

## HOUSE OF ASSEMBLY

Tuesday 2 June 1998

The **SPEAKER (Hon. J.K.G. Oswald)** took the Chair at 2 p.m. and read prayers.

## EUROPEAN WASPS

A petition signed by 961 residents of South Australia requesting that the House urge the Government to provide ongoing funding for the eradication of the European Wasp was presented by the Hon. R.B. Such.

Petition received.

## QUESTIONS

The **SPEAKER:** I direct that the written answers to the following questions on the Notice Paper, as detailed in the schedule that I now table, be distributed and printed in *Hansard*: Nos 36, 59 and 85; and I direct that the following answer to a question without notice be distributed and printed in *Hansard*.

## SMOKE ALARMS

In reply to **Ms RANKINE (Wright)** 19 March.

The **Hon. DEAN BROWN:** The Department of Human Services is currently undertaking an investigation into how assistance with the cost and installation of smoke alarms can best be provided to people with disabilities. The investigation report will include advice on likely costs to the Government, eligibility criteria and options for delivery and installation mechanisms. It is expected that the report will be available by the end of June 1998.

## PAPERS TABLED

The following papers were laid on the table:

By the Premier (Hon. J.W. Olsen)—

Fees Regulation Act—Regulations—Appointment Fees

By the Minister for Human Services (Hon. D.C. Brown)—

Regulations under the following Acts—

Adoption—Fees

Controlled Substances—

General Fees

Poisons Fees

Pesticide Fees

Development—Private Certifiers—Fees

Harbors and Navigation—Fees

Motor Vehicles—

Expiation Fees

Prescribed Fees

Occupational Therapists—Fees

Passenger Transport—General Fees

Public and Environmental Health—Waste Control Fees

Radiation Protection and Control—Fees

Road Traffic—Fees

South Australian Health Commission—

Compensable and Non-Medicare Patient Fees

Private Hospital Fees

Reproductive Technology, South Australian Council on—  
Report, 1997

By the Minister for Government Enterprises (Hon. M.H. Armitage)—

Regulations under the following Acts—

Associations Incorporation—Fees

Bills of Sale—Fees

Births, Deaths and Marriages Registration—Fees

Building Work Contractors—

Fees

Notifications of Changes

Business Names—Fees

Community Titles—Fees

Conveyancers—

Consumer Affairs

Fees

Cremation—Cremation Permit Fee

Criminal Law (Sentencing)—Reminder Notice Fees

District Court—Fees

Environment, Resources and Development Court—

Fees in General Jurisdiction

Native Title Fees

Firearms—Fees

Land Agents—

Consumer Affairs

Fees

Land Valuers—Qualifications

Liquor Licensing—Fees

Magistrates Court—Fees

Plumbers, Gas Fitters and Electricians—

Fees

Notification of Changes

Real Property—

Fees

Land Division Fees

Registration of Deeds—Fees

Retirement Villages—Offence

Roads (Opening and Closing)—Fees

Second-Hand Vehicle Dealers—

Fees

Penalties

Security and Investigation Agents—Fees

Sexual Reassignment—Registration of Certificate Fees

Sheriff's—Fees

State Records—Fees

Strata Titles—Fees Payable to Registrar-General

Supreme Court—

Fees

Probate Fees

Trade Measurement Administration—Fees and  
Charges

Travel Agents—

License and Annual Fees

Notification of Changes

Valuation of Land—Fees and Allowances

Workers' Liens—Fees

Youth Court—Fees

Summary Offences Act—

Dangerous Area Declarations—1 January to 31 March  
1998

Road Block Establishment Authorisations—1 January  
to 31 March 1998

By the Minister for Education, Children's Services and  
Training (Hon. M.R. Buckley)—

Regulations under the following Acts—

Education—Materials and Services Charges

Gaming Machines—Fees

Land Tax—Fee

Petroleum Products Regulation—Fees

Tobacco Products Regulations—Licence Fees

By the Minister for Environment and Heritage (Hon.  
D.C. Kotz)—

Regulations under the following Acts—

Botanic Gardens and State Herbarium—General Fees

Crown Lands—Fees

Environment Protection—

Beverage Container Fees

Fees and Levy

National Parks and Wildlife—

Hunting Fees

Permit Fees

Pastoral Land Management and Conservation—Fees

Water Resources—Fees

By the Minister for Primary Industries, Natural Resources  
and Regional Development (Hon. R.G. Kerin)—

Regulations under the following Acts—

Mines and Works Inspection—Fees  
 Mining—Fees  
 Opal Mining—Fees  
 Petroleum—Fees  
 Petroleum (Submerged Lands)—Fees  
 Seeds—Seed Analysis Fees.

### CHILD CARE

**The Hon. J.W. OLSEN (Premier):** I seek leave to make a ministerial statement.

Leave granted.

**The Hon. J.W. OLSEN:** When the Government delivered its budget last week, I was mindful of the balance we must achieve, the balance between fiscal and social responsibility. While the budget was tough, there is a balance. It is a Government responsibility to ensure the economic fundamentals are in place while, at the same time, protecting the needs of those people who need our help most. Today I wish to announce two significant initiatives which will go a long way towards helping those people who need it most.

First, children are our future and, as such, they and their parents deserve the right to have access to quality, affordable child care. But at the moment parents are saying that they can no longer afford child care, mothers are leaving the work force, centres are closing and workers are losing their jobs. In short, the industry is in a period of great uncertainty.

Since the Federal Government withdrew the operational subsidies to community based centres 14 child-care centres have either closed or been forced to amalgamate with other centres, and an estimated 200 child-care workers are out of work.

Whilst child care is primarily the domain of the Commonwealth, South Australia will, in this instance, assist to ensure maintenance of the service. Many working mothers are being disadvantaged and we hear of children being exposed to unsatisfactory care arrangements. This Government cannot and will not sit back and watch an industry which is vital to our children and their working parents disintegrate—and that is what is occurring.

Child care is an issue which affects us all. Times have changed and that change demands different solutions. More women than ever before are now in the work force. They have every right to be there and we need their valuable contribution. This Government takes its social responsibility seriously. For that reason we must attempt to help with child care. As well as ensuring that the economic fundamentals are in place, we have a responsibility to ensure that working parents, or parents studying to further their career path, have access to quality, affordable child care. They need and deserve peace of mind to ensure that they can leave their child in child care and get on with a working day, or complete their studies.

The Government has therefore allocated in this budget \$1 million to ensure the continued viability of centres most at risk. An amount of \$600 000 will be directed to up to 30 community-based child-care centres to ensure that their doors remain open and children receive continuity of care. This money will be directed at centres in lower income areas and where centres are at risk of closure. This money will be used to meet the restructuring and amalgamation costs, establish improved business systems and management practices, support long-term business planning and promote child care within the local community; that is, the money will help over the long haul in developing the ongoing viability of child-care centres.

The funding will be administered through the Department of Education, Training and Employment. Eligible centres will be those which can demonstrate a long-term ability to provide a service and an action plan to support the centre's business plan. As well, Mr Speaker, the Government will provide \$400 000 to support services providing after school hours care for school aged children. We are doing this because it is estimated that 30 per cent of after school hours services are at risk of closure, particularly in low income areas. These are services which have no reserve to manage through the changes brought about by the Federal Government.

We believe that families need to have access to high quality care services to enable parents and care givers to take up paid employment but know that their children are safe. This funding will assist that process. Women in particular are affected when outside school hours care is not available for their children, and single supporting parents especially so. We have a commitment to the welfare of children and families.

South Australia has the enviable reputation of having the highest number of volunteers per capita than any other State, an achievement we should be justifiably proud of. For many of those organisation the dollars are stretching a little into thin. As part of the budget we have established the Premier's Community Fund. This will provide funding of \$250 000 per year over four years to those organisations which have failed to get financial support from elsewhere. The community fund will be allocated to help those groups which have applied for and have not received Federal or State Government grants. It will provide a safety net for those organisations which do not have the ability to secure funding.

In many cases where community support is required by very small numbers in the community, or in the regions, it is often not possible for community support organisations to develop with the same administrative strength. As a consequence, people with more rare disabilities, for example multiple sclerosis, do not receive the same level of community based support. The Premier's Community Fund will not be used to replace existing programs. It will be an opportunity for community service organisations that have failed to get support elsewhere to plead a special case. There is no doubt that there are many worthwhile organisations competing for a valuable dollar. I would hope that these initiatives announced today will go some way toward helping those people who need help the most.

nil turn

## QUESTION TIME

### ELECTRICITY, PRIVATISATION

**The Hon. M.D. RANN (Leader of the Opposition):** Who advised the Premier that, if New South Wales sold its electricity assets before South Australia, it would cut the price for ETSA and Optima by up to \$2 billion, given that this is not the view of the Government's lead advisers on the ETSA sale, Morgan Stanley? Yesterday, the Premier claimed that, if New South Wales went to market before South Australia, it would cut the ETSA/Optima sale price by \$2 billion or by one-third, yet, just over a week ago, Morgan Stanley's Mr Ray Spitzley, who is heading the ETSA/Optima sale team, told the Australian *Financial Review*:

Morgan Stanley was not overly concerned about trying to beat New South Wales to the market with the SA power assets.

Mr Spitzley further stated:

It was convenient that the New South Wales power sale had been delayed but the major focus was on the assets being offered. What investors are going to focus on most is going to be the quality of the state in which they are being offered up.

Who told the Premier about the \$2 billion?

*Members interjecting:*

**The SPEAKER:** Order! Before the Premier gives his reply, I remind the Leader and all members who ask questions that it is not necessary to ask a question at the beginning and the end of the explanation. We often run into the trouble of the question varying from the beginning to the end—either way, a question at the beginning is all that is necessary.

**The Hon. J.W. OLSEN:** I draw to the Leader's attention a media report of late yesterday, which followed what I understood was a briefing from the lead advisers to a number of journalists in South Australia. One of those—

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

**The SPEAKER:** Order!

**The Hon. J.W. OLSEN:**—media reports reads as follows:

The Government's commercial advisers are also stressing the need for South Australia to put its assets on the market before New South Wales.

I draw the Leader's attention to the editorial appearing in the *Sydney Morning Herald*, which is headed 'Sell-off Race' and which clearly indicates that New South Wales will be very much disadvantaged if—

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

**The SPEAKER:** Order! The Leader will listen to the answer in silence.

**The Hon. J.W. OLSEN:**—it does not beat South Australia to the marketplace—which is what Premier Carr has been arguing in New South Wales for some time and which he again did last weekend. The clear implication of both the article to which the Leader has referred and that appearing on the back page of the *Financial Review* is that while the draft report talks about gas—

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

**The SPEAKER:** Order! The Leader will remain silent.

**The Hon. J.W. OLSEN:** Either the Leader of the Opposition does or does not want an answer. The article in the *Financial Review* today refers to the gas contracts and price setting interest rates in relation to that. That does not apply to the electricity industry nor does it apply to South Australia. What it does identify, in the view of that independent journalist on assessment, is the quantum of risk that is there. That article talks about a risk factor of \$1.5 billion. The Leader cannot have it both ways. What we have at risk here is, as I previously indicated, competition payments, and that has been made clear in this House a number of times. In addition, if the New South Wales—

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

**The Hon. J.W. OLSEN:** Of course it also has to do with sale price.

**The Hon. M.D. Rann:** Tell us who told you. Answer the question.

**The SPEAKER:** Order! I caution the Leader a second time.

**The Hon. J.W. OLSEN:** You can tell when the Leader of the Opposition has no policy and no ground on which to stand: he interjects and does not allow an answer to be put down. If your competitor interstate puts up for sale in the marketplace an asset valued at \$20 billion to \$25 billion, it reduces the capacity of investors in a particular sector by \$20 billion to \$25 billion. That is, you remove from the

market the capacity of companies that might buy elsewhere to invest in South Australia. We do not want to be the last ones into the market. If we are the last ones into the market, we then take rock bottom price. That is not a position in which South Australians should be put, and it is not a position in which we will put South Australian taxpayers.

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

**The SPEAKER:** Order! Has the leader finished being disruptive? Thank you. The honourable member for Stuart.

**The Hon. G.M. GUNN (Stuart):** Will the Premier advise the House of the reaction in New South Wales to the South Australian Government's proposal to develop a private sector electricity industry in this State?

**The Hon. J.W. OLSEN:** For the benefit of members of the Opposition, what we will do is give them the full detail of what has occurred in New South Wales. The Leader of the Opposition has shown his sensitivity to my criticism of his reaction to suggestions that he was colluding with the New South Wales Premier and therefore putting South Australia last—not putting South Australia first. But there can be absolutely no doubt that he is only serving the interests of New South Wales by frustrating and opposing the sale of South Australians' power utility.

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

**The SPEAKER:** Order! I warn the Leader for consistent interjections.

**The Hon. J.W. OLSEN:** The New South Wales electricity industry probably cannot believe their luck when they read the Leader's comments.

**Mr FOLEY:** On a point of order, Mr Speaker, the Premier has inferred that the Leader of the Opposition has colluded. That is imputing improper motive on the Leader of the Opposition. I ask for you to rule on that.

**The SPEAKER:** There are two points to which I will respond. First, if the Opposition would stop interjecting, I would have a far clearer indication of what is being said on my right. Secondly, it has always been my understanding in the 19 years I have been here that, if a member is in this House and takes offence at the remarks of another member, it is up to that member who feels offended to rise and object, not for someone else in the Chamber to take it up on that member's behalf. The honourable Premier.

**The Hon. J.W. OLSEN:** Let me quote from the editorial in today's *Sydney Morning Herald*, as follows:

The Premier of South Australia. . . has made it clear that there is a race on between his State and New South Wales to sell off their power assets. This is bad news for New South Wales taxpayers because South Australia is likely to win the race.

The editorial goes on to refer to the potential impact on the South Australian budget of not selling the power assets, and it further states:

What applies to South Australia applies even more strongly to New South Wales. Major commercial companies in this State now have the opportunity of writing electricity contracts with Victorian generators that have benefited from the economies that come with privatisation. According to these Victorian generators of electricity, though, their New South Wales counterparts have written electricity contract prices below break-even point in an effort to maintain their share of the market.

That just underscores the market risks that we have been talking about repeatedly. That demonstrates the uncertainty and risky nature of a deregulated and highly competitive market that we have no choice but to participate in. It is not a matter of saying, 'We don't want to be part of a national

electricity market.' That option passed us five years ago. The *Sydney Morning Herald* article concluded:

The longer the industry unions and ALP members, therefore, resist the Carr Government's efforts to privatise the New South Wales Government-owned generators (as the ALP Country Conference did over the weekend), the worse the final deal for the unions—and New South Wales—will become.

Those words are equally apt here in South Australia. We cannot afford to deny the national electricity market. We cannot afford to manage the risk that has been identified and get the best deal in South Australia's interest and in the interest of South Australians. That is what this process is about. It is recognising that the marketplace has changed, when we do not have any control over it. If it is changed, how do you manage the circumstances to ensure the best ongoing circumstance for South Australia? That is what we are putting before the House now and in subsequent legislation. It will be managing the risk, the new circumstances, to get the best long-term deal for all South Australians.

**Mr FOLEY (Hart):** Will the Premier now explain to the House where his claimed \$150 million budget black hole is, given his own failure and his Treasurer's inability to answer this question last week? The Premier has claimed that there is a budget black hole that requires either the sale of ETSA and Optima Energy or an October mini budget. When debating on Thursday last week, I asked the Treasurer to tell me where in Budget Paper 2 the black hole was shown. He told me the answer to my question was contained in budget documents other than Budget Paper 2. When the Premier was asked this same question on Friday by the media, he said the answer was in Budget Paper 2 and could be found in table 2.5 of that document. That table makes no reference to the black hole and gives no answer to my question.

**The Hon. J.W. OLSEN:** The Opposition now shows its absolute ignorance in terms of managing a commercial market place and a product to market. Let me take the Opposition through this exercise slowly and deliberately so that it might at least understand. The confusion amongst Opposition ranks about this—

*Members interjecting:*

**The SPEAKER:** Order, the member for Elder and the member for Hart!

**The Hon. J.W. OLSEN:** In relation to the interjection about Australis, I would make no apology on behalf of this Government for investing in Australis as the first step to opening up back-office operations for South Australia. It has cost the taxpayers of South Australia some money, and I have indicated that, when the receiver manager finalises, we will be more than happy to say so. We will continue to invest in companies in South Australia that want to expand employment opportunities and, if some of them fall over, so be it; but we will have a go. I might add that they fell over because of the ACCC. We will continue to have a go to rebuild this State and this economy.

