honourable member is now going far beyond a matter of privilege: he is debating the



issue. Does the honourable member have a matter of privilege to raise and, if he does, will he come to it immediately?

**Mr ATKINSON:** Yes, Sir, I regard the Kenny article as a breach of privilege in line with your previous rulings and I ask you to consider the matter.

**The SPEAKER:** The Chair will give the matter consideration and report to the House at a later stage.

### GRIEVANCE DEBATE

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

**Mr FOLEY (Hart):** I wish to briefly put a couple of matters on the record today. One involves a decision by which I was stunned regarding the new Adelaide City Council providing a \$1.2 million rate exemption for the EDS office on North Terrace. I am glad that the Minister for Information and Contract Services is present. How much money, rent relief and subsidy do we have to give to EDS, and Hansen Yuncken, to get this building built on North Terrace? To the Adelaide City Council I say, 'Better spend your scarce dollars on providing essential services to the CBD of Adelaide and your ratepayers in Adelaide and not provide a \$1.2 million tax holiday to EDS, which is already receiving subsidised rent for the EDS building and a nine year contract courtesy of this Government.' At the end of the day, how much do we have to give to multinationals such as EDS when they come to town and, particularly, how much taxpayer revenue must be forgone over the Playford Hotel, EDS office block construction on North Terrace?

We know that the Deputy Premier in his capacity as the former Tourism Minister signed off \$750 000 for infrastructure support for that project, having told the Parliament that the EDS building and the Playford Hotel were two separate projects, that there was no interlinking. Then we have Premier Olsen's statement to the House that the one cannot go without the other. I say to the Deputy Premier: he got it wrong then, he is getting it wrong now and he will continue to get it wrong, because this Government will not face up to the fact that, courtesy of the former Premier (now Minister), the current Deputy Premier and the Cabinet, we are having built on North Terrace an 11-storey taxpayer funded disgrace. This is occurring at a time when we are debating a Bill to sell the Casino, to restructure the ASER development, and the Government has been quick to point out the financial cost of that project to the taxpayer.

This incompetent Government—a Government which has not learnt lessons from the past, one which prides itself on its business acumen but always falls well short of any decent benchmark when it comes to business acumen—has signed a lease for 15 years for a building in which EDS will occupy less than 50 per cent and for 50 per cent of the time. We will have to fill the building with Government agencies and other companies somehow to portray the building as being fully let and a reasonable business decision by the Government. I simply apply the criteria to this Government that it is so quick to apply to the former Labor Government and the current Labor Opposition: it should not enter into business deals that have the potential to cost taxpayers millions of dollars if they go wrong, if they sour.

On that score, I say to the former Premier, the current Deputy Premier, the current Premier and the whole Cabinet, 'You have failed on that score. You have wilfully and quite recklessly exposed this State to a liability that on the most

conservative of estimates will cost the taxpayer upwards of \$40 million over the course and the life of this lease' and, for good measure, the Adelaide City Council has chucked in \$1.2 million as if we had not blown enough taxpayer money. I look forward to the Deputy Premier's explaining how in one month in this House he has the audacity to say that the \$750 000 provided in infrastructure money to the Playford Hotel had nothing to do with the EDS building because they were two separate buildings when, some months later, the now Premier has to admit that one goes hand in hand with the other, that we will not have a building without the hotel and that we will not have the hotel without the building.

They are both being developed by Hansen Yuncken under a deal, which, as I have said before, raises many questions about due process, a deal which I believe Hansen Yuncken should not have received in a situation that involved no competitive tendering and where expressions of interest were not sought from other developers. Hansen Yuncken has held this Government to ransom because it knew that the Government wanted out of this deal and it could not because Hansen Yuncken threatened to sue the Government.

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

**The Hon. DEAN BROWN (Minister for Industrial Affairs):** A couple of years ago at an Olympic Games function I talked about the great unifying power of sport. This morning I was again reminded of how sport is unique in the way in which it can bring communities together when I took part in a very small, private ceremony at the Women's and Children's Hospital. I was privileged to unveil a plaque in memory of two young boys who died of cancer. The plaque was on the wall of the Nicholas Berry and the Nathan Maclean wing of Ronald McDonald House. The \$250 000 refurbishment of this wing was made possible by the efforts of two great South Australian sportsmen, Tony McGuinness and Chris McDermott, who inspired the South Australian community to contribute to the project and who ensured that the parents and families were given special consideration in the facilities provided.

One such special room is a retreat for parents of those children who have been diagnosed as having cancer and another is the library where parents can read the latest books about the diseases and the treatment that their children are about to receive. I pay tribute today to the memory of Nicholas Berry and Nathan Maclean whose lives and courage inspired Tony McGuinness and Chris McDermott and the community spirit of Tony, Chris and their supporters. I pay tribute to all South Australian business people, wholesalers and retailers, who supported the McGuinness McDermott Foundation. I pay tribute to all South Australians who generously donated money to this project.

Most South Australians are familiar with the story of how a very special bond grew between Tony and Nick and Chris and Nathan. As Tony McGuinness said, it could have ended with the deaths of the two boys. They could have gone on with their lives, grateful for the friendship and experience they had had with them. Instead they decided to establish a meaningful memorial to the lives of Nick and Nathan and to the courage of all young cancer sufferers in South Australia. The first project of the McGuinness McDermott Foundation was opened today and I was very pleased to be able to donate, on behalf of the South Australian Government, two lap top computers with CD-ROMs.

The second project was also announced today. The foundation is committed to jointly fund the refurbishment of the Brookman ward, providing an upgraded facility for young cancer sufferers and their families at a cost of about \$400 000. As Tony and Chris say, they intend to continue helping families who are facing the difficulty and stress of having their children diagnosed with cancer in the hope that they can make a difference to their lives. Well, Tony and Chris, I place on the record of this Parliament that you did make a difference and you continue to make a difference. You are inspiring South Australians, and I know you will continue to inspire other South Australians with the work of your foundation.

Finally, I pay tribute to the community spirit of South Australians, because every now and again the impact and the strength of that spirit really hits you, as it hit me today. Creating a better future for this State depends on the involvement of our community, because that is where South Australia's true strength and the strength of its future lies. If you look at this project alone, if you add up all the hours and the hard work of Tony, Chris and their friends, you have a clear statement of that commitment by the community to South Australia. If you add the contribution of South Australian wholesalers and retailers who volunteered their time, their goods and their services and, finally, if you add the generous financial support of the people of South Australia, this indeed is a very rich State with a very strong future.

**Mr LEWIS (Ridley):** There are times when I wonder just exactly where the dingoes are in South Australia. Alternatively, perhaps I should ask what are the grounds for any public administration in a Government instrumentality attacking a family whom they know has had an average income over recent times, indeed over the last eight years, of the order of \$3 000. That husband and wife have developed a farm in the area that I have the responsibility to represent which is neighbouring the Ngarkat Conservation Park. I do not know that it is fair to name him; however, he has been willing to go on the public record before. His name is Jim Foale.

He was one of the people pursued in court by the Dog Fence Board for the levy. That is the outfit that is charged with the responsibility, and generally in this regard does a good job, of looking after the dog fence. Until the recent flooding which damaged the fence, it had accumulated funds of \$500 000 or more, which were at its disposal to go on doing its work. It has been pursuing a number of people for non payment of the levy who, through no fault of their own but out of necessity, have more than 2 500 acres of land to make anything like a reasonable living, given the fertility of the soil and the rainfall. That 2 500 acres is just over 1 000 hectares, and the Act states that people who own more than 1 000 hectares of land have to pay a levy to the board.

That is the stupidity of the law, but the stupidity of the board goes even further, behaving like dingoes as they do, as do the solicitors that act for them, Barratt Lindquist. Mr Peter Britten-Jones failed to tell the board of an action that he took to recover the unpaid levies from the Foale family, so the board was not present in the Small Claims Court to represent its case to the magistrate. The board's claim, which was brought by Barratt Lindquist on its behalf, was thrown out and judgment was given against it because it failed to appear.

Mr Peter Britten-Jones decided to appeal to have the matter reinstated. I explained to him that the Foales were in very necessitous circumstances, that they had lived in poverty for years and had always paid every bill they incurred and

never sought to incur a bill they could not, and had travelled to Adelaide on more than one occasion in the process of what is supposed to be justice to put their case before the court when called upon to do so. An attempt was made to conciliate the matter before it was set down for trial.

The board's solicitors failed to tell the board, the board did not appear and it lost the case, which was thrown out; so the solicitors, wanting to collect their fee—blood money, I would say—decided to appeal to have it reinstated and the matter had to be heard. Mr Foale wonders where justice comes from in this world because he found himself back in court wondering what had happened to the previous judgment and not understanding what was happening to him. I could not be with him at the time the matter was called on because I had to be at a Public Works Committee meeting, and he was bluffed by Mr Britten-Jones into believing that he had to make an agreement to pay. Mr Britten-Jones had no right to be in the Small Claims Court to negotiate anything. That has to be between the two parties, and he bluffed Mr Foale into agreeing to that, and I think that is wicked.

More particularly, I also think the action of the board was wicked to withhold the bill from Mr Albert Walker for the rates on the dog fence of the most recent year, dated 21 January, until after his court case and to issue it on 22 April. The magistrate in that case ordered that, accordingly, the plaintiff be restrained from prosecuting for recovery of the moneys until further order of the court—in other words, do not go after him for what he has not got. Mr Walker is a pensioner who owns over 2 500 acres of scrub and infertile sand in the same area that he cannot sell or do anything else with. Mr Walker now has another bill that he will have to go to court to defend.

It is wicked and very unjust for the board to take this action and require these people who live on less than the dole, to be prosecuted to pay what I consider to be an iniquitous tax.

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

**Mrs GERAGHTY (Torrens):** I recently received a complaint from one of my constituents who had two expiation notices forwarded to her relating to speeding offences which occurred some time after the date she sold her vehicle. My constituent sold her vehicle on 17 March 1997 and received the first expiation notice on 15 May 1997 for an offence which occurred on 26 April 1997. Another notice was received on 20 May for another speeding offence recorded on 4 May.

After receiving the first expiation notice, she diligently completed the administrative details on the rear of the documentation, which was witnessed by a justice of the peace. My constituent found it very frustrating and annoying to receive the second expiation notice after she had made the effort to complete the appropriate paperwork and comply with the necessary regulations.

The police and the Department of Transport were contacted and asked about simply inserting on their computer database a code which would enable the police and the Department of Transport to identify that a driver had transferred ownership of a vehicle in case the new owner had failed to complete the required administrative transfer data. Their response was remarkable. Apparently I must have posed a very difficult question.

The Department of Transport spokesman said it was too difficult to do this, although he acknowledged that a problem

exists in this area which is being addressed but which will take some time to fix. I was then referred to the police, who the Department of Transport spokesman said have their own records and who would be able to assist my constituent. A police constable explained that, while it is true that the police have their own database, they do not have computer access to make data entries, which apparently only the Department of Transport can make. The police assured me that they could not prevent my constituent from receiving further expiation notices if the vehicle was still registered in her name.

After going around in circles between these two Government authorities, one can excuse members of the general public for getting very irate when faced with this type of bureaucracy. One can also appreciate the frustration of the police when persons are referred to them with this type of problem, given that the police know that the very Government department which refers the problem is the only department that can fix the matter concerned.

Surely in this day and age of computer technology it should be possible to administratively insert a code into the Department of Transport's computer data system so that we can identify motor vehicle ownership transfers and so that expiation notices are not wrongfully sent to previous owners, even if the new owner fails to complete the necessary administrative details. Receiving expiation notices is annoying and very frustrating when one is wrongly identified.

It also means that time and money are lost for those people when they attempt to rectify the problem by taking timing off work. As my constituent said to me, so much for our state of the art computer technology. I suggest that the Minister hurry the department along so that it can rectify problems such as this. In addition, if people who committed the offences had received the first notice, perhaps they would not have committed the second offence.

**The Hon. FRANK BLEVINS (Giles):** I want to speak about the closure of two schools in my electorate—the McRitchie Crescent and Iron Knob Primary Schools. I was disappointed to read in the newspaper that these schools were to close. Little notice was given by the Minister for Education that he was going to take that action. I was particularly disappointed as a committee that had been examining the provision of schools in Whyalla and the necessity for the number of schools we have had made a recommendation that no schools should close. It was disappointing that the Minister took the decision to close the schools. I would like the Minister to reverse that decision, for good reasons. If the Minister is not prepared to do that, I hope he will take into consideration a few points.

I would like adequate and suitable resources and facilities to be provided to the schools that receive the children from Iron Knob, and experience has taught us that this may not be the case. Additional administrative resources should be made available to the Iron Knob Primary School to enable it to plan and undertake the transition process properly. It is important to have a union representative included in the committee that is formed to manage the transition process and to allow satisfactory arrangements to be made for displaced staff, because that will also happen if this decision is carried out and is not changed. I also make a plea for suitable air-conditioned transport for the Iron Knob students and for flexibility to be given to parents regarding their choice of schools, a matter which involves a decision that should not depend on where the bus route terminates. That is reasonable, for just as children in the metropolitan area have a choice of

schools, Iron Knob students going into Whyalla ought to be able to choose the school to which they will be relocated. This is not only my plea but a plea from the Whyalla City Council and pretty well everybody else in the community. If the Iron Knob Primary School closes, then let us do it in a sensible way.

The McRitchie Crescent Primary School has also been earmarked for closing. This school has a tremendous reputation in Whyalla for the care it takes of its students and, generally speaking, its students are from a disadvantaged and poor area of Whyalla. I recognise the problem of declining student numbers which has existed for a long time: numbers are now pretty low, but the special needs of students from this school need attention. So far, the Minister has said, 'It's up to the receiving schools to sort that out', but the community deserves better than that. According to the Minister, the school apparently has to close. If the school comprising students with a special need is being closed and those students have to be relocated, the Government has an obligation to ensure that they are taken care of, that their education is not interrupted and that they are given the special attention they need at the receiving school.

I am disappointed at the manner in which this decision was announced, given that it was taken after the committee established specifically to look at this matter suggested that there be no school closures. My plea is for the Minister to take an interest in these two schools and to ensure that the children are not disadvantaged by the closure of their schools. It can be done with a little care and thought by the Minister. I ask the Minister not to leave it to the receiving schools to deal with all the problems that will be created.

**Mr ROSSI (Lee):** I wish to talk about the member for Spence's interference in local government issues at the last council elections. I was quite upset that a Mr Wasylenko came to my office on a Saturday at 11 o'clock in the morning to ask whether he could use my photocopying machine for community purposes. I remind the House that I allow people from Neighbourhood Watch and other voluntary organisations to use my photocopying machine for minutes of meetings, and so on, as a community service. Mr Wasylenko took 20 copies from my photocopying machine with my permission. When I looked at the pamphlet, I saw that it was a pamphlet regarding his wife, Barbara Wasylenko, who was running as a candidate for the council elections.

Other material that I was given by electors states that Barbara Wasylenko printed that material. I then received a letter from Chris Taylor, whose wife, Jenny Taylor, apparently printed the material in question. This happened also with Kevin Hamilton, whose material was printed by him, while Lyle Gilligan also printed his own material. However, I am not quite sure about John Dyer, the Mayor of the council, because one side of the material was printed by Lyle Gilligan while the other side was printed by Ann Dyer. The same thing happened in the case of Joe Ienco, who was also a candidate for the last Charles Sturt council elections.

The matter concerning me was whether all these candidates for council had photocopying machines worth \$4 000 or more. I have some doubts about that. What beats all this, though, was that the member for Spence, Mr Michael Atkinson, under his own letterhead, directly mailed to people in Woodville North the following letter which read, in part:

I write about the postal ballot starting on Monday, 14 April, to elect two councillors to represent the Hindmarsh-Beverley Ward on the Council of the City of Charles Sturt. Although the ALP does not

endorse candidates for local government elections, an ALP member is among the four candidates. She is Lee-Anne Odgers, the long-serving Secretary of our Spence ALP sub-branch.

The letter continues:

I appreciate that Party affiliations is not the only matter to consider in council elections. Indeed, I do not expect Lee-Anne will agree with other ALP councillors on all the issues before council, nor do I expect her to be part of a caucus on council.

At the bottom of the page, the letter states:

PS In the ballot for Mayor, you should be aware that Carlo Meschino is a Liberal Party activist who is a strong personal supporter of Liberal MP Joe Rossi.

It indicates that people should vote for a Labor candidate and not anybody else. Apparently, all those candidates who stood as independents and were not aligned to any political Party at the last council elections got rolled. The Labor Party got nearly 15 of the 16 members elected on the council. What is more interesting and upsetting is that Carlo Meschino has never been a Liberal Party member, has never helped me in polling booths, letter-boxing or giving advice and, either as a friend or a constituent, has never given me any money with regard to campaigning of any description, or as a political Party payment, in the electorate of Lee. He comes to my office from time to time on constituent matters regarding his position as an alderman and as a constituent elector, but never as a political activist in the Liberal Party.

#### FRIENDLY SOCIETIES (SOUTH AUSTRALIA) BILL

Received from the Legislative Council with a message drawing the attention of the House of Assembly to clause 11, printed in erased type, which clause, being a money clause, cannot originate in the Legislative Council but which is deemed necessary to the Bill. Read a first time.

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

*That this Bill be now read a second time.*

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

Leave granted.

The purpose of this Bill is to apply the *Friendly Societies Code*, which has been passed by the Victorian Parliament, as a law of South Australia. This will replace the *Friendly Societies Act 1919* which is repealed by the Bill. Savings and transitional provisions consequent on the enactment of the Act are to be made by regulations.

The crisis in non-bank financial institutions in the early 1990s, particularly in Victoria, highlighted the need for more stringent and uniform prudential standards governing the operations of building societies, credit unions and friendly societies throughout Australia. This led to the establishment in 1992 of the Financial Institutions Scheme for building societies and credit unions.

The *Friendly Societies Code* (under the Victorian Act) is the product of negotiations among the States and Territories and, to some extent, the Commonwealth. It follows the resolution of the Ministerial Council for Financial Institutions in May 1994 which adopted recommendations of the Special Premiers Working Group on non-bank financial institutions.

Under the Friendly Societies Scheme, the Financial Institutions Agreement between the States and the Territories will be extended in respect of legislation for friendly societies. The Scheme provides for both uniform prudential supervision and uniform legislation.

It is based on the Financial Institutions Scheme and has the following elements:

- The State Supervisory Authorities which currently supervise building societies and credit unions are to administer the uniform *Friendly Societies Code*, and supervise and enforce compliance by friendly societies in their jurisdiction with uniform prudential and disclosure standards designed to protect the interests of members. The South Australian Supervisor is the South Australian Office of Financial Supervision.
- The Australian Financial Institutions Commission will have its role expanded to promulgate the prudential and other standards for friendly societies and to co-ordinate uniformity among the

Supervisors. The uniform prudential standards are to be set by AFIC after consultation with the industry. The primary focus of the standards will be directed towards the financial activities of societies and will have little, if any, application for a fraternal society.

- The ongoing costs of supervision are to be borne by industry on a "user pays" basis.
- The Ministerial Council for Financial Institutions approves of legislation and exercises general oversight over the Australian Financial Institutions Commission.

The uniform *Friendly Societies Code* proposed to be adopted by South Australia provides for the governance and regulation of friendly societies, and functions and powers of the State Supervisor. These are similar to the provisions of the *Financial Institutions Code* for building societies and credit unions. However, because of the issues unique to friendly societies (in particular, the need for special provisions relating to benefit funds and the responsibilities of actuaries of friendly societies), it was decided that discrete legislation be prepared rather than amend the *Financial Institutions Code* to integrate friendly societies.

The key elements of the Code are as follows:

- The *Friendly Societies Code* provides that the dominant activities of a new society must be within the scope of listed primary objects. These include the provision of financial and investment benefits relating to annuities, life insurance and superannuation, health and welfare, and death, sickness and accident benefits, and also provision of pharmaceutical services.
- Transitional regulations are proposed to allow an existing society, the activities of which do not comply with the primary objects requirements, to continue those activities. However, where that society purports to expand its activities beyond the scope of the saved activities, it must comply with the primary objects requirements.
- The Code regulates the establishment and management of benefit funds. These funds are the core activities of friendly societies, and the assets of each benefit fund must be kept distinct and separate from any other assets of the society. Benefit funds are established for purposes such as funds management and life and health insurance.
- Under the Bill, friendly societies will need to lodge a disclosure document, which is similar to a prospectus, with the State Supervisor in respect of any benefits offered. The Supervisor will be able to issue a "stop order", if for example there is substantial non-compliance or misleading statements, or complaints are received etc. These fundraising provisions reflect the proposals accepted by the Commonwealth in respect of interface of the *Friendly Societies Code* with the Corporations Law.
- Under the proposed legislation, only a society (or its authorised representative), or a licensed dealer or licensed adviser under the Corporations Law, may deal or advise in respect of friendly society benefits. An effect is that a friendly society will be responsible for its representatives that deal in the society's financial benefits. This will cover the present regulatory gap in the Corporations Law where dealing or advising in securities does not include securities where there is a life insurance element. The Commonwealth has advised that it does not presently wish to roll forward the operation of the Corporations Law in this area, although this may be reviewed following the outcome of the Wallis Inquiry into the Australian Financial system.
- The Code will allow a society to issue permanent share capital, if that is what the membership agree to, for example, for the purposes of funding growth and meeting capital requirements in competition with other financial institutions. A society may only be demutualised in accordance with the standards which will require extensive disclosure to members particularly in respect of existing members rights to reserves. The enabling provisions are the same as those in the *Financial Institutions Code*.
- The management provisions, which relate to duties of directors and officers, meetings of members, and accounts and audit requirements, are similar to those applying to building societies and credit unions and are similar to Corporations Law standards. In addition to audited accounts of a society, audited accounts of each benefit fund of the society must also be prepared.
- A member of a benefit fund has 1 vote, and a member of a society has 1 vote, on respective questions which may arise. Transitional regulations are intended to allow societies that do not conduct 'financial' business, that is, fraternal and pharmaceutical societies, to preserve collegiate or other voting systems.

A permanent shareholding member may have up to 1 vote for each share held, if the rules of the society so provide.

- A society must have an appointed actuary unless exempted by the State Supervisor. The duties of the actuary include reporting to directors on proposed distributions of surpluses of benefit funds and providing financial condition reports to the Supervisor. Generally, the actuary provisions in the Code have been based on provisions of the *Life Insurance Act* for the purpose of consistency of regulation.
- The Code allows for mergers and transfers of engagements between societies, and conversions to companies similar to provisions of the *Financial Institutions Code*. Conversions to incorporated associations are also included to enable the voluntary migration of, for example, fraternal friendly societies which operate like social clubs and have no benefit funds.
- External administration provisions are similar to those in the *Financial Institutions Code*, except that special attention is given to the winding up of assets of benefit funds so that the surplus assets of benefit funds are only available to meet the respective liabilities of the benefit funds.
- The legislation facilitates interstate trading by societies and protects State interests by providing for a system of foreign society registration by the host State Supervisor. A precondition to registration is that the home Supervisor must certify that it considers there is no good reason why the society should not be registered. Transitional provisions provide that a society that is already carrying on business in another State and that applies for foreign registration in 6 months will be deemed to be registered unless the Supervisor refuses the application to register. Refusal could apply in situations where the society is discovered to be prudentially unsound and unlikely to survive the proposed new supervisory regime. Prescribed provisions of the Code may be applied to a foreign society as if the foreign society were a local society.
- The penalties under the *Friendly Societies Code* are based on those in the *Financial Institutions Code*.

For the information of Parliament, a copy of the *Friendly Societies Code*, as enacted by the Victorian Parliament, is tabled.

However, Honourable Members should note that the initial legislation passed by Victoria last year has already been amended this year prior to the legislation coming into operation. The amendments are primarily of a technical or drafting nature and also mirror amendments currently proposed to corresponding *Financial Institutions Code* provisions. These amendments form part of the initial legislation to be adopted by South Australia.

Members will note that this legislation reflects the template model for enactment of uniform legislation. The South Australian Government is always cautious about this sort of approach because of the extent to which Parliament ceases to have a role in legislative change once the initial legislation is enacted by the South Australian Parliament. Because of this caution, the Government considered alternative models, namely, consistent legislation or a hybrid involving the template model being used for the initial enactment with all amendments to be in the form of consistent legislation. However, taking all the considerations into account, the Government has favoured a template approach in this case.

Savings and transitional provisions are needed in a number of matters. Some have already been mentioned. Others are of a nature to permit societies a period of time to comply with the new requirements, such as the lodgment of disclosure documents and accounts and audit provisions, and also to wind down any deposit taking activities. In addition, the provisions are necessary in order to deem what funds of a society are to constitute a financial benefit fund or non-financial fund of a society.

The Bill provides for these matters to be provided for by regulation. It would, of course, have been preferable for these provisions to be detailed in this Bill. However, given the current status of friendly societies scheme legislation nationally and the proposed 1 July 1997 commencement, there are difficulties with that approach. The detail of the savings and transitional provisions are of special interest to the industry which will be fully consulted.

Friendly Societies have a significant and important position in the South Australian market as providers of financial products. Funds under management in South Australia are in the order of \$700 million.

The South Australian Government is supportive of the objective of maintaining a strong and viable friendly society industry in South Australia which is, for many South Australian households, a preferred alternative to the insurance sector. The proposals contained

in the Bill have been discussed with the friendly society industry which is supportive of the Bill.

I commend the Bill to the House.