The Australis deal was the first step to getting Westpac and 1 600 employees in a back-office operation; it was the first step to moving then to Bankers Trust and Teletech. Thousands of jobs have been created. That is an investment in South Australia's future, and I do not resile from it for one moment.

**Mr CLARKE:** I rise on a point of order, Mr Speaker. The substance of the question related to the alleged \$150 million black hole, not to Westpac, Bankers Trust *et al.*

**The SPEAKER:** Before I call on the Premier, members on my left should bear that in my mind when they start interjecting and baiting a Minister on my right.

**The Hon. J.W. OLSEN:** Thank you, Mr Speaker: I could not desist from responding to the Leader's—

**The SPEAKER:** The Premier will come back to the question, please.

**The Hon. J.W. OLSEN:** Thank you, Mr Speaker. The \$150 million is arrived at by taking a very conservative estimate of what our power utilities are worth. We then factored how much we would save by not paying interest on State debt of this amount, as we were committed to using all of the sale proceeds to pay off debt. We then factored an interest rate on the debt of 6 per cent. I draw an example of 6 per cent compared with a deal done by the former Administration that has one loan at 15.8 per cent. Well done; they are very good economic managers. We then deducted from this figure the amount of dividend and taxes we would lose through the sale. Again, we factored in the estimated annual reduction in those dividends as shown in the Sheridan report, and that figure is approximately a \$50 million reduction.

*Mr Foley interjecting:*

**The Hon. J.W. OLSEN:** Does or does not the member for Hart want the answer? Through this calculation we arrived at the \$150 million annual saving. At the bottom of chart 2.5 in the reconciliation statement there is a notation that refers to this. The question was: 'Why is this not displayed in the budget?' This shows the commercial ignorance of those opposite who want to frustrate and blow this sale out of the water for base political purposes. They do not want South Australia to be debt free. The Labor Party will do anything, take any initiative, to frustrate this sale process.

Why is it not displayed? Because to release the details that we have reached—this figure on the forward estimates—would very clearly show buyers how much we estimated the utilities to be worth. It would be totally irresponsible to say that and put it in the marketplace. It is for the same reason that, when I have been asked, 'What are the assets worth' at press conferences since 17 February, I have consistently declined to answer the question for obvious reasons. Let me use the simple analogy of a house. If you are selling a house, do you go to the market and say, 'My \$100 000 house is okay, I want \$100 000 for it'; or do you go to auction and see whether you can get \$110 000 for it? Quite clearly, under a competitive bidding system you try to get the commercial marketplace to put in the best price for the product—and that is what we are seeking to do.

To do other than what we have done would run the risk of no-one bidding higher than the conservative figure. Why did we put in a conservative figure? We put the conservative figure in the papers simply because we wanted to preserve the position in the future. But the simple, undeniable fact is that, unless we are able to obtain a further relief in the expenditures of this Government, there will be have to be further impost in taxes and charges. Either that, or we have to take another 10 000 to 20 000 public servants off the list. Is that what members of the Opposition want? The shadow Minister—

**Mr Foley:** Where is it in the document?

**The SPEAKER:** Order! I warn the member for Hart.

**The Hon. J.W. OLSEN:** I have given the answer to the member for Hart. He most probably does not want to know because it does not suit his political purpose to concede the point. He will not concede the commercial point of not identifying the sale price before going to the market. This is

no more than a political frustration, through the media, of a sale process—and a most important process for this State. That is what the Opposition wants to do. It has no other objective than base ballot box response to this process. And why?

*Ms Hurley interjecting:*

**The SPEAKER:** I warn the Deputy Leader for the second time.

**The Hon. J.W. OLSEN:** How hypocritical! Who put South Australia in this position? It was the Labor Party that put South Australia in this position. For four years we have had to manage the debt that resulted from the Labor Party's ignorance, incompetence and lack of economic management.

*Mr Conlon interjecting:*

**The SPEAKER:** The member for Elder will come to order.

**The Hon. J.W. OLSEN:** We are making some hard and focused decisions to get this right. What we want to do is leave a legacy of a debt free State for future South Australians. The money that is saved from interest can be injected into the QEH. It can be injected into infrastructure to start rebuilding a new industry base for South Australia. If we do not have that, we have to obtain the resources from some other area. The Opposition holds press conferences and says, 'We should have paid the nurses 15 per cent', I think the member for Elizabeth said. We should have paid them—

*Ms Stevens interjecting:*

**The Hon. J.W. OLSEN:** You did; you said it at the Glenside Hospital. On television, the honourable member indicated that we should have paid the nurses 15 per cent instead of the 9.9 per cent. Simple question: how will you pay for it? You have no idea how you will pay for it. What about the other infrastructure required in South Australia to rebuild? All I can say to the Labor Party is: it cannot have it both ways. We have to establish a position whereby we manage the finances and free up the dead money—the \$2 million going down the drain every single day—and \$500 million a year can be injected into new infrastructure, into rebuilding and into creating a more conducive business climate for investment.

Those who shake their head are in cuckoo land; they have their head in the sand. When we have Labor Party people around this country telling the Labor Party to get off its base political horse and start to look reality in the face, it demonstrates that we have a Labor Party with no idea and no policies for the future. Only yesterday we thought we would check up on the Labor Party to find out what it believed in. To demonstrate that it is a policy free zone, I point out that it has failed to come up with one reasonable policy relating to why the Government should not sell ETSA or Optima, or to put alternatives. It just said 'No', but indicated no alternative policy. We always suspected that it had no policy alternatives, and now it is being confirmed by no less than the Party itself. A check of the ALP's web site—

**Mr CLARKE:** Mr Speaker, I rise on a point of order. I refer to Standing Order 98. The Premier is now engaging in debate. We have had three questions in 20 minutes. I suggest he has exceeded his time.

**The SPEAKER:** Order! The honourable member will resume his seat. There is no point of order in that the Premier, as I understand, is still deliberating and delivering facts on the question to the House and is not yet entering into debate. The Chair is listening to his remarks and, if he gets into debate, the Chair will do something about it.

**The Hon. J.W. OLSEN:** The question was predicated on policy—

*An honourable member interjecting:*

**The Hon. J.W. OLSEN:** My response on Australis was as a result of the interjection of the Leader of the Opposition. In relation to ETSA, Optima and other policy considerations, what policy does the Labor Party have? We checked the ALP's web site, and that reveals an answer. Under the heading 'Index of policies and platform', we merely have the message 'Coming soon'. So, we can breathe a sigh of relief: the Labor Party has some policies somewhere but they are coming soon. I am sure the people of South Australia will be interested, as we are on this side of the House, to hear exactly what these policy alternatives are. They have been 'coming soon' for about three months. Obviously, the Leader of the Opposition is having some degree of difficulty in working out exactly what he wants to do with our electricity assets. He is just saying, 'No', but he has no alternative policy. We look forward to a policy from the Labor Party at some time.

**Mr CLARKE:** Mr Speaker, I rise on a point of order. He apparently has heeded my advice.

**The Hon. M.D. Rann:** This web site shows Dean Brown as Premier.

**The SPEAKER:** Order! Before calling for the next question, I remind members that the Leader has been called to order three times and has received two cautions and two warnings. There are others who have had similar types of warnings from the Chair. A tendency has crept in over the past several days during Question Time for interjections to continue after the Chair has called members to order and then warned them. It is an undesirable part of the parliamentary process and is something this Chair will no longer tolerate. If it becomes necessary for me to name members, I will do so, but we will certainly not follow this trend of constant interchange across the Chamber after I have called the House to order. Members know the consequence. Those who have been in this House for some time had better explain it to those who have not. It is not an attitude which I want to see pervade this Parliament and it will not happen in the future. I ask members to bear that in mind.

## CHILD CARE, RURAL AREAS

**Mrs PENFOLD (Flinders):** My question is directed to the Minister for Education and Children's Services. Following today's announcement that the Government is boosting funding for child care in South Australia, what specific action is planned to improve the standard of child-care services to families in rural and isolated areas?

**The Hon. M.R. BUCKBY:** Three significant initiatives have been announced to support families, particularly in rural and isolated communities, as part of the 1998-1999 budget. First, over 4 000 child-care places for children from birth to 12 years old have been established in South Australia under the auspices of the national child care strategy agreements with the Commonwealth. In addition, 73 child-care places have been announced in this budget as part of a continuing commitment to establishing child care in rural South Australia. Also, up to 14 integrated pre-school child-care centres will be established in rural South Australia in the life of the current agreement, focusing on communities which are too small to have a stand alone child-care service.

For example, in the Mid North I have just announced the \$1.5 million redevelopment of Clare High School, which includes a child-care centre and preschool centre directly

across the road from the high school. That style of operation has been successful in many areas, particularly in rural communities where the transition from child care to pre-school, to primary school and on to high school is made extremely smooth for children. Secondly, a new service in the Anangu Pitjantjatjara lands will be established as the outcome of planning and cooperation between the State, the Commonwealth and the Women's Council, a regional women's organisation encompassing traditional lands in South Australia, the Northern Territory and Western Australia. Flexible funding arrangements and policy innovation involving three States and Territories and the Commonwealth will foster the development of options that best suit the diverse needs of children and families in this area.

Options will include a mobile children's service to support children and families and to help communities across this vast area of the Far North West of the State. Thirdly, we have family day care. This has provided quality, home-based care in many rural areas in South Australia. The flexibility of family day care offers particular benefits to rural families because, at times of the year when long hours are worked under seasonal conditions, family day care is the only area of care available to a rural community. The 1998-99 program will focus on a new approach: recruitment and support of some 40 new self-employed care providers in country communities, adding approximately 120 places to the pool of places available to families in country communities.

These initiatives build on a long history of support for the child-care sector by the South Australian Government, and are evidence of the Government's strong commitment to ensuring the best possible child-care services for families in rural and isolated areas of the State.

### EMPLOYMENT

**The Hon. M.D. RANN (Leader of the Opposition):** My question is directed to the Minister for Employment. What is the real reason the Government abandoned the use of ABS statistics—which, incidentally, show a loss of over 15 000 jobs so far this financial year—to calculate the Government's performance on jobs? The Government has used payroll tax receipts to indicate jobs growth. However, payroll tax does not apply to most small businesses and is collected from only about 10 per cent of South Australian businesses. How is this an accurate way of measuring employment?

**The Hon. J. HALL:** I know that the Leader of the Opposition is very concerned about the advances that this Government is making in employment growth and particularly upset over the innovative employment statement released by the Premier last week. The Leader of the Opposition might remember that when he was Minister for Employment the number of young unemployed South Australians grew by more than 4 000, from 12 000 to 16 000.

*Mr Clarke interjecting:*

**The SPEAKER:** Order!

**Mr CONLON:** I rise on a point of order. There are two points of order: the first goes to repetition. We had this answer word for word to a different question just last week; I suspect that the Minister is reading it. My second point is on the matter of relevance. The question is about ABS statistics and why they are not being used.

**The SPEAKER:** Order! I do not uphold the point of order. As to the second objection, the details are within the realms of a Minister for Employment in giving a reply. The honourable Minister.

**The Hon. J. HALL:** The answer is not identical to the one given last week, because the figures are quite different. The member for Elder might also be interested to know that, during the same time the Leader of the Opposition was Minister for Employment, youth unemployment doubled, rising by an amazing 23 per cent, and the youth unemployment to population ratio rose from 7.3 to 11.5. The employment statement from last week showed some very innovative activities and employment growth for young South Australians. Rather than constantly nitpicking and carrying on, I should have thought that the Labor Opposition in this State would be supportive and not constantly critical.

### HEALTH GRANTS

**The Hon. D.C. WOTTON (Heysen):** In view of the Government's commitment to improving the health of the community, will the Minister for Human Services please advise the House on the allocation of primary health care grants, which will help to promote good health within the community?

**The Hon. DEAN BROWN:** I am delighted to be able to say that the Department of Human Services and the Health Commission have now allocated grants to 17 specific community and hospital projects. These projects are designed to encourage people to take a proactive stance to improve health within the community and, therefore, to prevent people going into hospital or requiring other medical treatments. One example of those projects relates to the level of nutrition in boarding schools. All of us who have lived in boarding schools at various stages would understand that there is scope for significant improvement there. This lift in the level of nutrition particularly relates to boarding houses, where many people with mental illness live.

Another project involves taking health care programs out to people in remote areas, particularly farm safety programs and early identification of signs of potential cancers and other illnesses; and also helping encourage those people in remote areas to change lifestyles for a better standard of living. One project looks at the prevention of diabetes within the community, particularly related to weight and diet, whilst another is rape prevention. Three of the projects are aimed directly at assisting Aboriginal communities, the first being in the Murray-Mallee area at Nunga Care, specifically involving diabetes. There is an unacceptably high level of diabetes among Aboriginal communities, and this aims to help reduce that.

The second is a nutrition program among Aboriginal communities broadly across the State, and the third is aimed at young Aborigines, particularly in the northern Yorke Peninsula area, where prevention is aimed at the problem of substance abuse and high rate of suicide. These are examples of the 17 projects that show this Government's commitment to being pro-active in ensuring that community groups adopt a healthier lifestyle. Over the past two days I have launched a program encouraging people to give up tobacco smoking and discouraging young people from taking it up. I find it disturbing that something like 25 per cent of 15 year olds within our community are now smoking. In fact, 30 per cent of 17 year olds are smoking, yet they have only to look at the statistics.

Approximately 30 per cent of all cancers are caused by smoking and 25 per cent of all heart disease is caused by smoking. I urge members of this Parliament to go into their

electorate and carry the message against tobacco smoking and in favour of healthier lifestyles.

*Members interjecting:*

**The SPEAKER:** Order! I caution the member for Ross Smith.

### UNEMPLOYMENT

**Ms HURLEY (Deputy Leader of the Opposition):** My question is directed to the Minister for Employment. For the coming financial year what is the Government's estimate for South Australia's unemployment rate and also the participation rate, which is, as the Minister knows, the key indicator of confidence in the jobs market? The budget papers last year predicted an increase in South Australia's jobs participation rate, but ABS data show a fall so far of over 3 per cent in the participation rate, to its lowest point for 12½ years.

**The Hon. J. HALL:** I have previously answered a question in this Chamber in respect of participation rates. The Deputy Leader well knows that, over the past two decades, the participation rate in South Australia has fluctuated between 58 per cent and 62 per cent and, given that range, we expect it to continue fluctuating over the next few years.

In terms of employment predictions and growth, this Government is not about playing politics with the question of unemployment: it is too serious a matter for the number of South Australians involved. I would have thought that, with the Labor Party's record, members opposite would be very careful. I remind the House of some more figures from the former Minister for Employment and now Leader of the Opposition. There are now 24 000 fewer unemployed South Australians than when he left office as Minister for Employment—

**Mr FOLEY:** Sir, I rise on a point of order. I draw your attention to Standing Order 98, which does not allow debate when Ministers answer questions.

*Members interjecting:*

**The SPEAKER:** Order! I will not shout down the House again. I do not uphold the point of order. The Minister is entitled to give facts in her reply. It certainly would contravene Standing Orders if she drifted into debate. At the moment, it appears that she is still giving facts, and I ask her to continue to do that.

**The Hon. J. HALL:** Clearly, members opposite do not like the facts. But suffice to say that we have put down an employment statement that gives hope and optimism to South Australians for the future. We have policies put down, but we are still listening to those of members opposite.

### EMPLOYMENT, REGIONAL

**Mr LEWIS (Hammond):** My question is directed to the Minister of many things, including regional development. What is the Government doing, in partnership with industry in regional South Australia, to generate employment?

**The Hon. R.G. KERIN:** This Government has in place a range of initiatives which has the Government working with industry in regional South Australia to create economic growth and new jobs in those regions. The range of initiatives is across agriculture, mining, viticulture, horticulture, the seafood industry and land care, where the Government is working with country people. Certainly in viticulture the Government is working closely with industry, and companies are constantly developing new plantings. Vineyards provide good opportunities for local employment, and there is no

doubt that the vineyard developments are far more labour-intensive than the more traditional forms of agriculture in many of these areas.