#### Explanation of Bills PART 1—PRELIMINARY

- Clause 1: Short title*
- Clause 2: Commencement*
- Clause 3: Interpretation*

This clause contains definitions for the purposes of the Act. The package of new uniform legislation relating to friendly societies is defined as the friendly societies legislation of South Australia and comprises this Bill and regulations made under it, the *Friendly Societies (South Australia) Code* and the *Friendly Societies (South Australia) Regulations* and the uniform legislation relating to financial institutions as it applies to the uniform friendly societies code and regulations.

The clause also provides that definitions in the *Friendly Societies (South Australia) Code* apply for the purposes of the Bill and regulations made under it.

#### *Clause 4: References to Victorian Acts*

This clause provides that any reference to an Act of Victoria is to be taken to encompass amendments or substitutions.

#### PART 2—FRIENDLY SOCIETIES (SOUTH AUSTRALIA) CODE AND FRIENDLY SOCIETIES (SOUTH AUSTRALIA) REGULATIONS

#### *Clause 5: Application in South Australia of Friendly Societies Code*

This clause applies the *Friendly Societies Code* (set out in Schedule 1 of the *Friendly Societies (Victoria) Act* as a law of South Australia) to be known as the *Friendly Societies (South Australia) Code*.

#### *Clause 6: Application of regulations*

The regulations in force for the time being under Part 4 of the *Friendly Societies (Victoria) Act* apply as regulations in force for the purposes of the *Friendly Societies (South Australia) Code* to be known as the *Friendly Societies (South Australia) Regulations*.

#### *Clause 7: Interpretation of some expressions in Code and Regulations*

This clause defines a number of expressions used in the uniform Code and uniform regulations for the purposes of their proper interpretation in South Australia (eg: Legislature of this State is defined as the Legislature of South Australia).

#### PART 3—CONFERRAL OF FUNCTIONS AND POWERS

#### *Clause 8: Conferral of functions and powers on Commission*

This clause provides that the Australian Financial Institutions Commission has the functions and powers conferred or expressed to be conferred on it by or under the legislation defined as the friendly societies legislation of South Australia (see clause 3).

#### *Clause 9: Conferral of functions and powers on Tribunal*

This clause provides that the Australian Financial Institutions Appeals Tribunal has the functions and powers conferred or expressed to be conferred on it by or under the friendly societies legislation of South Australia.

#### PART 4—LEVIES, FEES AND OTHER AMOUNTS

#### *Clause 10: Supervision fund*

This clause imposes the fees prescribed by the *Friendly Societies (South Australia) Regulations* or by the *AFIC (South Australia) Regulations* in respect of matters referred to in the friendly societies legislation of South Australia.

#### *Clause 11: Levies*

This clause imposes—

- the levy payable under sections 119 and 120 of the *AFIC (South Australia) Code* by a friendly society; and
- the supervision levy payable under section 51 of the *Friendly Societies (South Australia) Code* by a friendly society.

#### *Clause 12: Fees, fines and penalties*

This clause provides that all fees, fines and penalties and other money that are authorised or directed to be imposed on a person because of the friendly societies legislation of South Australia but that are not fees, levies or other amounts payable to a specified person must be paid to South Australia.

#### PART 5—GENERAL

#### *Clause 13: State supervisory authority*

This clause provides that the South Australian Office of Financial Supervision is the State supervisory authority for the purposes of the friendly societies legislation of South Australia.

#### *Clause 14: Crown is bound*

It is proposed that the Crown, in right of the State and, so far as the legislative power of Parliament permits, in all its other capacities will be bound by this measure. However, nothing in this clause will

permit the Crown in any of its capacities to be prosecuted for an offence.

*Clause 15: General regulation making power*

This clause provides that the Governor may make such regulations as are contemplated by or necessary or expedient for the purposes of this measure.

*Clause 16: Special savings and transitional regulations for South Australia*

This clause provides that the Governor may make regulations of a savings or transitional nature consequent on the enactment of this proposed Act or of an Act of Victoria amending the *Friendly Societies Code* set out in Schedule 1 of the *Friendly Societies (Victoria) Act* and if such a regulation so provides, it has effect despite any provision of this proposed Act. A provision of a regulation made under this clause may, if it so provides, take effect from the day of assent to the Act concerned or from a later day. However, to the extent to which a provision takes effect from a day earlier than the day of the regulation's publication in the *Gazette*, the provision does not operate to the disadvantage of a person (other than the State or a State authority) by—

- decreasing the person's rights; or
- imposing liabilities on the person.

**SCHEDULE—REPEAL AND CONSEQUENTIAL AMENDMENTS**

It is proposed to repeal the *Friendly Societies Act 1919* and to make amendments to the *Financial Institutions (Application of Laws) Act 1992* and the *South Australian Office of Financial Supervision 1992* that are consequential on the passage of this Bill.

**The Hon. M.D. RANN** secured the adjournment of the debate.

**APPROPRIATION BILL**

Adjourned debate on second reading.  
(Continued from 29 May. Page 1495.)

**The Hon. M.D. RANN (Leader of the Opposition):** This Liberal Government is always promising a fresh start. When it was elected it was a fresh start. Now we are told there is a new fresh start. It is a fresh start for the Government after the coup against the former Premier and now with the new Premier, who spent three years betraying every principle of Cabinet solidarity to undermine his boss. For the past four years the Liberals have dressed their budgets in phrases intended to convince us that everything is going according to plan. In 1994 we were setting 'the economy on a track of sustainable long-term growth'. In 1995 we were 'coming into the home straight to a better future', and we saw advertisements with people running into the home straight. In 1996 it was 'a responsible budget. . . steadfastly on the course set by the Government in the May 1994 Financial Statement'. But none of these promises were ever delivered.

Economic and job growth remain elusive. The home straight is always around the next bend, and the Government has failed to meet its own financial targets set out in its May 1994 Financial Statement. Now, in 1997, it asks the public to believe that it has succeeded in the financial task it set itself—that it is out there creating jobs, providing for better education, better health and policing services. The Government's pamphlet, which is being letterboxed in Liberal and Labor electorates at taxpayers' expense, quotes the Premier in the kind of inane and meaningless statement we thought only his predecessor was famous for saying in looking forward to the future.

This scandalous waste of taxpayers' money provides no public information, because if it did it would reveal that this budget is a budget of no hope, no jobs, no strategy and no vision past election day. The flier tells us nothing about the future. So, it falls to Labor to tell the truth about what this

budget really means for the future of South Australia. This budget is not historic, as has been quoted. This is a budget of no hope and no jobs; it is a budget of no strategy and no vision for long-term job creation and for reducing our disastrous high youth unemployment. It is a budget that, in spite of the accounting tricks, will continue to run down our schools, hospitals and public housing; it is a budget which deals another blow to the aspirations of young home buyers; it is a budget which leaves in excess of 100 fewer sworn police officers than there were when Labor left office in December 1993; it is a budget that locks in the sale of ETSA to private interstate or foreign interests should the Liberals win the next election and achieve a majority in the Upper House; it is a budget that locks in higher taxes should the Liberals win the next election; and it is a budget that lays bare for all to see that the Olsen Liberal Government has no strategy and no vision beyond self-serving rhetoric and hype.

The Government hopes that the gullible will swallow it and that the budget will escape real scrutiny and any decent analysis in at least key parts of the media. It is a budget that demonstrates failure on the Government's part in managing the State's finances and in managing the economy. It is the budget of a Premier demonstrating that he is not to be believed. This budget is the budget of the three great hoaxes: that it achieves an underlying surplus, that it creates jobs and that it enhances the quality of health, education and policing.

Let us look at the issue of the underlying surplus. The estimated underlying surplus reported in this budget is a hoax. It is supposed to represent the fulfilment of the budget target contained in the Treasurer's Financial Statement handed down in May 1994. Page 23 of that document states:

The Government will seek to eliminate by 1997 the underlying non-commercial sector deficit excluding the additional payment required to fund superannuation liabilities.

In determining whether the Government has achieved that target, it is necessary to understand what defines an underlying deficit. The concept of an underlying deficit or surplus is a deficit or surplus which excludes the effects of substantial one-off items which are not of an ongoing nature. The proceeds of a major asset sale, the return of capital from a Government business enterprise or a special dividend from a Government business enterprise on account of some extraordinary item are all examples of transactions which should be excluded in determining whether or not there is an underlying surplus or an underlying deficit. Unfortunately, the Treasurer's desperation to claim success for his 1994 Financial Statement budget target seems to have overcome his adherence to the discipline that defines his target.

The footnotes to Table 1.3 in the Treasurer's own Financial Paper No.1 reveal this failure to achieve an underlying surplus, and Table 1.3 itself attributes them to policy changes, that is, deliberate decisions of the Government and not definitional changes. This failure has two main components. The first is contained in Table 1.3 and explained at footnote (5), changes to the previously published repayment schedule for superannuation provisions amounting to \$56 million. Superannuation provisions were explicitly excluded from the definition of the underlying position contained in the Treasurer's 1994 Financial Statement.

Those superannuation provisions are now being paraded to fill a hole that has opened up in the Government's underlying position. If the Treasurer wants to play semantics and argue that superannuation provisions were excluded from the definition and they can therefore be run down and included in his bodge surplus, I would say to him that it is

a one-off and that practice is not sustainable. So that \$56 million does not come within the acceptable definition of the Government's underlying position. The second departure from any sensible definition of the underlying position are two extraordinary revenue measures contained in Table 1.3 and explained at footnote (6), totalling \$145 million. It states:

Reflects receipt of electricity interconnection operating agreement settlement through ETSA special dividend and return of SAAMC capital to the budget following the realisation of debt reduction targets.

The return of capital from the SA Asset Management Corporation is the proceeds of the sale of assets from the so-called 'Bad Bank'. It is both a one-off and an asset sale, and on either of those grounds it certainly does not qualify as something that reduces an underlying deficit. That is a complete phoney, and the Premier and his Treasurer know it. They just hoped that someone would fall for the line and describe it as a major turn-around. The special dividend from ETSA in respect of the payment made by Victoria as compensation for ETSA's relinquishing its rights under the interconnection operating agreement (which had the best part of 13 years to run when South Australia entered the national electricity market) is definitely a one-off and therefore does not in any way reduce the underlying deficit. In total, the raid on superannuation provisions and the special revenue measures amount to \$201 million, which means that the Treasurer's claimed \$1 million underlying surplus is in fact a \$200 million underlying deficit.

Talk about an absolute fraud! How anyone can describe this fraud as historic can only have read stories of the great train robber. There is no underlying surplus: in fact, it is a \$200 million underlying deficit. It surprises me that this has escaped some of the commentators who read the budget speech and Government press releases but do not seem to read or at least understand the budget papers. All the rhetoric we have heard since the budget about the Government achieving its financial target and putting the State back in the black in underlying terms is a hoax. The Treasurer has been forced into the position of having to fabricate an argument that he has achieved a surplus, because the Government has let the purse strings go over the past year and put a real achievement of his 1994 financial statement budget target beyond reach. That is a fact that is also exposed in Table 1.3, which shows net outlay increases as a result of policy decisions, and that means explicit spending decisions of Cabinet amounting to \$83 million.

The Treasurer was able to do very little while former Premier Dean Brown was spending public money last year in a vain attempt to shore up his position with his Cabinet and Party room colleagues. After all, the Treasurer was under threat himself. Having been demoted, the Treasurer could do even less when new Premier Olsen was throwing money at everything that moved, ranging from a private sector fireworks display, which he announced as his greatest achievement, to—

**Mr Atkinson:** He got value for money for that.

**The Hon. M.D. RANN:** He certainly has got value for money for sponsoring the fireworks display and also for resolving a teachers pay dispute, as he sought to demonstrate that he was a man of more action than his predecessor. On top of the Government's own free spending, the Treasurer had to cope with reductions in financial assistance grants inflicted by his Federal Liberal colleagues and the Grants Commission, also detailed in Table 1.3, totalling \$96 million. This put

a real underlying surplus totally beyond his grasp without yet another horror budget. Not able to face the reality that the Government has failed to meet its target, the Treasurer has fabricated the result that he wanted.

If the Government did not make this claim it would be hard pressed to explain how it is able to loosen the purse strings in an election year. Set against its own financial targets, it cannot. This budget is not about making spending commitments. The election advertisements are already going to air. The capital works and other spending initiatives in this budget are just another bunch of disposable Liberal election promises. When an election is called, Labor will be treating them as such and spelling out its own spending priorities and how they will be funded within a responsible package of commitments. We will be calling on the Liberal Party to pay back to the taxpayer the cost of the election propaganda that has accompanied this budget.

*Members interjecting:*

**The ACTING SPEAKER:** Order! I indicate to the members for Spence and Mawson that when the Treasurer delivered his speech he was heard in silence, and so will the Leader of the Opposition.

**The Hon. M.D. RANN:** As I said, we will be calling on the Liberal Party to pay back to the taxpayer the cost of the election propaganda that has accompanied this budget. I hope we will see an analysis by the Auditor-General of South Australia of how this Government continually uses taxpayers' money—

*Mr Foley interjecting:*

**The ACTING SPEAKER:** The same goes for the member for Hart, if he wants to leave the Chamber.

**The Hon. M.D. RANN:**—for Party political propaganda. We saw it down in the south, where advertising material was put out promoting local Liberal backbenchers at taxpayers' expense. I have asked the Auditor-General to investigate a number of matters in recent times. I understand, however, that he is already investigating the use of taxpayers' money for Party political purposes here in South Australia.

**Mr Atkinson:** It's embezzlement!

**The Hon. M.D. RANN:** As the member for Spence said, it is embezzlement of the taxpayers' money. As further proof of this point, having falsely claimed to have achieved his target, the Treasurer now plans to cut and run. He announced in his budget speech that this is the last budget that will be prepared on a cash basis. He did not mention that it is also the last budget he will prepare. Whatever happens at the next election, it is clear that the Treasurer knows that last Thursday was his swan song. This is to be done under the pretext of moving to accrual accounting, but it amounts to the Treasurer's having failed to meet his promised target, and changing the basis of accounting to one which precludes comparisons and will therefore hide his failure.

It is high time that we had a higher standard of financial accountability in this State than this Government is prepared to offer the public in budget papers. The requirements that need to be met must be set down in legislation. For that reason, the Opposition will be introducing into Parliament in this session a Government financial responsibility Bill which, if passed, will ensure that the degree of transparency and accountability on these matters is brought up from its present woeful state to best practice.

The Bill that the shadow Treasurer will introduce is the cornerstone of the policies on which we will go to the people. It is designed to achieve a number of important objectives. First and foremost, it will require the Government to prepare,

publish and have tabled and debated in Parliament a debt reduction strategy. The debt reduction strategy must be published with comparable historical data and projections three years into the future, prepared on the basis that it is successfully implemented so that its implications can be clearly and accurately understood, not only by the experts but also by the public. Each year, at the time he brings down the State budget, the Treasurer will be required to report on progress in implementing the debt reduction strategy. Secondly, it will require the Government to prepare and publish a financial strategy document—the broad strategic outline of how the Government's finances will be conducted. We make an assumption here that there is a broader focus than debt reduction.

Thirdly, the Government Financial Responsibility Act will also improve the quantity and quality of information required, with an annual cycle of financial reporting. It will begin with a financial outlook report, which will be published as part of the budget papers. This information will be required to be updated and published in a mid-year review and the end of financial year results published in a final budget outcome report. The fact is that all but a small part of this information is missing from this Government's budget papers, and the result is serious deficiencies in transparency and accountability, which mislead people into thinking that this so-called surplus exists at all, let alone is somehow historic. What is required in South Australia is an improvement in the level of transparency in budget reporting so that we can have proper standards of accountability and lift the quality not just of economic debate but also of economic management in this State.

Of course, there is also the hoax that the budget creates jobs. One issue beyond all other issues matters to South Australians, and that is the issue of jobs. This Government has failed South Australia on jobs. John Olsen says that he wants to make a new start. The Premier says his focus is on jobs. John Olsen wants us to forget that he was plotting and leaking against Dean Brown day in and day out for more than three years. At that time he had control of all the economic levers of a State Government that could have delivered more jobs. John Olsen is trying to hide behind Dean Brown to cover his failures as the principal economic Minister of the Liberal Government since it was elected 3½ years ago.

While he was the economic Minister in this State responsible for economic development he had only one job in his mind, and that was the job that he stabbed Dean Brown in the back to get—his own job. As Minister for Industry, Manufacturing, Small Business and Regional Development, John Olsen could have delivered more jobs if not for the fact that the Premier and the Government believes they are a policy-free zone.

**The ACTING SPEAKER:** Order! There is a point of order.

*Members interjecting:*

**The ACTING SPEAKER:** Order!

*Members interjecting:*

**The ACTING SPEAKER:** Order! There is a point of order. The Leader has unlimited time. It is not restricting his speaking time and I would ask the Leader to allow me to deal with the point of order rather than yelling across the Chamber. The member for Unley has a point of order.

**Mr BRINDAL:** Sir, Standing Orders require that all members in this House are addressed either by title or the seat which they represent.

*Members interjecting:*

**The ACTING SPEAKER:** Order! Technically, it is a point of order. I ask the Leader of the Opposition to so refer to members in the House.

**The Hon. M.D. RANN:** Sir, I will endeavour, as usual, to comply with your requests. After promising an additional 20 000 jobs a year, we find that, after 3½ years of Liberal Government, there is a jobs deficit to the tune of almost 50 000 jobs. Today's gap between the rate of economic growth and the rate of job creation between South Australia and the nation is the largest on record. That is the growth gap between us and the rest of the nation. We are being left for dead by the rest of Australia. From 1994 to the December quarter of 1996—the first three years of this Government—South Australia grew by just 5.4 per cent in trend terms. This is an annual average of just 1.8 per cent.

Over the same period, national growth has been more than twice as fast on a 12 per cent trend, or an annual average of 4 per cent. In the year to December 1996, South Australia had the worst performance of any mainland State at just 1.5 per cent compared with 3.2 per cent nationally. This is less than half the rate of growth usually regarded as necessary to hold the level of unemployment constant—not to improve the situation, but merely to stop unemployment from worsening. Since the election of the Olsen-Brown Liberals in December 1993 to April 1997, South Australia's job growth was just 21 500 seasonally adjusted, or 3.3 per cent.

This compares with national jobs growth of over 8.1 per cent during the same period. But week after week, in headline after headline, we were constantly being told that this Government was exceeding its targets; that a boom was happening in South Australia; that it had fixed the problem; that South Australia was turning the corner; that it was on the home straight; and that a new dawn had emerged in this State, to quote the Treasurer in a previous budget speech. In the 12 months to December 1996, South Australia recorded no growth in employment—no growth at all. The figure for total employed in December 1995 is 657 700 in South Australia, identical to the figure for December 1996. In January 1997 employment had lifted only slightly by 2 300.

Unemployment for the past six months in this State has averaged 9.5 per cent. South Australia's current unemployment rate of 9.7 per cent for April is the highest on the Australian mainland. The latest figures for youth unemployment is a staggering 42.1 per cent. South Australia remains well below the pre-recession peak of full-time employment. Nearly 507 000 people in June 1990 were employed compared with the average level for 1996 of 472 300. There was a fall of over 10 000 in the number of full-time employed from December 1995 to December 1996.

We have gone backwards compared with our position of seven years ago. But if you listened to the Ministers, the Premier and the previous Premier, you would believe that a boom was occurring and that this Government was exceeding all its targets. In its monitor of January 1997, Access Economics, a body with excellent Liberal Party credentials, estimates South Australia's rate of under-employment at more than 20 per cent. As a result of the terrible prospects of finding a job in South Australia, more and more people are leaving our State to go to other States to find jobs. Over the past two calendar years, in excess of 13 000 more South Australians left the State than the number of people coming to South Australia from other States.

These South Australians accepted John Olsen's injunction to 'look forward to the future', but they saw no future here. They voted with their feet and went elsewhere to find that



future. That legacy of joblessness and job insecurity is the Premier's legacy. Of course, the Premier says he wants a new start; he wants us to overlook his responsibility for the mess; and he wants us to think that he is the new boy on the block as he faces an election—his third election as leader of the Liberal Party. His claim that this is a jobs budget is a complete hoax. This budget signals that John Olsen and the Government he leads have abandoned the pledge of 3½ years standing to create 20 000 additional jobs a year.

Today the Liberals are almost 50 000 jobs short of that target, having created only 21 500 additional jobs since December 1993. To cover up this back down, the Premier announced a different target a couple of weeks ago: he said that he would reduce our unemployment rate to the national level over the next two years. That is what the Premier was quoted as saying in the *Advertiser* of 17 May. Only two weeks later, his own budget completely undermines and refutes that target he made to the people just two weeks before. What the budget explicitly says in its economic forecast is that employment is projected to grow by just 1.5 per cent annually to the turn of the century compared with 2 per cent employment growth expected nationally.

How does that equate with achievement of the national average, when his own budget papers completely undermine his claims that were given such publicity just two weeks before. His own budget projects that South Australia will continue to be an economic laggard out to the turn of the century and, if the Olsen Liberals are re-elected, we are certain to remain an economic laggard. We are forecast to achieve growth rates of just 3 per cent compared with national rates of 3.75 per cent this year and 3.5 per cent in the two years after. On the Government's own admission, we will continue to under-perform for the next three years, despite the Premier's claim that somehow, within two years, we will reach the national average.

The figures do not equate; they do not add up. We need growth of around 4 per cent to make inroads into the problem of unemployment in South Australia. This budget shows that not even the Premier believes he will reach his own target of reducing the unemployment rate to the national average. Within two weeks of announcing his new target, the Premier has effectively repudiated. In fact, even the modest target of 3 per cent growth may elude us.

During calendar 1996 our growth rate of 1.5 per cent was less than half the nation's growth, and the budget papers paint a bleak picture of just where we have been over the past year. According to the last budget, in 1996-97 private consumption was supposed to rise by 2.5 per cent. The revised estimate for this is now down to less than 1 per cent. Private investment in dwellings was supposed to rise by 8 per cent, but it actually fell by 3 per cent. Next year we are supposed to see significant rises in private consumption and private dwelling activity. One wonders why these assumptions were made. If it was simply on the basis that consumer confidence and the housing sector are so depressed that the only way is up, then so be it.

This so-called jobs budget is a jobs hoax. It has a use-by date of election day. There is no plan for the future. The youth employment strategy mentioned in the budget papers is simply a recycled announcement from December last year, and part of that was delayed for six months because of the leadership struggle between the Premier and his predecessor. If you doubt me, just refer to the *Advertiser* of 21 May 1997. That is the mark of a Government which cares only about

itself and promoting itself and not the people it was elected to serve.

The announcement of 500 traineeships is no replacement for the Youth Training Scheme, which gave us 1 500 traineeships and which was a commendable achievement of the former Minister for Employment, Training and Further Education. The best the present Minister can do is \$3 million for up to 500 traineeships. It is just not enough when we have a 42 per cent youth unemployment rate. When we are given a leaked copy of the advice the Minister receives, what do we see? When it deals with unemployment, her chief adviser, who used to be a college director in TAFE, simply says, 'Look for some diversions; every time there are bad employment figures, hit the Labor Party; think about it strategically; hit the Labor Party; don't address the problem.' Instead of dealing with how to create jobs and looking for a strategy and a plan, it was simply a strategy for creating a diversion.

But there is an even greater concern. The \$3 million announced by the present Minister presumably is provided to agencies, which must then make up the difference in trainees' wages out of their own recurrent budgets. But how many will really be able to come to the party when the Government is imposing a 1 per cent efficiency dividend on already hard-pressed agency budgets? The traineeships are just a way of dressing up necessary recruitment by departments as some kind of special job creation scheme. Again, it is a diversion. It is not a plan or a strategy but a diversion.

I now refer to capital works. Nothing could be more cynical than this Government's latest hoax on jobs. The Premier claims to be spending \$1.2 billion on capital works next year, a rise of \$200 million. The Premier tells us that he is doing this because jobs are so important to him. Jobs were important in 1994, 1995 and 1996. Now in election year the Premier has finally tumbled onto the importance of jobs, but again it is a con. The budget papers confirm that over their last four budgets the Liberals have underspent their capital works budgets by \$575 million. In fact, the extra \$200 million announced for additional capital works in this budget is exactly the amount that this Government underspent last year. Furthermore, the current Government has 'bravely assumed the \$150 million of the capital works budget will somehow come from the private sector'. The 1995-96 budget assumed \$60 million from private sources, but in fact the private sector contributed only \$7 million in that year, not \$60 million.

In 1996-97, \$150 million was budgeted from the private sector, but only \$75 million was actually raised from the private sector—again, admissions of failure. This year's budget once again assumes the private sector will kick in another \$150 million, even though all the previous targets were not met. There are no guarantees that private business people will assist but good reason to think that once again the capital works budget will be underspent. So, many of the supposedly new capital works are the victims of this Government's capital works slippage of previous years. They have been announced and then re-announced so often that they have no credibility.

Can the Premier really expect the public to believe that construction will start this year on the new Tanunda Primary School when this is the fourth budget in a row in which it has been promised and in which bogus starting dates have been announced? The Premier announced with great fanfare and a great deal of media coverage that \$125 million will be spent on the Royal Adelaide Hospital upgrade, but the only allocation in the budget is \$5.7 million, with no forward

commitment of funds for the project. It is a cynical media exercise, not a real commitment.

*Members interjecting:*

**The ACTING SPEAKER:** Order!

**The Hon. M.D. RANN:** Let us look at the hoax that the budget somehow enhances State services. I refer to education. The Premier's claim that education spending has increased by \$72 million to \$1.287 billion is what one would expect from a Premier about to call an election. However, this claim simply does not stand up to the most basic examination. The Premier hopes that South Australians will forget the last three years of cuts, the bigger class sizes, the loss of 250 school services officers and the bitter fight with the teachers that disrupted our schools.

*An honourable member interjecting:*

**The ACTING SPEAKER:** Order!

**The Hon. M.D. RANN:** The Premier hopes that by announcing school building projects that have already been announced he can appear to be serious about South Australia having a first-class system of public education. If I were the member for Unley, as the parliamentary secretary for education under the Premier and, of course, as one who is at the moment contemplating the future of the Goodwood Orphanage, I would be quiet on this point.

The Premier hopes that by announcing school building projects which have already been announced he can appear to be serious about South Australia having a first-class system of public education. People will not forget the cuts, because they know that he is not serious. The Premier's figure of \$1.287 billion has been arrived at by adding this year's recurrent and capital works budgets together. The amount of \$72 million has been cobbled together by taking away the total of last year's actual recurrent added with last year's underspent capital budget to maximise the difference. Perhaps the Premier might explain what happened to the \$5 million not spent on capital works on our schools last year and why it was not spent on building some of the school projects that have already been announced two or three times in a row. For example, why was the money not spent on the restructure of Hamilton High that was promised when the Government closed Marion High School?

An even bigger problem of the claim of \$72 million more for education is that the budget includes an extra \$63 million to pay for the teachers' pay rise, a fair pay rise that was opposed and delayed by the Government for over two years whilst spending on education suffered a cumulative cut of \$137 million in real terms over three budgets. This pay rise was opposed and delayed by the likes of the member for Unley while class sizes were increased and 789 full-time jobs cut from education—from 17 995 in 1994-95 to 17 106 in 1996-97. It was absolutely predictable that the Premier would attempt to claim the teachers' pay rise as an increased commitment to education when, of course, it was really a retrospective payment for inflation and productivity which has already occurred and which does not represent extra resources for our children and schools. It is just that this Government is now reluctantly paying for them. If we take the teachers' pay rise out of the budget, we are left with an increase of just \$9 million before inflation to cover all those costs, other than salaries and wages.

This represents an increase of just over 2.5 per cent on the balance of the education budget, excluding salaries, because \$337 million in 1996-97 is just enough to keep up with the inflation forecast. The Premier's claim in the glossy budget election pamphlet that education spending has increased by

\$72 million is simply not true, and he has used taxpayers' money to spread this lie to every single electorate in the metropolitan area. The education capital budget continues the hoax exposed last year when 14 school projects happened to slip a year. That was when the member for Unley was the parliamentary secretary on education: he was involved in the strategy. In an attempt to disguise projects that have not commenced this year, the budget papers have included two new categories of capital works called, 'projects to commence in June 1997' and 'projects carried over from 1996-97'. No matter how many categories are added to the budget papers, the simple fact remains that projects that have been announced up to three times still have not started—not one brick laid, not one sod turned.

I will detail some of the school projects that make up this hoax, particularly for those Government members who have not bothered to ensure that projects in their electorates were carried out. They wanted to make the announcement but they were not concerned whether the announcement ever turned to reality, which is the story of this Government. Let us look at the redevelopment of Glossop Secondary School to cost \$5.3 million. It has been announced in the last two budgets with start dates in February 1996 and November 1996. Now this project is on the so-called June 1997 list at \$5.3 million. Then the restructure of the Hamilton Secondary School, which was to cost \$2.8 million and was due to start in April 1997 to cater for additional students following the closure of the Marion High School, has also now slipped onto the June list.

The redevelopment of Seaton High School to cost \$1.7 million was due to start in August 1995 and was then delayed to March 1997. It is now on the June 1997 list and has been due to start in the past three budgets. That is the confidence trick about education: announce it, reannounce it, defer it—it does not matter, as long as the announcement has been made by the local member. The new Tanunda Primary School has been due to start in all four Liberal budgets. The start dates were May 1995, November 1995, October 1996 and now June 1997. The Wirreanda High School upgrade to cost \$800 000 was due to start in September 1996 and has now slipped to the June 1997 list. The upgrade of the Norwood Morialta High School did not even make the new June list. This project has been in three budgets with start dates of April 1996, October 1996 and now August 1997.

Let us look at health. The total health recurrent budget has increased from \$1.505 billion to \$1.540 billion, or \$35 million in cash terms. In his budget speech the Treasurer said that health spending will increase by \$16 million in real terms—and that was given quite a bit of publicity. By simple arithmetic, the increase is just \$3 million in real terms allowing for the Government's own inflation forecast of 2.25 per cent. Which part of the words 'real terms' and 'inflation' does this Government not understand? This does not make up for a cumulative cut of \$209 million in real terms that has been made to health over the past three Liberal budgets.

The Minister announced that the health budget encompassed 'a gigantic \$122 million capital program'. However, reference to budget paper No. 2 shows that the capital program, including debt reduction for 1997-98, totals \$103.4 million and is \$3 million less than last year's forecast budget. The centrepiece of the health budget was the announcement of a new plan to spend \$120 million on rebuilding the Royal Adelaide Hospital, with \$60 million supposedly committed to the first two stages. When that was

announced on that weekend the health shadow Minister, the member for Elizabeth, and I pointed out that this had been announced a couple of years before. The truth is that it was simply a reannouncement of the same project announced in 1995 and that this year's funding amounts to only \$5.7 million—not \$60 million, not \$120 million, but \$5.7 million. Previous allocations were \$6.4 million for 1996-97 and \$4.5 million for 1995-96 when the project was announced. No money is indicated for forward expenditure and the announcement that part of the RAH will be made available for a private hospital suggests that the Government is looking to privatise more of our public hospital space and for someone else to finance this project.

Similarly, there are no forward budgets for the women's and children's strategic plan, which has only \$960 000 committed this year; the Lyell McEwin redevelopment, which is \$2.8 million this year; or the Queen Elizabeth Hospital strategic plan, which is only \$800 000 this year. Other health projects which have slipped include the Marion Community Centre which is to cost \$2.6 million and which was supposed to start in July 1996 but which is now listed for June 1997. The \$30 million Daw Park Repatriation Hospital redevelopment, which was supposed to start in November 1996, has now been put back to November 1997. The Medical and Veterinary Science Laboratory, which is to cost \$4.6 million and which was due to start in July 1996, has now been reannounced by the Minister as a new project with a start date of September 1997.

The Modbury Hospital rationalisation due to start in September 1995 is now rescheduled to start in August 1997 at a cost of \$2.4 million. The Northern Community Centre at Elizabeth, which is to cost \$4.1 million, has been put back from August 1996 to August 1997. The Lyell McEwin redevelopment announced last year to cost \$28.5 million with \$4.2 million spent in 1996-97 has again been reannounced, but this year there is just \$2.8 million of that \$28.5 million and again no forward cost for the total project. The Health Minister made the most eloquent statement about this health budget, indeed about this budget overall. On radio on budget night he refuted the Opposition's claim that the money required for the RAH upgrade was not in the budget. He complained that the Opposition had got it all wrong. Later in the same interview the good doctor admitted that the only money allocated for next year was \$5.7 million, but the Minister inadvertently made the most eloquent statement on this budget when he said:

We have committed \$60 million to stages one and two which we have quite clearly identified in the Premier's press release.

What the Premier says in his press release is not what is in his budget. Is this a budget or a series of press releases? This is all about press releases and hype because, when one looks behind the press release into the body of the budget, the figures do not stand up and they do not add up. This is not a Government genuinely committed to the restoration of our hospitals and schools.

Let us look at housing and police. Our depressed housing sector takes a body blow in this budget, with house starts under this Premier still only a little higher than half the level at the time Labor left office. The Government has ended the Deposit 5000 scheme and has cut private rental establishment support and rent relief. The sum of \$20 million has been taken out of HomeStart by the Federal Liberal Government, while a review of HomeStart places the scheme's entire future in doubt. While the addition of 100 police is a small step in the right direction—

**Mr Brindal:** It's 126, not 100.

**The ACTING SPEAKER:** Order! The member for Unley is on the list to speak later. If he wants to remain on it I suggest that he desist from interjecting.

**The Hon. M.D. RANN:** While the addition of 100 police is a small step in the right direction there will still be 100 fewer police than when Labor left office and 300 fewer police than promised by the Liberals before the 1993 election. Let us look at the period after the next election. This budget is nothing more than a cynical set of election promises. Its use-by date is election day 1997. There is no vision for the future, no strategy for employment, no plan. As a budget, it is a failure. It fails South Australia's 70 000 unemployed, it fails our health system and it fails our children by delivering a second-rate education system.

But if it does not guarantee jobs and if it does not repair the damage of three previous Liberal budgets to our health and education systems, what does this budget guarantee? Rather than the rosy outlook that this Premier is shamelessly spending taxpayers' dollars to promote, what can people really expect from an Olsen Government after the election, if it is re-elected? While people cannot believe anything that is contained in this budget, there are two things about which they can be sure. The first is the privatisation of ETSA. ETSA will be privatised and will be owned by private interests from interstate or overseas. The Opposition knows that the present Premier is planning the privatisation of ETSA. He went into a Cabinet subcommittee in January last year to promote the cause, and he was put on hold. We know that the Premier is planning the sale of ETSA to interstate or overseas interests. It was the Treasurer who let the cat out of the bag just last Thursday.

Asked by ABC regional radio whether the sale of ETSA was something that the Government will consider after the election, the Treasurer's response was to smile and say, 'Nobody can say never, never, never.' Well, the cat is well and truly out of the bag: he certainly did not deny it. There will certainly be tax increases after the budget and basically the Premier belled the cat on Friday. Addressing a forum of business people, the Premier said:

We went into Government with our hands tied because we promised no new taxes. We did not have to, perhaps shouldn't have. Too late now.

Too late this side of an election, perhaps, but not too late after the next election if he is re-elected. If ever there was a clear indication to anyone with any thoughts about politics, it was that speech, because if he is re-elected he will be able to refer back to it. He was being, one might say, open and honest about his intentions.

It seems to me that this Premier is obsessed with taxation. We know that he wants a GST: he advocated it in the Senate and he even advocated it to a business lunch last year. When the Premier talks about tax reform that is what he means—not the better measures to tackle avoidance by some of the wealthy which, according to the Australian Taxation Office, could have netted the Commonwealth an extra \$800 million from 80 of Australia's wealthiest people. He wants a plain, old consumption tax that will kill small businesses and hit low-income earners. South Australians want new jobs, not new taxes. The only things that this budget guarantees are higher taxes and the privatisation of ETSA to interstate and foreign interests.

Let us talk about the Premier's integrity and honesty. I will allow his own conscience to deal with what he did whilst a sworn Cabinet Minister to the former Premier behind

the former Premier's back. The Premier told the business forum last Friday that people had become cynical with politicians who did not tell the truth, who promised big things without delivering them, only to reannounce them as something supposedly new later. You have to admire his hide that he actually said that. How true. The present Premier is the master of just that.

This budget reannounces a raft of projects that should have been completed, in some cases, years ago. I have already referred to two of the most cynical instances in the budget, namely, the RAH upgrade and the Government's half-hearted youth jobs strategy. This is a budget from a Premier not to be believed. It is the dissembling work of a Premier who, as Infrastructure Minister, denied that he would privatise the management and operation of Adelaide's water system while he was planning to do exactly that. He denied the existence of taxpayer-funded polling on his water privatisation plans while tens of thousands of taxpayers' dollars were being spent on this. He found an overwhelming majority of South Australians opposed but went ahead with it anyway. So much for his openness, so much for his honesty, so much for his integrity.

He promised lower water charges, although they have risen by 25 per cent for the average user. He promised 60 per cent Australian equity in United Water International—'Have no fear,' he said—when we find that the company is likely to have no Australian equity. On 17 May this year, he promised to reduce our unemployment to the national average over two years, only to go back on this undertaking on budget day just two weeks later. This is a Premier who denies that he is planning to sell ETSA while he works behind the scenes to do just that.

This fourth budget of the Olsen Liberals attests to the Government's failure. It is an admission of failure. It is a budget that attests to the failure of the Premier on jobs and of a failed vision on jobs. It is a budget that maintains our basic services—hospitals, schools and community services—on a starvation diet that fails the people of South Australia. It is a budget that attests to the failure of the Government to achieve its own financial targets and its own employment targets. It is a budget that attests to the fact that the Government has an agenda to privatise ETSA and introduce new taxes should it be re-elected later this year. Most of all, it is a budget that confirms that this Government and this Premier have no vision and no strategy and, if they are re-elected later this year, nothing of substance will improve.

With this fourth budget, the Government has delivered a budget that provides no hope and no direction. This budget provides confirmation, if any were needed, that the Olsen Liberal Government has failed South Australia. Let us look at what they said. The Premier and Treasurer said that, in this budget, the financial repair job is over; yet, in the next breath they said that they went into Government with their hands tied because they promised no new taxes: 'We didn't have to, perhaps we should have. Too late now.' That is what will be remembered from budget week 1997: a clear promise of one thing, that there might be no job future but there will certainly be a tax future if John Olsen is re-elected. This will be the third election in the row that he has led the Liberals to disaster. This time it will be a disaster for our State if it happens.

**Mr BROKENSHIRE (Mawson):** What a testimonial that was from the Leader of the Opposition! The only thing that speech is good for is bedtime reading, because one would not

get past the first three paragraphs before falling asleep. If I were looking to stimulate a football team before a match or to pump up a Government or an Opposition, I would not want to listen to a negative, carping speech such as the Leader's, which was lacking in vision and lacking in fact.

We all know that the Leader of the Opposition has been absolutely negative towards the recovery of this State for the past three years. He talked about things being phoney and a fraud, about there being no hope, no jobs and no vision. That is him looking at himself in the mirror, and that is exactly what the people of South Australia see in the Leader of the Opposition. He is a phoney and a fraud, and he does not have any hope for South Australia, because he has pulled it down—

**Mr FOLEY:** I rise on a point of order, Mr Acting Speaker.

*Mr Clarke interjecting:*

**The ACTING SPEAKER:** Order! The Deputy Leader of the Opposition is out of order, so he does not have a point of order.

**Mr FOLEY:** I refer to the Standing Order that provides that members should not reflect on another member of the House. I ask that the honourable member retract his remarks regarding the Leader of the Opposition.

**The ACTING SPEAKER:** Order! The member for Mawson was reflecting on another member. I ask him to withdraw those words and continue.

**Mr BROKENSHIRE:** Sir, I withdraw those words. The Leader of the Opposition has illustrated to the people of South Australia that he lacks vision, credibility and, above all, any business acumen and the ability to lead a team that would be a serious threat if in government. I have not even heard the Leader of the Opposition say sorry to the people of South Australia for the \$3.1 billion debt he was involved in as a senior Cabinet Minister during the debacle of the late 1980s and early 1990s. It is far more serious than that. When members opposite came into office in 1982, they had a core debt of \$2.2 billion—a very handy debt to handle. It was the sort of debt an economy in good shape should be able to handle. But what happened under Labor between 1982 and 1993? There was not just the \$3.1 billion it lost with the State Bank, plus SGIC and so on but it spent over \$1 million a day more than this State was earning.

The Leader of the Opposition has not even said sorry to the people of South Australia. State Labor members should hang their heads in shame; they should at least apologise to the people of South Australia and support a Government that is committed to getting on with the job. Let us have a look at how difficult the job has been. On a core basis of debt, we had to handle over \$9 000 million of debt.

**Mr Foley:** What do you mean by 'core debt'?

**Mr BROKENSHIRE:** The honourable member does not even know what core debt is, and he was a senior adviser to the previous Premier, Lynn Arnold. That shows why the Labor Party made such a stuff up of this State. Let us look at the Federal Labor Government under Keating. It drove national core debt to \$200 billion. On top of that, in the last year or two of the Federal Labor Government, it cut \$93 million out of funding to South Australia. Of course, because of that massive debt that the Federal Labor Government had developed for South Australia and Australia, the Howard Government has had to cut another \$80 million. Just on a recurrent basis, since we have been in office, South Australia has had to endure about \$170 million of recurrent funding from the Feds, plus the debt from Rann's wreckers.

We have talked about core debt. Let us have a quick look at recurrent debt. When we came to office just 3½ years ago—

**Mr ATKINSON:** I rise on a point of order, Mr Acting Speaker. Following the point of order of the member for Unley, I ask you, Sir, to rule on whether it is appropriate for the member for Mawson to refer to the Opposition as ‘Rann’s wreckers’.

**The ACTING SPEAKER:** I agree. Standing Orders are very clear. I ask the member for Mawson to comply with Standing Orders.

**Mr BROKENSHERE:** Let us have a look at the recurrent debt. The Labor Government, which had the negative Leader of the Opposition, the Hon. Rann, as a senior Cabinet Minister, was spending more than \$1 million—

**Mr FOLEY:** I rise on a point of order, Mr Acting Speaker. I draw your attention—as did my colleague, the member for Spence—to the fact that the member for Mawson cannot refer to the Leader of the Opposition as ‘Rann’.

**The ACTING SPEAKER:** Order! I again ask the member for Mawson to comply with Standing Orders.

**Mr BROKENSHERE:** In order to get some facts on the record in the next 10 minutes, yes I will, Sir.

**The ACTING SPEAKER:** Order! I ask the honourable member to comply with Standing Orders.

**Mr BROKENSHERE:** Yes, Sir. The previous Labor Government was spending over \$1 million a day more than this State was earning. On top of that, we had unfunded liabilities in WorkCover; we had major billion dollar unfunded liabilities in public sector superannuation; and this State was going nowhere. If we want to talk about jobs, we should just have a look at the job situation. When the Leader of the Opposition was the Minister responsible for small business and infrastructure in this State, over 33 000 jobs were lost just in the manufacturing sector.

We have heard the Leader of the Opposition talk about the sale of ETSA. We had a leak from the Labor Party a few months ago indicating that it has a plan to privatise ETSA. That is now confirmed. The Carr Labor Government in New South Wales has at least had the guts and honesty to come out and say that it wants to sell ETSA and privatise it in that State and get the \$22 billion. But not this Opposition. The shadow spokesperson was recently quoted on Simon Royal’s program. He was asked, ‘What is the difference between the New South Wales Labor Government wanting to privatise and sell off its electricity company and South Australia doing the same?’ The shadow spokesperson, the member for Hart, said, ‘Well, we’re a different situation.’ Simon Royal went on to ask, ‘Could you please explain to me why, when the Labor Party was in government, it sold SAGASCO? Isn’t that privatisation?’ Again the member for Hart was backed into a corner. What happened? The member for Hart said, ‘That was a different again, because we were only shareholders.’ I remind the member for Hart that SAGASCO was owned by the taxpayers of South Australia.

Let us look at some of the great achievements in this budget. In my own electorate of Mawson, we are reducing tariffs not only for the commercial, industrial and agricultural sectors of my electorate but also for those people who have found it hard under Labor, with high interest rates, and so on. Interest rates are now coming down under a Howard Government, and I am pleased to see ETSA tariffs coming down. On top of that, \$5 million has been budgeted to be spent in Mawson over the next two years on upgrading infrastructure, right through Morphett Vale East and McLaren Flat, and that is good news.

We heard the Leader of the Opposition talking about the fact that last September we announced that \$800 000 would be spent on Wirreanda High School. He asked why it is not being spent now. The answer is two-fold: first, \$800 000 is being spent at Wirreanda now, and I thank the school council for that. I am proud as a local member to have been able to get in there and fight for that money. That money was never available to upgrade that high school under 11 years of Labor. It is being done and, with the help of the staff, it will be done as a best practice facility for our young people.

Look at the Southern Expressway. The Leader of the Opposition claims that we have reinvented the wheel and re-announced projects. I can remember Premier Bannon on three occasions saying to the people of the south, ‘We will build you a third arterial road.’ He ran an election and sucked in the people of the south on three occasions—the forgotten south until we came into office. And what did he do? He never built a third arterial road. I invite the Leader of the Opposition to come to the south, where I will take him for a ride on the new expressway so that he can see that this Government puts its words into actions and that this Government and the local members in the south love and appreciate and will work hard for the community and the region.

Look at policing. The sum of \$2.3 million has been allocated in this budget to upgrade and get rid of the shocking dog boxes at the Christies Beach Police Station into which Labor put our police officers when it was in power. We will give those police officers the sort of infrastructure and facilities that they deserve. In addition, 26 additional police officers will be stationed there. That is something of which I am proud and, I am pleased to say, was partly as a result of calls that I have made on an ongoing basis over the past 18 months.

Other capital works programs which will benefit my constituents of Mawson include things like the Wine Centre, which once and for all will put the stamp on the fact that Adelaide is the wine centre of Australia. Wine Centre, Adelaide, Australia: that will be the marketing message that will be sent internationally to promote jobs, infrastructure, real opportunities and economic wealth for all the people in the constituency of Mawson.

Then there is the airport extension. On many occasions my constituents in both manufacturing and horticulture have complained that they were not able to get freight out of Adelaide Airport. We are losing hundreds of millions of dollars in export and job opportunities in this State, and I am pleased to say that we are delivering again in that area.

If one looks at small business, it is, without a doubt, the engine room of the South Australian economy. The first thing we had to do to ensure that we have a sustainable and vibrant small business opportunity and growth for South Australia was to get rid of that debt. We are now there. We are now spending within our earning capacity. South Australia now has a sustainable future. That was the number one platform on which we went to the people on 11 December 1993, and it was the number one platform that I stood for as the candidate. And we have delivered on that.

We have gone from a situation where, under Labor in 1992, just before the election, we were spending 28 per cent, or 28¢ plus in every dollar of gross State product, on debt, throwing that money against the wall and not giving any opportunities to our people—and, in particular, our young people. It is fantastic to see that as of June 1997 we will be back to 20.6 per cent, and by the year 2000 we will be back to a safety margin that all economists and anybody who has

studied economics knows has to be around 18 or 19 per cent. What that means is more opportunities for South Australians, because for every 1¢ in the dollar that we can get back we will have \$70 million more to spend on hospitals, health, education, jobs, law and order and providing a sustainable future for South Australia.

I want to highlight some of the areas into which we have injected some real terms increases—not the phoney sort of stuff that one hears the Leader of the Opposition running around saying all the time; not the sort of messages like I heard on Monday morning, when he claimed that he was going to see the Prime Minister. What a joke that was! That is exactly how he misrepresents the truth day in, day out. He told people listening to the radio that he had an appointment with the Prime Minister. Well, of course he had no appointment. Who has driven the car tariff debate and championed it—not only for South Australians and for our electorates in the south but for the whole of Australia? It is recognised by everyone in a position to know that John Olsen has led that debate. 'Me too' Mike was too late in getting on the bandwagon, and now he is trying to claim that he is also in there doing something. He is far too late. He should have been there when he was in Government four years ago, arguing with people like Senator Button and Prime Minister Keating who, as we all know, drove this APEC agreement.

When you look at the Darwin to Alice Springs rail link, something crucial and fundamental to the future of South Australia, again, John Olsen, as Premier of South Australia, has championed that cause. There has been a \$45 million increase in health, \$72 million in education, \$10.2 million on the environment—for which South Australia is ranked second for the whole of Australia—and \$21 million on police. Look at our record. I am proud to be the member for Mawson in an Olsen Liberal Government. We stand not on a phoney, misrepresented platform, like the Labor Party is doing under its current leader, but on a record that we can be proud of—a genuine, bona fide and honest record.

There is still a lot more to be done. I am the first to admit that far more has to be done. However, we must remember that South Australia was bankrupt in December 1993. In fact, if it had been a private company it would have been liquidated completely. However, with a lot of hard work and goodwill from the community of South Australia we have now turned that corner. We have a long way to go. Youth unemployment is too high at 42 per cent, but it is a lot better than it was under Labor at 48.6 per cent. Unemployment is too high at 9.7 per cent, but it is a lot better than Labor at 13 per cent at its peak when the Leader of the Opposition, the Hon. Mike Rann, was the Minister responsible for driving that engine room for jobs.

We still have a long way to go, but we have turned the corner, and if we can get on with the job after the next election we can show the people of South Australia that by the year 2001 or 2002 they will be right back in the seat that those of us who have been in South Australia for a considerable period have known, which is a prosperous and sustainable seat; a seat that is not subject to the roller-coaster rides of the eastern States and one in which we can be very proud to sit. I am delighted to see the effort which has been put into this budget. As a member, sometimes it has been hard to take the knocks and to support some of the cuts that have had to occur and some of the pain that, unfortunately, has had to be inflicted on the South Australian community.

I suggest that that pain has not been as difficult as many people thought it may have been, and the future for South

Australia is in good hands under an Olsen Liberal Government. In the years to come I look forward to working with my community and the Olsen Liberal Government to ensure that we give every opportunity to all people in South Australia, and particularly young people.

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

**Mr FOLEY (Hart):** The 1997 State budget shows a substantial deterioration in the State's financial position presented at budget time last year. This is set out graphically in Figure 2.2 of the Treasurer's Financial Paper No.1, which shows a reduction in net State debt over time. The graph shows two things. The first is a reduction in net State debt targeted by the Treasurer's May 1994 Financial Statement; and the second is the actual reduction in State debt that has been achieved. Until this year, the Government had achieved a faster rate of decline in net State debt than the 1994 Financial Statement had targeted. I will have something to say later about the quality of that achievement—or rather, the lack of quality. This year we find the two lines on the graph converging again. The rate of reduction in the level of net State debt has slowed as a result of a blow-out in spending in both 1996-97 and 1997-98. There has been a breakdown in the Government's financial discipline that has been caused by a binge of undisciplined and poorly targeted expenditure by the previous Premier as he fought to hold off the John Olsen challenge. Then there was another binge of silly spending as the new Premier tried to grab some positive publicity to justify his coup by spending public money on silly things such as fireworks displays and rock concerts.