In addition, there are all the flow-on effects to allied industries—and, in relation to vineyards, that is equipment suppliers, transport, tourism operators and many other industries. This is occurring throughout the viticulture areas of the State, and it is being revealed that unemployment figures in some of those areas are very low—and, in fact, they are among the lowest in the nation. The other day I read that the Clare unemployment figure is down to 3 per cent, and there are similar areas in the South-East. In addition, the farm gate value of aquaculture has more than doubled over the past three years, which has created work for more than 600 people directly, with an additional 900 jobs created through flow-on business.

The first wave of South Australia's programs under the National Heritage Trust is well underway, and in the budget the Minister for the Environment announced an increase in the State's commitment to that important program. Through that, we see projects getting underway in regional South Australia, which means that project officers, contractors and suppliers have to be employed to get that action onto the ground. That has been greatly appreciated by rural communities.

Just as the grain industry continues to thrive and be an important part of the State's economy, so too does the horticultural industry, which is now worth more than \$800 million. Development in key regional areas is spread out: we have the Pinaroo-Lameroo area, the South-East, the Riverland, the Adelaide Plains and Fleurieu Peninsula. Horticultural development in those areas is leading to more people shifting in. For example, where a cereal farm in some of those areas traditionally would have employed one or two people, the swing to horticulture sees that same farm now giving jobs to 10-20 people—and, in some cases, even more.

The Government is also continuing to invest in infrastructure. That is in no way more evident than with the roads, where, after many years of very low spending on roads, we are well down the track of the \$73.5 million program to seal all rural arterial roads. In the mining industry, Olympic Dam is a shining example of excellent regional growth: currently it is the biggest infrastructure project in Australia. We have a \$1.6 billion expansion which is 70 per cent complete, with 1 500 construction jobs, plus another 240 at Port Augusta and Whyalla, contributing to that expansion, and with 200 jobs in the long term. The result will be that Roxby Downs will start with 3 500 people and grow for many years—a town that not everyone in this House would have seen exist, but it is now turning into a major regional centre. With respect to exploration, last week's announcement of a \$23.2 million four year exploration initiative will lead to further exploration, investment and jobs in regional South Australia, and that has been well received by industry and people in regional areas.

There are many examples of Government and industry working together to create economic development for South Australia and jobs in regional areas. The unemployment figures in many country areas have improved and will continue to improve, because we are working in partnership with industry to help facilitate development and jobs.

## NATIONAL COMPETITION POLICY

### **The Hon. M.D. RANN (Leader of the Opposition):**

Does the Premier support for South Australia the policy position taken by Queensland Premier, Rob Borbidge, who yesterday announced in his policy speech that a re-elected coalition Government in that State would reject elements of national competition policy in his 'Queensland first' initiative, protecting people and businesses from pharmacists to dairy farmers, and give preference to local firms in purchasing decisions, or does he believe that such an approach would be detrimental for South Australia?

**The Hon. J.W. OLSEN:** Over the past 4½ years, this Government has always put South Australia first, and we will continue to do so. We will continue to argue the case for South Australia to ensure its best position in the international marketplace. In the budget that has recently been brought down is a practical and tangible expression of that, in that the business community, in particular, has been, by and large, exempted from the impost. The reason for that is to ensure that there is a conducive business climate in South Australia. It is one of the reasons why we did not lift—

### **An honourable member:**

**The Hon. J.W. OLSEN:** In relation to taxis, as the honourable member would well understand, that does not go into the bottom line of the budget. We are not the beneficiaries in relation to the imposts on the taxi industry, so just check—

### *Mr Atkinson interjecting:*

**The Hon. J.W. OLSEN:** Now the honourable member is shifting the goalposts a bit. We constantly have argued the position for South Australia in a number of areas with the Commonwealth, and an example of that is the Medicare agreement. In addition, I point out as a matter of fact that, in relation to Queensland and its position related to the national electricity market, there is not an interconnector with Queensland at this time. One would expect there to be an interconnector within the next three to five years and, upon the introduction of the interconnector, the same pressures will be applied in Queensland that now apply in South Australia. Where they currently have a postage stamp market, if you like, that will not be the position in the foreseeable future, which means that the Queensland Government will have to make changes and new policy determinations. In response specifically to the Leader's question as to whether the South Australian Government will put South Australia first, the answer is: yes, as we have done for 4½ years.

## YOUTH EMPLOYMENT

**Mr SCALZI (Hartley):** Will the Minister for Employment inform the House of efforts being made to promote the employment of more young people in the public sector?

**The Hon. J. HALL:** This Government has a very strong commitment to ensuring that our public sector is youthful, vibrant and forward-looking in its outlook and activities. As the Premier announced in his employment statement to Parliament last week, over the next two years the State Government will expand its highly successful Youth Traineeship Scheme, and it will offer another 2 400 traineeships to South Australians.

This is in addition to the 4 600 this Government has put in place since January 1994. It is not just the massive injection of young people into the ranks of the public sector that is important, because it utilises the more mature and

experienced skills base that already exists. So, for the young trainees who take up these new positions it gives them that all important first start. It is from this first start that more than 70 per cent of the trainees who have been in service in Government have gained employment in either the public or the private sectors, or they have returned to full-time training.

The important aspect of last week's employment statement was that the Premier gave a further commitment to the Government's recruitment program of an additional 600 graduates over the next three years. Just to annoy Opposition members I remind them that, in his employment statement, the Premier said:

This Government is committed to employing the best and brightest of South Australia's tertiary students as part of its long-term commitment to reinvigorate the State public sector with energy, vitality and enthusiasm of youth.

It is a large scale and very serious commitment by this Government to employ young people, and it is reflected in our goal of achieving a target of 9.5 per cent of young people in the Public Service by September 1999.

### *Members interjecting:*

**The SPEAKER:** Order! I warn the member for Elder.

**The Hon. J. HALL:** To date, the public sector employs approximately 7 per cent of young people under the age of 25. To help achieve this target, the Government has established the South Australian Government Youth Employment Reference Group to ensure that the target of 9.5 per cent is achieved. This committee is chaired by the Deputy Commissioner of the Office of Public Employment, Jan Andrews. She is assisted by representatives of each of the 10 departments. The reference group will be responsible for setting appropriate targets over the next 18 months to ensure the employment of young people.

I am delighted to report to the House—and I know how much the Labor Opposition will be pleased to hear this—that more than 50 per cent of Employment SA's employees are under the age of 25. I am sure that, on the broader scale, there is still a lot of work to be done in the other departments. The reference group chaired by Ms Andrews will ensure that this happens. I would have thought that, over the coming months, the Labor Party will applaud what this Government is doing to ensure that young South Australians have a future with their employment opportunities in this State.

## SCHOOL CLOSURES

**The Hon. M.D. RANN (Leader of the Opposition):** Will the Premier list all the schools now being considered—

### *Members interjecting:*

**The SPEAKER:** Order! Members on my right will remain silent. The Minister has made her point, and members on my right will remain silent.

**The Hon. M.D. RANN:** Will the Premier list all the schools now being considered for closure, and will schools with low enrolments be targeted to achieve the Government's target of closing 30 schools? In 1997 South Australia had 164 schools with fewer than 100 students and 302 schools with fewer than 200 students—

### *The Hon. J.W. Olsen interjecting:*

**The Hon. M.D. RANN:** I am pleased that the Premier intends to reply. Croydon Primary School had more than 200 students when the decision was made to close the school. The Opposition has been told that the latest Liberal Party research shows that the Premier must soften his image by appearing publicly and in photographs with children who, hopefully,



will not, like the Croydon kids, ask the Premier whether their schools will close.

**The Hon. M.R. BUCKBY:** On radio this morning the member for Taylor suggested that we will be closing small schools and all sorts of things. This Government will continue a program that was adopted by the previous Labor Government that closed, as the Premier rightly said, 46 schools in its last term of Government—46 schools. When considering the figure of approximately 30 schools, we should remember that, under the last Government, the previous Minister for Education closed 39 schools and, as I said, the previous Labor Government closed 46 schools. That equates to approximately 10 per year over a lifetime of the Government.

I have indicated that approximately 30 schools will close over the life of this Government. That is not a definitive figure. The figure is approximately 30—it might be 22, it might be 33. It will depend on our review of school areas. We will not be necessarily targeting small schools, but let me tell members—

*Mr Conlon interjecting:*

**The Hon. M.R. BUCKBY:** I am pleased that the member for Elder has raised this.

*Mr Conlon interjecting:*

**The Hon. M.R. BUCKBY:** Very good; I am pleased to hear it. I am sure that they are very good schools with excellent teachers. Let me tell members that in terms of closures—

*Members interjecting:*

**The SPEAKER:** Order! I remind the Leader and the members for Elder and Hart that they have all been warned. Several other members have been cautioned. If I have cause to bring those three members to order once more, I will name them.

**The Hon. M.D. RANN:** Sir, I rise on a point of order. I did not make any interjection whatsoever.

**The SPEAKER:** The Leader did not then. I draw to the attention of the House the scorecard which is being kept at the moment. I am saying that those three members have been warned and, if I have cause to—

*Mr Conlon interjecting:*

**The SPEAKER:** Order! The member for Elder went perilously close to being warned again. I warn those three members that if I have cause to call them to order again I will name them. I do not want members complaining after the event. They have had fair warning.

**The Hon. M.R. BUCKBY:** The member for Elder interjected and suggested that more schools had been closed in Labor electorates than in Liberal. The figures indicate that, in the last term of this Parliament, 26 schools were closed in Liberal electorates and only 13 schools were closed in Labor electorates. Let us look at this issue seriously. The member for Taylor has been suggesting that we have a list. There is no list, and I can categorically state that. The fact is that no reviews have yet started because we have been working on an amendment to the Education Act with the member for Chaffey. That amendment will establish a structure for a review committee which will review school clusters.

To date, only one school has raised its hand, and that is Kybybolite which has asked to be closed because it has only 28 students. The parents and school council of that school have recognised that their students will have a better educational opportunity by attending a larger school. I also say that—

*Mr Atkinson interjecting:*

**The Hon. M.R. BUCKBY:** Kybybolite, in the South-East, for the benefit of the honourable member. I also suggest that we would not look at closing schools in some areas just because of numbers. Salt Creek has only 12 students, but the nearest neighbouring school is more than 60 kilometres away. Commonsense would obviously prevail and we would not close that school. Other schools on the West Coast are in a similar position where, even though student numbers are low, there is a long distance between schools. One must consider not only school closures but also amalgamations.

Parents, school committees and communities approach the Government and suggest that an amalgamation may well be a better option for their particular school. In addition, we are embarking on a significant capital works program this year in terms of new schools. The new Tanunda Primary School, in the electorate of Playford, is due to be opened, and students will commence attending in the third term this year. New buildings have been established at the Hewitt Primary School.

*Mr Atkinson interjecting:*

**The Hon. M.R. BUCKBY:** That is in Gawler. That is exactly right. That has been long needed; it is a growth area. In addition, there is the \$3 million redevelopment of the Adelaide High School.

## ABORIGINAL COMMUNITIES

**The Hon. G.M. GUNN (Stuart):** Will the Minister for Aboriginal Affairs please inform the House of the new major capital works initiatives that will assist remote aboriginal communities within South Australia?

*Mr Atkinson interjecting:*

**The SPEAKER:** I caution the member for Spence for the second time.

**Mr Atkinson:** Thanks, Sir.

**The SPEAKER:** You do not have to thank me.

**The Hon. D.C. KOTZ:** This is a very important question. The national Aboriginal health strategy program for community housing and infrastructure in Aboriginal communities in South Australia is directed towards improving health-related capital infrastructure for Aboriginal people, particularly in remote areas. The member for Stuart, who has asked this question, has traversed those remote and arid areas for many years and has encouraged Governments to make sure that these particular types of infrastructure are looked at where Aboriginal communities are concerned.

The aims of this strategy are threefold. The first is looking at the delivery of essential services. By that I mean looking at power, water and effluent disposal. The second is the provision of new and refurbished housing. The third key point in that strategy addresses environmental health issues such as dust reduction brought about by the sealing of roads.

The Division of State Aboriginal Affairs has just recently won three new capital works projects that have been funded by the Commonwealth. I believe that this is really quite significant in terms of the improvements that can be made to Aboriginal communities. The three successful projects are in Pipalyatjara, Ernabella and Indulkana aboriginal communities on Anangu Pitjantjatjara lands. A total of \$6 million has been made available for improvement to roads, community housing, water, sewerage and power systems in the three communities. As to the separation of those dollars, \$1.5 million goes to Pipalyatjara, \$3.3 million to Ernabella and \$1.2 million to Indulkana.

By way of example, work is proceeding at Ernabella for the provision of new water bores and a new 7 kilometre

reticulation pipeline to existing water storage tanks. This will provide the community with a badly needed reliable water supply. Those who may not have visited the lands in any shape, size or form I am sure from many documentaries over the years have seen some of the disastrous situations that Aboriginal communities actually live within. I do not think that any member here would not appreciate the significance of these types of infrastructures being built in Aboriginal communities. These works require ongoing maintenance, which I am sure every member can also understand. I am pleased to say that the State Government allocates \$916 000 annually for hardware maintenance of water, power and sewerage services for this State's major Aboriginal communities.

In most instances, the State funds the salaries of an essential services officer to each of the communities. This is extremely important as well. It is very well for Governments to look at the moneys allocated to these areas and it is very well to look at the allocation of particular infrastructure but, when it comes to remote communities that do not have the access to maintenance people, such as technicians, that city dwellers have, it is also extremely important to make sure that back up services that may be required at any one given moment in those outback areas are provided. It is to this point that the South Australian Government does fund essential services officers in each of those communities.

These officers are responsible for the day-to-day operation of the essential services plant, and they must immediately report a problem or a potential problem to the essential services team of the Division of State Aboriginal Affairs, which ensures immediate action. Generally, the service personnel deployed in support of remote sites act within 24 hours of notification of a serious problem. Sir, I am sure you will agree that this is a suitable objective for any Government to be able to continue. It is our commitment as a Government to work closely with Aboriginal communities to ensure these ongoing improvements in health care related infrastructure projects.

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## GRIEVANCE DEBATE

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

**Mr HILL (Kaurana):** Earlier this month, the Queensland Borbidge Government, prior to announcing the calling of the election in that State, released a document that dealt with the flow management plan for the Cooper Creek area—that is, the area in the south-west part of Queensland which affects the Lake Eyre Basin in South Australia and the Coongie Lake area. The consequence of the plan, if it were to be adopted, would mean that approximately 20 per cent of the water which is produced in that area and which then flows to South Australia and to New South Wales would be used for irrigation. I understand that the volume involved is approximately 400 000 megalitres of water, which is about 70 to 80 per cent of the volume of water in Sydney Harbour.

If this proposal were to go ahead, it would have an absolutely disastrous effect on the Lake Eyre region of South Australia. As we know, the Lake Eyre region is a unique water system, a unique wetlands, and is one of the very few

river systems in the world that is not subject to any unnatural or engineered arrangements: it is a totally natural system. It floods infrequently and, when it does, up to one million birds from all over the world have been identified as using it. If the waters further up the system, from the Cooper Creek area of Queensland, were taken out, this would have an extremely deleterious effect on the natural environment of that system in South Australia and could affect to a very large extent the water fowl that use the area.

There have been a number of documented studies of the area. Dr Richard Kingsford, a senior research scientist with the National Parks and Wildlife in New South Wales, has ranked the Cooper Creek as amongst the most environmentally significant in the continent. Dr Kingsford contends:

Establishment of irrigation in the catchment would make the bust periods longer affecting the long-term survival of water birds. Breeding will be reduced. Huge pelican colonies may not occur as frequently as they used to. Under present conditions, the lower part of Cooper Creek only receives water about every 4½ years and these floods seldom reach Lake Eyre (eight years in 100 years), and Cooper Creek overflows into Strzelecki Creek even more rarely (about every six years in 100 years).

So clearly any decisions by the Queensland Government to irrigate would have very major and disastrous effects in South Australia.