The State Treasurer found the task of sticking to the deficit target he had set in his May 1994 Financial Statement impossible as a consequence of a combination of that unbudgeted spending and reductions in Commonwealth funding imposed by the Howard Liberal Government. His response had been to try to redefine the target by taking revenue items which were outside the target and putting them inside the target. In so doing, he has reduced the concept of an underlying surplus on the non-commercial sector, which was his target by 1997-98, to a farce. The concept of an underlying budget position is to separate the extraordinary items, the one-offs, the proceeds of major asset sales from the results of the ongoing operations and revenues of Government.

Table 1.5 and its footnotes in the Treasurer's own budget Financial Paper No.1 reveal exactly how he has breached this principle. First, as explained at footnote 5, he has moved \$56 million of public sector employer superannuation contributions from outside the target to inside the target by changing the schedule of provisioning. Superannuation provisions were explicitly excluded from the definition of the underlying position contained in the Treasurer's May 1994 Financial Statement, as follows:

The Government will seek to eliminate by 1997-98 the underlying non-commercial sector deficit excluding the additional payment required to fund superannuation liabilities.

Those superannuation provisions are now being raided to fill the hole that has opened up in the State's underlying position. If the Treasurer wants to play semantics and argue that superannuation provisions were excluded from the definition, and they can therefore be run down and included in his bogus underlying surplus, I would say to him that this, hopefully, is simply a one-off. It is certainly not sustainable, so that \$56 million does not come within any acceptable definition of the Government's underlying position.

The Treasurer's second departure from his own financial target are two extraordinary revenue measures totalling \$145 million, which are explained at footnote 6 to table 1.5, as follows:

Reflects receipt of electricity Interconnection Operating Agreement settlement through ETSA special dividend and return of SAAMC capital to the budget following the realisation of debt reduction targets.

The return of capital from the South Australian Asset Management Corporation is the proceeds of the sale of assets from the bad bank. It is both a one-off and an asset sale and, on either of these grounds, does not qualify as something that reduces an underlying deficit. The special dividend from ETSA is in respect of the payment made by Victoria as compensation for ETSA's relinquishing its rights under the Interconnection Operating Agreement, which had the best part of 13 years to run when South Australia entered the national electricity market. It is definitely an extraordinary item, a one-off, and does not qualify as reducing the underlying deficit.

In total, the raid on superannuation provisions and the special revenue measures amount to \$201 million, an amount which, despite the deterioration in the State's financial position, has been used by the Treasurer to claim a very convenient \$1 million budget surplus. Obviously, the Treasurer set this \$1 million surplus target and told Treasury to do whatever fiddles it saw necessary to achieve this bogus surplus. It is obviously not the State Treasury's proudest and most shining hour but, unfortunately for this State, that organisation, the State Treasury, has committed much more serious errors of judgment, such as uncritically subscribing capital to the old State Bank for its expansion program.

The fact that a Government can still publish budget papers that claim a bogus underlying budget surplus shows that we still have some way to go on the issue of ensuring proper standards of financial accountability in this State. The Liberals have certainly not learnt as much as they should have from the harsh experiences of the Labor Government through the 1980s and the early 1990s. That is why I believe that standards of accountability need to be set down in legislation, and I will be introducing into this session of Parliament a Government financial responsibility Bill that will require, amongst other things, proper standards of disclosure in budget documentation. If passed, this legislation will certainly render impossible the sort of shenanigans the Treasurer has been up to in this budget with his bogus underlying surplus.

*The Hon. R.G. Kerin interjecting:*

**Mr FOLEY:** The Minister may grin, but he knows what I am saying to be quite correct. First, my proposed legislation will require that accounting standards used in the preparation of budget documents are set by competent, external authorities and that any departures from those standards are declared. This business of Government making up its own accounting standards as it goes along obviously must be brought to a halt. The only break on it to date has been a requirement for State Treasuries to publish a uniform statistical presentation according to definitions and concepts set down by the Australian Bureau of Statistics. Those concepts and definitions are not identical to the underlying position of the non-commercial sector targeted by our State Treasurer in 1994. In South Australia's case they show a deficit after adjustment for net advances of \$44 million in 1997-98, a fact which the *Financial Review* interpreted as a negation of the Treasurer's surplus claims.

I said earlier that I would have something to say about the lack of quality of the Government's efforts to reduce State debt. The Government's problem was that it did not target debt: it targeted the size of the public sector and the assets which were held within the State public sector. First, the Government hacked away blindly at a series of targets within the public sector which were chosen for ideological and political reasons rather than because they were sensible ways of reducing the cost of the State public sector. As a consequence, I now spend much of my time trying to expose cost overruns of the Government in areas such as the EDS computer contract. Secondly, the Government sold a lot of assets for which it did not get a very good price. Mr Speaker, you do not have to take my word for it; let us take the word of the State's Auditor-General, Mr Ken MacPherson.

In his annual report to Parliament last year the Auditor-General provided his analysis of the budgetary benefits of the more than \$2 billion worth of asset sales undertaken by the Liberal Government. By the Auditor-General's reckoning the savings of public debt interest on account of debt reduction as a result of those asset sales exceeded the expected dividends forgone by only \$4 million. This is a disappointing result and compelling evidence that the Government did not get full value for the sale of those State assets. As I said earlier, the financial difficulties faced by this Government have been greatly compounded by its own desire to spend public money, most of it unwisely and not on the important areas of health and education.

The Government and, in particular, the person who is now Premier reacted very strongly when I exposed publicly before an open meeting of the Parliament's Industries Development Committee the size of the hand-outs that had been given to interstate and overseas firms as industry attraction incentives. We are talking about a lucky few individual companies receiving tens of millions of dollars, and in some cases averaging \$20 000 to \$30 000 per promised job. It is bad luck if you have already established your business in South Australia and have to compete for a contract against a company that has been subsidised so heavily by a State that in most cases cannot afford such subsidies. As I said earlier, the new Premier's spending runs to the frivolous—fireworks displays and rock concerts—and now includes publicly funded election pamphlets which are being distributed by the Liberal Party to tell the public how financially responsible the Government is. That in itself is an obvious contradiction.

It is very obvious that this is an election budget. One may ask how the Opposition will respond. We are treating this budget not as spending commitments by the Government but as a series of election promises which it may or may not choose to implement. The Opposition is formulating its own set of expenditure priorities for the State election and will explain precisely how it intends to fund its programs when the election is called.

**The Hon. W.A. MATTHEW (Bright):** I am pleased to stand in this place to support the passage of this budget. It has been a bit rich. We have had two speakers from the Opposition so far, the Leader of the Opposition and the would be Leader of the Opposition, the man who is desperate to take the Leader's place or, if he cannot do that, at least take the Deputy Leader's place at the earliest convenience. From the Leader of the Opposition we have had gloom and doom and how they would have it done it. From the member for Hart—the man who was adviser to the previous Government, the disgraced Government, the Labor Government that was

thrown out unceremoniously by the people at the last poll—we have had what he would probably call an economics lesson and then an attack on the Government's assistance to industry to encourage more jobs to this State.

It is a bit rich to have advice from the Leader, the man who lost the Grand Prix, the man who sat around the Cabinet table while the State Bank went down the gurgler and, what is more, the man who stood up in this place and supported Tim Marcus Clark and the adviser to the former Premier. Those men can hand out nothing at all in the way of criticism of this budget in view of what they have done to this State.

This budget is a good budget. It is a budget that, at the start of our term in Government, we indicated we would deliver. It is a budget that will restore confidence to our community. It is a budget that meets commitment. It is a budget that balances the books. For the first time since the Second World War we now have a budget in the black. What a far cry that is from the financial mess we inherited. Sure, we know there is still a long way to go, that the debt is still at an unacceptably high level and there is still an enormous debt to be reduced, but the fact is South Australia's living by credit card is now a thing of the past and will remain a thing of the past as long as the responsible, prudent financial management that we put in place is maintained. There is no doubt that that prudent financial management will be maintained.

This budget has some important features. The underlying deficit is eliminated. The public sector net debt has fallen in real terms to 19.5 per cent of Gross State Product. There is a priority package of funding initiatives totalling \$145 million. Outlays in health, education and police have increased in real terms. Capital outlays have increased in real terms by some 19.2 per cent and there are no new taxes for 1997-98. A responsible budget, a balanced budget, a progressive budget and a budget that will help in restoring confidence in South Australia.

There are a number of important increases throughout the budget: health, up \$45 million; education, up \$72 million; police, up \$21 million; environment, up \$10.2 million; and, most importantly, capital works, up \$257 million, bringing the total capital works expenditure during this next financial year to \$1 291 million. Not only will that create work in South Australia and put under way much needed Government capital infrastructure projects but it also has the capacity to introduce some 21 500 new jobs to South Australia—another positive pushing back of what we inherited on coming into office.

The interest on Labor's debt—Labor's losses following the collapse of the State Bank and the financial disasters within SGIC—had seen South Australian taxpayers paying \$1 million a day in interest on that debt. That position had to be reversed and this budget sets the reversal in place. It is estimated that by 30 June 1997 we will have reduced the State's debt to \$7.5 billion. That has not come about easily. Considerable debt restructuring has occurred. There have also been asset sales and elimination of waste. Some of those sales and some of the process of eliminating that waste have been particularly painful, sometimes for groups within the community and sometimes for individuals within the community, and certainly the members of this Government have felt much of that pain during the process. Some of the decisions have not been easy, but now with the benefit of hindsight, as we look back upon the past 3½ years plus of progress, few can sensibly refute what has now been put into place.

I will refer to some of the individual areas of spending increase, because the extra moneys allocated in the portfolios I mentioned provide enormous opportunity to deliver real benefits to South Australians. First, I turn to the health budget, which has reached a healthy \$1.6 billion, an increase, as I indicated, of \$45 million in this new financial year. It means that the Government is able to put in place significant programs, such as the \$60 million upgrade of facilities at the Royal Adelaide Hospital to ensure that it will be a world class hospital, with the first stage of funding allocated in this budget. Extra funds will not only reduce hospital waiting lists but also improve services for patients, including day surgery and post operative care, and also provide for the introduction of new medical technology. There will be incentives for doctors to settle and remain in rural areas. We will see improvements to the Lyell McEwin Hospital, Daw Park and Queen Elizabeth Hospitals, and extra funds for people with disabilities.

Since coming to Government in 1993, our focus on efficiency and quality has meant that an additional 30 000 admissions can be made to South Australian hospitals every year. In short, that means we are giving a far better service to even more people. This has meant that the number of people on hospital waiting lists has significantly reduced, and it is the view of surgeons in Adelaide's major teaching hospitals that there will be a further reduction of those waiting lists by some 10 per cent following the increased funding of \$7.5 million announced by the Premier on 4 April this year.

I turn now to education, where we have a \$72 million increase which takes the education budget to a record level of \$1 287 million—a significant increase on the funding provided by the Labor Party. It is an increase in real terms against that Party's last budget. Highlights of the education budget include additional funding to assist students with learning difficulties, including those identified by basic skills tests—to be increased from \$3 million in the current financial year to \$4 million in the new financial year. More computers will be placed in schools for students as a result of the additional \$60 million over four years as part of the DECSTech 2001 strategy. School card benefits for families in need will increase in 1998 by \$5 for secondary students, to provide an overall assistance of \$170, and by \$4 for primary students, to provide an overall assistance of \$110. It is estimated that about 90 000 students will be receiving the benefit of the school card.

A record \$105.8 million is being spent on capital works and maintenance to improve school facilities for students and staff, and an additional continuing funding of \$18 million in 1998 will be allocated for flexible staffing hours which schools can use for priority identified within their particular schools. Increased expenditure of about \$6 million has been allocated to provide help for students with disabilities and learning difficulties. Two extra speech and language pilot programs for preschoolers will be implemented to help reduce the lengthy waiting list to enter existing programs.

An extra \$3 million has been allocated for external paint and repair programs for about 700 schools, as well as preschools, throughout the State, and there will be an expansion of the work of the highly successful learning difficulty support scheme to provide greater assistance for staff working in secondary schools and addressing learning difficulties for their students. Extra funding will be allocated in 1998 to allow for the establishment of the Glenunga International High School as the secondary school for



students with high intellectual potential. Extra funding will be provided to cater for the establishment of a special interest high school for physical education in 1998. Another \$3.75 million is provided for the Ready, Set, Go program and an extra \$100 000 for the bilingual assistance program, and so the list goes on and on for new initiatives and continuing successful initiatives in education.

It is worth reflecting again on the success of the DECS Tech 2001 strategy. The total commitment over the full five-year period will be \$75 million on computers for schools. By comparison, in its last budget, the Labor Government allocated \$360 000 for computers in schools in the information technology age. This Government is providing \$75 million over five years. I challenge just one member of the Labor Party to stand up and decry that policy and, in so doing, volunteer their computing resources to other schools, and I think they will find that many other members will grab that as well to ensure that their schools stay up with the state of the art in technology.

I am very proud to have had a role in pushing for the implementation of this funding program for schools, and I am confident that the \$75 million allocation will continue to grow even more in successive budgets as we move very quickly into the era of information technology.

I turn to the funding allocation for police. I am particularly supportive of the major funding package and reorganisation and restructuring of the South Australian Police Force. In the two years that I was Police Minister, I made no secret of the fact that I wished to see such a program implemented in this State, and we now have a new, energetic and enthusiastic Police Commissioner. I have been impressed by what I have seen and heard, and I am confident that, with Commissioner Mal Hyde, we have the person who can implement the much needed change in the Police Force so that it can meet the needs into the new century.

The recruitment campaign for an extra 100 police is well and truly under way. I know that the recruitment office has been inundated with applicants and I am confident that good recruits will enter the Police Force through that program. There will also be 25 specialist support staff. We expect that the program will cost about \$4.5 million in 1997-98.

A good capital works program is continuing for the Police Department, and I am pleased to see that under way. I know that, in my electorate, we have benefited considerably from the \$10 million Sturt Police Centre that has been constructed, providing not only a conveniently placed workplace but a much better working environment for the officers placed there.

I turn also to the extra expenditure on the environment, because it is a significant \$10.2 million increase. Some significant programs will be undertaken as a result of this funding. A long-term program to conserve parks and wildlife will be launched, including an additional \$2.5 million this year, which will lift the total commitment to more than \$20 million. There is continued funding to clean up the Torrens, Patawalonga and other waterways. There is funding for the protection of Adelaide's coastline, with a \$5 million beach replenishment program, something which, as a member representing one of the most beautiful coastal areas of Adelaide, I am particularly pleased to see implemented. A sum of \$16.4 million has been allocated to the important management of the Murray-Darling River system, and continued funding will be spent to save the koalas on Kangaroo Island.

The good news list does not end there. There is also significant continuing expenditure for major sporting projects. Every member of Parliament is delighted to see three particular sporting projects well and truly under way: the Mile End athletics stadium; the Mile End netball complex; and the upgrade of the Hindmarsh soccer stadium. Those projects were procrastinated over by successive Labor Governments. They were promised but never showed up or never quite got there. They are being delivered under this Government. Those projects will receive the financial consideration that they have long awaited and richly deserved. Some \$10 million will go into those key projects, including contributions from the sports involved, during 1997-98. The construction will not only provide much needed facilities but will transform the unsightly Mile End rail yards into significant State assets. I look forward to witnessing the opening of those facilities by a Liberal Government and to having the opportunity to see our athletes compete there.

I am particularly delighted not only by the nature of the budget, by its statewide reception and by its reception in my electorate but also by the deliverables for my electorate, and I should like to focus briefly on some of them. In health, we have already received considerable benefit from previous budgets in the form of the new accident and emergency centre at Flinders Medical Centre, the opening of which I was pleased to attend, for it is a fabulous, state-of-the-art facility. The private sector also has under construction the new private hospital wing at that centre.

Funding has continued into the new financial year in a number of areas. The Government will diversify its provision of mental health services by establishing one of two dual-drug psychosis units at Flinders Medical Centre. This unit will provide a safe and secure environment for young people who have a dual diagnosis of psychosis and drug abuse. Such a unit designated solely for young people has not existed in South Australia before, and this announcement means that high quality support care will be available for people in need. As someone who served for three years as a Correctional Services Minister, I am well aware of the problems that psychosis and drug abuse can cause. Many in our prison system suffer from that dual affliction, and I welcome the introduction of this unit at Flinders Medical Centre. Both units, the other being at Glenside, will cost the Government, combined, \$1 million.

Flinders Medical Centre operating theatres will also receive an upgrade as part of a \$5 million, three year program, and almost \$1.3 million has been allocated in this budget for those works. Further, an eye clinic will be established at Flinders Medical Centre thanks not only to the Government's contribution but also to some of the fine work done through the Lions Sight First Foundation. I take this opportunity to put on the record my recognition of and congratulations to the Lions Club International, through its South Australian groups, for the fine work it does in that area.

My electorate has also benefited significantly in education terms, and I am delighted that the budget includes the first component of a \$910 000 allocation for a performing arts facility at the Hallett Cove R to 12 school. That school went to year 12 as a result of a \$3.875 million capital injection. That component was completed in the financial year now ending, and a further capital injection of \$910 000 means that school can have a much deserved, state of the art performing art facility that will be well utilised by the students of the school and also by the wider community. In previous budgets, I have also been fortunate to be able to procure for my

electorate \$3.76 million for the upgrade of the Brighton Secondary School. That upgrade is now completed, bar the usual building problems that have to be rectified—and they are only finer details—prior to occupation and use, and I look forward to the opening of that facility, which will happen soon.

The Seacliff Primary School received \$1.32 million in the past financial year for its upgrade, and I was pleased to attend the opening of that facility. Hallett Cove East Primary School in the current financial year received \$465 000 for additional houses and has received a further capital injection for the enclosure of an open shelter area to a school hall, and I will look forward to attending the opening of that new facility in a few weeks. Paringa Park Primary School has received much needed capital works maintenance injections, totalling \$221 000. It will receive an initial \$21 000 for its paint and repair program, and further allocations will be made throughout this budget. I have also been privileged to have the opening of the new Woodend Primary School for my electorate. Absolutely no-one can look to my electorate and say that education capital works has not been maintained. I recognise my electorate has done particularly well—in fact, probably better than any of the other 46 electorates in the State—and my constituents appreciate that fact.

With regard to police in the local area, I mention the new Sturt police centre, which is opened. The 165 operational police will be joined by 18 new operational officers, as well as three support staff, and they are a much needed addition to the policing of my local area.

The Opposition may well say that this is a good news budget, because an election is near. That is not a criticism; that is a statement of fact. An election may be near, but it is a good news budget, because we said we would reach the target we have. I am proud and pleased to stand in this place and support this budget and to commend Treasurer Baker for the fabulous job he has done for the past 3½ plus years.

**Ms HURLEY (Napier):** If the Opposition said it was a good news budget, it invariably followed that by saying it was also a bit of a hoax budget. In terms of capital spending, that has been well demonstrated. A number of the Liberal members—particularly before the election and even since—have stood up and said how it is the Government that can fix the economy in this State, how it understands business and it can get things done. However, the successive budgets and the successive Government decisions have proved just the opposite.

Business people in this State to whom I have spoken are appalled by the trough into which the economy of South Australia has sunk. They give no credit to this Government at all for any sort of budget—good news budget or election budget or whatever. They are just waiting for South Australia to come out of this trough and to see something happen in this State. ‘Everything is dead flat’ is a phrase I hear constantly repeated around the place. Nothing is happening in this State and that is demonstrated by this budget.

The Government is big on announcements but very low on action. Today, we had the Premier in Question Time talking about urban development in this State, but if we look at the urban developments he has been able to announce, most of which have not yet come to fruition, they overwhelmingly depend on the injection of vast amounts of public money to get them going. Developments such as Glenelg foreshore, Wirrina, Wilpena Pound and the National Wine Centre have been announced.

First, let us talk about the Glenelg foreshore development. I will not discuss the possible environmental problems associated with it, but let us just talk about what Mr Olsen has described as the long awaited private sector investment at Glenelg worth a projected \$85 million. In order to get that investment, the Government has to spend \$7 million upgrading Glenelg harbor, \$17 million at least for the Glenelg waste water treatment plant, plus an estimated \$10 million for the offshore boat launching facility at West Beach. That is \$34 million in public capital funding for an \$85 million private sector investment and that does not take into account the recurrent funding of \$750 000 per year for sand management at Glenelg and West Beach.

This is the sort of private sector development that the Premier sees as his flagship, as indicative of the sort of development that this Government has got up and going. It is indicative of the sort of development this Government has got up and going because it depends on huge amounts of public funding. There is no private investor confidence in South Australia and that is largely the fault of this Liberal Government. Other States in Australia have come out of the recession, they have got things going, projects under way and investment happening, but it is simply not happening in South Australia.

Let us look at other private investment proposals. The Woolworths shopping centre development at Hilton has stalled; the Gawler shopping centre development has stalled; the capital city development—

*The Hon. W.A. Matthew interjecting:*

**Ms HURLEY:** Even if it has not stalled, how long has it taken to get going? This is a ‘can do’ Government that is supposed to get things done. Those developments have taken many years to get up. This is not a ‘can do’ Government. This Government cannot point to its record. The capital city project was announced with great fanfare by the Premier who said that we should not knock it. But this is a castle built in the air without any demonstrable private investment. The development plan has been announced, but will we see it happen?

Today, the Premier talked about Adelaide 21 and the redevelopment of the city. He proudly announced a series of proposals which are nothing more than the appointment of more committees and coordinators and proposals for further reviews as to what should happen in the city. Again, lots of talk but no action. We will have the appointment of a coordinator for Adelaide 21, the setting up of a City-State forum and the setting up of an Adelaide 21 marketing authority. All these bodies have been set up, costing money, yet nothing has happened.

We have had so many plans, we have had so much proposed, and this ‘can do’ Government can only set up more committees and coordinators. Then we have—admitting failure in some respects—the Government handing over the development of the city to the MFP. This is the MFP which was designed to attract high-tech industries and to stimulate high-tech development in this State but which has now very much merged into being a property developer and taking over the functions of the Department of Urban Development. So, this is an admission of failure on the part of the Government. It is twisting and turning and trying to find ways to make things happen after 3½ years of failure.

Let us look also at what is happening in the area of housing. The Government’s projections show that housing starts will still be low compared to what had occurred by the end of the Labor Government’s rule, despite a significant

drop in interest rates in that time. So, this is a very poor record by the South Australian Government. The Bis-Schrapnel projections of property values for the forthcoming years show that prices will probably rise in the eastern States while remaining steady or even going backwards in Adelaide. This is fairly indicative of what is happening in this State.

Despite the low interest rates, we have high levels of unemployment and high levels of uncertain and casual employment. A lot of the job creation that has gone on has been in the area of casual or part-time employment and people are just not in a position to be able to buy houses or upgrade their houses. They are not prepared to take the plunge, despite low interest rates. The imminent loss of the Deposit 5000 scheme will not help that at all. I notice that the Government will be lobbied on the continuation of that scheme, and it is essential to the struggling housing industry in this State that the housing and construction area be maintained and that the Government takes some positive action to ensure that happens—which it has been seemingly reluctant to do, since it is about to abandon the Deposit 5000 scheme.

The Government is taking steps to reduce stamp duty for first home buyers, but first home buyers are only a small segment of the market. We really need to look at injecting some dynamism into the housing market—people moving up into different sorts of housing, into more expensive housing and dragging the market up with them. But it will never do that while the South Australian economy is in such dire straits. People are very concerned about their jobs and their future and their children's future.

Let us also look at public housing. The budget shows that a mere 75 new houses will be built by the South Australian Housing Trust in the coming year. That is almost a joke. It is an appalling statistic and will do nothing to help the housing market in this State; it will do nothing to provide any comfort to house builders. Quite apart from the fact that 75 new Housing Trust houses will not help the housing construction—

*Mr De Laine interjecting:*

**Ms HURLEY:** Yes, I was just about to come to that. I thank the member for Price who, like all of us, knows all about this. There is a huge waiting list: around 40 000 people are waiting for public housing accommodation. That list is not growing any less, and yet the number of new Housing Trust houses being built has dropped from around 1 000 when the Labor Party was in Government to 75 new houses. I notice this in particular in my own area. Some of the suburbs in my area are mostly Housing Trust and areas of least demand, and the waiting lists have ballooned from something like a month for an attached house to six months.

So, people will find themselves in desperate straits in their attempts to find decent housing, and that will place more pressure on church groups and charities which assist in the provision of housing and which are already struggling to keep up because this Government has cut back dramatically on assistance for those sorts of groups. Many of those groups have almost thrown up their hands and got out of the housing assistance market altogether. Those that have not are finding that their waiting lists are blowing out to extraordinary proportions.

The Government has abandoned the poorer people of this State. It has also abandoned those people who, because they have not been able to succeed in getting a Housing Trust house, are turning to the private rental market only to find that the Government has significantly reduced funding for

private rental establishment services. This will create a good deal of difficulty for those people who are struggling to find housing. The people who are looking to buy a house are in trouble, and those who are looking to rent a house are also in trouble. That is indicative of the troubles of the entire State.