In 1997, the then Minister for the Environment in South Australia, the Hon. David Wotton, issued a press release headed 'Agreement on Lake Eyre basin'. In that he flagged that the South Australian Government had signed an historic agreement with Queensland to work for the better management of the catchment and water resources of the Lake Eyre Basin, including the Cooper Creek system. He referred in that press release to the fact that in 1996 the Queensland Government at that time had intended to irrigate 3 500 hectares of cotton in the Cooper Creek area. Fortunately, that was eventually ruled out.

In his press release, the then Minister said that the heads of agreement were to work towards the signing of a formal intergovernmental cooperative agreement for integrated catchment management and water resource management of the Lake Eyre Basin. Further, the press release states that there would be a commitment to use best endeavours to negotiate an agreement for signing by 30 November 1997 and introduction into Parliament for debate during the first parliamentary session of 1998.

We are now past the first parliamentary session of 1998. I asked the current Minister for Environment what had happened to that agreement and what action she had taken to ensure that South Australia did not lose the water flowing through that river system. In answer to my question the other day she told me that the legislation will not be introduced until the end of this year. She did not answer my question in relation to what action she had taken, other than to say she would be taking up the matter firmly with the Government in Queensland. That is not acceptable to those of us who are concerned about the environment. Clearly, there is an election on in Queensland and, clearly, the Minister in this State has decided to keep quiet about this matter until after that election, because it may well have effects on the outcome of that election. We know that the Borbidge Government is on a knife edge and that it is desperate to win votes. It is prepared to mortgage the future of the environment of this country so that it can win a few votes in the southern parts of the State. I would hope for more from our Minister here.

**The Hon. D.C. WOTTON (Heysen):** I want to express my pleasure at the progress being made on the Adelaide to Crafrers highway. I realise that this project is shared between my electorate and the electorate of Bragg but, as members would be aware, I travel on this section of highway at least once a day and, on many occasions, twice a day. I am delighted with the progress that is being made. I commend MacMahons and the project team on the excellent work they are doing. I have had the opportunity to visit the project site. The enormity of the project is absolutely mind blowing. I have had regular briefings, and I commend in particular Luigi Rossi, the project manager of the team, those who are working with him and those who are keeping the community briefed on this important project.

The scale of the engineering feat is of great significance. I know that it is being watched closely by people involved in engineering both in this State and in other States. Of course, it is one of the largest projects that we in this State have seen in all time. I also want to say how pleased I am that local residents who use the road on an ongoing basis are showing a lot of interest and patience. The motorists are acting quite responsibly while the construction of this highway is under way. My only concern would be that future plantings will, I hope, alleviate some of the barrenness caused by the cutting into the hillsides and so on. I am sure that this will be taken into account: it is absolutely essential that it is. I look forward to having further discussions with some of the people who have responsibility for that matter.

On another subject, I am particularly pleased with the progress made in the koala relocation program. I again commend Drew Laslett, the officer-in-charge of that project, for his excellent work and all those in the National Parks and Wildlife Service who have worked with him. I also commend a very committed group that has been working through the green corp. As all members of the House would be aware, this program has brought with it international recognition. Certainly, media from around the world have been interested in this project, one which has now seen the moving of some 850 koalas. That has taken place without a single reported mortality and that is a great achievement and credit to the koala rescue team.

The Minister made a statement on this matter recently and indicated that, to date, they have sterilised 2 300 koalas in the worst-affected areas of Kangaroo Island, that is, the Cygnet River area. They aim to have 2 500 koalas sterilised by the end of June, and that would represent about 75 per cent of the Cygnet River population. It has been an excellent project. Obviously, I am delighted that we have seen this success. I hope that those who did not support the program and who wanted to see the culling of koalas now realise that this was the appropriate action to take.

**Mr CLARKE (Ross Smith):** I refer to a newspaper article in the *Advertiser* of Saturday last entitled 'Beware fishbowl effect, country police told'. I was a bit disturbed by the article mainly because of the way, it would appear, the journalists cut and pasted an interview they had with the Police Commissioner. In reference to some public controversies regarding police officers in Burra and Oodnadatta, in the newspaper report the Police Commissioner said:

... I have certainly asked assistant commissioners responsible for country areas to be alert to these things and make sure their staff ensure we are getting the right people.

That was in reference to the appointment of police officers to country stations and to the fact that, particularly in small

communities, as the Commissioner said, officers live in a fishbowl with their whole life under public scrutiny.

I met the police officer concerned, Sergeant Griffiths, in Oodnadatta when I shadow Minister for Police this time last year. I also met one of the two Burra police officers subject to recent controversies in that area. With respect to the two officers concerned, I think they are outstanding police officers. With respect to Oodnadatta, Sergeant Griffiths was held in very high regard by the Aboriginal community. There were certain sections of the white community in Oodnadatta who did not like Sergeant Griffiths and who sought to cause him a lot of concern. The reason for that was quite simple: Sergeant Griffiths applied the law fairly and across-the-board irrespective of your race or your particular beliefs.

Certain people in the white community in Oodnadatta did not like it. They thought his job at Oodnadatta was solely to arrest, gaol or fine black fellas and not to apply the law equally across-the-board. Sergeant Griffiths did a magnificent job in Oodnadatta and is to be commended. In so far as Burra is concerned, whilst I have not met Constable Cousins, I have met Senior Constable George Kaiser, and he is also a very good police officer. As his name suggests, he is of Germanic background, and one would also suggest that he is very straight in his dealings with all people. That was another thing that annoyed certain of the burghers in Burra, because he applied the law across-the-board fairly irrespective of your social standing in that community.

One member of that local community who took exception to Constable Kaiser's arresting him, for example, for excessive speed and, I believe, for maybe being under the influence of alcohol on a particular occasion was a president or former president of the local branch of the Liberal Party in Burra. It was that person who led the public fight against George Kaiser and his fellow police officer. When Senior Constable Kaiser was out banging up a bit of the local riff raff, as the local burghers in Burra saw it, they were quite content. But, again, when the law was applied equally across-the-board to all members of the community, an exception was taken.

As I said, this particular branch president of the Liberal Party in Burra took great exception to Senior Constable Kaiser's simply carrying out his duty. I am sure it is the way in which this cut and paste job has been done on the tacky tabloid known as the 'Tiser, whose article reads as if the Police Commissioner is saying that Constable Kaiser, Constable Cousins or Sergeant Griffiths are not the right people for those communities. On the contrary, I believe they serve the community of South Australia exceptionally well, in particular Senior Constable Kaiser and Sergeant Griffiths, who, as I previously said, had a very good reputation among the local Aboriginal community in Oodnadatta who represent the overwhelming preponderance of the local community in that area.

*Mr Koutsantonis interjecting:*

**Mr BROKENSHIRE (Mawson):** The member for Peake says, 'Here we go.' The member for Peake might learn about some of the good things happening in Mawson if he sits quietly and listens for the next five minutes. Last night I was delighted to be invited to speak to the McLaren Region Tourism Association annual general meeting.

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

**Mr BROKENSHIRE:** Had I not been there, as the Minister for Primary Industries said, I would have been at the dairy conference dinner. Having attended that conference in

the morning, I look forward with a lot of interest to the future of the dairy industry in this State. However, I want to speak about the good work of the McLaren Region Tourism Association under the newly re-elected Chair, Rod Hand, who is also the Manager of the McLaren Vale and Fleurieu Visitors Centre, of which I am Chair. It is good to see cooperation and a vision and strategy for building tourism linkages across the whole of the Fleurieu Peninsula. I would like to say how pleased I am with the number of tourist operators in the district who are now members of the McLaren Region Tourism Association and how good the product is that they are now packaging together and getting into the marketplace.

One of the things that we lacked in the past was a cohesive approach between the wine industry and the tourism industry. Due to the good foresight of members in both industries, they have now realised that we must work not only more closely together within the immediate region but closely with the further region including Victor Harbor, Cape Jervis and Goolwa, including the magnificent Onkaparinga National Park as well as some of the other icons that we have on the northern side of the Onkaparinga River. I still believe that there is a lot of work to be done with respect to tourism development, and in the forthcoming years I look forward to working with the McLaren Region Tourism Association and also with the organisations involved in the bigger picture to capitalise on opportunities.

I was invited as a guest on Sunday, along with the Alexandrina council, to join a tour on the magnificent *Oscar W*, which travelled past Clayton and into the Mundoo Channel. That reinforced in my mind the fact that there is a fantastic opportunity to put a product together which enables people to visit some of the most unique wetland areas anywhere in the southern area. You can moor the *Oscar W*, or any other paddle vessel for that matter, into this area and set up a beautiful picnic lunch of fine gourmet Fleurieu Peninsula foods and magnificent McLaren Vale wine. I would have to say that it was one of the most pleasant Sunday afternoons that I have spent for some time. I particularly thank the Mayor, Kym McHugh, and the council for inviting me along to see what they have down that end. Of course, living in that area for as long as I have, I have been there previously, but not in such splendid company and on the *Oscar W*.

This area has the only river port that actually comes right down onto the coast and links up with the railway line that runs through the Adelaide Hills. We have these icons across the State. I believe that one of the problems we have had in the past, particularly with regional tourism, is that we have not looked at what is in our own backyard. We should not be so concerned about things such as the Sydney Harbor Bridge. They are man-made structures. Let us look at the culture, the finesse and the opportunities with which we live every day. That is what the McLaren Region Tourism Association is committed to doing. Together with the visitors' centre at McLaren Vale and the other smaller tourism offices, which are now being strategically located and opened around the greater region, there is a great integrated approach to further enhancing these opportunities. In time, I want to see these opportunities return a better net profit to the small operators.

Small operators are on deck seven days a week and they work very hard to increase their businesses. They are prepared to get into the South Australian Tourism Commission *Shorts* packages and ensure that they have first-class facilities available. As tourism grows, I want to see further

profit line improvements for them. I also want to see the young people in our area capitalising on the job opportunities.

Finally, I commend the Tourism Commission for sticking to the base clientele that we have coming from the international market to South Australia. It is paying dividends. Whilst we see tourism operators' chins dragging on the ground in Queensland that is not happening in South Australia.

**Mr KOUTSANTONIS (Peake):** In my last grievance I brought to the attention of the House the works of my Federal colleague, Ms Christine Gallus, the member for Hindmarsh—and of course the activities of our excellent candidate Mr Steve Georganis. Ms Gallus wrote a letter to me. I correspond with Ms Gallus quite regularly and we are on a first name basis now—pen pals. I wrote to her asking a question about her legislation concerning the airport curfew. In her letter Ms Gallus says:

Dear Tom—

because we are close friends—

Thank you for your letter on the Adelaide Airport curfew legislation. Protecting my constituents from increased noise from the airport is my highest priority. As you would be aware, there was recently a trial of a DC9 landing in the early morning. Although I had considerable concerns about this flight, there have been very few complaints and I have no basis on which to oppose its continuing arrival time so long as the carrier maintains the restrictions to come in over the sea only and not using reverse thrust.

That is partial erosion, as she admits, of the curfew. The letter continues:

I now need to incorporate this into my airport Bill and have informed the Clerks that I wish to do so. I am liaising with Air Traffic Control and the freight carrier involved to make sure I have the correct details to incorporate into the Bill. I know the Clerks are busy—

as they are in Canberra, very busy—

but I hope to have the new Bill drafted either by the end of this two week sitting or, if not, by the end of the following two week sitting.

Yours sincerely, Chris Gallus, member for Hindmarsh.

I received this letter on 6 February 1997, a year and a half ago. The member for Hindmarsh promised me in writing that she would deliver. She has betrayed me again. I have been jilted by women before.

*An honourable member interjecting:*

**Mr KOUTSANTONIS:** I have had my heart broken by women before but never before have I had a 'Dear John' such as this. It is amazing. She promises to call in two weeks but does not. She promises to write me a letter and show me her Bill. She promises to reveal all in two weeks and does nothing. Being a young man as I am, full of life and energy, I was looking forward to seeing this Bill, but I have been left waiting at the altar again. It broke my heart. The 'member for broken hearts', the member for Hindmarsh, has been on the radio today attacking me about lies I have been perpetuating in this House. She said that she had shown me her Bill, that I had seen it. I have never seen her Bill. She even claimed—

*Mr Clarke interjecting:*

**Mr KOUTSANTONIS:** I only asked to see the Bill. Today on radio Ms Gallus said that anyone who wished to see her Bill could come to her office and see it but that they could not take it away. Imagine that! Ms Gallus says that I can come to her office, have a cup of coffee and read the Bill but how dare I take it out? She claims that members of the West Torrens council have seen her Bill; yet, when I have asked members of that council if they have seen her Bill, they say

'No.' She claims to get around, but everyone is denying the association.

*Members interjecting:*

**Mr KOUTSANTONIS:** A Clayton's Bill. As the member for Elder says, 'What is the difference between a platypus and Christine Gallus? A platypus has a bill.' The member for Hindmarsh wrote to me on 6 February 1997 saying that I would have her Bill within the month of February 1997. It is now June 1998 and there is no Bill. Ms Christine Gallus is a fraud. She has contempt for the western suburbs; she has contempt for the democratic process. She has not made one speech in Federal Parliament pertaining to the airport curfew. She has let down her constituents: she should resign now and allow our candidate to take her place and do a proper job for the western suburbs. It is outrageous that this person can get away for seven years without producing a private member's Bill and not once mentioning the airport curfew Bill. If I were in this place for seven years and had not once mentioned the Bakewell Bridge, I would be a disgrace.

**Mr SCALZI (Hartley):** I feel sorry for the member for Peake, but I would have thought that, if he had not had a reply since February 1997, he might have brought up the issue a lot earlier—or is it just opportunism, knowing that there is going to be a Federal election and using this platform to have a dig at a Federal member? That is his choice. I can provide some handkerchieves for the member for Peake: they are on special across the road. However, I am not going to talk about airports and things that are up in the air: what I am concerned about is the incident that took place in this Chamber last Wednesday. I do not wish to question the Speaker's ruling: I accept the Speaker's ruling with regard to the question that I asked the member for Hanson. What I am concerned about, and what should be of prime importance to this Chamber and to every member of this House, is the security breach that took place last Wednesday.

I want to know how the protesters got into this Chamber with banners. How did the banners get through the security? We have new X-ray machines: how did they get through? We cannot sweep under the carpet what happened here, because Parliament was disrupted. In the four years that I have been here I have never seen a disruption from the Speaker's Gallery during which the Parliament stopped and members saw the need to walk out. If members think that I am inconsistent in asking the question and in being concerned about the security and standing of this Chamber, then I refer to *Hansard* during the Croydon Primary School incident, when members in the Strangers Gallery disrupted this place. I also brought up the matter in a grievance debate and questioned the people concerned, especially the Australian Teachers Union President.

I am a member of the Australian Teachers Union and proud to be such, and a teacher, but I was concerned about the disruption that took place. What happened last Wednesday is a continuation of the lack of respect of some pressure groups for this place. That does not do any of us any good, because the standard of this institution is at stake. I will be the first one to protect a person's right to demonstrate outside, to protest and go through all the proper procedures. But to come into the Chamber, into the Speaker's Gallery into which we, as members of Parliament, are responsible for taking people; to come to this point and disrupt the Parliament through protesting I find beyond the pale, and I think we should all be concerned about it.

**Mr Clarke:** What would you say about Taiwan, where they throw punches at one another?

**Mr SCALZI:** I do not want to mention any other country. If they want to do that in other countries, they can. I am concerned about the good reputation of the South Australian Parliament and the members of this Chamber who have the responsibility for taking people into the Speaker's Gallery.

**Mr KOUTSANTONIS:** On a point of order, Sir, Standing Order 127 relates to personal reflections on members. The honourable member is personally reflecting on members of this House; on all of us.

**The DEPUTY SPEAKER:** Members should not reflect on other members. I remind the member for Peake that he was guilty of the same offence when he was referring to another member just recently. I suggest that the member for Hartley get back to the subject.

**Mr SCALZI:** I apologise if I have offended any honourable member, but I make no apology for bringing up my concern about security in this place and the standing of members.

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### LIQUOR LICENSING (LICENCE FEES) AMENDMENT BILL

Received from the Legislative Council and read a first time.

**The Hon. M.H. ARMITAGE (Minister for Government Enterprises):** 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.

On 5 August 1997 the High Court handed down a decision which invalidated some parts of the *Business Franchise (Tobacco) Act 1987* of New South Wales.