Another area that is of particular interest to me is local government. Councils are still waiting for the implementation of the memorandum of understanding with local government that this State Government signed when it first came to office. The amalgamations that have occurred have created larger councils, which are keen to take on more responsibility and autonomy. However, this Government has repeatedly refused to allow those councils to take on that autonomy. It has done its best through amendments to the Local Government Act and the boundary reform Act to try to reduce the responsibility and autonomy of councils. Fortunately, the Opposition has been able to combine with the Democrats in the other place to impose some curbs and controls on that situation. In spite of the fact that a number of amalgamations have occurred, there are a number of hot spots in the city area which have very small councils and in which this Government has not been keen to intervene. Areas such as Walkerville, Prospect and Burnside are still sitting on their own and not amalgamating in an orderly way.

I turn now to my electorate of Napier, which has not fared well at all from this budget. My electorate, which is situated in the outer northern suburbs, has a strongly growing population with a number of young families and, consequently, many demands on the public system with a need for increased expenditure on infrastructure. The people of the northern suburbs deserve more than has been given to them in this budget. Their problems have been compounded by the Federal Liberal Government budget. Federal funding for the Northern Suburbs Family Resource Centre has been transferred, and that centre will close because of those cuts.

This reduced funding has been exacerbated by cuts to the CES and child care centres in the area. These cuts highlight the loss through previous budgets of the Para Districts Counselling Service and CareLink which provided support for families in my area. Growing families in a fairly low income area are in great need of such support. The Liberal Party has always made a great deal of the amount of support it provides to families but, when it comes to concrete expressions of that support, it is completely lacking.

Once again, as in the case of housing, it will mean that churches and charities will have to pick up a lot of the slack in place of State Government funding. We know, because I have complained bitterly, that they are very much feeling the pinch because their funds and donations are extremely reduced. A number of organisations in the area used to be able to pick up a lot of extra support for families but are no longer able to do so. These organisations include the United Way, the Elizabeth Munno Para Community Fund (which is now the Playford Community Fund), the Anglican Mission and various other churches and charities in the area. Again we see, as in previous budgets, those growing population areas of the northern suburbs almost completely left out of the funding. We will pick up a few extra police, whom we badly need, but we would desperately like some more.

**Mr Venning:** Thirty.

**Ms HURLEY:** This is interesting. The Government says that it is 30, but I am advised that the number is 15, so I will be very interested to clarify this point. I understand that the Elizabeth Police Station will get an extra 15 police officers, and I am advised that it requires 12 police officers to staff one

patrol car. This means that we will get one and a quarter extra patrol cars in the Elizabeth-Munno Para area. I am happy that we have extra police. We were promised much more. It was an election promise that we would see many more police out there.

A number of people in my area would have voted Liberal in the last election—not enough, fortunately, to prevent my being elected—and I am sure that they would be extremely disappointed at the Government's response in putting on such a meagre number of extra police. That is not the only election promise that has been broken by this Government, and after the next election no doubt it will be even more disappointed to find that more public assets will be sold and that extra taxation will be imposed on them.

If one thing is glaringly obvious, it is that a Liberal Government has not helped families and, in particular, low income families that are struggling on a single income or a breadwinner's income plus a bit of extra part-time or casual work, which is characteristic of many of the families in my area. They do not have the support in health, education or jobs. I know, because they have spoken to me about it. They are extremely disappointed in this Liberal Government. Not only are businesses disappointed but also individuals and families are extremely disappointed. They were offered much by this Government, which has completely failed to deliver in so many key areas.

**Mr VENNING (Custance):** I rise with a great deal of pleasure this evening to support the budget. It is a very good budget, now balanced and fully funded. It is a responsible document, for which I congratulate the Treasurer. We were paying out more than \$1 million per day more than we were earning under Labor. This has now been totally addressed. However, members opposite have not addressed that. We must still service the interest on the State debt, but we are working within our budget and not paying out more than we earn. It involves basic economics.

The Government can now place more emphasis on putting funds into areas that have been hurting up until now—particularly into health, education and police, who have been allocated a large share of this budget—a budget that is all about jobs, jobs and jobs. Despite all the rhetoric from the Opposition—we have heard it all tonight and this afternoon—we are making good progress in these areas after years of decay under the former Labor Government. Because of the enormous debt we inherited from Labor, it has not been easy, but the Liberal Government has been responsible and kept within its means. Certainly, it would have been so much easier to spend, spend and spend, but it would not have been the responsible approach, so some tough decisions were made, and we know all about them. However, we are now starting to reap the benefits of those tough decisions.

Examples in this budget include an increase in the expenditure on health, and it is there for members to see. It involves a \$45 million increase, for total spending in 1997-98 of \$1 644 million, so that is a big increase. In education we see a \$72 million increase, with total spending for this year of \$1 287 million. Police is an area close to all of us, and there we see a \$21 million increase in that area.

With respect to jobs, we have a \$257 million capital works increase for this year, with total spending of \$1 291 million, sustaining 21 500 jobs across the State. The environment sees an increase of \$10.2 million and the launch of a long-term program to conserve parks and wildlife.

As the Premier has stated, the State's debt remains unacceptable and our plan to reduce this debt is working. It is a realistic plan and we have before us a sustainable budget. True, we have inflicted a fair bit of pain on the electorate, and now is the time to ease that pain, even though the problem is far from being solved.

Certainly, I have been very pleased with the allocations that the Government has given my electorate yet again, after receiving record amounts in the last budget. We have done very well and for that I am most grateful, on behalf of my electorate. For Nuriootpa High School we see \$1.2 million for a new building complex to replace relocatable buildings with eight new classrooms and storage spaces, and that project is to start in December. The Barossa Valley Highway, which I share with the member for Light, has been allocated \$5.5 million—

*An honourable member interjecting:*

**Mr VENNING:** Both sides of the road. He has the Lyndoch end and I have the Nuriootpa/Tanunda end. This situation is a disgrace because the road should have been upgraded 20 years ago. The previous Government never spent a cent in the Barossa Valley, and that is why today we are seeing the Government putting its priority there and the Barossa is responding ten-fold. The Tanunda Primary School project, which involves \$4.4 million in expenditure, is starting this month. This afternoon I was very annoyed to hear the Leader refer to the Tanunda Primary School, saying that the Government was being dishonest and resubmitting the project for three years. The absolute truth of the matter—and I challenge any member opposite to say otherwise—is that the delay has been caused purely by the local people involving, first, indecision about where to build the school environmental problems and other problems.

The Government was keen to build this school two years ago, and Opposition members know that but they are being very cynical and untruthful. The Leader came into the House and accused the Government of being anything but honest and straightforward. The words the Leader used this afternoon made me very cross. The Tanunda Primary School project is starting this month because the people have decided where they are going to build the school, and the Government has solved the environmental problems.

Further, we have a commitment of \$2.5 million for the Barossa Valley Country Club. This commitment was inherited from the previous Labor Government and this Liberal Government is still prepared to honour that commitment because we are keen to see the project proceed. We are told that the project is to start in September this year.

The Birdwood Motor Museum, which is currently in the Premier's electorate but which I hope will soon be in my electorate, is to receive \$5 million for its upgrade. I am very pleased about that because the expenditure is very timely. We have a great asset there and to maintain its status as the premier motor museum in Australia we need to spend that money.

I welcome the \$1.6 million that is to be spent on the Cadell Prison, and in this respect I refer to the work done by the Speaker, the member for Chaffey and me. We are pleased that we have been able to attract the \$1.6 million, which will guarantee the long-term future and viability of the Cadell Training Centre/Prison.

We have seen \$7 million more for the Morgan to Burra road. Nothing gives me more joy than to see that, Sir, because as you know it has been a project of mine since I first came into this place. That \$7 million will complete the project late

next year and will bring to a total of \$19 million the allocation for the Morgan to Burra road. I pay tribute to the member for Giles, who is in the House this evening, for the work he did in bituminising small portions of the road between Spalding and Booborowie when he was Minister. I believe in playing the game fairly. At the time the Minister had a few dollars left over so that little strips of road were bituminised two or three kilometres at a time. They added up, and eventually Booborowie was hooked onto a bitumen road. The member for Frome, representing Booborowie, was there with me the day we celebrated that it had a bitumen road. I want to play the game fairly and give the previous Minister some credit. It was this impetus that probably led us on to bituminising the whole stretch, all the way from Morgan to Burra, and I am very pleased about that. The Sturt Highway in the electorate has attracted \$4 million for an upgrade between Truro and Gawler, and that is certainly very timely.

I am sick of hearing the Opposition tonight saying that this Government has had 3½ years of fabrication and 3½ of lies. The most tangible things that we in South Australia can see the Government working on—and we all use them—are our roads. I remind the House of the projects that this Government has undertaken and completed in 3½ years. Members should compare these 3½ years with the previous 11 years, and it is on the record for all to see, as follows: the Morgan to Burra road, 60 kilometres to be completed next year; Brinkworth to Blyth, 8 kilometres under way at the moment; Elliston to Lock, 72 kilometres under way; Kimba to Cleve, 55 kilometres under way; and Hawker to Orroroo, 68 kilometres under way. These are roads that the previous Government did not even want to know about; there was not a vote in sight for it, so it did not spend a cent on these roads. We are doing the honourable thing. The same could be said of us, because these people are conservative voters, but we see ourselves as a credible and honest Government.

Further roads achievements are: Lucindale to Mount Burr North, 5 kilometres completed; Mannum to Bow Hill, 55 kilometres completed; Morgan to Blanchetown, 10 kilometres completed; Port Wakefield to Auburn, 4 kilometres completed; and Spalding to Burra, 7 kilometres completed. The member for Giles had something to do with the early stages of that last road. We have indicated that in the future we hope to do the Booleroo Centre to Jamestown road, Bow Hill to Walker Flat road, Burra to Eudunda road, Lucindale to Mount Burr road, Morgan to Blanchetown road and Snowtown to Magpie Corner road. With these projects we can now drive on these roads; they are tangible evidence that the Government is out there spending money on capital assets that mean a lot to people living in those areas and creating local jobs.

I always give credit where it is due, and the previous Government completed one other project that I appreciate, that is, the dual highway between Adelaide and Port Wakefield. It is the only thing which I can see and use and which the previous Government gave us some value for, because we see absolutely nothing for everything else it did. Also in my electorate I am pleased that we have continuing expenditures towards a filtration plant, which will provide the Barossa Valley with filtered water. What a disgrace that the premier tourism area of our State had dirty water coming out of its taps. It should have been the first area to get filtered water, not the last. Again, it was a very cynical political exercise. Previous Governments did not see it as a priority. That is more to the credit of our Government, because we could say that these people will vote for us anyway, but I am proud to be a member of a very honest Government.

Also, on the weekend, the Deputy Premier (and I see that he has walked in) was present when we opened the Faith Convention Centre in the Barossa. I invite members to take the first opportunity to experience an excellent example of cooperation between the Government and private enterprise. The Government has put in \$1.5 million over five years, and the remaining \$4 million is to be raised by the local community. The Federal Government also contributed \$500 000.

It is a magnificent facility. In fact, it is arguably better than the Festival Theatre, considering its location and the job it will now do for our premier tourism and music area. It is a magnificent asset and I challenge any member of the Opposition to sit in that lovely auditorium, the Barossa Convention Centre, and marvel at what can be built for \$5.5 million. It looks like a \$15 million project. I congratulate the school and the then Minister, the member for Bragg, the Hon. Graham Ingerson. He received his accolade as his name appears on the program, because I am conscious of the lobbying that occurred at the time. I am sure it was the then Minister who had a few battles in Cabinet and he can be very proud of what is there today.

That facility is two-thirds paid for and is a good deal for the Government. I am sure that, not too far down the track, pressure would have been applied on the Government to build a convention centre in the Barossa. Such facilities have been built at Port Pirie, the Riverland and Whyalla and, I am sure, pressure would have been applied to build one in the Barossa. It is there now and we got out of it very cheaply. I am also aware that the whole area is in need of a new hospital, and I am confident that, in the not too distant future, one will be built.

I was astounded at the speech made by the Leader of the Opposition this afternoon. I could not believe what I was hearing. I was probably very lucky to be present in this House during the last term of the previous Labor Government. I could not believe what I heard this afternoon. The Opposition must think that the people of South Australia are fools. Let us check the Opposition's record. I was here and can remember quite clearly asking the previous Minister, the now member for Giles, to fund the Morgan to Burra road, which was to cost \$10 million, and that money was not there. We had just lost \$60 million on the Scrimber project.

The then Minister could do nothing but laugh about it, and that money just disappeared—\$60 million, just like that. A flick of the fingers and that money was gone. That project and so many others were started by the previous Government. It was doing things in which it should never have been involved. The money was gone and we are now paying the price for those mistakes. I consider the current debt of this State and put it against our income, as any member in this House would do when budgeting. Members look at their incomes and expenses and work out their budgets for the year. They work out their viability and equity to debt and estimate what they can afford. Those same rules must apply to this State.

When I recall the debt with which we started, I am absolutely amazed that we were able to bring down a budget such as this. It has taken a lot of courage to do what we have had to do. We have put the squeeze on hospitals; I know that. I have been listening to the member for Elizabeth for nearly two years. Certainly, we have put the squeeze on. We have put the squeeze on education; we have put the squeeze on the police; and we have put the squeeze on farmers. We have put the squeeze on everyone. We have all paid the price for this

situation. We have now released the screw a couple of turns. It is not off, but it is off a couple of turns.

All I ask from the Opposition is a fair go. I ask members opposite to consider where we have come from. Consider what you did for the State because it is there for us all to see. Read the *Hansard*. Do not try to con people. Consider where we have come from and what happened. Ultimately, the previous Labor Government completely lost direction—absolutely and totally. It was waiting for an election to get out of trouble. The biggest disgrace was the election in 1989 when the Liberals, under our current Premier Olsen, won 52 per cent of the vote but did not win the election. That was South Australia's greatest shame because, if we had won that election, yes, we would still have had problems but they would not have been half the magnitude we found four years later.

This afternoon I listened to the Leader's speech and I could not believe phrases such as 'the budget of no hope, no jobs, no future, no strategy and no vision'. I could not believe that the Hon. Mike Rann could make comments such as that, considering that, when he was a member of the previous Government, he stood up and said, 'If you elect a Liberal Government, you will lose the Grand Prix.' When we check back we find that he had already lost the Grand Prix.

*Mr Clarke interjecting:*

**Mr VENNING:** Just check your calendar; he knew he had lost it. How dishonest can you get? How do you believe it? Anyway, I get on pretty well with the honourable member. I like him in his current position, because he is a great asset for us. The Deputy Leader knows that his time will come; it will just be a matter of when he wants it. I am sure that he does not want to move up there now because it is a very difficult position. But I know what my people have to say about it; they are quite happy. The Leader then said that people have to be gullible to swallow this budget. Just check the polls. The credibility of members opposite has not increased by even 1 per cent. Our polls may have suffered somewhat but I am sure that we will get it back. We are still over 50 per cent—

*Members interjecting:*

**Mr VENNING:** I am confident that I will be back here with most of my colleagues after the election, probably to be held in February or March next year—with perhaps one or two fewer at most. But most of us will still be here. I am pleased with what the Government has delivered. I give the Treasurer all credit. We are very lucky to have a chap such as Stephen Baker on our side, because he has made difficult decisions and has not tried to make a good fellow of himself. He has been tough not only on the people of South Australia but on us as colleagues wanting resources for our electorates. He has stuck at his job, and for this I give him full credit. In his time he has taken a fair bit of flak in more ways than one. I pay him full credit for delivering this budget.

*Mr Clarke interjecting:*

**Mr VENNING:** I have a conscience; I sleep well at night. As members opposite know, I am not a man who deals in untruths, deceit or dishonesty. I stick to my word every time. The proof is there for the people of South Australia. They can see that in 3½ years we have almost achieved the impossible. I know that the people of South Australia like this budget. The pundits like it as do the economists. Even our knockers find it very difficult to attack it credibly. I commend the budget to the House.

#### STATUTES AMENDMENT (COMMUNITY TITLES) AMENDMENT BILL

Received from the Legislative Council and read a first time.

#### TOBACCO PRODUCTS REGULATION (MISCELLANEOUS) AMENDMENT BILL

Returned from the Legislative Council without amendment.

#### APPROPRIATION BILL

Second reading debate resumed.

**Ms STEVENS (Elizabeth):** I found it interesting to hear the member for Custance say that during the term of the previous Labor Government the people of South Australia must have been fools to believe some of the things that were said then. I point out that this is very much what I thought in relation to this budget when I heard it being delivered. I thought this Government must think people are silly if they can believe what—

**Mr VENNING:** Mr Acting Speaker, I rise on a point of order. I did not say that at all.

**The ACTING SPEAKER (Mr Bass):** Order! That is not a point of order.

**Ms STEVENS:** As a matter of fact, the very next morning, Friday morning, I needed to get more petrol and I called in at my local petrol station in Elizabeth. The proprietor immediately said to me, 'They must be joking if they think we will believe that.' I was pleased to hear that because indeed this budget is a hoax. It is a stunning deception of the people of South Australia and, obviously, it is designed to soften the electorate for a forthcoming election. It was interesting also to hear the member for Custance talking about the pain that we all had to suffer. The honourable member mentioned that he had listened carefully over the past couple of years to all these matters concerning health, education, police and so on. The problem with all this is that the pain has not been worth it because the strategy has not worked.

The financials have been outlined previously by other members on this side, but I would like to talk about unemployment and jobs because certainly in my electorate that is the biggest issue of all. After the promise of an additional 20 000 jobs per year, we find that the Government is in deficit to the tune of 50 000 jobs. In the northern suburbs the situation is very bleak. I know it is not the only place in South Australia where that is the case but that is where my electorate is and where my concern is greatest.

In South Australia we know the unemployment rate was 9.7 per cent in April, the highest in Australia, and youth unemployment 42.1 per cent, a tragedy. The Leader of the Opposition also raised the issue of under employment, being at a rate of 20 per cent. That is a hidden statistic. It relates to the people in our community who would wish to work more hours if they could only get them. The point is that we have gone backwards instead of forwards and the major strategy of this Government, namely, to increase jobs and employment in our community, has failed.

This is the issue of most concern and why people say that this budget really offers no hope for the future, because that means providing jobs and giving our people something to look forward to. That does not mean casual jobs but jobs

which will sustain them and which will mean that they can plan for the future, borrow money, buy houses and buy goods at shops. That is the sort of society and community we want, and that is not happening in South Australia.

The Government's answer to this situation was, first of all, the youth employment strategy, but I note again, only \$3 million for 500 traineeships—a drop in the ocean. It also used the capital works budget and tried to call it an employment strategy. This has been shown to be a complete hoax, a farce. It will do nothing in relation to the creation of long-term sustainable job growth for the future and that is a concern and a real failing of this Government.

The second issue is education. As explained earlier, if we take out the increase in resources required to cover the teachers' pay rise, we are left with an increase of just \$9 million before inflation to cover all the other costs involved in the education portfolio. This is an increase of just over 2.5 per cent, just enough to keep up with inflation. We can balance this against the fact that over the past three years the total cumulative dollars taken from the education portfolio has been \$137 million.

We have seen this occur in many areas, including increased class sizes and that terrible decrease in school support officers. We have seen cost shifting occurring from two directions: first, from Federal Government funds that go to disadvantaged schools for particular programs supposedly designed to enhance the learning of students in those schools. We have seen those schools—and I have a number of them in my electorate—having to use that Commonwealth money simply to replace the school services officer positions cut by the State Government. There have been no additional programs. They have had to decrease those programs because—

*The Hon. R.G. Kerin interjecting:*

**Ms STEVENS:** What I am saying is true. The Minister for Primary Industries shakes his head and seems to suggest that this is not happening. It is happening, certainly in schools in my area, where disadvantaged school program funds have been used to replace the loss of school services officers, especially in areas with literacy and other student support functions.

The other area of cost shifting that has occurred markedly over the last three years is that impacting on parents. Again, we have seen pressure involving school fees, where schools have been forced to pass the cuts from the State Government onto the parent community. There have been instances where parent fees have been used to fund school service officer positions. All of this is the legacy of that \$137 million which has just disappeared from the education budget.

The Government has introduced the DECSTech 2001 computer scheme. It is only just now that school communities are realising how much they will be up for in trying to put that scheme in place in their schools. Those costs have been largely shifted to school communities. That sort of thing will certainly impact heavily on all the schools in my electorate.

I turn now to the area of health. As the Leader outlined earlier today, in cash terms there is an increase of \$35 million in the health budget this year. In real terms, taking inflation into account, this is only \$3 million. We need to balance that against the cumulative reduction in health funding over the last three years of \$209 million. I guess that means simply that we are actually \$206 million behind in that area.

The Minister for Health made reference to the gigantic \$122 million capital works program which was the centre-piece of the health budget. I think I have said enough about

that. I will not go into details except to obviously agree and reiterate that this is a hoax and that this sum has been arrived at simply by adding together all the projects that were not carried through in prior years.

Interestingly, in preparing for this speech, I looked up the budget estimates for last year and noticed again in terms of health and capital works spending some familiar names on the list, including the Marion Community Health Centre, the Northern Community Health Centre, the Modbury Hospital upgrade, the Daw Park Repatriation Hospital and the Queen Elizabeth Hospital psychiatric unit. They were all there, and they are all there again, so let us not talk about—

*Mr Becker interjecting:*

**Ms STEVENS:** If it happens every time, as the member for Peake says, let the Government be honest about that and let us not pretend that all of a sudden we will be undertaking a gigantic \$122 million capital works program this year. That is dishonest in the extreme. It has not happened yet, so why should it happen this year, just prior to an election? People are not silly. They realise that this is electioneering.

I am particularly concerned about the Lyell McEwin Hospital upgrade. People in the northern suburbs are angry and disappointed about what has happened in relation to the Lyell McEwin Hospital. In last year's budget it was listed as a \$28.5 million project, and a small amount, I think about \$4 million, was allocated to be spent this year. That money has not been spent this year. In this year's capital works program, the column that indicates the total amount of money to be spent on the Lyell McEwin Hospital states simply 'Not available', so we have no forward estimate of the total amount to be spent on the Lyell McEwin Hospital or any indication of over how many years the project will take place. All it says is that \$2.8 million will be spent this year with no definite time line for anything else. That is a great disappointment.

The Minister for Health makes great play about saying how bad Labor's record was in relation to the refurbishment of hospitals, yet he has not done anything about it himself. Now that he is in the chair, he is very keen to criticise; yet he has done nothing to change matters, either. People in the north are very concerned about the Lyell McEwin Hospital. Indeed, they have always been concerned about an amalgamation with the Queen Elizabeth Hospital because they have always felt that it was about saving the Queen Elizabeth Hospital rather than providing a first-class health service for the growing northern suburbs. This decision simply reinforces that feeling. We have had no positive news about just what will happen to that hospital in the north.

I should also like to refer to the Northern Community Health Centre. As I indicated, that was mentioned in the last budget and it has been mentioned this time. I know that there is still procrastination about where that community health centre is to be sited. At the end of last year I spoke personally to the Premier about this matter. I hoped that the issue would be resolved and that the site for the community health centre would be decided upon. However, just last week I heard that arguments are still going on about where the centre is to be sited, let alone about how to spend the money.

I also know that the Playford City Council is ready with the land, which it bought after the removal of a high rise Housing Trust apartment block, and hoped to arrange with the South Australian Government for the community health centre to be built on that land, but still it is not finalised. What is going on? Why is it taking so long? Why are we still seeing no action on a very important project?

Further, in relation to the health budget, I refer to the Minister's crowing about the fact that we have increased activity in our hospitals. I mention this because in Question Time today the Minister referred to something that I said some time ago at a public forum. He was right in quoting me but he quoted only part of what I said, which is common for him. I said that I would argue that the delivery of more services is not a positive outcome as such: indeed, increased hospital activity is not necessarily a measure of good health outcomes for a community, and I stand by that.

*Mr Becker interjecting:*

**The ACTING SPEAKER:** Order! If the member for Peake wants to remain in the Chamber, I suggest that he listen in silence.

**Ms STEVENS:** The Minister did not mention that, when I addressed that forum, the health professionals who largely made up the audience cheered. They, too, acknowledge that we do not recognise health outcomes broadly just on the number of people coming out of hospital. The big health care issues for people in this State are going into hospital, coming out too quickly and not having community based services in place. There are no rehabilitation services and there is no support for people when they get out of hospital. People have to go back to hospital because they have been discharged too early. They are the issues. They are significant issues of concern to people in South Australia involving our health system, in particular our mental health services. When we look at the total picture, we see it is clear that \$209 million out of the health system has made a significant hole and raised many problems for many people.

I would like to commend the Government for a couple of initiatives in terms of the health budget, and I have done this before. First, I would like to commend it for the rural enhancement scheme. This is a good initiative, but it needs to be part of a wider strategy. It will not work on its own. Getting doctors into the country is not just about paying them more; it is a broader than strategy that. It is about professional support, career pathways, and having places where they and their families can live and be happy. I have spoken with the AMA about this initiative, and it told me that it had not been consulted about the matter. It indicated that it would have liked to say quite a few things about this strategy, but it was not even consulted. That is something we should not be surprised about, given the way this Minister runs this portfolio.

I also congratulate the Government on the \$2.5 million set aside with the aim of reducing the prevalence of smoking by 20 per cent over five years. I am pleased that the Government has followed through on the agreement it made to accept the Opposition's initiative for the \$2.5 million per year from the increased taxation revenue from the tar tax that we debated a few months ago as part of the Tobacco Products Regulation Bill. I was cynical enough to think that it might not carry it through. However, I was pleasantly surprised to see that it had been included in this budget. I will certainly be pursuing details of that during Estimates.