The Solicitor-General and Crown Solicitor have both advised that the decision will impact adversely on the *Tobacco Products Regulation Act 1997*, the *Petroleum Products Regulation Act 1995* and the *Liquor Licensing Act 1997* to the extent that they provide for the assessment of an *ad valorem* licence fee. As a result, all States and Territories have ceased to collect business franchise fees, including liquor licence fees.

The Federal Government has, at the request of all States and Territories, introduced measures to ensure that States and Territories are reimbursed for the loss of revenue as a result of the High Court decision through a 15 per cent increase in the wholesale sales tax on liquor.

The *Liquor Licensing Act 1997* was proclaimed with effect from 1 October 1997 except for those provisions relating to licence fees. It is now proposed to repeal those provisions which relate to the imposition of *ad valorem* licence fees.

This Bill will give effect to the Government's proposal.

I commend the Bill to Honourable Members.

Explanation of Clauses

*Clause 1: Short title*

This clause is formal.

*Clause 2: Commencement*

This clause provides for commencement of this measure on a day to be fixed by proclamation.

*Clause 3: Amendment of s. 4—Interpretation*

This clause removes definitions that are made obsolete by other clauses of this measure.

*Clause 4: Amendment of s. 22—Application for review of Commissioner's decision*

This clause removes the provision that puts the onus of proving the incorrectness of an assessment or reassessment of a licence fee on the person applying for a review of the assessment or reassessment.

This change is consequential on the removal of *ad valorem* licence fees.

*Clause 5: Amendment of s. 38—Wholesale liquor merchant's licence*

This clause alters the provision that imposes a condition on wholesale liquor merchant's licences requiring at least 90 per cent of gross turnover from liquor sales to be derived from sales to liquor merchants so that the sale period relates to a financial year rather than an assessment period. This change is consequential on the removal of *ad valorem* licence fees.

*Clause 6: Amendment of s. 43—Power of licensing authority to impose conditions*

This clause removes the power of the licensing authority to impose licence conditions to prevent improper arrangements or practices calculated to reduce licence fees. This change is consequential on the removal of *ad valorem* licence fees.

*Clause 7: Amendment of s. 48—Plurality of licences*

This clause removes the prohibition on holding two or more licences unless the licensing authority is satisfied that the conditions of the respective licences are such as to prevent arrangements or practices calculated to reduce licence fees. This change is consequential on the removal of *ad valorem* licence fees.

*Clause 8: Amendment of s. 65—Transferee to succeed to transferor's liabilities and rights*

This clause removes the provision that does not require a person to whom a licence is transferred from paying the amount by which the licence fee in respect of a licence period before the date of the transfer was underassessed, or any pecuniary penalty imposed in respect of the underassessment. This change is consequential on the removal of *ad valorem* licence fees.

*Clause 9: Amendment of s. 73—Devolution of licensee's rights*

This clause removes the provision requiring the payment of a fee fixed by the Commissioner for a temporary licence under section 73 or the conversion of a temporary licence into an ordinary licence under that section. This change is consequential on the removal of *ad valorem* licence fees.

*Clause 10: Repeal of Part 5*

This clause repeals Part 5 of the principal Act which provides for the imposition, assessment and recovery of *ad valorem* licence fees.

*Clause 11: Insertion of ss. 109A and 109B*

*109A. Records of liquor transactions*

The proposed section requires a licensee to keep and retain for 6 years records of all transactions involving the sale or purchase of liquor and makes it an offence for a person to fail to comply with the section.

*109B. Returns*

The proposed section requires holders of wholesale liquor merchant's licences, producer's licences and special circumstances licences authorising the sale of liquor by wholesale to lodge with the Commissioner annual and other periodic returns. The maximum penalty fixed for failure to comply with the section or for the inclusion of false or misleading information in returns is \$5 000. The expiation fee is \$315.

*Clause 12: Amendment of s. 122—Powers of authorised officers*

This clause removes the provision dealing with the admissibility of an answer to a question of an authorised officer relevant to the assessment of a licence fee. This change is consequential on the removal of *ad valorem* licence fees.

*Clause 13: Amendment of Schedule*

This clause removes assessments of licence fees from the list of examples of administrative acts under the repealed Liquor Licensing Act that are saved by the current Act. This change is consequential on the removal of *ad valorem* licence fees.

*Clause 14: Exclusion of liability to liquor licence fees on and from 5 August 1997*

This clause ensures that no liability to licence fees has accrued under the repealed Act in respect of sales or purchases of liquor made on or after 5 August 1997, the day on which the High Court decision was delivered.

**Mr ATKINSON** secured the adjournment of the debate.

## STATUTES AMENDMENT (YOUNG OFFENDERS) BILL

Received from the Legislative Council and read a first time.

## APPROPRIATION BILL

Adjourned debate on second reading.  
(Continued from 28 May. Page 984.)

**The Hon. M.D. RANN (Leader of the Opposition):** Last Tuesday I spoke on the ETSA Bill and talked about the Olsen Government's deception of the people of South Australia—before and after the October election—in relation to the Government's secret plans to privatise ETSA. I should say by way of early digression that I have just checked the Liberals' web site, and they actually have the 1997 policy which, of course, is in opposition to the sale of ETSA. Meanwhile, Labor's pledges talk, as we do now, about our opposition to the sale. We are consistent, if the other side is not. Today I will speak about another Olsen Government deception.

Last Thursday the Treasurer made plain to South Australians that the Olsen Liberal Government had been deceiving them: first, about the state of South Australia's finances; secondly, about the intention of the Olsen Liberals to further cut essential services such as hospitals and schools; thirdly, about the plans of the Government to slug ordinary South Australians with higher and higher taxes; and, lastly, about the Olsen Government's promise of more jobs and growth.

The pure and unadulterated deceit and hypocrisy in the claims made by the Premier and his Treasurer concerning this budget show beyond any shadow of a doubt that the Premier has learnt nothing from his near political death experience at the last election—not that further evidence of the Government's dishonesty and contempt for South Australia was really needed: South Australians already know! That is why John Olsen's approval rating is the worst of any Premier in years; that is why no-one believes him; and that is why people just want him gone—including people on his own side.

But, as if he needed to convince South Australians that he has no regard and no respect for them, the Premier has used this appalling budget to threaten South Australians with even worse if they do not approve the sale of ETSA—the sell-off that the Premier has denied would ever happen, while he was secretly planning to sell it off over two years ago. The Premier promised no sell-off of ETSA, but that is exactly what he is forcing on South Australians. He promised before the election that the budget was on track: again, he was not telling the truth.

The Premier promised before the election that cuts to services were over: that was also an untruth. His Treasurer before the election said that there would be no rise in the overall tax burden. This was yet another bare-faced untruth. This budget places an additional tax, fees and fines burden on each South Australian family of about \$400. The Premier has promised more jobs and lower unemployment for the second budget running. But all he has delivered so far is fewer jobs, and this budget confirms that the Olsen Government has no strategy for more jobs and economic growth. Rather, the budget tells South Australians that the future is bleak and jobless under the Liberals.

South Australians want a Government and a Premier that they can trust. They do not trust this Premier, and neither does his Party. With his ETSA deception and with his latest budget deception, John Olsen has signed his own political death warrant. It is no longer a matter of if he goes but of when, and who will succeed him? Will it be Dean Brown, the Premier that John Olsen betrayed? Will it be Michael

Armitage, or the favourite, the Hon. Rob Lucas, whose performance during and after the budget has been woeful? He could not cut the mustard in the Lower House and could not get the numbers in Bragg. And, as yet, all we can say is that, when the Premier does go, his political end will be completely and entirely unlamented, either within his own Party or amongst the South Australian population.

**The SPEAKER:** Order! The Chair does not want to interrupt the honourable member, but this is not a grievance debate: it is a debate on the Appropriation Bill. I ask the Leader to confine himself to the relevant issues.

**The Hon. M.D. RANN:** I am talking about the deceit of this Premier in his budget—a budget that we were told in last year's budget would be balanced, on track and in the home straight. Now we are being told that suddenly there are black holes and the Government now has to break its promise about the budget. If and when that budget last year was honest, that means that this budget is dishonest. What has changed, then, between the last budget and this one? There is only one thing that I can think of, and that is an election: that is all that has happened.

In the 1997-98 budget, the Olsen Government asked the public to believe that it had succeeded in the financial task that it had set itself. At budget time, we were told that the budget was 'a remarkable and historic turnaround'. So, if that was true, if that was honest, why all this cutting and taxing in this year's budget? When members of the Opposition questioned the last budget, we were assured that the budget was on track. In last year's speech, the Treasurer said that, under the previous Labor Government, taxation levels were crippling. That was on page one of the budget speech of the former Treasurer, who is now languishing in the Philippines.

So, what about our taxation levels now? Page 5 states that, under last year's budget, 'South Australia maintains its status as a low tax State...It is imperative that we maintain this competitive edge'. But John Olsen has squandered that competitive edge. We are no longer a low tax State—a mantra that has been repeated in countless speeches, both interstate (particularly in Sydney) and overseas, in front of business executives. And during the election, when the Opposition questioned the state of the budget, then Treasurer Stephen Baker said, 'I can assure you we will get across the line.' That is what he said on 22 September 1997—which just happened to be during the election campaign. The Treasurer in particular ruled out an increase in the tax burden on South Australians. He said, 'There is going to be taxation adjustment but we are not out to get an increase in the quantum of tax.' That is what the Treasurer said on 19 September last year—again, during the election campaign. Let me remind members opposite: 'we are not out to get an increase in the quantum of tax.'

When Labor called for the release of the Auditor-General's Report during the election campaign, because we believed that report would show that the budget was not on track, we were told that the report could not be tabled—apparently it was locked away in the offices of the Speaker and the President, as well as in the Premier's office. And we were told that we were wrong, anyway, because the budget was just fine and that everything was on track. When the report was tabled after the election, it revealed that, in the Auditor's opinion, the Government's financial strategy just might not be sustainable. Today, all South Australians know that it was Labor and the Auditor-General who were right and that the Olsen Government was not telling the truth.

It is worth reflecting for a moment on the ever-changing assurances of the Premier. It takes only a moment's reflection to understand the resentment that South Australians feel toward this Government. We were told that the last budget was sound and was on track. We were also told that there were no plans to sell ETSA and, every time that the Labor Opposition revealed the existence of those plans, the Olsen Government said that we were not telling the truth; that we were making it all up. Then we were told, on 17 February, that we had to sell ETSA and Optima to provide more services and reduce taxes.

The 1998-99 budget was brought down with more cuts and horrendous tax increases, before Parliament had even had the chance to vote for or against the sale. So much for there being any trade-off between higher taxes and fewer services on the one hand and continued South Australian ownership of ETSA on the other! But we have not yet plumbed the depths of the Premier's and the Treasurer's dishonesty and duplicity, for there is yet another turn to the farce being played out in public by this Government. The Government no longer says that we must sell ETSA to have more services and lower taxes—after all, how could it, after the decisions made in this budget? So, now the story goes that, unless we sell ETSA, ordinary South Australians will be clubbed with even higher taxes and more savage service cuts in a mini-budget some time later this year—that is, years before any ETSA sale proceeds could or would be available to Treasury, anyway.

I will deal with the political blackmail and the stunt represented by the threat of this mini-budget later. But for the moment we can just ask: is it any wonder that public confidence in this Government and in this Premier is so depleted, when the Premier's political buffoonery leads him to make public pronouncements that, if the Opposition Parties do not want what the Liberals want, the Liberals will vote against themselves? I am sure members remember that announcement just after the election. The Premier broke his promise in respect of ETSA but promised lower taxes and more services if we sell; then, only weeks later, he took the knife to services and introduced horrendous tax increases; and then he threatened the battlers with more punishment unless ETSA is sold.

This budget lacks integrity. It claims to have delivered a surplus of \$4 million, but on an accruals basis the non-commercial sector is expected to have a \$71 million deficit this year. We were assured that the moves to an accruals basis of accounting would be done in a manner that would enable people to understand this budget in the context of previous ones. In fact, this budget is not able to be interpreted in any meaningful way. The budget repeats its commitment to the Government's medium-term fiscal targets at page 2.2 of the budget statement, as follows:

Have been modified slightly to take account of the shift to accrual budget estimates from this year.

We have absolutely no means by which to decide whether or not this is true, or whether or not this budget is true compared to the dishonesty of last year. The information is not available in the budget papers to find out whether or not this budget breaches the former targets. The Government has been claiming that we must sell ETSA to avoid higher taxes and cuts to services. This budget introduces further cuts to services and massive increases in taxes, yet page 1.2 of budget paper 2 states that the financial targets are 'dependent

on the net financial benefits expected to arise from the sale of electricity utilities'.

This budget is intended to lock in the sale of ETSA as part of the Liberals' war chest to buy its way back into Government at the next election, even though in his heart John Olsen knows that he will not be around. In his heart he is confident that he will never debate me again, and for that he is grateful. Last time he blinked, the eyes moved and South Australians saw him for what he was. The Treasurer claims that there are unspecified cost pressures in the out years that leave a \$150 million hole that only the sale of ETSA can fill. Without the sale of ETSA he will impose additional taxes and service cuts in a mini-budget next October—again, years before there can be any proceeds from the ETSA sale in any case.

Again, the Premier has shown that he is prepared to say and do anything to sell off ETSA. The fact is that the sale of ETSA is not required for budget balance even in the out years of this budget. For one thing, the Liberal's budget drops its guard at one point and says so. At page 6.17 it shows that it expects continuing dividends and income tax equivalents from its commercial enterprises, including ETSA, and these are included in the budget's forward estimates. The shadow Treasurer and I have challenged the Premier and Treasurer to show us where their so-called \$150 million black hole is.

We want them to show us where the budget requires the sale of ETSA to achieve surpluses in the out years. So far, including in today's Question Time, the silence has been deafening. One has only to listen to the tape played on radio the other night of Friday's press conference to see how the Premier has got himself into such an extraordinary hole over his \$150 million black hole. One had only to witness today's performance in Question Time to see that the Premier could not tell this Parliament who had advised him about the \$2 billion loss to ETSA in terms of the sale price if New South Wales went first.

The Premier's answer to the shadow Treasurer's question today saw him moving away from the claims of a black hole. He virtually said that the \$150 million was not a black hole but a speculative and theoretical opportunity cost. The Premier has used table 2.5 in budget paper 2 to claim that these out-year surpluses do require the sale of ETSA. That table shows that, under the Olsen Liberals, there has been a significant increase in expenditure and revenue compared with last year's budget. Parameter changes—that is, changes that have occurred and are outside the control of the Government—have had a positive impact on the budget of \$37 million, but because of policy changes resulting in net additional spending the size of projected cash-based surpluses falls to \$4 million, but this is due to policy changes enacted by the Olsen Government.

The so-called 'black hole' is the result of a conscious decision by the Olsen Government. Labor does not believe that the sale of ETSA is likely to be budget positive. This was acknowledged by the Government's principal economic adviser, Cliff Walsh, who has said:

There is no certainty that, after taking into account foregone revenue streams, asset sales necessarily will reduce the underlying deficit and hence contribute to expanded opportunities for service delivery or for tax reductions.

Cliff Walsh said that in the March briefing of the South Australian Centre for Economic Studies. The onus is now on the Premier and Treasurer to show us their budget black hole and to prove that the surpluses in the out years depend on the sale of ETSA.

I turn now to the issue of taxes, fees and fines. This budget is a huge tax grab. In 1997-98 taxes, fees and fines rose by \$102 million, or 4.3 per cent. However this budget, even though the CPI for the year to December was minus 1.1 per cent, introduces increases in taxes, fees and fines of 10.5 per cent in one fell swoop. This nets the Government nearly a quarter of a billion dollars in taxes in one hit. I am aware that the Government claims that its tax heist is a little lower than this. It claims that the hike this year is 8.3 per cent, which is still horrendous given negative inflation in the year to December. In fact, the tax rip off is actually much worse. Last year's budget estimated that there would be \$2.345 billion in revenue from taxes, fees and fines. In 1997-98 this amount looks likely to be exceeded. The projected level of taxes, fees and fines for 1998-99 is \$2.591 billion—a rise of 10.5 per cent. Moreover, this is the nominal rise. Given the possibility of continued negative inflation, the tax hike is even greater.