With regard to the police budget, I was pleased to see a restructure of the Police Force which will provide more officers to the northern suburbs. However, I make the point that the 100 extra police announced today is a start, but we still need to understand that it is 100 fewer than when Labor left office, and 300 fewer than the Government promised. It is really important for all communities in South Australia to feel safe and protected, and the visible presence of police is a hugely important thing to do in achieving this. This

Government has a long way to go just to come up to what it promised at the last election. I will continue my remarks during my grievance speech.

**Mr BECKER (Peake):** Contrary to the nonsense and mischief being peddled by the Opposition, this is a doing budget. It is doing something for South Australia, and it will set the framework for the future of young South Australians. It makes me absolutely furious to think that certain sections of the media in this State are accepting the nonsense being peddled by members of the Opposition. Let us consider the situation when we took office in December 1993. There was a \$300 million deficit on the Consolidated Account of the State. In other words, in the last financial year of the operations of the Lynn Arnold Government—the legacy that we inherited—it ran Treasury into a debt of \$300 million. Because of the progress and the development undertaken in South Australia by the current Liberal Government, we have seen tax collections alone improve by several hundred million dollars simply because of the confidence that is being shown in South Australia.

I want to remind members that in 1993-94 land tax was estimated at \$78.3 million. This financial year we hope to collect \$137.9 million. You do not collect that sort of money on nothing; you collect it because something is happening. In the gambling area, commission on bets, licence service fees, small lotteries and applications were estimated at \$3.8 million; this financial year it will be \$3.2 million. The contribution from the Casino operations will go from \$16.6 million in 1993-94 to \$18.1 million. The contribution from gaming machines in licensed premises will go from \$8.7 million to \$149.9 million.

The hospital fund contribution from the lotteries is coming down from \$73 million to \$45.8 million because of the impact of poker machines. I will explain the reason for these collections shortly. In relation to the Totalizator Agency Board, \$23.5 million was estimated in 1993-94 and that will be \$14.3 million because we have had to inject further moneys into the racing industry to assist that very vital industry which was left to run down by the previous Labor Administration. The horseracing industry was one of the greatest industries in South Australia until we lost all the top trainers to interstate.

The collections from other moneys is about \$200 000 this financial year compared with \$150 000, and the recoup for the recreation and sport fund is \$200 000 this financial year compared with \$550 000 in 1993-94. Payroll tax in 1993-94 was estimated at \$493.9 million; this year it is \$639.7 million. The Government must be doing something right if it can increase the payroll tax because of increased employment and the increase in wages in South Australia—

*Mr Clarke interjecting:*

**Mr BECKER:** Despite all the nonsense that the Deputy Leader peddles around the State, the State has not increased payroll tax: we are receiving a higher contribution because of the employment activity. The financial institutions transaction tax was \$56 million in 1993-94; this year it will be \$60.1 million. The financial debits tax and financial institutions duty will increase from \$65.3 million to \$77.4 million in the same period. Stamp duties in 1993-94 was \$375 million; we estimate that we will now collect \$410.9 million. In relation to the business franchise levy, the Electricity Trust was estimated to contribute \$43.1 million in 1993-94; this year it will be \$10.6 million because we have reduced by 5 per cent the levy from the Electricity Trust. Gas



was \$9.4 million and will be about \$9.6 million this financial year; liquor will increase from \$44.3 million to \$51.4 million; petroleum from \$144.6 million to \$162.2 million; and tobacco from \$179 million to \$243.2 million.

That indicates the economic activity in those areas. It is very important to remember the collections that the State has received. In 1993-94 we collected \$75.9 million from SAGRIC, State Bank and SGIC special payments to the State. We had to make up that \$76 million for a start and we have had to make up those sums. In 1993-94 we estimated to collect \$1 691 million; this year we will collect \$2 034 million. Because of the economic activity in the State we have increased the income. We have had to absorb other taxes to pay off the \$300 million that we inherited that no-one knew about. When we went into the 1993 election campaign everything was rosy. The Labor Party told the people of South Australia that there was no need to worry and that the finances of the State were in good hands. The Labor Party implied to the people of South Australia that there was no financial problem, that we could live with the \$3.5 billion debt. But no-one knew that there was \$300 million debt that we had to pick up. We have picked that up steadily over four years. Not a bad sort of an effort!

It has been hard going and it has been tough, and very difficult decisions have had to be made by the Administration to cover those figures. But at least we have been able to achieve several objectives, one of which was to reduce the \$8 548 million debt from 1993-94. We have reduced that to something like \$7 500 million at the present moment, and it is coming down. There has been increased economic activity and a resurgence of confidence in the State—small as some people may think it has been, it has been much greater than many people are prepared to give credit to the current Government for. You can do what you like with the figures, but they prove one thing: if there is increased economic activity, your collections go—

*An honourable member interjecting:*

**Mr BECKER:** Don't talk about inflation: it is 1 per cent or something in South Australia. So it means nothing. The point is that interest rates are now low, therefore our interest commitments are coming down. We have had to cull excess staff in certain Government departments—and there was excess staff in all sorts of organisations. We brought in management teams to control some of the Government departments. By doing that, the business enterprises which were previously heavily subsidised by the State are now making worthwhile contributions to the State Treasury. So, the State has now been put back onto a financial footing that from herein will be much easier for its development and progress. The savings will now start to flow to South Australia and will now come through in the benefits.

As the Treasurer said when he delivered his speech on Thursday 29 May, we are looking forward to a period of confidence and significant development in 1997-98. He mentioned Western Mining's \$1.5 million upgrade of the Olympic Dam operations, which must have a tremendous impact on the State budget; the continuation of significant petroleum and mineral exploration activities; the \$20 million, which has been invested in the study of the West Coast of South Australia for mineral development opportunities, has paid off three-fold—something like \$60 million has been committed to research and development in that area; and General Motors-Holden's Automotive Ltd Commodore upgrade and production of a new Vectra model motor vehicle.

This afternoon we debated a matter of urgency in the House and the Opposition—the knock knock Opposition—was again very critical of some of my colleagues in Canberra. I contacted Chris Gallus and said, 'Chris, what did you do? What happened in Canberra yesterday?' and she said, 'Here is Crean putting up the stunt motion, as usual, in knocking the Federal Government for not doing anything constructive for South Australia in relation to the motor car tariffs.' She said, 'Remind the Labor Party that under the Button plan (remember Button, 4 foot 9½) the tariff was reduced from 57 per cent to 15 per cent.

*Mr Foley interjecting:*

**Mr BECKER:** No, he did not.

**Mr Foley:** He did.

**The ACTING SPEAKER:** Order!

**Mr BECKER:** He created a situation where domestic motor car sales dropped from 84 per cent to 47 per cent. That is certainly saving the car industry! Did you know that Ford was committed to the Caprice motor vehicle? It had to make, manufacture and sell 30 000 cars for export to get credit benefits. And it failed: unfortunately, it was unable to do it. So I do not know how the Labor Party can boast and carry on about the car industry. We saw this in the *Advertiser* of 31 May:

And pro-tariff Liberal MPs, Ms Jeanes and Ms Chris Gallus, yesterday accused advocates of further cuts of making uninformed statements about protection in other countries. Ms Gallus said it was wrong to praise the United States over its zero tariff on passenger vehicles when it maintained a 25 per cent on pick-ups and a quota on Japanese vehicles entering the US.

Sue Jeanes, the Federal member for Kingston, has worked hard. I refer to that part of the budget speech which states that in 1997-98 we can look forward to significant development investment prospects in South Australia, and that General Motors has committed to the Commodore upgrade and the production of a new Vectra model motor car.

Therefore, we expect every member of this House and every person in Australia to support General Motors-Holden's by buying and driving its vehicles and helping to retain jobs in South Australia. We should do all we can to support that company. This is a 'doing' budget: it is doing something for the benefit of South Australia. The Treasurer said that we will see the construction of a major electricity generation facility; the construction of a second continuous cast by BHP at Whyalla; the upgrade and expansion of the Pasmenco smelter facilities at Port Pirie; the construction of a computing resource centre by EDS Australia Pty Ltd; and the significant expansion of capacity in respect of the aquaculture, horticulture and winery industries. They are just some of the developments that are starting to take place in South Australia. They prove that South Australia is doing something for the benefit of this State and the whole of the country.

In my electorate there is a company that exports sand to China. You do not read about that in the media; you do not read the good news. There is another company that exports technology in relation to heavy duty cranes to South-East Asia. There are small companies, medium-sized companies and large companies. If members visit the Torrensville area, they will see that, since I have been the local member, industrial development in that location has expanded significantly.

This budget highlights several other issues and benefits for the western suburbs. The capital works program is one of imagination, of doing something for South Australia and the western suburbs. The Glenelg West Beach Development is

to receive about \$48 million—\$26.7 million this financial year. This is something that the member for Elizabeth does not understand. There is the total cost estimate of the project, and then there is a certain amount of funding for this year, perhaps next year and the year after. It is the seed funding that gets projects going. Under the Dunstan, Corcoran and Bannon Governments, I well remember the Ministers for Public Works explaining that the first \$500 000 may be for seeding, drafting and preparing the documentation, and in the next year you might see a little bit of money come through for construction, and in the third year the whole of the project, depending on its size, might be finalised. These projects and estimates go on for some considerable time because of the lead time. It depends on when the Government or the department wants to make the announcement and the progress that is made in bringing those projects to fruition.

There is nothing hidden or cynical about putting these figures forward in the budget estimates as we have, because we have seen the lack of activity by the previous Labor Government. I well remember an occasion when Dunstan was answering a question as to why the capital works program was underspent. He said that it was underspent because it was a very heavy winter and, because of the wet conditions, construction could not commence. You would ask yourself what was going on. In the next year the capital works program would be overspent and they would be in debt. When you asked the Minister, he would say that it was because there was no rain that year, that there had been a drought, so more money was spent on construction.

The budget estimate documents are exactly that: they are budget estimates. They set out a program of what is proposed to occur, including approximate dates. The member for Elizabeth should not get too excited. She is a school teacher, so she does not understand and probably never will, but I hope that one day we might be able to teach her. I am delighted that in the budget there are certain allocations that will help my electorate as well as the electorate of Hanson. The Athletics Stadium is estimated to cost \$8.3 million this year, and to finish the project there will be expenditure of \$1 235 000. That project has progressed extremely well. In my electorate, there is the Hindmarsh Soccer Stadium redevelopment (stage 1) at a cost of \$8.6 million, with \$560 000 to be spent this year. This is a joint private/public sector redevelopment of the western grandstand of the Hindmarsh Soccer Stadium to provide a facility capable of holding international events. When the whole project is completed, it will be magnificent and beautiful, the pride of the country and comparable with anything that one would see in Europe, bearing in mind the size and type of city. We will be very proud of the soccer stadium.

The Football Park scoreboard will receive \$3 million funding—the member for Hart should be absolutely delighted to see ‘Port Power’ up on the electronic scoreboard. That will be a great contribution to the State. Watch out for the Crows—they are going well at the moment. I will give full credit to Port—they are doing a wonderful job.

The Hindmarsh soccer stadium, stage 2, will receive \$16.2 million, and some \$7.7 million will be spent at the stadium this financial year. That is helping us bid for some of the teams for the 2000 Olympics. We hope to lift the profile of soccer and the importance of soccer in South We are getting on and doing something. This is what everybody in South Australia has been saying to us: ‘For goodness sake do it.’ That is what we have to do.

*Mr Caudell interjecting:*

**Mr BECKER:** As the member for Mitchell says, ‘Do it.’ He is dead right. For the benefit of the member for Elizabeth, I refer to the Queen Elizabeth Hospital intensive care/high dependency upgrade. I forget how many times I have been to the Queen Elizabeth Hospital—and I will not go into the reasons, except to say that I have been terribly disappointed about the way the Labor Party over 11 years let that hospital run down. The staff, management, the nurses and everybody associated with the hospital have done a wonderful job. They have worked under the most trying conditions over the past 11 years, and their dedication, devotion and duty to service has been unsurpassed.

At long last we will spend \$5.5 million—\$2 million this year, commencing in July and hopefully being completed by December 1998—to upgrade the critical care facilities of the Queen Elizabeth Hospital site, involving the collocation of the high dependency unit alongside the intensive care unit and the relocation of the physiotherapy and occupational therapy departments. The member for Elizabeth gave us no credit for that—he just knocked, knocked, knocked. It is a wonderful start down there, apart from all the other things that have been done by this Minister—somebody who understands the importance of providing quality patient care at a level we can afford.

We get to the Glenelg waste water treatment plant, minor rehabilitation and miscellaneous works, \$10.9 million, with \$500 000 being spent this year. It is going on about us. If the member for Taylor wants to complain about the smell of the Bolivar treatment works, I point out that for six years we have had to put up with the stink at the Glenelg sewage treatment works. Ms Lenehan predicted that and was going to do all sorts of things, including putting a thumping great pipeline out to Bolivar to get rid of the smell.

The Public Works Committee, when reporting on the pipeline, warned that in no way would the new pipeline remove the smell; nor could it guarantee it. So, with all the hoo-ha we have had about the smell in the suburbs, we have had the problem down there and had to live with it for five years. The Labor Party did nothing about it—

*Ms White interjecting:*

**Mr BECKER:** You created the bloody thing: that is what annoys me. Labor created the stink because it did not want to put the stuff out to sea. We have to live with it and now we are trying to fix it. It will cost us millions of dollars. Let us do it and get on with the job—it is a good budget.

**The ACTING SPEAKER:** Order! The honourable member’s time has expired. I call on the Deputy Leader of the Opposition.

**Mr CLARKE (Deputy Leader of the Opposition):** It is always a pleasure to follow the member for Peake because in comparison whoever follows him always sounds like a statesman.

*An honourable member interjecting:*

**Mr CLARKE:** I will do my best to disabuse people of that notion. I notice that on the day of the budget’s being handed down, at the end of the Treasurer’s speech, a number of members, including you, Sir, got off their seats, went across to the Treasurer, clapped him on the back and said, ‘What a magnificent job you have done as Treasurer of this State’—such a magnificent job that barely 12 of you could be bothered to vote for him as the Deputy Leader of the Liberal Party in November last year. That is how much the overwhelming majority of members of the Liberal Party in

this place thought of the Treasurer: when you had the opportunity of showing your gratitude for the hard grafting work that you say he has done over almost the past four years in presenting a budget to the State Parliament, you knifed him in the back at the very moment of his crowning glory. This happened at the very moment he was predicting a budget surplus for next year, and we all know that is a hoax. Nonetheless, that is how you rewarded your hard working Treasurer.

The only criterion for this budget and that of the Howard Government budget last month was the issue of jobs. The current Premier has spoken a great deal about creating jobs in this State and he has failed miserably. We need look only at the acknowledgment of his Treasurer last week in the interview after the budget when he admitted that his Government was abandoning the Brown Government's pledge of creating 20 000 jobs a year over the next 10 years, commencing from their election in December 1993.

We also see that the Premier has abandoned any thought of making any inroads whatsoever into this State's unemployment, and indeed he forecasts a rise in unemployment in South Australia. One has only to look at the budget papers handed down last week because the Premier, in a press interview on 17 May in that fiercely independent journal—otherwise affectionately known as the 'Tiser'—was reported as follows:

Mr Olsen said his Government aimed to have the State's unemployment rate reach the national average by 1998-99.

The Premier knew when he gave that interview that he was speaking a falsehood because he knew what was in the budget papers. I refer to Financial Paper No. 1, page 3.2, table 3.1 and the heading with regard to the State Treasury's predictions for employment growth. In Australia employment growth on average is predicted to be 2.25 per cent in 1999-2000 but in South Australia only 1.5 per cent. Gross state product for South Australia is expected to grow by 3 per cent in 2000 but the Australian average is predicted at 3.5 per cent for the same year.

The State budget's figures gives the lie to the Premier's prediction of a reduction in unemployment levels to the national average by the turn of the century. There is no way on this earth that South Australia can even match the national average of unemployment levels unless we grow far greater than 3 per cent, which is far more than what is predicted by the Treasurer's own experts in the field. The Premier and his entire ministry know this. True, I exclude his backbenchers from knowing this because they know nothing; they have learnt nothing in their 3½ years in this place, and they will never learn anything about dealing with the economy.

*Ms White interjecting:*

**Mr CLARKE:** As the member for Taylor interjects, the fact is that backbenchers in this place know nothing about unemployment, except that many of them will experience it at the end of this year. That is one certain fact. The Premier and his ministry knew that, when it came to unemployment projections, his predictions and public comments to the public of South Australia that South Australia would be at least up to the national average of unemployment were a falsehood. What an appalling indictment for any Government to say, 'We will guarantee that our State's unemployment will be up with the rest of the States.' They do not aim to claim that we will have a lower level of unemployment than the rest of Australia or an unemployment rate better than the rest of Australia. They merely said, 'We aim to be mediocre; we will just be with the rest and we do not mind being tacked on with

Tasmania as part of the national average.' That shows how low the goals of this Government are. The Government has abandoned any notion of employment.

Let us also look at public sector employment. Since 1992-93, this State has spent \$962 million in redundancy pay, \$918 million of which has been spent since the Brown Government came into office. We have spent almost \$1 billion to put people out of work. The State taxpayers have spent nearly \$1 billion in sacking people from the public payroll. Is that not a magnificent record of which any Government could be proud? Since the financial year 1992-93, 17 024 full-time equivalent State public sector employees have been given the sack. Some 16 162 of those FTEs were sacked during the Brown-Olsen Administration of this State. This Government wonders why the retail trade in this State, our housing industry and the whole economy of this State are so flat, when 16 162 full-time equivalent public servants have been given the chop, the overwhelming majority of whom live within the Adelaide metropolitan area. A great number of them worked in the CBD area and, if the retail traders wonder why they cannot sell their goods in their stores in the CBD area, it is because the workers are no longer there earning the money.

When he was talking about Australian National and the closure of the workshops at Port Augusta, the Liberal member for Grey, Barry Wakelin, said that it is not such a bad thing to sack 500 people; they will get their redundancy pay and spend it in the local community. That is absolute nonsense. Research shows overwhelmingly that, when workers take redundancy pay, they do not go out and spend it in the stores on new white goods, cars, carpets or clothes: the first thing they do is pay off their mortgage, which consumes most of their redundancy pay. That money goes back to the banks in the Eastern States: it is not circulated back within the local community, so that is absolute nonsense. So, the overwhelming majority of that \$918 million—almost \$1 billion—was not spent in the local community: \$918 million was sent back to the banks through mortgage repayments and so to the Eastern States rather than used here to produce wealth and jobs.

We will deal next with the police for a few moments. The Police Minister—'the hapless Deputy Premier', as very aptly described by the Premier's new policy adviser in these matters, Alex Kennedy, to whom I alluded earlier today—heralds the fact that there are 100 new police on the beat. When I read the front page of the *Advertiser* a few weeks ago when this budget item was leaked to the media—no doubt by the Deputy Premier—it took a fair bit of imagination to understand what the *Advertiser* meant by '200 more feet on the beat'. Of course, every policeman or policewoman I know has two feet, so it works out at 100 extra police officers, although the *Advertiser* is trying to put a nice spin on it for its friends in the Liberal Government to try to create the impression of 200 new police officers.

The fact is that, as of today, there are 250 fewer sworn police officers in the Police Department of South Australia than there were when Labor left office in 1993. Replacing 100 extra police officers is a response to every backbencher's concern in this Parliament, that is, community anxiety about safety and the concern that the cuts to the Police Department have been too severe. It is a panic reaction, but it is still 150 sworn police officers fewer than when Labor left office in 1993, and 350 police officers fewer than promised by the then Leader of the Opposition and now Minister for Industrial Affairs at that election.

We also hear of plans by the Minister and the Police Commissioner to reallocate duties in police stations to, supposedly, put more police back on the beat. That means to civilianise some of the functions carried out by sworn police officers in police stations. That sounds all very well at first blush but, if you have just been raped, if you have just suffered an assault, or if you have just been a victim of a burglary and go to a police station to report the offence, you do not want to talk to a 21-year-old clerk who has had no experience in police matters: you want to talk to a sworn police officer who knows the ropes, who knows the concerns and who knows what action needs to be taken to protect your rights as a citizen. As I said, you do not want to talk to some 21-year-old clerk about those types of crimes that violate you or your property: you want to deal with a police officer who knows their responsibilities.

In addition, many police officers are injured in the course of their work; they are bashed and belted during their work by people whom we would regard as not particularly friendly and whom we would choose not to invite into our homes. Injured police officers need a place to rest and recuperate before returning to the beat. Where do we put those police officers? There are no light duties for those police officers. Do we send those police officers, who might have been shot or bashed in the course of their duty protecting the lives or property of fellow South Australian citizens, back on the beat, or force them to stay at home in idle inactivity because there is no work at the police stations? They are real issues of concern and not to be glossed over by the Minister for Police.

We then come to the blatant waste of taxpayers' money with respect to the leaflet headed 'Looking Forward to the Future', issued by the Government into every seat, so far as I can tell, over the weekend in a blatant bit of Party political propaganda. The Leaflet is headed 'Looking Forward to the Future', and no truer words were spoken by the Premier, because the people of South Australia are looking forward to the future. They are looking forward to the election of a Rann Labor Government some time this year, because the young children appearing on the front of this leaflet will need a Labor Government if they are ever to get a job in this State by the time they leave school, university or places of training.

I refer briefly to regional development. Very little has been done in regional development. I have heard a lot of hype on regional development over the years from successive Ministers. I note that the Minister assisting the Minister for Industry, Manufacturing, Small Business and Regional Development is a country-based member from Port Pirie. But what has Port Pirie got out of this? Very little, indeed. I wonder just what efforts that particular Minister is taking to try to secure that container manufacturing plant at Port Pirie. He has talked a lot about it in the past 3½ years but delivered nothing at all. The National Farmers Federation spoke in very disparaging terms of the State budget and what it offered rural people. Having spent a lot of time in country areas over the past 3½ years and spoken to a number of people in those communities, I have seen first hand the reduction in services through successive budgets handed down by both the Brown and Olsen Governments. Jobs have been lost in State service areas in rural regions. Families have had to leave the country, and that has affected the social amenities of many rural communities. There is no hope for jobs on any significant scale in regional South Australia.

This Government has created a do nothing budget. The Government's action in terms of police measures and beefing up its so-called capital works program seeks to create an

illusion of activity and jobs in response to election polls which show that this Government is doing very badly. The Government backbenchers should have a bit more spine. As soon as they had one bad poll at the end of last year they had to replace the Premier of the day. He was knifed in the back, notwithstanding the fact that on that published opinion poll the then Premier would have won an election with a majority of about 28 seats. But at the first whiff of grapeshot they shot through.

Since they elected their new Premier, what have they got? A lemon. The polling results are worse today than when the Minister for Industrial Affairs was Premier. One need only remember the startled looks of the backbenchers when they realised that they had bought a pig in a poke on 26 November. Instead of a messiah leading them into the promised land where all 36 of them could enjoy being re-elected to the Parliament, they suddenly realised that they are very mortal indeed, and nothing can save a good number of them come the next election. So their messiah, the current Premier, who was found to have clay feet, has had to cobble together a budget for his do nothing, know nothing backbenchers to say, 'Look, don't worry about it; I can get all 36 of you back into Government, because I will put up this conjuring trick that I am producing more jobs, that I am producing more hospitals, that I am giving you more police; just give me a go; I can do all of that; don't worry about my public polling which shows that I am going further and further down the gurgler; don't worry about the fact that you made a mistake by knifing the Minister for Industrial Affairs as Premier and putting me in his place; I'm sorry that I have not turned the polls around, but I'm trying to do something now.' Mr Deputy Speaker, it will not work. In conclusion, I refer to an article in the *City Messenger* which states:

The weak-kneed, the lily-livered and the unsatiated egos coalesced to dislodge Brown and it is nothing short of astounding to hear Olsen claiming—as he has at least twice in the last week—that he had nothing to do with it.

Well, he had everything to do with it. This is his budget. It will be his epitaph and it will be built on the bones of his backbenchers who will crash into the wall by the end of this year.

**The Hon. DEAN BROWN (Minister for Industrial Affairs):** I move:

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

Motion carried.

**The Hon. FRANK BLEVINS (Giles):** I was prompted to speak in this debate by the member for Custance. The member for Custance was saying what a wonderful budget this was for regional South Australia. This budget is certainly a number of things, one of which is that it is not good for regional South Australia. This budget is a disgrace to regional South Australia, as this Government has been a disgrace to regional South Australia and as every member opposite who represents seats in regional South Australia has been a disgrace. The reason I say this is because of what is happening in regional South Australia. In the main, over the past 3½ years this Government has substantially reduced the number of Government employees in the regions.

Things are happening in rural industries which inevitably will have an effect on the number of people working in those industries. There is nothing we can do about that, but what we can do is ensure that Government services and employees remain to maintain the viability of our country towns. That

is the objection I have to this Government. It has taken the people away from rural South Australia and I object to that very strongly. It was not something that was necessary and it was not something that was desirable but, for whatever reason, it is something that this Government has done. It would not have saved it very much money at all.

I was interested in the response to the budget from the various leaders in the community to whom the journalists go for a response. I was very interested to see the comments from the Farmers Federation. The Farmers Federation made it perfectly clear that there was nothing in this budget for regional South Australia. I have been pointing out that this Government has been very bad for regional South Australia since the day it was elected and I am pleased to be joined on my platform. Not only has the Farmers Federation joined me on the platform but apparently it is riding the same hobby-horse. It is exactly right.

It is all very well for the member for Custance to say, 'Is it not wonderful that over the next 10 years we will have some new roads in rural South Australia'—and that is good and I support that very much—but it is no compensation for the people that it has taken away. We needed those people in rural South Australia, the Government workers. It does not matter where you go in rural South Australia, whether it is in the South-East, the Mid North or where I live on Eyre Peninsula, people in every country town and every country centre say exactly the same thing: that this Government has set about destroying the viability of those communities. That is tragic and it was so unnecessary. I am not quite sure how we can put it all back together again.

The member for Custance said, 'Is it not wonderful that we will soon have overtaking lanes on National Highway 1 between Adelaide and the Eyre Peninsula.' I drive that road at least twice a week and the overtaking lanes are fine. I actually think some of them are a bit of a waste of money but, nevertheless, they are there and, if people want to waste money in and around my electorate, then I am happy for them to do so. I point out to the member for Custance that they are all financed by the Federal Government and have nothing whatsoever to do with the State Government. The Federal Government has supplied the money for the overtaking lanes on National Highway 1—and we are grateful for it; any money spent at all in South Australia is welcome.

*Mr Caudell interjecting:*

**The Hon. FRANK BLEVINS:** That is right. The member for Custance at least ought to get his facts right. I did not want to get into this area again because I have pretty well exhausted the topic, but again this week up it turned, a letter from the District Council of Franklin Harbor. I know that some members will be interested in this. It relates to daylight saving. Not only has this Government taken the people out of South Australia but to add insult to injury it has saddled them with an additional three weeks of daylight saving. That is utterly unnecessary, utterly unwelcome, and it just makes those people who remain in regional South Australia feel that this Government really hates them. It must hate them the way it treats them. It treats them with utter contempt economically and as regards Government services. Even in a matter that some people may feel is fairly trivial, such as daylight saving, it treats them with contempt.

**Mr Foley:** It's not trivial with me!

**The Hon. FRANK BLEVINS:** I know that a lot of people in the metropolitan area dislike the extra daylight saving, but I will be—

**Mr Foley:** During the festival.

**The Hon. FRANK BLEVINS:** I do not know what it is that they want to do during the festival for which they want daylight; I have no idea, but we will leave that to one side. I will be letting the District Council of Franklin Harbor know that there is really nothing else I can do about its request on daylight saving. All the members of this Government who represent regional seats have voted against my attempt to get some sanity into daylight saving. All members on the Labor side have supported me, but all members on the Liberal side have opposed me.

For the life of me, I do not know why those Liberal country members of Parliament have treated their constituents the way they have. There is no need for it. They were quick to flex their muscles, as the Deputy Leader has just stated, on one key opinion poll. I did not think it was particularly bad. I would not have minded the Labor numbers being transferred, but all of a sudden we have these two dozen activists opposite who want to change the leadership. If they are all so tough and active, where were they when all the Government services were being taken out of regional and rural South Australia?

Where were these activists? All of a sudden they developed a backbone to attack the now Minister for Industrial Affairs when he was Premier. That is their business: they may have been right, or they may not have been—I make no comment on that—but all of a sudden they are flexing their muscles and beating their chest. Where were they when all these services were being taken out of rural South Australia? They were nowhere. The Farmers Federation is absolutely correct about this budget: it does nothing for regional and rural South Australia, and that is to the absolute disgrace of those members of the Liberal Party who supposedly represent rural South Australia. I think that is a pity.

Let us look at the budget for a moment. I do not want to go into it in any detail. The Leader and other members have said as much as needs to be said. The Treasurer is boasting. I think he has his fingers crossed behind his back, because he does know the actual state of the finances here, and he does know how much smoke and mirrors are used to dress up this budget. The Treasurer is not a mug; he does know, but he has been heaved.

Let us look at this so-called \$1 million surplus on the current account. It is a joke. You can have a \$1 million surplus or a \$10 million surplus by a slight twitching of the figures—or you can have a deficit of the same amount. That is very easily done, and it is done all the time. Let us take it at its face value. Where does the money come from to wipe off the current account deficit? Generally speaking, I agree that it is highly desirable to reduce it gradually. I think the Government has reduced it too quickly, and it has done a lot of damage in the meantime, but it is the Government's right to do that. These backbenchers who have sat there for the last four years without opening their mouths will be paying the price. It will not be the front bench paying the price, except the member for Wright.

**Mr Foley:** Scotty's gone!

**The Hon. FRANK BLEVINS:** He is gone. The member for Wright will go from the front bench. But the rest of the backbenchers will go. They will pay the price.

**Mr Foley:** Do you think Peter Blacker will get a seat?

**The Hon. FRANK BLEVINS:** Every time I see Peter Blacker, his smile gets bigger. Maybe he will; I am not quite sure. Government backbenchers will pay the price for the speed of the reduction of the current account deficit. However, when we analyse it, for all the pain that my constituents

and others have gone through, what have been the big money spinners that have helped reduce the current account deficit? There has been poker machine revenue of approximately \$150 million, which has nothing at all to do with the Treasurer or the Government. There has been tax collecting through speed cameras, but I do not know how much has been collected, although the Deputy Leader could tell me. Is it up to \$50 million?

**Mr Foley:** It's \$100 million.

**Mr Clarke:** It was up \$17 million in the first year.

**The Hon. FRANK BLEVINS:** It is a phenomenal amount. I do not know whether tax collecting through speed cameras is a good or a bad thing. I will be able to say on election night and I may be able to blame that for the loss of a few seats: it depends on the questions that I am asked. If we add the revenue from poker machines and speed cameras, it is around \$200 million already. Then, we can add the milking of ETSA. How much is that this time?

**Mr Foley:** It's \$200 million.

**The Hon. FRANK BLEVINS:** It is \$200 million. From the milking of ETSA, the pokies revenue and the speed cameras, there is the \$350 million. All this business about getting rid of employees in country areas, and all the pain that has caused, has not helped the bottom line. This Treasurer, a person for whom I have some respect, did not have to do very much to reduce the current account deficit. He had the poker machines—and he did nothing to get them: in fact, he opposed them—and he had the speed cameras, and it is not hard work to put in extra speed cameras, because no brains or finesse are required. It is also very simple to milk ETSA if it has a compliant board. Again, I have no objection to that, because the funds belong to the people. They do not belong to ETSA, although ETSA always thought they did. I always thought that they belonged to the people but ETSA thought they were personal funds to play with as it wished. Those three things alone would make up the \$350 million for the current account deficit. All those things have been done virtually by the stroke of a pen, with no effort required at all.

**Mr Foley:** It's \$6 million from EWS, and \$100 million from asset sales.

**The Hon. FRANK BLEVINS:** Asset sales are another question. However, as to asset sales and the reduction of debt, it was not that much of an effort. The asset sales have reduced the debt to some extent but, comparing it with what it was, it is not that much different.

*Mr Foley interjecting:*

**The Hon. FRANK BLEVINS:** Again, that was a decision for the Government to make. Although the asset sales have brought down the debt a bit, the other side of that coin is that the Government has narrowed its income base. One of the biggest problems faced by State Governments is a very narrow tax base, and it has been narrowed again by asset sales of such things as the Pipelines Authority. On the other side of the ledger, the income has also been reduced.

The Auditor-General commented on that in his last report, where he said that the net benefits to the budget of all these asset sales were something of the order of \$4 million a year, which makes me wonder whether it was all worth while. I know that the Treasurer said that the Auditor-General did not know what he was talking about, but I think that the Auditor-General does know what he is talking about and I think that he was exactly right on the point about asset sales.

This Government has used a lot of effort and has put a tremendous amount of ideology into the budget, yet the bottom line has not reflected the damage that has been done

to some of the social infrastructure in South Australia. We could all pay off our mortgages more quickly. I have horrendous mortgages, and I could pay them off more quickly if I did not eat or the children went to bed hungry. There is no doubt that that could be done, but it would be highly undesirable. The damage done—and I am biased when I say this—in rural areas has been utterly unnecessary. That is to the Government's shame, not to its credit. The only things of any significance that have affected the bottom line are those I have mentioned, and absolutely no credit should be taken by the Government for that; it involves merely the stroke of a pen in ordering more speed cameras, upping the poker machine tax or milking ETSA.

**Mr Brindal:** What about the low road toll, coupled with the increase in speed cameras?

**The Hon. FRANK BLEVINS:** I doubt whether the number of people killed on the road through speed has gone down very much at all. The member for Unley ought to check his facts before he says that, because he may find that the number is not so dramatic. I am not saying that collecting tax through speed cameras is wrong. All I am saying is that that is what happened. I will repeat myself not for the benefit of the member for Unley but as a wrap up: the \$350 million current account deficit has easily been wiped off with poker machine tax, additional revenue from speed cameras and the milking of ETSA. All the pain that members opposite have gone through and all the seats they will lose because of their actions will be utterly unnecessary, because of an ideological position taken that they will grind down this debt—even with the use of smoke and mirrors—over the period of this Government.

*An honourable member interjecting:*

**The Hon. FRANK BLEVINS:** Well, you have. Plenty of smoke and mirrors have been involved—milking ETSA, poker machine revenue and increasing the use of speed cameras. You have done it. A lot of the backbenchers and at least one of the front benchers will pay the price at the next election. I will be there on the election night, watching, and I will think, 'What a pack of mugs those backbenchers were.' Why they didn't exhibit some spine and defend the social infrastructure in their electorate, I have no idea—none at all. They really were manipulated; they were babes in arms for the eastern suburbs crowd who have run this Government since day one. Nevertheless, the day of reckoning is coming and retribution, whilst it is not swift over four years, it is certain. To those backbenchers, you have brought it on yourselves; it is your own fault. You had a wonderful opportunity to do something sensible in this State, and you blew it. You will pay the price, and rightly so.

**Mr CAUDELL (Mitchell):** Following some of the Opposition speakers, it makes you wonder where they get their facts—whether they get them out of Enid Blyton books or from Disneyland tapes. We heard the Deputy Leader of the Opposition talk about redundancy payments of about \$918 million. The Deputy Leader of the Opposition failed to advise the Parliament that the redundancy payments he was talking about paid by this Government amounted to a lot less than the interest this State has paid on a debt that it created—an interest bill that is close to \$1 billion. The Deputy Leader of the Opposition, when short on facts, as he was, always resorts to drama. The Deputy Leader of the Opposition always seems to resort to the land of fiction and fantasy in relation to his speeches. The member for Giles talked about this budget being based on smoke and mirrors. I do not know

whether that is the truth. However, the truth is that the member for Giles is obviously going around lighting a few fires to create some smoke; that would appear obvious.

The member for Giles casually gave the House some economic lessons in relation to the recurrent budget—a few dollars here and a few dollars there. I thought, ‘A very experienced person,’ but then I remembered that the member for Giles a fortnight before the last State election lost \$700 million dollars and did not know where he had put it. That is the gentleman who in this House gave us an economics lesson on the recurrent budget and I thought, ‘My God, I have to follow this speaker.’

We heard from the member for Napier who made the classic comment when she said that there had been no private investment, and that private enterprise investment had stagnated. Business consumer confidence in the electorate of Mitchell as a result of projects involving in excess of \$400 million continues to grow and generate confidence, enthusiasm and, most importantly, jobs. Business confidence in the electorate of Mitchell is high. The community is aware and enthused by the constant development and activity in this area. In the electorate of Mitchell, cranes are regularly dotting the skyline.

All was not well in South Australia in the period prior to 1993. Prior to 1993 we had schools that had never had a touch of paint, had never had a paint brush laid on them. Under the previous Government, Darlington Primary School had never had a skerrick of paint added to it. Yet in this budget \$3 million has been allocated for paint and outside repairs for all those schools, of which \$59 000 will be spent in the electorate of Mitchell. Darlington Primary School will get its first coat of paint in over 20 years.

Schools have deteriorated in maintenance and repair. We have had schools with desks without chairs, we have had windows broken that were never fixed and we have had toilet blocks used as storerooms. This budget allocates in excess of \$105.8 million in capital expenditure and maintenance programs, of which \$600 000 will be spent at Clovelly Park Primary School. The tenders for that project are about to close and we will see the completion of this work before the end of the year. This is the second upgrade of that school under this Government. Prior to that, the school had used toilet blocks as storerooms, windows were broken and desks were without chairs. As a result of allocations in the current budget, Clovelly Park Primary School looks forward to a new future.

The Leader of the Opposition mentioned the money being allocated in the previous budget for the Hamilton Secondary College. He talked about \$2.834 million having been allocated in the previous budget. Once again, Mike Rann has it wrong. In the previous budget only \$1.9 million had been allocated for the upgrade of that school for middle schooling and for the relocation of the special needs facility from Minda to Hamilton Secondary College. In the intervening period, a number of surveys were done with the school community on what was required for middle schooling because no studies had been carried out in relation to facilities which were required and which were agreeable to all school communities.

As a result of those discussions, we have been able to increase that allocation for the development at Hamilton Secondary College from \$1.9 million to \$2.834 million in this budget. When the Leader of the Opposition said that we carried forward \$2.834 million from the previous budget he was wrong again. The previous budget figure was \$1.9 million. As a result of studies and community and school

consultation that figure has been increased to \$2.834 million, of which \$350 000 will go to the special needs facility and an extra \$600 000 will go to the Hamilton Secondary College. Tenders for that project are about to be called, and the work will be completed prior to the end of December this year, ready for the middle schooling at Hamilton Secondary College in 1998.

Prior to 1993, Housing Trust facilities in the electorate of Mitchell needed maintenance and repair. Some Housing Trust houses had cracks in the walls so big that you could put your fist through them; you could see daylight through the other side. Housing Trust maintenance and repair had fallen behind to an unrealistic level. As a result of that, this Government has committed \$50 million towards upgrading Housing Trust homes in the Mitchell Park area. In conjunction with private enterprise and the South Australian Housing Trust, \$50 million will be spent over the next few years in relation to that upgrade.

Included in the budget is the DECSTech 2001 program, to which the Government has committed an extra \$15 million. The Government is spending \$15 million in the first year of DECSTech 2001 and \$15 million next year. It is a five year program to significantly boost the availability and use of information technology in schools. DECSTech has an objective to provide one computer for every five students in all Government schools by 2001. It will also provide training and development for all staff to ensure that they extract the full potential of information technology in teaching and learning.

It should be remembered that prior to 1993 the Leader of the Opposition told schools and parents that they had to pay all the costs of new computers and refused to provide any real Government assistance. When we hear the bleating of the Opposition in relation to computers and information technology for schools, it seems to forget about the statements that were made prior to 1993, when the now Leader of the Opposition told schools and parents that they had to pay for all the costs of new computers and refused to provide any real Government assistance. As a result of the DECSTech 2001 program, the seven schools in the Mitchell electorate have already placed orders for a total of 141 computers. Many of these computers are already installed and up and running in the local classrooms.

Prior to 1993, we also had schools which were unable to provide anything in relation to information technology because they did not have the power points to run the computers; they did not have lighting so that people could use the facilities; they did not have desks on which to place the computers; and they did not have chairs to enable people to sit in front of the computers. The lack of equipment was absolutely scandalous in relation to some of these schools. Included in the budget are funds for furniture grants to assist the schools in providing desks, chairs and lighting so that this information technology can be put to good use. Also included in the budget—and this is also relevant to the electorate of Mitchell—are funds for special interest high schools in sport and physical education and the continuation of those programs into 1998. One such high school is Seaview High, which has developed a very good tennis focus.

Health was also an area where the previous Government showed a lack of concern. The Public Works Standing Committee, of which I am a member, has seen the benefits of the inspections and the lack of maintenance provided by the previous Government. The list is very long. Mr Deputy Speaker, you are probably well aware of the lack of mainte-

nance and upgrade to the Mount Gambier Hospital. The Mount Gambier Hospital was promised a number of times that money would be spent on an upgrade or new facility: every time it would fall by the wayside. Then there is the Port Augusta Hospital. When we inspected that hospital I just could not believe the lack of maintenance and money that had been spent—as with the Kangaroo Island Hospital, as the member for Flinders can confirm.

I refer also to the Flinders Medical Centre where the Friends of the Flinders Medical Centre held morning teas to pay for patients' pillows and where there were wards of 30 people with only one shower. There were scandalous situations which caused problems with occupational health and safety. Since this Government came to office in 1993, we have seen the accident and emergency department upgrade at the Flinders Medical Centre. This hospital in the southern region now has the second busiest casualty department in the whole of Australia. The only other hospital that exceeds the Flinders Medical Centre's casualty department is the Royal Brisbane Hospital. Staff of the Flinders Medical Centre provide an extremely good service. They are thankful for the work that has been done and the capital that has been spent on the accident and emergency department upgrade. Soil has been turned on the private hospital upgrade. An extra 1 400 in-patient services will be provided as a result of a \$50 million investment in this upgrade by the private sector. We have also seen the purchase of a \$1.2 million CT-scanner to replace the existing machine, which had well and truly passed its 'use by' date.

The Leader of the Opposition mentioned the \$2.6 million Marion Community Health Centre and the fact that it has been continually delayed in the budget. The Leader of the Opposition failed to tell members that his personal adviser was a member of the Marion council during some of that period, that that person was well aware that the delay in the development of that centre was due to the development of an area of land north of Westfield, and that the Marion council at that stage was not ready to sell that land to the health centre. As a result, the Marion council (which included the honourable member's adviser) directed the Community Health Centre towards Pioneer Hall to establish its facilities.

I have already referred to correspondence with the Minister for Health, Westfield and the Marion Youth Project about an attempt to establish the Marion Youth Project in the Marion Westfield Shopping Centre where youth problems are most obvious and where there is a need for assistance. Prior to 1993, it must be remembered that the previous Government provided very little funding for the Marion Youth Project. It was located for a long time in temporary transportable facilities at the old Oaklands Park Primary School. The previous Government failed to provide that organisation with permanent facilities.

Prior to 1993, very little funding was provided regarding assistance for schools for people with learning difficulties. That reminds me of a problem that occurred prior to 1993 in one of the high schools in my electorate where 10 children were to be assessed by guidance officers at the beginning of the school year. There was only one guidance officer at that school, and he would attend on the first Monday of each month. If that Monday happened to be a public holiday or a school holiday, he did not turn up, and he did not do any catch-up days for assessment of those students. As a result, there were only nine Mondays in the year when those students could be assessed. So, prior to 1993, at the start of the school year, one child would not be assessed during the

whole year because of the lack of funds for children with learning difficulties. Since 1993, the Minister for Education has provided funds for contractors to assist guidance officers to clear the backlog regarding the assessment of children with early learning difficulties. Prior to 1993, there were only 25 salaries for speech pathologists in kindergartens. Now there are 43 salaries—an increase of 72 per cent on what was available prior to 1993.

The funds in the budget that have come from the poker machines have helped a number of sporting groups and community centres in the city of Marion, not the least being the Hamilton Tennis Club, the Marion Croquet Club, the Marion Volleyball Club and the South Adelaide Basketball Club. Community development grants have been provided to the Marion Church of Christ, the South Australian Foster Care Association and the St Joseph's Family Care Centre.

Police for so long have been crying out for new facilities for the Darlington Police Station. For so long they have had to put up with temporary and separated facilities. Since this Government came to office we have seen the building of the \$10 million Sturt Police Station. As a result of this budget we will see the number of uniformed officers on patrol increase by 21.

This budget maintains the Government's objective and focus to remain a cost competitive location for business investment. Studies have shown that this State, on a *per capita* taxation basis, is now at a level 21 per cent less than Victoria and 23 per cent less than New South Wales. Since 1993 small to medium businesses have seen a real reduction in the cost of their electricity. Labour costs are 5 per cent below the national average. This budget is realistic, responsible and sets a rebuilding program for 1997 and beyond. I commend the budget to members.

**Mr BRINDAL (Unley):** I, too, commend the Government, in particular the Treasurer, on the presentation of his fourth budget. I notice that the Leader of the Opposition said that he predicted that it would be the last budget delivered by the Treasurer. He has an astounding lack of understanding of the Government benches. When somebody is doing a good job and when they have done what is being required of them over four years by the Government, I cannot see why the Treasurer would be in any danger of anything but receiving praise.

I pick up a comment made by the member for Giles, as it is of increasing concern to all South Australians and was raised by the Premier, namely, the situation in which all State Governments find themselves because of the narrow taxation base. Mistakes were made by a procession of State Governments in this State, Victoria and Western Australia, especially in the 1980s. It is true that some of those mistakes were perhaps not just the fault of the State Government in power at the time.

When the Commonwealth took over the taxation provision from the States, it was to equitably provide the money back to the States, but we have seen over the years, first, an increasing reticence on behalf of the Commonwealth to give back the money in quite the order of flow that the States believe they need for the services, and too often it actually tells the States how they can spend their money in all sorts of areas in which they clearly did not have a constitutional power to do so. However, they had the power to tie the money and say, 'If you do not do this you will not get that.'

In this and the last Parliament the member for Giles well knows that certain traffic rules were changed purely because,



if we did not change the road traffic rules, we would not get certain Commonwealth moneys. The States have been dragged screaming, often to the tune of the Commonwealth, simply because of an opinion expressed in Canberra that the Commonwealth is always right.

I ask the member for Playford to think about it as he will one day shortly be a Senator. The danger I see with Canberra—and the member for Playford will judge whether or not it is true—is that they seem to go over there and lose touch with reality. They somehow think that when they are not in their community they know better than the Ministers who sit here every day and go home at night to their beds in Adelaide or surrounding areas. The members in Canberra get over there and know better. God help us the day Canberra takes over education, because some bureaucrat will sit in Canberra and pass a rule that, to save money, on such a date all air-conditioners may be turned on.

It will be stated that on such a day all heaters may be turned on. In Tasmania they will freeze to death at certain times of the year, and in the Northern Territory they will probably roast at certain times of the year because the climate will be controlled by people who decide in Canberra that this is the right time. I have news for my Federal colleagues, and it was expressed in this House today: all wisdom does not actually reside in Canberra.

*The Hon. Dean Brown interjecting:*

**Mr BRINDAL:** A Minister in the House—and I had better not name him because he will probably be in as much trouble as I for making the speech—says that certainly all commonsense does not, and I—

**The DEPUTY SPEAKER:** No, naming is the prerogative of the Chair, I advise the member for Unley.

**Mr BRINDAL:** Thank you, Sir.

*The Hon. Dean Brown interjecting:*

**Mr BRINDAL:** The Minister went further and said that he is not sure that any commonsense resides in Canberra and I might agree with him. They took the taxation rights from the States and they are increasingly churlish about the redistribution of the money. What is more—and I think this is of grave concern to every Australian and every member of this House—is the way that the Commonwealth has chosen to let the taxation system bump along and become more and more muddy and has in fact created some of the great social inequities about which the member for Giles was talking about and with which this Parliament is constantly grappling.

When you, Sir, first became a member in this House and I was growing up, there was the expression that Australia was a classless society. While that might never have quite been true, it was certainly true that of all the developed nations Australia probably had less of an underclass and less of a wealthy elite class and much more of a middle class through a range—

*Mr Scalzi interjecting:*

**Mr BRINDAL:** The member for Hartley says that is why he migrated, and I bet there are many other people who currently live in Australia who also came to our shores for the same reason. Over the past decade or decade and a half we have seen the split. We now have many more people who rely on the taxpayers and are in receipt of social welfare benefits because they need to be and because we need to support them, and there is certainly a proportion of people who are extraordinarily wealthy and in the middle, what was the middle class, has simply been squashed.

**Mr Scalzi:** It became worse under the Federal Labor Government.

**Mr BRINDAL:** The member for Hartley says, quite correctly, that it became worse under the Federal Labor Government. I would say it involved not necessarily the political complexion of the Government as much as it did the cumulative inequities of our taxation system. We can deal very well in this country with ripping money off pay-as-you-earn income earners, but you ask the Australian Taxation Office or anyone else to come to terms with multi-national companies, proper taxation of business, a consumption tax or vehicles used by other countries routinely around the world for decades, and our Government seems simply unable to deal with it.

Therefore, we have State Governments having more and more services demanded of them. The people are demanding more and more service and the Commonwealth Government is giving to the State Governments less revenue with which to provide those services, and then people wonder why the State increasingly has to rely on gambling revenue, on revenue gained from the policing of our laws, from on-the-spot fines from radar and other methods, including, dare I say, methods like having State Banks and insurance commissions and all of the things which a procession of State Governments tried in the 1980s and which were absolute disasters. I am sure they did not trial them for the purpose of being bankers. I am sure they did not trial or encourage them in many cases. Really, it was the way in which the State could realise additional revenue to meet its needs.

If I have a criticism to make, it is not of this Government but of our Federal system. Like the Premier, I believe that the whole system of taxation needs overhaul and that part of the gift which the Commonwealth Parliament could give to this nation is for it to sit down with the sovereign States and work out an equitable series of formula, capable of being planned, for the distribution of income derived from the Commonwealth.

There is no reason why we should have this farce of a Premiers Conference where Premiers elected by the people of their State have to go cap in hand to cumulative people elected by the same members of the States (that is, the Commonwealth Parliament) and, almost like Oliver Twist, beg for a little bit more. It is not conducive to good government; it is demeaning to the States; it is little better to the Commonwealth; and the whole thing is a farce. It could be resolved by some equitable formula for the distribution of moneys derived by the Commonwealth. It could be done simply, had they will, but I suggest that is in the future. I commend the Government on this budget, and the succession of ministries over the whole four years on careful planning that brought us to this point.

*Mr Clarke interjecting:*

**Mr BRINDAL:** The member for Ross Smith stupidly as normal (he normally exhibits not much more than stupor) raises an issue on which I will touch specifically for his benefit later. The real level of the problems which we inherited when we came to government is coming out only now. I know of one school which was but is no longer in the District of Mitchell. It is a 1950s pre-fabricated school which has no right to be used as classrooms at all but was used and is still being used. It had got into such bad repair that the gutters were so damaged that they simply ripped them off and had no gutters.