Our Premier, who is so economical with the truth, has taken out full page taxpayer-funded newspaper advertisements proclaiming, 'Yes, the budget was tough but it's fair.' Let us look at what John Olsen has done and how fair it really is. How fair is an average increase of 4.5 per cent to all fees and charges during negative inflation? How fair is a 7 per cent increase in public transport charges? How fair is the 8 per cent increase in the stamp duty on compulsory third-party insurance, which now rises fourfold from \$15 to \$60? The Olsen Government has targeted the family car for a tax hike that hurts those on low and average incomes most.

Is it fair to impose a 40-odd per cent increase in stamp duty on all forms of general insurance that puts South Australia above all jurisdictions other than New South Wales? The budget also includes gaming revenue increases that net \$8.2 million in 1998-99, \$8.9 million in a full year, taxation and other compliance measures that will net another \$36 million a year and \$11 million from additional State taxation office compliance efforts on a range of State taxes. For a Premier who, just before the election in a major announcement given exclusively to the *Sunday Mail*, said that he hated pokies, he seems like an addict to me—hooked hopelessly on winning \$158 million from the pokies to support his habit.

I certainly hope that at last the AHA can see through the Liberal Party's deceit. These tax increases could cost the average family an additional \$400 per year. The Government's 'Budget At A Glance' and the Treasurer's budget speech proudly trumpet the fact that State taxation *per capita* in South Australia will still be the third lowest in Australia and \$130 per person lower than the national average, but again the river of deception runs deep. In fact, on average, every man, woman and child in South Australia pays a greater percentage of their income on State taxes than the national average.

ABS and Treasury data show that while the average tax taken in South Australia will be \$1 739, compared with \$1 869 nationally, average weekly earnings in South Australia are only \$545.50 compared with \$595.90 nationally. South Australians spend an average 6.13 per cent of their income on State taxes compared with 6.02 per cent nationally. That is before we even consider that there will be from 1999-2000 a revamped emergency services levy, which would be better labelled the Olsen property tax. It will apply to all fixed and mobile property and will raise about an additional \$50 million or approximately \$100 million in total. That will impact on each and every household in South Australia. Initial reports from the press indicate that the levy



could cost each household as much as \$80 per year per \$100 000 property value—every house, car, trailer, boat and motor cycle.

I call upon the Premier today to show some integrity and courage. Table your plans for the emergency services levy now. You say that it is inequitable that some households and companies do not insure at all or adequately. So, tell us how you will make the system more equitable and not use a crass grab for revenue to cover for the fact that your budget is in such a bad way because you have driven the South Australian economy into the ground. Lay it all out in the open. Show us this is not a naked grab for other people's money.

The Premier has been using other people's money—that of the taxpayer, of course—to tell us that this budget is tough but fair. People on the average wage of \$545 cannot afford your \$250 million increase in State taxes, fees and fines. As a result of Thursday's budget, South Australians now pay above the Australian average of State taxes, fees and fines as a proportion of average weekly earnings. He tells us that South Australia is still a low tax State. Well, not any more.

Let us talk about service cuts. The Premier, known to be economical with the truth, has as I mentioned previously taken out a full page taxpayer funded advertisement in the local press claiming that the budget is socially responsible, maintaining essential services such as hospitals and education. That is entirely misleading. For one thing, this is the first budget to be presented on an accruals rather than a cash basis. Despite assurances from the Government that the budget papers would contain sufficient information allowing valid comparisons to be made between funding levels in this and previous budgets, this is not possible from the budget papers. I put each and every Minister on notice: be ready to answer detailed and rigorous questions accurately and honestly during the Estimates Committees hearings. You had better be prepared, because we will not allow you to get away with pulling the wool over the eyes of South Australians.

I could see the concern of members opposite when the hapless junior Minister for Employment rose to speak, when she could not find out whether it is page 19 or 11 in her briefing notes. She looks like a possum that has been struck in the face by the headlights of an oncoming car. She is totally out of her depth, totally unable to cope.

*Mr Koutsantonis interjecting:*

**The Hon. M.D. RANN:** Yes, obviously the defence of the member for Mawson is somewhat with a smile on his face, because he can see a position opening up, at least on the junior benches opposite. Yet even on the parsimonious levels of information provided in this budget, it is quite clear that, once again, under the Liberals, essential services have not been spared the knife.

First, I turn to the education budget. Before the last election, the Olsen Government promised to maintain and increase spending on education. The Liberal education policy said, 'We are committed to maintain the current education budget and further increase State Government funding in the 1998-99 budget.' Check for yourself; dial into the web site.

In February, that commitment was reinforced by the Minister for Education when he told the House that funding for public schooling would not decrease. The Minister went further and said that the State would make up any cuts to Commonwealth grants as a result of the Federal Liberals' enrolment benchmark program. That is what he said. Let me quote what the 1998-99 budget states about education funding:

As part of the Government's budget strategy, DEET is required to achieve savings against the forward estimates of \$29.8 million in 1998-99 rising to \$47 million by 2000-01, whilst accommodating a number of cost pressures.

This is a cut to education at a time when the common youth allowance will increase the demand for services leading to increased pressure on the budget and school resources. The question is how much more these cost pressures might cut in terms of outputs for education.

The second issue is special program funding included as part of the 1996 enterprise agreement for 1998 and due for renegotiation by the end of the year. This special funding totals around \$30 million and includes \$9.25 million for special education teachers and support staff for students with disabilities, and \$18 million for school-based resourcing, development programs, class size flexibility and ancillary support staff. The cut to education is a clear repudiation of the election promise made by the Premier just eight months ago—another non-core promise.

These cuts also make a mockery of the Minister's undertaking to the House in February that the State Government would make up any cut to Commonwealth funding in this State. The budget states:

The Commonwealth has introduced a number of significant changes which impact on the department's services and budget. The enrolment benchmark adjustment will result in a reduction of Commonwealth funding of \$5.2 million in 1998-99.

There is nothing at all about catch up; nothing at all about making it up. Nothing has been heard from the hapless Minister for Education since this budget has come down.

*Mr Brokenshire interjecting:*

**The Hon. M.D. RANN:** I know he has support on the other side of the House for moving up the benches given that they cannot get the numbers for Rob Lucas to make the transition except once a year to make a budget speech.

I turn now to the important issues of staff cuts and school closures. Different budget documents promise a cut of 222 staff in the Education Department and a cut of 90 to 100 classroom teachers. We also know that the Chief Executive of the department sought approval to increase the number of separation packages for non-teaching positions to 180 as a result of departmental amalgamations. These three statements simply do not add up and suggest a bigger number of cuts than the figure of 222 staff. This is something I challenge the Minister for Education to clarify.

To these cuts we can add the uncertainty of what happens to staff employed under the \$30 million school-based programs arising from the expiration of the 1996 enterprise agreement in December this year. Together with cuts to teachers and cuts to the staff that support our schools is the Government's promise to close yet another 30 schools, a fact which has been highlighted by the shadow Minister for Education in the media today. Will this be another 30 Croydons with school communities fighting for their schools, or will the Government agree to legislation introduced by the shadow Minister for Education which sets out how these issues should be dealt with, how all stakeholders with a genuine interest must be consulted, and how schools being closed against the will of the community must have a genuine avenue of appeal?

Meanwhile, as I have mentioned today, I hear that the most recent Liberal qualitative polling has shown that the Premier must soften his image and that he needs to be pictured with kids. It is called his 'sandpit strategy' apparently—a softer, kinder, gentler figure. While he is posing for

pictures, perhaps he can tell the kids which of their schools will be closed. This budget means that the education sector is heading towards another period of conflict and uncertainty that was the hallmark of the time of the current Treasurer as Minister for Education.

I turn now to capital works in the education sector. At a time when the Government has announced it will close 30 schools, the education capital program has been slashed. This year, the forecast for expenditure is \$136 million against a budget of \$167 million, an underspending of \$31 million. The budget for 1998-99 of \$118 million represents a cut of \$49 million against this year's budget and a cut of \$18 million compared with this year's expenditure. This budget means less money for teachers and schools and less support for the schools that are left and promises uncertainty in our education system for years to come.

I now turn to the human services budget in which it is stated that total expenditure by the new Human Services Department will fall by \$27 million compared with outlays in 1997-98. Unfortunately, in spite of assurances by Treasury officials that the changeover to accrual accounting will be totally transparent, the opposite is true. Because of the size and complexity of the new Human Services Department, nowhere is it more apparent that the change to accrual accounting has eliminated the program information previously available to this Parliament.

So, here we have a situation where during the time of this Government it has changed the system to prevent the Parliament and the Opposition from having access to the Auditor-General's Report prior to Estimates. For years, the Auditor-General's examination and figuring was the bread and butter for questions asked of Ministers during the Estimates process. It gave credibility to the Estimates process from the Auditor-General's point of view. The Government fixed the system so that the budget came before the Auditor-General's Report and Estimates consideration was heard without the benefit of the Auditor-General's criticisms.

Nowhere was this more apparent than last year when the Auditor-General's Report was held up for much longer because of the election campaign—the same Auditor-General's Report that supposedly has now been used to underpin the Government's intentions to sell ETSA. No longer do we have, for instance, details of expenditure for individual hospitals or country health services. No longer do we have details of expenditure and programs for mental health services or the number of staff available for individual programs. I ask the Minister to note that this detailed information will be requested during the Estimates Committee hearings, and I seek his cooperation in ensuring that the new department is able to provide to the Committee details that are no longer shown in the budget.

In evidence before the Senate inquiry, the Health Minister finally acknowledged that South Australia's hospital system is facing a crisis. On 5 May, the Minister told a Senate committee that the number of admitted emergency patients who waited for more than 12 hours for a bed at the Flinders Medical Centre rose from 1 per cent to 8 per cent between 1994 and 1997. The Minister said that this was a measure of the overload that was occurring at that hospital and other hospitals in South Australia. The Minister also told the committee that other waiting times were increasing. The committee heard that the waiting time for allergy and immunology appointments, which is of particular concern to young people, now exceeds six months and that the waiting time for pulmonary medicine now exceeds three months.

The Minister also told the Senate committee that he had been warned of a high level of stress within the medical staff and concern about the depletion that is starting to occur in both research and teaching. He told the committee that funds were being rationed, resulting in mothers being discharged, on average, just two days following a normal birth. The Minister even went so far as to say—and I will quote the former Premier directly:

I can give examples, and I have taken this up with individual hospitals, where I believe serious mistakes have been made because people have in fact been asked to leave early or were not admitted.

That is exactly what we have been saying for 4½ years and we have been laughed at in this Parliament, and that is exactly what we said during the recent election campaign. These statements indicate the very serious situation that has developed in our public hospitals during the period in which the Minister was Premier of this State.

The question is: what does this budget do to stop and reverse these serious trends? According to the budget papers, the answer appears to be: little or nothing. The new portfolio statement contains a section dealing with specific objectives and targets for 1998-99 in which it is stated that the target is 'to maintain resource levels for hospitals'. A month or so ago, the Minister told the Senate inquiry that resources are inadequate, that mistakes are being made, that people are being discharged early, that our hospital system is in crisis, but the target objective is 'to maintain current resource levels for hospitals' in this State.

There is no mention of any of the issues raised by the Minister before the Senate inquiry such as the crisis in emergency sections. There is no mention of waiting times for children with allergies, of concern about falling research and teaching or of the stress being placed on medical staff. There is no mention of correcting the mistakes that the Minister claimed were being made, of increasing the activity levels of our ageing population or of the cost of hi-tech medicine.

In 1995, the Government announced a target of cutting expenditure on health by \$70 million per annum by 1996-97, and in the four year period from 1994-95 to 1997-98 a cumulative total of \$230 million was ripped from State health expenditure. The Minister now blames the Commonwealth for the problems outlined by him to the Senate inquiry. He asserts that this situation has occurred as a result of the Commonwealth's failings to reimburse South Australia for the number of people who are dropping out of private health insurance. That assertion needs to be hit on the head.

The total cost to the South Australian public health system as a result of people opting out of private cover is contained in the answer to question on notice No. 55. The figure provided by the Minister to the shadow Minister for Health is \$45.5 million from 1993 to 1997. Compare that figure of about \$10 million a year with the cut of \$70 million a year that the current Health Minister made when he was Premier. There is absolutely no doubt that a case exists for additional Commonwealth funding under the Medicare agreement. The Opposition supports that claim. There is also no doubt that the problems that exist in our hospitals are due in most part to funding cuts and lack of direction in health policy by the State Liberal Government over the past four years. We have seen \$230 million worth of cuts by the State Government from the State system, and we are now seeing a bit of hocus pocus by the current Health Minister (the former Premier) who is trying to blame the Commonwealth for all those cuts. Of course, that is totally untrue and phoney, and it will be totally exposed.

In the latest development, last week the Federal Liberal Government introduced legislation to replace the Medicare agreement which expires at the end of June. If passed, this will effectively do away with the Medicare agreement and allow the Howard Liberal Government to decide the level of Commonwealth grants to the States. Meanwhile, South Australia's health system will remain in crisis.

I refer to the 'on again, off again' approach to the development of our major public hospitals. During the past four years, the Government has announced the redevelopment of the Royal Adelaide Hospital and the Queen Elizabeth Hospital several times. Let me remind the House of the announcements about the QEH. On 19 January 1996, the following announcement was made:

Government plans \$130 million redevelopment of the QEH. . . Our aim is the total campus redevelopment including upgrading or replacing the main public hospital buildings.

Nine months later the Government announced:

Queen Elizabeth Hospital redevelopment moves into next phase.

In February of the third year, the new Health Minister (the former Premier) finally conceded that all these plans to upgrade the QEH had been shelved. Days later, on 17 February 1998, the Premier told this House that the Government could not afford to fix the QEH unless ETSA was sold. So, here we have it announced years ago. It was announced, re-announced, re-announced again, shelved and then re-announced during the State election campaign. Now we are being told that this redevelopment can occur only if they flog off ETSA.

Again, it shows the phoniness, the total dishonesty and the deceit of this Government. The Premier said, 'The QEH should not be crumbling before our eyes for want of an \$80 million restoration.' He is going to get that from selling off ETSA. Now, again, there has been a new announcement about the QEH. In the budget the Government is now trumpeting a \$43 million plan to redevelop the hospital—not the \$130 million plan; not the various other plans; the amount is going down.

It is still dependent on the sale of ETSA, but that was not the case when it was \$130 million. The money had been budgeted and locked away, but now, of course, it is down to \$43 million and dependent on the sale of ETSA. The plan has gone from \$130 million to \$80 million to \$43 million, and the budget actually allocates only \$4 million this financial year. The saga of the redevelopment of the QEH has seen four years wasted by this Government whilst services have deteriorated to serious levels. This was actually described by the same Minister to the Senate committee.

Let us talk about jobs. With great fanfare our Premier clothed his policy nakedness with a so-called 'jobs package'. We saw it last year. We saw the *Advertiser* fall for it with a big headline 'Premier's jobs initiatives'. Of course, we have seen the same thing happen this year. It is total hypocrisy. This is a low-growth budget with no jobs. This budget shows that the Olsen Government has given up on the creation of jobs and has given up on fighting unemployment. The 1997 budget forecasts economic growth at 3 per cent and employment growth at 1.5 per cent. In this year's budget, the estimate of growth for this financial year has actually been downgraded from 3 per cent to 2.75 per cent. Given other indicators and the fact that the ABS no longer publishes these estimates, no-one should really believe we have achieved even 2.75 per cent growth.

The budget GSP of 2.5 per cent is estimated for the year 1998-99, rising to 3 per cent in 1999-2000. The budget document says that these growth rates are 'consistent with a reduction in the unemployment rate over the forward estimate period'. That is in budget statement 4.2. Again, that is totally dishonest. Everyone knows that we need sustained growth of around 4 per cent per year to make real inroads into our appalling unemployment situation in South Australia. The budget actually says that South Australia will continue to underperform in jobs and growth when compared with the nation. So, you have the Minister for Employment, the junior Minister, saying one thing and the budget saying another. The budget predicts employment growth of 1 per cent next year from 2.5 per cent economic growth. That is totally improbable, and it is significant that the budget papers contain no forecast for unemployment as they have in previous years.

Returning to employment, during this current financial year we have ABS figures for April only rather than to the end of the financial year; but between June 1997 and April 1998 (10 months) employment actually fell rather than rose, by 15 100 jobs, a decline of 2.2 per cent. Conveniently, the budget papers disregard this, estimating employment growth for 1997-98 of 0 per cent. The Government's budget says that the ABS figures are unreliable and that, based on increases in payroll tax revenue, the employment trend is better than this; yet on page 6.12 it is admitted that payroll tax receipts will fall below budget in 1997-98. The anticipated increases in payroll tax next year are not due to anticipated increases in employment. On pages 6 to 16 it is stated that the increase is due to estimated growth in wages and salaries and an increase in the superannuation levy.

Despite these various budget sleights of hand and the comfort they may give to the Premier, nothing can change the fact that since John Olsen became Premier we have lost 10 500 jobs in South Australia. That is the stark fact of the matter. He knocks off Dean Brown as Premier because he said two things: first, he could elect more members of Parliament and re-elect them than his predecessor. That was the No. 1 pledge. He said, 'Watch me in the election campaign.' He said, 'See what I can deliver.' He went to individual members of the backbench in marginal seats and promised them individually that their seats would be safe. He broke that promise. We remember the headline in the *Financial Review*: 'Loser of the Century'.

Secondly, he promised that he was the action man, the Premier who would create jobs. He would get the State moving again; he would privatise and deregulate and have the business community behind him. What have we seen? His record is 10 500 jobs lost. This budget commits the Government to get rid of another 550 public sector workers on top of the 14 000 they have already retrenched. The loss of another 550 jobs this year makes a mockery of the Premier's boast that the Government will take on another 600 graduates over the next three years. It is significant that nowhere in either the employment statement or the budget paper is there any commitment to the Premier's target of reducing our unemployment rate to the national average by the year 2000. That promise is just the latest in a litany of broken John Olsen promises. He does not care any more, because he knows he will not be around.

Today, what did we have on the ETSA sale? We had this bogus \$2 billion that somehow would be lost if New South Wales got in ahead of South Australia. He said that if it were not sold we would lose 10 000 to 20 000 Public Service positions.

*An honourable member interjecting:*

**The Hon. M.D. RANN:** He just takes these things out of the air. Perhaps he will just have press secretaries. The only people left in the Public Service will be in the Premier's office. He will still be trying to pretend that he knows what he is doing and—

*An honourable member interjecting:*

**The Hon. M.D. RANN:** He has had consultants to the tune of \$50 million last year and \$80 million this year so that he can fix up his old mates such as Alex Kennedy and his new mates such as Geoff Anderson, who is still a paid-up member of the Labor Party until the year 2000. Let me assure members opposite that we are glad that he is inside your camp. On the question of capital works, what has happened to capital expenditure in this and previous budgets gives the lie to the claim that this is a pro-jobs budget. This year's capital budget continues this Government's slippery practice of making promises on capital spending that it does not deliver. Over the last four years this Government has underspent its capital budgets by a massive \$747 million. It promises capital works, announces them and re-announces them; but the hard statistics show that it underspent its capital budgets by nearly \$800 million. That is \$747 million approved by this Parliament for expenditure on capital works that simply was not spent; that is \$747 million that South Australia's building industry missed out on; that is \$747 million worth of jobs that were held back.

Major projects in education and health have slipped by up to four years. Last June, the Health Commission even reported as some sort of achievement a carryover of \$39 million of capital funding, including planned underspending of \$11 million—and you wonder why the QEH keeps being announced, re-announced and then downgraded! In 1997 the Premier distributed a budget pamphlet to every household in South Australia, again at taxpayers' expense, promising more spending on capital works and more jobs. Under the heading 'Jobs', the pamphlet signed by the Premier said:

A massive \$1.291 billion will be spent on construction and other projects. This will sustain 21 500 jobs across the State.

The budget papers tabled last week show that this simply did not happen. There was a massive \$172 million underspent. Given this performance, how could any South Australian believe the Premier's latest promises about capital works in his so-called jobs statement two days before the horror budget? Last Tuesday night the Premier told this House that the Government was committed to job growth through a very strategic capital works program. The Premier said:

The capital works budget for 1998-99 has been increased by 8 per cent in real terms to \$1.2 billion. This will support about 20 700 direct jobs.

If members compare this promise with last year's budget, it will be obvious that this year's capital budget of \$1.243 billion is not actually an increase of 8 per cent on last year's comparable budget figure: it is actually a decrease of \$48 million. Similarly, the promise of more jobs through 20 700 direct jobs is actually a decrease of 800 jobs on last year's promise of 21 500 jobs. It was interesting to compare the coverage last year with the coverage of the job statement this year: virtually identical, but apparently no-one thought to look at what last year's coverage was, otherwise they would have had perhaps, 'Premier's jobless downfall' or some other equivalent in terms of cutting and pruning back the capital works budget. So much again for the Premier's

promise of jobs growth through a strategic capital works program! 'Strategic' was code for less money, not more. 'Strategic' was code for fewer jobs not more.

The budget speech delivered by the Treasurer was even more misleading about capital works. The Treasurer claimed that this year's capital budget of \$1.243 billion represented an increase of \$124 million in the program. This figure was concocted by comparing the 1998-99 budget of \$1.243 billion with the underspent budget from last year—a comparison with a figure \$172 million lower than last year's budget. The deceit of comparing last year's under performance with next year's budget is emphasised in this year's glossy budget document which is called not 'In the home strait,' 'A balanced budget,' or 'A new dawn': this year it is called, more modestly, 'Budget at a Glance'.

In this document another set of figures is used to selectively compare the budget underspent this year with next year's budget to create an illusion of an increase. The Premier's promise of increased capital spending supporting jobs growth was a diversionary stunt to hide the failure of this budget to address South Australia's unacceptable unemployment rate. On the Premier's own figures, the budget for 1998-99 is lower than the current year. On the Premier's own figures the number of jobs supported by the capital program will be 800 less than last year.

In conclusion, last week in the House I spoke about how some of the media had been seduced by this Olsen Government's claims on ETSA and the budget. They repeat the Government line, asking how Labor would control debt or how would we bring about budget surpluses and so forth.

*Mr Venning interjecting:*

**The Hon. M.D. RANN:** It is good to see that the honourable member is actually listening for once. At least he listens. The Deputy Premier does not listen, cannot read and cannot remember. The onus of proof that ETSA should be sold is on the Olsen Government. Some of the media want to give the Premier a free ride—

*Mr Brokenshire interjecting:*

**The Hon. M.D. RANN:** Is this a future Minister? Look at him. Look at his red face. It is the used car salesman versus the real estate salesman. Is that what it is all about? Is the honourable member trying to come down near the front?

*Mr Brokenshire interjecting:*

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

**The Hon. M.D. RANN:** Let me just tell the honourable member that I would rather be a journalist with a university education than a used car salesman from Kadina. Labor would seek to grow the economy with a strategy to get people back to work and, in the process, get more revenue from higher levels of economic activity. Labor would declare war on Liberal waste. Labor would cut some of the Liberals' dodgy deals such as the \$30 million spent on Australis and the \$30 million spent on the EDS building while we have record levels of unoccupied CBD floor space. Labor would not have signed a co-generation deal that has led to ETSA losses of nearly \$100 million. We would not spend the \$30 million that we will be paying to Morgan Stanley to sell off our power companies.

Labor would not spend the \$50 million spent by the Olsen Government each year on high-flying consultants such as Kortlang, Burke, Kennedy and Anderson. Labor would cut that waste in half. Perhaps the Minister for Employment might like to ask Mr Anderson at their next strategy meeting about the strategy he called 'The lift strategy', which for day

after day, month after month, year after year he said about the current Premier. I am sure there has been a reconciliation: I would love to see the video. Labor would cut the Olsen Government's self-serving and wasteful political advertising. We would cut the number of executives earning over \$100 000. The number of people earning over \$100 000 in the State public sector has increased from 149 to 410 over the past five years, and that must stop.

The Government has cut the number of top executives (CEOs) with the amalgamation of departments, but at the same time it has upped the pay of CEOs to obscene levels and saved little, if any, money. This Government gave Ian Kowalick a 12 per cent pay rise, taking his package to a quarter of a million dollars a year. This Government gave the CEO for the Justice Department a \$26 000 increase, which is unnecessary and obscene, and again just on the shoulder of announcements by this Government of more cuts to real jobs for real people. During the election campaign, and based on the budget that this Government said was sound and truthful; that this Government was prepared to swear on a stack of Bibles was a real budget, an honest budget, a dinkum budget, one that had been signed off by Treasury, by accountants in the business sector—the budget for last year that we were told was honest—Labor announced other savings that would have put the State's finances on a sounder footing.

Labor went into the last election promising to fund all new expenditure out of expenditure reductions in non-essential areas. Among those changes we proposed was a complete overhaul of the Premier's burgeoning economic development bureaucracy, the EDA, that has grown up under this Government with 15 executives on \$100 000 in 1996 and a marketing budget of \$2 million last year. Under Labor's jobs commission there would have been a proper integration of economic development and training and labour market activities to maximise jobs, including doing away with duplication between different parts of the bureaucracy. For the first time in years South Australians would have had an economic development bureaucracy focused on the No. 1 issue of jobs, rather than on what the EDA does today, which is spend tens of millions of dollars that are simply wasted.

This fifth Liberal budget attests to the fact that the Olsen Liberals have no answers for unemployment and anaemic levels of growth; that the Olsen Liberals do not care about the battlers—they just want to milk them dry with higher and higher taxes—that the Olsen Liberals are a Government of waste, while they put our public hospitals and schools on a starvation diet. This is the Government that cares more about looking after consultants, some of whom are paid \$600 000 for a few months of work, than about women being sent home from hospital just two days after a baby is born, or about the higher waiting list for kids with asthma. That is the difference: it is a difference in priorities.

There has been no announcement of a cut in waste in this Government's budget; no announcement of a cut back to consultants; no announcement of some kind of decent industry policy that focuses on performance based industry assistance, so that, if you hand out \$15 million or \$30 million to Australis and you have a Premier posing with a chief executive and promising 800 jobs, you do not get the money until you deliver the jobs. This budget provides eloquent proof, if any were needed, that this Government cannot be believed and cannot be trusted. Either this budget is dishonest or last year's budget was dishonest, but the Premier just will not say.

**Mr VENNING (Schubert):** 'Deeds are fruits and words are but leaves.' These are the words of Shakespeare, and sum up exactly what we've just heard from the Leader of the Opposition. I got them from a little book printed in 1890 and which was given to my great-grandfather in 1893. It is full of profound statements such as that. I have used this book often, as has my family, over the years. We need to revert to these truisms from other years to understand the theories of today. I support the Appropriation Bill and congratulate the Treasurer (Hon. Rob Lucas) on delivering his first budget. I believe it was a very constructive document. I note that this is an accrual budget—not a cruel budget. I went to the Collins Dictionary to get a full definition of what 'accrual' means. It is defined by Collins as 'to be added' and 'a result'. Then I went to Budget Paper 2, which states:

The Government in the 1997-98 budget announced that future budgets for the non-commercial sector would be presented on an accrual output basis as an addition to the Government Finance Statistics presentation which is broadly cash based and input focused. The presentation enhances transparency and accountability, as it requires Government to demonstrate how the services it delivers contribute to the community and fully discloses all present and future financial obligations expected to be incurred by Government over the budget period.

So, there it is spelled out quite clearly to all of us what an accrual budget is. Accruals are the items from the balance sheet, the depreciation, etc, that are taken into account, which we often forget. It gives a clearer picture concerning these very complex finances. That is what accrual budgeting means. I listened to the Leader's speech just a few minutes ago.

**Mr Brokenshire:** Why?

**Mr VENNING:** Because I am a duly elected member of this place and am looking for constructive alternatives. I heard some alternatives coming over.

*Mr Koutsantonis interjecting:*

**Mr VENNING:** I am not here to play politics. As a younger member of Parliament, the honourable member might realise that members come here for certain reasons. Some are genuine; some are not. I am here to do a job. The minute I cease doing it, I shall leave.

**An honourable member:** Bye-bye, Ivan.

**Mr VENNING:** I do not need to be here for the finances, madam, as you well know. I am here to do a job, to listen to the Leader and to hear alternative policies. I did note them, and I will read them in *Hansard* to see what the Leader had to say. To my untrained mind it fell far short of what is required to balance this budget. I know the problems within the budget, but what are the Leader's serious alternatives? Come on, Mike: pick up the phone. I also take umbrage at the poor standard of debate, when the Leader continually refers to the Premier as a 'used car salesman from Kadina'. I take offence to that for many reasons. First, it is offensive to Kadina, a very respected and successful country town. Secondly, it is offensive to the Olsen family, whom I have known for many years. I knew John Olsen's father. The Olsen business was a very respected country business that sold products to farmers and also sold cars. I suppose it sold second-hand cars, but to get up in this place and call the Premier a used car salesman from Kadina I find grossly offensive not only to the person but to the position and to that community.

I do not want to hear that again. The standard of debate can rise above that. I do not reflect on any members opposite in respect of what they were before they came here. They are all elected members of this place and are here because the

people want them to be here. I take umbrage at that sort of comment: I do not want to hear that again, because I find that way below members of Parliament—and that is what we are, whether we like to maintain certain standards or not. There are areas of concern in the budget, but I find it tough but fair. However, there is no choice, or very few alternatives. I heard what the Leader had to say and I will read *Hansard* to see whether there is any area on which we can agree. The Leader mentioned the Premier's Department and how big it has grown. I will check this, but I believe that under Premiers Dunstan and Bannon the whole Government administration was much larger than it is today. I shall check and be ready to stand corrected.

Members would know that Government today is much slicker than it has been in the past 20 years. I believe that the Premier's Department today is only a shadow of the huge entourage that Don Dunstan used to bring in and out of this place. And members would know that. Everyone in the community is feeling pain and most, although not all, would accept that as being the responsible thing to do. The Premier spoke again today of the cutbacks of the Federal Government, particularly the loss of revenue from the tobacco, alcohol and petrol taxes. Also, the demise of private health scheme is impacting heavily on the State budget, and every member knows that. The alternatives are very difficult for us in this place. So, I am keen to listen to the debate.

I have heard the Leader and will go on listening to individual members, if not here in person then on the intercom in my office. I will listen to what members of the Opposition have to say about the options and alternatives. We have a serious problem with debt and interest which, as we all know—we all have nightmares about it—is approximately \$2 million a day. No-one disputes that; no-one speaks against it or challenges that figure. So, we have had no choice but to make this a very tough budget, realising that it is an accrual budget, in order to balance it, along with selling off ETSA and Optima. It was the Leader's own offer: 'John, pick up the phone.' Members opposite heard it. I am saying: 'Mike, pick up the phone and let's discuss this.' We will put the State Bank behind us in this instance, but we are politicians and we are legislating for the people of South Australia.

I challenge the Leader of the Opposition to put the State ahead of blatant politics. We can all play politics with this issue, and I hear the rhetoric coming from the other side. I have spoken to members individually: we speak in this place and outside, and I know what many members opposite think privately. I will not name them now, because I have more honour than that. Members opposite can speak to me with confidence any time. Members opposite would hope that we have passed this point in history, before they get back into Government. I can assure members that I probably won't be here when they do; I will be gone and a much older man I'm sure but, hopefully, still alive in 35 years time!

**An honourable member:** Are you retiring at the next election?

**Mr VENNING:** No, I do not intend to retire at the next election. We all agree that our indebtedness, the interest we pay and our current level of taxes are too high. So, I hope that we get back our collective responsibility, because only about 7 per cent of the people out there in South Australia—and, indeed, Australia—believe that politicians have any credibility.

*Mr Koutsantonis interjecting:*

**Mr VENNING:** It is very difficult. We should have a much higher credibility rating than 7 per cent. I do not believe

that any group rates lower than politicians. I can understand why that is, when one looks at the way in which this House debates serious problems, such as debt, and when members opposite put politics ahead of the good of the State. I wonder how low we will go. Is the game more important than the objective? I believe that the Opposition has the same objective as the Government, which is to progress this State. The way in which to do that is to address debt. I again note from the little book, which states quite clearly, from many years ago, that heavy debt is always a problem and is ruinous. So, I hope that we will give away these blatant politics and address the situation. Let us be better ladies and gentlemen; let us be responsible politicians and govern for the good of the State.