*Mr Caudell interjecting:*

**Mr BRINDAL:** It was Paringa Park Primary School, for the member for Mitchell's benefit. They simply took off the gutters because they were unusable, and they had no gutters

at all. We found other schools with broken windows, or not enough chairs or desks. I heard a Minister say the other day that, when we came into government, the auxiliary of the Queen Elizabeth Hospital was running coffee mornings to raise money for pillows.

*Mr Foley interjecting:*

**Mr BRINDAL:** The member for Hart defends that situation by saying they still are. The member for Hart's Party was in government at a time before the State Bank, when we were not in debt and when perhaps it was inexcusable for one—

*Mr Foley interjecting:*

**Mr BRINDAL:** Members opposite inherited a debt from Premier Tonkin. In 10 years not only could they not fix the debt of a previous Government but they also created a several billion dollar debt of their own. Let the member for Hart go out and tell that to the people of South Australia; I do not think they will listen. In this budget, as in past budgets, the Opposition missed the point.

*Mr Foley interjecting:*

**Mr BRINDAL:** I will speak about the Unley Police Station, too. The point that the member for Hart missed was that this Government—

**The DEPUTY SPEAKER:** Order! The honourable member is turning a good speech into an excellent speech. I hope the member for Hart's finger is not loaded.

**Mr QUIRKE:** I rise on a point of order, Sir. I am following this speech and I ask that you rule on all the interjections in the Chamber. It is disturbing my concentration.

**Mr BRINDAL:** I applaud the statesman-like approach of the member for Playford. The Opposition has missed the point regarding what this Government has carefully done over three years. Yes, it has sold some assets to reduce the debt, but the other aspect for which the Government has not been given credit is quietly going about the business of rebuilding the infrastructure of this State. I suggest that members opposite should—

**Mr Quirke:** Very quietly.

**Mr BRINDAL:** Yes, 'Very quietly', the member for Playford says. Perhaps it is one fault of our Government that we have not gone around blowing the trumpets and banging the drums. The fact is that if I—and I suggest members opposite do the same thing—add up the amount of money that has been spent in my schools in Unley on major repairs and maintenance to bring them up to reasonable condition, all members opposite would look at the past three years and be surprised. What is in this budget for Unley? Perhaps on the surface not very much, but a \$2 million sewerage upgrade is planned for part of the electorate, because the sewer is one of the oldest in Adelaide and in danger of collapse.

We will spend \$2 million quietly. It is hardly the sort of project the Messenger Press will report as a page one story. It is the sort of thing that will be done quietly and, once it is done, no-one will ever remember it was done because it is underground. It is like underpinning your house: you might as well throw your money away. But it will be done and we will have a better sewerage system, and one capable of lasting the next 60 or 70 years. That is an accomplishment that must be noted, and intelligent people in this House should say, 'All right; it is not all about whistles and drums. It is about hard and honest work.' And this budget is the culmination of that.

This budget celebrates three years of hard and honest work. We are now reaching the stage where we have ramped down the debt; we have increased the infrastructure; and we

can start to look at some new projects. But we get churlish grizzling opposite that we are pork barrelling, and all sorts of other things. I wish to touch on the Unley Police Station, because members opposite have raised the issue. I say to members opposite and to my own electorate: what I will always seek to do as a local member, and what I believe members opposite will seek to do as local members, too, is to best represent the interests of electors.

Quite frankly, I do not care where a policing presence is, so long as it is the best possible service for my electors. At present, the Unley Police Station provides certain services. It does not provide major policing services which, if members opposite want to check, are provided by the Norwood CIB. We will no longer have the Norwood Police Station: we will have the Sturt Police Station. I have driven both distances and the Sturt Police Station is more accessible more quickly than the Norwood Police Station. So, I will condemn—

*Mr Clarke interjecting:*

**Mr BRINDAL:** No, I said that I want better policing services, and I do not care where they come from. I care about response time, efficiency and the level of response that I can expect from the South Australian Police Force and, from what the Commissioner has told me, I expect that to be a measurable degree better. There may not be a patrol base in Unley but there will be a police base, a policing service, in Unley. There will still be the policing service in Unley, and we will get better service. If the neanderthals opposite want to crawl back into the cave and keep everything just as it was, like the troglodytes, let them do so.

I will always stick up for my electorate in getting a better service. Let us keep the good things we have and improve the bad things, and so we come to The Orphanage. The Minister for Education and Children's Services quite rightly wanted to improve The Orphanage for the teachers of South Australia. My electors, the residents of Unley, said, 'We do not want that improved at the expense of the open space in Unley.'

**Mr Foley:** Did you change your mind?

**Mr BRINDAL:** I did not change my mind: I reinforced my original opinion to the Minister; that is slightly different. As a result—and this is what is important and what members opposite miss—the Minister listened and is considering other alternatives. When the Minister—

**Mr Clarke:** Is that why you resigned?

**Mr BRINDAL:** The member for Ross Smith will not understand this. I resigned because it was a matter of principle and because the Premier who asked me originally to be a parliamentary secretary (Hon. Dean Brown) carefully said that you could not remain a parliamentary secretary—

*Mr Clarke interjecting:*

**Mr BRINDAL:** Does the member for Ross Smith want to hear the answer or just the sound of his own voice? The previous Premier had carefully said that no parliamentary secretary could speak publicly against the stated policy of his Minister. Bearing that in mind, because I was at variance with the Minister I did something which some people opposite—not the member for Playford of course—would not understand. I did what I considered to be reasonably honourable and honest. I do not expect members opposite to understand either of those two words. As I said, what will happen—

*Mr Quirke interjecting:*

**Mr BRINDAL:** I exempted you. If members opposite hold their breath and wait a little longer they will see a solution for the Goodwood Orphanage that suits my electors and the teachers of South Australia and does the right thing

by the Government of South Australia. That is the difference between the Government of which I am a part and the Government of which members opposite were a part. We do listen, we have some commonsense, we are capable of admitting our mistakes and we can bring down budgets which are a quantum better than members opposite in their 11 years of practice ever managed to produce.

**Ms WHITE (Taylor):** A State budget is an important document which deserves careful consideration but, after listening to Liberal member after Liberal member speak in the House today, the majority of whom have simply rabbit off the rhetoric that the Treasurer gave in his budget speech last week, I wonder whether many Liberal members have even read the budget document, because—

**Mr Brindal:** How does one 'rabbit off the rhetoric'?

**Ms WHITE:** Like the member for Unley just did. It is clear that this budget will last only as far as the next election because, frankly, it does not stack up. Liberal members opposite know that but, of course, they will not say that. For their benefit, in case they have not read the document—and it seems many of them have not—I shall put a few details on the public record to aid them when they do finally read the document. First, it is important to note that in its budget papers the Government admits that it has failed to meet its financial targets. Economic and job growth predictions do not stack up with what it promised or with what we need to attack the important problem of unemployment in this State.

It is obvious that Liberal members opposite gained a lot of the information for their budget speeches from the very glossy pamphlet distributed by the Government at the weekend which claimed to provide increases in health, education, police numbers, etc. Frankly, these figures do not stack up, as evidenced by the Government's failure to acknowledge that \$63 million of its \$72 million increase in education represents the teachers' pay rise, leaving just \$9 million for inflation. Of course, when you take inflation into account this budget provides for no real increase in education spending.

What that means to families and to children within our system is no better quality of service, but what they have endured since the Liberal Government took office is a drastic decrease in that quality of education.

The same can be said about health. There is a similar disappointment in police numbers. We have lost 250 police over the past few years and this budget provides for a small portion of those to be replaced. The Treasurer made much of this surplus and there was much media reporting hailing a surplus in this budget, but it took a fiddle by the Government with its figures to come up with a token surplus of \$1 million. The Government had to rely on a \$201 million fiddle: a \$56 million public sector employment superannuation contribution, which was really a change in the repayment schedule for superannuation, that is, the payment needed to fund superannuation liabilities; plus a \$145 million one-off payment, which was a special dividend from ETSA as well as proceeds from asset sales from the bad bank. The figure of \$200 million should not count towards an underlying deficit or surplus, but that is exactly what the Government has included.

If members take out the \$200 million, they will come up with an underlying deficit. That is the truth of this budget. The Government knows that and by changing the concept of underlying surplus it has hoped that it can fool the public. Perhaps it has, but by the time the effect of this budget is

realised by South Australians it may well be too late. Why was there a need to fiddle the figures in this budget? Quite simply, two Liberal Premiers were the cause—suddenly throwing money around to shore up their own images and leadership positions—plus a Federal Liberal Government that took \$96 million out of the State's coffers. What will be the Liberals alibi? How will it hide what it has done when it comes time to draft next year's budget? That is simple, too. It has decided that it will change the method of accounting and thereby that will keep their sin from the public.

Perhaps the part of this budget I find most disappointing—and is most disappointing for the people of South Australia—is that not only does it not show any vision for long-term job creation in this State but it is a bit of a con on the people of South Australia. Despite all the pre budget hype about job creation by the Premier in the weeks leading up to the budget, this budget does not deliver those jobs. When one looks at the announcements in the budget papers about job creation for the youth of this State one would have to say that young people have been especially hard done by in this budget. The budget relies upon the reannouncement of the \$30 million youth strategy.

This is the same strategy that former Premier Dean Brown was putting in place before the change of leadership. It is the same youth strategy, announced with a lot of fanfare, that has been in place for over six months. It was the same youth strategy announced yet again by the Deputy Premier just a few weeks ago, and that occurred because, quite frankly, job figures came out that showed a crippling youth unemployment rate. He merely trotted out as a new initiative the same youth job strategy—the \$30 million program that has failed. Since the program has been in place, youth unemployment has risen, no matter how one may argue the matter.

The Premier's big plan for cutting youth unemployment in this State has failed. We now have over 42 per cent youth unemployment, the highest in the nation, higher than when Labor left office, so it has not succeeded. I was listening to Murray Nicoll's program at the end of last week when the Minister for Employment commented on what a great job she had done in creating an extra (according to her) 500 places in the Public Service for young people. The truth of the matter is that these 500 places, at a cost of \$3 million, are not an improvement on last year.

In fact, the program that just finished at the end of March this year was a \$10 million program for young people in the Public Service, and provided 1 500 places, so we have gone from last year's Public Service youth traineeships of 1 500 places down to 500, a cut in any terms, yet the Minister is out there dishonestly touting this as an increase. That is the sort of rhetoric being thrown around by this Government. That is the sort of rhetoric that may well convince people that this Government is even caring about youth unemployment, but the fact is that it has not done a good job since coming to office, because the problem has got worse. That is the undeniable fact of the matter.

This Government has failed, by its own measures, even to be able to forecast a growth in employment in this State. It promised us that it would create 20 000 new jobs every year in office. To date, it is about 50 000 too low on its promise. Taking the first three years of the Brown-Olsen Government's term to the December quarter of 1996, South Australia grew by an annual average of just 1.8 per cent, compared to a national annual average of 4 per cent. On their own admission, the Liberals concede that we need 4 per cent just to stabilise unemployment, and we are achieving less than

half that. We are going backwards, and we are going backwards fast.

Last calendar year, there was no growth at all in employment. As of April this year, we now sit at a high 9.7 per cent, and people, especially young graduates, are leaving this State in droves. What do we find in the budget papers for the future promised by John Olsen? We find, on the Government's own admission, growth rates for the next three years of just 3 per cent, well below the rest of the nation. On its own admission, things will not improve over the next three years.

Despite the Government's hype and despite all its claims, the average person in the street does not know how many jobs have or have not been created. However, the budget papers do not lie. The Government's own projections show that the employment position will not improve over the next few years. However, we need the projections to get better, and I advise those members opposite who, today, have parroted the Treasurer's rhetoric, which can also be found in the taxpayer-funded glossy brochure distributed to every household in South Australia, to take a good hard look at the budget and at what is to come. They must decide whether they are fulfilling their responsibilities to the taxpayers of South Australia by endorsing this course of action because, quite frankly, I say that they are not.

**Mrs ROSENBERG (Kaurna):** I support the Bill that has been presented by the Treasurer on behalf of the Olsen Government. While supporting this Bill, I place on record my congratulations to the Treasurer and to the entire Cabinet on the diligent—

*Mr Clarke interjecting:*

**Mrs ROSENBERG:** It is none of your business, actually. I congratulate them on the diligent way that they have stuck to the task at hand and to the vision that was set out in this Government's first budget. They have achieved the goal which the Government set and clearly enunciated and which was to be the target over the four budgets in this term of office. The 1993 election policy platform promised asset sales, contracting out of services, and a reduction and restructuring of the Public Service.

When the Liberal Government was elected in 1993, the debt in this State was over \$9 billion, with \$3.5 billion of that debt resulting from the State Bank fiasco. The remainder of the debt was also due to Labor's inability to exercise control and fiscal responsibility. The basic ideology of the Labor Party has been, is today and always will be one of throwing good money after bad to solve every problem. It is a policy of buying off the unions, buying off minority groups and one of borrow, borrow, borrow.

Never in its history has the Labor Party had to carry the burden of solving the problem it has created because, eventually, things get so bad that the community gets fed up with the Labor Party and elects a Liberal Government to fix the mess. It is history repeating itself, it constantly happens and it will continue to happen. That is exactly what South Australians did in 1993 and that is exactly what this Government is doing about fixing up Labor's mess.

I have been very outspoken about past policies such as that of SSOs and Sunday trading, and I believe that that is my role as the representative of the electorate of Kaurna. If an issue will affect my electorate, I will fight for it, even if it is against Government policy. With respect to this budget, I believe that many of my colleagues join me in acknowledging the sacrifice that the South Australian community has made over the past three years. The South Australian community is to

be humbly thanked for being tolerant and patient with policies and fiscal direction which at times may well have been unpopular. However, the South Australian community must be reminded that those sacrifices were necessary because of the inept Labor Government that was in office for 11 years. The people elected that inept Government time and time again. They believed Labor's lies time and time again but, finally, they could take no more of the lies.

I place on the record in this debate my thanks to my community in Kaurna, who have done it tough. They have agreed and they have disagreed with the Government's policies but, regardless of opinion, they have understood the reasons behind the decisions we have had to make. Now they can see the rewards. This budget changes the Labor practice of spending \$1 million a day more than it is receiving, and borrowing the shortfall. This budget sees the debt we inherited down below 20 per cent of gross State product, compared with 28 per cent in 1992. This budget balances expenditure against income.

This budget has a current account surplus of \$463 million to meet our commitment to social needs. It has an increased capital works program up by 22 per cent which means jobs for all South Australians. The budget achieves all this without new taxes or increased current taxation rates. In real terms, the debt is cut by \$1.8 billion, but what South Australia must remember and think about every day is that this has occurred because of a strong fiscal control by a Government that is in control. Letting loose the reins and reintroducing Labor would be as devastating as introducing into Australia a myxomatosis resistant breed of rabbit, and the result would be exactly the same—our State would be overrun by ferals, out of control, and the people of South Australia would suffer. Let no-one believe the debt problem is solved, or that Labor even vaguely understands the control measures put in place or how to maintain them. Let no-one in South Australia relax and believe the jargon and the lies peddled by members on the other side of this House. We have a long way to go, and it will take time.

I am proud to have achieved massive successes in my electorate, despite fiscal control and with the help of my community. I would like to put on record as part of this debate that, in listing the achievements I have made in my electorate in the past four years, they totalled far more than Don Hopgood achieved in 22 years as the member for that area. Those successes in the past have been detailed, and I will not repeat them. However, I wish to place on record the further achievements that Kaurna will have from this current budget in the key areas of education, health, employment and law and order. First, with regard to education, the 1997-98 budget for education has a \$72 million increase over last year. That is \$162 million more than was spent on education by Labor in its last Government budget. Spending is up 7 per cent in real terms.

However, more important than just how much money is how effectively it is being focused for spending. This is where this education Minister leaves the Opposition in the wilderness. The DECSTech 2001 strategy has been well received by schools throughout Kaurna, and the funding mechanism has reflected the economic standing of each community. This Liberal Government is the first ever to provide significant Government funding to assist schools to purchase computers. Labor's last budget provided \$360 000 for 1 000 schools and preschools in South Australia to purchase computers, with the parents needing to find the deficit. This Government has committed \$75 million over

five years to do this. We are hopeful that by 2001 we will see one computer per five students in every South Australian school—and it is important to note this—regardless of the ability of parents to contribute to that cost.

Funding to assist students with learning difficulties identified by the basic skills test is increased to \$4 million this year, and an extra \$6 million is provided to give extra help to students with disabilities and learning difficulties. There is \$3.75 million for the Ready, Set, Go program and vocational education in secondary schools. Most significant is an increase in speech pathology services to a total level 72 per cent higher than under the last year of Labor. This is equivalent to 43 speech pathology salaries compared with 25 under Labor.

It is important to make the point that we constantly hear in the community that the Labor Government is the only Government that cares about people with disabilities, about children with learning difficulties or about groups in the community who feel they are underrepresented. It is about time that some of those groups in the community started looking at the facts instead of just believing the lies they read and accepting everything they are being told by the other side. It is about time they started to examine carefully the actual facts, look at the budget lines and really examine who is telling the truth.

This education budget has a record \$105.8 million capital works program, including major external repairs and paint, to address massive backlogs. The Seaford 6 to 12 school, stage 1b, with anticipated completion in June 1997, will provide for administration and a library resource centre to service the school and the Seaford community, valued at \$3.4 million.

The new stage 2A of the Seaford 6 to 12 school which is valued at \$3.1 million has an anticipated commencement in July 1997, to be completed by September 1998. That allows for the future construction of the next stage of this school to meet enrolment needs as the school moves from a middle school into a senior school. There is also an allowance for the redevelopment of shelter areas for the Seaford Rise Primary School to commence in July 1997. The Willunga Basin Pre-School is continued to be budgeted with a final location yet to be decided and this will be very dependent upon likely enrolment numbers from the various locations such as Sellicks Beach as opposed to the Aldinga Beach area.

Noarlunga Downs Primary School, Moana Primary School and Christies Beach Primary School have been big winners in the repairs and paint program that has been allocated as part of this budget. Despite all the doom and gloom of Labor, South Australia has the best student to teacher ratio and 6.3 per cent compared with non-government schools—the best in Australia. South Australia has the second highest retention rate of all States. Extra funding of \$1.2 million over the next two years has been allocated for speech pathology—and we are listening to the deafening silence of the teachers' union about these achievements. The only contribution Labor has made is to oppose the rights of school councils to have the legal power to collect fees for materials and services. Councils have fought long for this right. We as a Government proclaimed a regulation under the Education Act to confirm their right and this was opposed by Mike Rann and the Labor Party.

In the area of health, across South Australia hospital costs are down 12 per cent. At the same time admissions are up 11.5 per cent. This budget continues the trend with a 6 per cent real increase over Labor's last budget, hospitals

receiving an extra \$40 million. I had pleasure this week to be present with Minister Armitage at the official launch of Panangga which is in my electorate and which will be a boost for the members of our community suffering from schizophrenia.

Added to this, the Minister has just announced Centrecare as the successful tenderer for the neighbour network service to support people with mental illness to access community resources in the south. There is an extra \$5 million of new recurrent funding for disability services in South Australia, in addition to the \$3 million announced previously from the 1996-97 budget which was matched by HACC funding to bring the total to \$5.4 million. In addition, the \$6.4 million which was gained from the efficiency dividend has been fed back into mental health. Further, \$1 million has been set aside for equipment for those with a disability. In comparison with these increases, Labor cut spending in the disability sector in its last budget. The project to relocate six agencies in a purpose built building at the Noarlunga health village is proposed to commence in February 1998 with a due completion date of December 1998.

In the area of law and order, August 1997 will see the beginning of major building extensions to the Christies Beach police station complex which is valued at \$2.75 million. Christies Beach police complex is in the electorate of Reynell opposite my office and the member for Reynell, the member for Mawson and I have great pleasure in finally seeing police in the southern area having their crowded inadequate transportable accommodation replaced to give them facilities worthy of the police force we believe we have in Christies Beach. The accommodation will provide for the SES, prosecution, CIB, patrols, traffic and administration. This is very much needed and welcomed by my electorate.

Importantly, a major review is under way into policing in South Australia which will impact greatly on police numbers in police stations in my electorate at Aldinga and Noarlunga Centre, and the Christies Beach regional control area. Of the 165 new police officers on the beat, it is estimated that at least 26 of those will be in the southern area. I want to place on record the excellent standard of work done by police officers at Aldinga, Noarlunga Centre and Christies Beach. As a result of one of the initiatives of this Government, the police officers located at Noarlunga Centre have been so effective that there has been conversation of late of the need for them to remain there because they have cleaned up crime so well in that area. My community greatly appreciates their dedication to duty, and I thank them for the hours of work that they do beyond the call.

I am very pleased that Noarlunga Downs has just launched its Neighbourhood Watch, and Maslin Beach and Seaford Rise are about to do so. This will mean that by the time of the next election almost the entire electorate of Kaurana will be covered by Neighbourhood Watch, which will make a total of seven New Neighbourhood Watches which have been launched since I became the member for Kaurana in 1993. I acknowledge the dedicated work of Adrian Jones, our Community Liaison Officer, who was appointed to that permanent position at the Noarlunga Centre. His hard work and community support are recognised by everyone within that community.

In the area of employment, the \$30 million youth employment plan will continue and will be boosted by \$1 291 million spent on construction projects. The member for Taylor mentioned that we have done nothing towards boosting youth employment in South Australia. I would like

to ask the member for Taylor one day when she has the opportunity of a five minute griever to stand up and tell us what more we could be doing in South Australia for youth employment. Everyone in this place on both sides of the House recognises that employment in South Australia is the biggest issue facing us and the biggest problem that we have. I believe that every one of us here—whether we are Liberal or Labor members—genuinely wants to see that problem solved. The faster we work together to get that to happen by boosting the economic standing of business within South Australia and allowing them to get on with the job of employing people in South Australia, the faster our youths will be in jobs.

I applaud the actions that have been taken in the past and I implore members opposite to support the projects, which I believe will result in jobs for South Australians. Some of those projects that we will see happening to provide those jobs are the Adelaide Airport extension, the Wilpena project, the National Wine Centre and the Mount Lofty and Glenelg projects—and I might say that they will proceed despite those who have been very negative about those projects. I believe that, if we could get more positive statements within the media in respect of those projects, and certainly in Question Time in the House, we could start to have a more positive attitude towards the way that things are happening within the State of South Australia.

I will mention some of the other works that are in progress at the moment. It will probably be mentioned by the member for Reynell that the Christies Beach High School redevelopment is due for completion by February 1998. I mention that very briefly because I do not want to steal her thunder, but there are many students within the electorate of Kaurna who attend that high school and who I believe are very thankful that it is finally being upgraded.

One area that has always been of some importance to me, because my electorate covers so much of the coastline, is coast protection and sand replenishment work. There is an ongoing allocation of funding in this budget for works in that area. The other area that I have considerable concern about at the moment is the standard of street lighting within the electorate, which I believe is absolutely appalling from one end to the other. I recently spent an evening with some people from ETSA inspecting the street lighting situation within the whole electorate. I am pleased to see that about \$1.8 million is allocated in the budget to upgrade residential street lighting. It is very much needed within my electorate.

In terms of the Housing Trust and urban development area, I am a very strong supporter of us maintaining a Housing Trust in South Australia for those who are in need of Government housing. I am pleased to see that there are 300 allocations, including an extra 150 former South Australian Housing Trust houses to be upgraded.

In terms of private sector projects, it would be remiss of me to let the next three minutes pass without mentioning the Aldinga Waste Water Treatment Plant which, I am pleased to say, is now commissioned. It is now receiving sewage from the Aldinga Beach area, which means that the Government no longer needs to tanker sewage from the Aldinga Beach area and pump it into the Christies Beach line. I would like to place on record my congratulations to Henry Walker Environmental, which won the tender for that plant and which has, I believe, kept to the time line very well. For the people of Aldinga Beach and Port Willunga this treatment plant will be an absolute boon. I would also like to place on record that this project was promised by the previous Government for three elections in a row but that it took a Liberal Government to get it off the ground.

Another thing that needs to be said is that, in the next budget period, the Southern Expressway will start to head towards my electorate of Old Noarlunga and Noarlunga Downs. I must also put on the record my thanks for the way in which that project has been kept to budget and on time at this stage. It is due for completion as far as Old Noarlunga in 1999, at which time the major upgrade of Commercial Road will have been completed ready for Commercial Road traffic to feed off at Seaford Road—we have just managed to put some brand new lights on the corner of Seaford Road and Commercial Road—to make easier the movement of Commercial Road traffic to the Southern Expressway and to fit better with the capacity of those roads.

As the first part of the upgrade of Commercial Road, Murray Road at Noarlunga will be the first to be started, and \$700 000 is about to be spent on that upgrade. It has been given priority because for some time it has caused problems in terms of the amount and speed of traffic and the width of the road. I am proud to say that in the past four budgets the electorate of Kaurna has done very well, and there is no difference in this budget—once again my electorate has done extremely well.

Bill read a second time.

**The Hon. DEAN BROWN (Minister for Industrial Affairs):** I move:

That this Bill be referred to Estimates Committees.

Motion carried.

**The Hon. DEAN BROWN:** I move:

That the House note grievances.

**Mr BUCKBY** secured the adjournment of the debate.

#### ADJOURNMENT

At 11.17 p.m. the House adjourned until Wednesday 4 June at 2 p.m.