The Leader should let us know what the alternative is, and we can then work together with him on this. In fact, we throw out a challenge and the encouragement for the Opposition to do that. Our concern at the moment is that other States do not have a tax regime such as ours—and we all know that it is pretty bad. In particular, I mention Queensland, which is robbing South Australia of many business opportunities, because business can set up in Queensland without some of the imposts that we in South Australia are forced to put in place. It is cheaper there than it is here—for example, they have no BAD tax and no FID or petrol levy. That is why people live in South Australia but insure interstate, do business interstate and have head offices interstate. But they live here. Adelaide is still the best place in which to live in Australia. So, we need to address those matters to entice the businesses back here so they can operate entirely from South Australia.

We cannot possibly compete equally with some of the other States because of the inherent built-in costs. Until we break the back of it we will not be able to compete. It is a catch-22 situation: businesses will not come here because of our debt, and we cannot break the debt because of the business problem, and the unemployment that goes with that. We need to attract businesses to improve employment and to get the economy going again, and the bottom line, as we all know, is jobs—particularly youth jobs.

In relation to this budget, it comes back to assessing the situation of levying our people as fairly as possible, without hamstringing industry—which is certainly a factor in their choosing to relocate interstate. If there were any increase in business imposts, we would lose even more businesses, so taxing them any further is not an option. I believe that the Opposition knows that. The Leader knows that: you just cannot hoist taxes on industry, because it will just drive businesses over the border. So, we are running out of options.

I again use the farm comparison, as I have always done in my 8½ years in this place. We have taken over a farm that is heavily in debt—and we will not worry about apportioning blame. We therefore put ourselves through personal hardship—no spending on the luxuries of life—but we do not cut back on the farm inputs such as fertiliser and the seed grade, etc

You do not sell the farm unless you absolutely have to. You do not cut back on the maintenance on your machinery, because that is your capacity to earn and get your debt paid off.

I note that the motorist has copped it pretty hard in this budget, with increased costs in insurance and registration. We know what the Minister has said about the emergency services levy, and I will be watching that very carefully. I believe that that is the fairest way of doing it, and I hope that

we are able to do more work on that in the weeks ahead. It will impact heavily on the rural community, as country people have a high reliance on their motor vehicles, as we all know. But it could have been worse. I rang Mr Moore from the department yesterday, and I found that it was not as bad as I thought, but it is still a concern. There are some categories where it is less expensive but in some categories, such as heavy vehicles, it is more expensive for country people.

The water levy that we discussed in this place last Thursday has come on top of the budget imposts, but my electorate is prepared to accept this for the sake of responsible Government and responsible budgeting, particularly when one sees the increased expenditure on education. I welcome the announcement by the Minister of the creation of the special education unit at Tanunda Primary School, which will start almost immediately and which will be completed by the beginning of next year. In addition, the Tanunda Primary School itself is all but completed and will open shortly. I visited the site a week ago: after the airconditioning is installed and a few minor touches, it will be ready to open. And the Nuriootpa High School extensions are in progress right now. So, the people in my electorate can see what responsible capital works expenditure can do in a community.

There is also increased expenditure on health. We all know the problems with the hospitals in Adelaide, and also in my area, and I appreciated discussions in recent days with the Minister for Health concerning this issue. I have certain problems in the electorate of Schubert.

I know what the Treasurer has said about school closures, and it was mentioned during Question Time today. I do not believe that my electorate is quarantined from this issue but, hopefully, fairness and equity will come into play, particularly in relation to what will be the impact in the community when a school closes. An impact study should always be carried out to determine what effect a school closure will have. So, I will be watching that matter. I am confident that a full consultation process will be implemented, and I have great confidence in the Minister, the Hon. Malcolm Buckley.

What are the alternatives? We cannot cut back the Public Service any more, because the Opposition has told us that we have already cut it to the bone and services may start to be affected. I remind members opposite that 70 per cent of Government expenditure goes on wages. This is why, with an accrual budget, every time there is a wage increase, whether it be the nurses, the police, or school teachers, etc.—

**Mr Koutsantonis:** Or politicians.

**Mr VENNING:** We are not exempt. If you want to forgo a pay rise, say so. Get out in your electorate and say so: do not waste your breath here. I have said it before, and I found that it does not do you credit and it brings you no honour. I worked that out when I was a younger politician, 7½ years ago. People must understand that we are paying these wages, and every time there are wage increases for police and nurses we all pay, and those dollars have to be raised by taxes and in the budget.

It has also been mentioned that if we do not sell ETSA and Optima we will have to have a mini-budget to raise \$150 million. That is said to be a threat—‘It is a threat,’ I hear the cry from the other side. I do not resile from that reality. Members opposite can call it what they like, but it is an absolute reality. It depends on one’s perspective. If we do not sell, what is the alternative? We have to find the money. If you do not sell the article, you have to either wear the debt or you cover it with something else. So the Government, in accrual budgeting, will cover it with something else. We have

to raise \$150 million, and we all know that means further taxing and more unpleasant decisions.

Accountability is now in this budget. The budget is fairly sourced and is spread over the whole community similarly. It does not impact negatively on business but it affects individuals in their personal areas. We are paying more in taxes but more is being put into health, public works and capital works, and the end result is more jobs. These are the priorities for the State to keep moving ahead.

I noted the Premier’s announcement last Wednesday evening in relation to the Government’s job strategy, especially for our young people. I believe that most members of this place applauded that and welcomed it. We need to activate and stimulate the economy, with spending in these major areas.

Exploration is continuing in the mines and energy area. I certainly welcome that in this budget because, as most members would be aware, \$1 spent in this area raises \$5. We are rich in minerals and we need to know where they are. So, we certainly welcome the extra money spent on the geo surveys.

The way ahead for South Australia is to pay off debt and minimise risk to the Government and the taxpayer, to encourage business to expand, to have a go and to employ our people. We need to target Government capital works programs to build assets such as roads. The bottom line is to create jobs.

*Mr Foley interjecting:*

**Mr VENNING:** And railways, for the benefit of the member for Hart. We need to encourage our primary industries to continue to produce world-class products—clean and green with greater efficiency. We need hope that the climate and seasons will be good; hope that the Opposition will assist; and hope that, together, within four years we can get South Australia back to level-pegging with the best Australian State. Ecclesiasticus said:

Be not made the beggar by banqueting upon borrowing.

I have much pleasure in supporting the appropriation Bill.

**Mr FOLEY (Hart):** I enjoy the opportunity to follow the member for Schubert, a member with whom I have shared four years in this place. In a previous occupation, I had quite a bit to do with him. He is a member of whom this Parliament can be proud. He represents his electorate and, even though we disagree on many policy positions, we should listen to him when he speaks because he is a man of wisdom. Having said that, I believe that most of what the honourable member just said was Government propaganda. The Leader of the Opposition has given a detailed response to the Treasurer’s budget. In the very short 20 minutes available to me as shadow Treasurer I will make a few observations that I believe will add to the value of the debate.

Importantly, we now know why Stephen Baker resigned from this Parliament on the eve of the last State election. There has been much speculation about why the former Treasurer chose to complete only four years as a Minister in this Government. We now know why. He clearly knew prior to his retiring that the budget was in great peril. Much of the work that, as Treasurer, he would have considered to be hard work was, to a large extent, effectively undone by Premier Olsen during the short period in which he was Premier leading up to the last State election. It is now a fact that outlays under this Government did increase quite significantly in that year leading up to the election.

The Premier, shortly after toppling the former Premier, Dean Brown, following his attempts to appease those on his own backbench in terms of spending priorities, offering money to the electorate in the lead-up to the State election, combined with some very poor budget and fiscal management across a number of areas, has seen some significant blow-outs in the forward projections of the former Treasurer. As I said, we now know why the former Treasurer chose to leave this place, I would have thought, somewhat prematurely. Mr Deputy Speaker, could I have some assistance?

**The DEPUTY SPEAKER:** Order! There is too much conversation.

**Mr FOLEY:** Thank you. After giving the honourable member a big wrap, I do not need his disrupting my speech from behind.

**The DEPUTY SPEAKER:** Order!

**Mr FOLEY:** Images of Colin Caudell are coming back to me from that very point where interjections would be made. Premier Olsen and his Treasurer issued a statement—which I believe is nothing but a backhander at the former Treasurer—that states:

Without wanting to down play the significant achievements of the last four years, it is clear that a realistic assessment of the future indicates there are significant challenges still ahead.

If that is not a criticism of the former Treasurer, I do not know what is, particularly given much of the speculation which implies that the current financial position is not the fault of the present Premier and his Cabinet but, as some scuttlebutt would tell us, because the former Treasurer did not put enough work into provisioning for future policy implications, particularly in the area of wages.

As we know, despite rhetoric at the last State election about which I had to do battle with both the Premier and the Treasurer at the time, our information was that the budget was under serious stress. I was told at the election that it was not, that everything was on track and that we would have a surplus this year. I was told that the surpluses projected for the future out years in the last budget would be delivered and that the Opposition of the day was quite correct to set its policy decisions at the last State election based on those figures. I remember having a number of arguments on early morning radio with the former Treasurer. I was told that our concerns were nothing but Labor scaremongering and that there was no pressure on the budget.

We now know two fundamental policy issues about which the Premier kept quiet at the last State election: the first is the well-publicised decision to sell ETSA, which the Premier sat on over the election campaign; but perhaps as concerning for me, as shadow Treasurer, is that this Government kept from the people of South Australia this State's significantly deteriorating budget position. I believe that that cannot be excused under any circumstances and will make this Government's ability to sell its economic and financial management credentials at the next State election very difficult. What are we to believe when this Government delivers a budget prior to an election that sets in place three years of surpluses but we then find that that was simply a budget frame with rubbery figures?

The former Treasurer and the former Government, as did the eminent Professor Cliff Walsh, always made much of the fact that this should be a low-tax State and that, to ensure that we have a competitive niche in terms of our ability to make South Australia an attractive investment State, we needed to keep our taxes low. Of course, that has not occurred. We have seen the quite extraordinary grab for cash by this Treasurer

and this Government which now sees South Australia as one of the highest taxing States in the Commonwealth. By the end of the four year budget strategy put forward, we will see a State taxation impost of more than \$2 000 per head, for every man, woman and child in this State, and that will put us right up near the top in terms of taxing States.

We have seen a very significant increase in taxation, mainly targeted at families. It is a very anti-family budget. The impact on families has been significant. For the average family of two adults, two young children and two motor cars, the increased tax impost has been calculated in some areas at as much as \$500 per annum. We have seen an increase from \$15 to \$60 in CTP, which will return \$38 million in a full year. Stamp duty on all forms of general insurance rises from 8 per cent to 11 per cent, putting us in the stamp duty stakes above all States except New South Wales. This will give the Government a take from the community of \$30 million in a full year.

Fees and charges have risen by, on average, 4.5 per cent. That is on the back of a significant increase in taxes, charges, fines and fees in the last financial year of over 4 per cent. That is when inflation in South Australia was running at minus 1 per cent over this financial year. Not content with an across-the-board 4.5 per cent increase in public transport fares, the Government has increased transport charges by 7 per cent. Not only is this Government intent on hurting ordinary South Australian families but it is also ensuring that those who rely on public transport, in the main people who cannot afford or choose not to have more than one car in a family, will have to pay a 7 per cent increase in transport fees.

That amount of taxation that this Government has grabbed from the people of South Australia is distressing to say the least, particularly given that as of 1 July 1999, just as people have come to terms with the \$500 a year tax grab on the average family, they will be hit with what can be described as nothing other than a poll tax, a property tax on all property, be it your family home, an investment home, a car, a motor bike, a boat or a caravan. That will be a significant impost. Some suggestions are that this impost will be \$90 per \$100 000 of property, and that will have a major impact on families. It will mean, particularly in my electorate, that many elderly people living in homes that have been the subject of some significant increase in valuation over the years, particularly those living in old bungalows, will see a significant tax impost, and that is particularly painful given that many of these people are on a fixed income.

For the Government to attempt to explain the emergency services levy as some great issue by the Government to raise revenue to fund our emergency services, and that we are to feel warm inside that this caring Government is raising extra money to spend on fire services, ambulances and other emergency services, is really just a nonsense. This money will simply go straight into consolidated revenue. Whatever money is currently being allocated to the particular emergency services in question will simply be paid back into consolidated revenue. It is simply an accounting sleight of hand from within Government, a bit like other income measures that find their way into the Hospital Fund, as all people who understand State budgets, the budget position and the way budgets are handled from within government know. All revenue goes into one pot and will eventually find its way into expenditure. We will have none of that nonsense from the Government that this is an hypothecated tax that can be spent only on



emergency services. The truth of the matter is that that is not the case.

I want to address the issue of the black hole. The Government made great political capital on the day it brought down its budget by saying that, if this Parliament did not agree to sell ETSA and Optima and did not agree to allow passage of the sale legislation through both Houses of Parliament—and this statement was also aimed at the Independents, the Australian Democrats and the Hon. Mr Xenophon in another place—we would be back in October for another \$150 million tax grab by Premier Olsen. Today, he has also posed the threat that we could see somewhere between 10 000 and 20 000 public servants removed from the State Public Service as another policy option.

As we know, that is attempted political blackmail, but it simply does not sustain itself when one reads the budget paper. I asked the Treasurer that evening during a television interview to show me in Budget Paper 2 where that black hole appeared. The Treasurer was caught a little off guard and said, 'You have not read all the budget documents, Mr Foley. It is in another document.' I came back to Parliament that night and spent some hours pouring through the budget documents in more detail. There was no reference in any other budget document to the block hole.

The media put a question to the Premier the following day (Friday), and the Premier referred to the reconciliation statement (table 2.5) and pointed to its being the definitive statement that addresses the issue of the block whole. Well, it simply does not. Reconciliation statements are always a feature of financial statements, simply reconciling this year's budget projections in terms of policy changes, and it does not do any more than that. The Premier has said that that is where it is, and again today in Parliament has given us yet another answer.

Now he is saying to us, 'We are not about to flag the intended sale price of ETSA and Optima by putting a figure in the budget papers.' I agree with that. I would not have thought it would be factored in. As we know, it has not been factored in because, further in the document, a table shows that four years of dividend income from ETSA and Optima are factored into the forward estimates.

If we look at the actual budget for the non-commercial sector, which under 'Other revenue' has clear provisions for continual dividends from ETSA to provide the small budget surpluses for the out years, we see the forward estimates for 2001 and 2002. Despite the Premier's attempts to play silly games by saying there is \$150 million at risk, I would not have thought it would take much mathematical effort by a potential buyer to get a gut feel as to what figure the Government was referring to in the budget. I therefore think the Premier has attempted to be a little cute in his political tactics in trying to turn up the heat on the Opposition when it comes to the sale of ETSA.

The reality is that this document is not predicated on the sale of ETSA. That will be a policy change that may well be picked up in future budget documents. However, as far as this document is concerned, there is no evidence to say that it is in here and, without the sale of ETSA—according to these documents as they would appear—small budget surpluses can be achieved for the next four years without the sale of ETSA.

I want to make some comments in my last couple of minutes about some other nasty aspects of this budget. The Premier has been at pains to say that they have deliberately excluded the business sector from taxation imposts because they do not want to harm business. I should have thought that

one of the most significant contributors to economic activity in this State—as little or none as there has been in the past three or four years—or what investment upturn we have seen has occurred in the hospitality and tourism sector.

I am not for one moment going to have all members on both sides of the House agreeing with my next few comments, but I make no apology for that. I am a supporter of the gaming industry in this State, notwithstanding its obvious social problems, as indeed exist in all forms of gambling, particularly given that the TAB/lotteries take more than the gaming industry does. That always seems to get lost in the debate.

However, this Government has chosen for the third time since coming to office to change the taxation regime in respect of hotels. It is trying to say, as the Premier has said today and on other days, 'Oh well, we are just about hitting the hotel barons.' Early evidence suggests that up to 80 per cent of all hotels here in South Australia will be affected by this significant taxation increase. There will not be too many bleeding hearts and tears shed for people at the very top end of the hotel industry, but some concerns should be expressed about a Government that every year changes the policy framework in which business must operate.

Many small business people in the main have borrowed large amounts of capital and put a lot at risk to try to return a profit to sustain their businesses and have had their taxation regimes altered on at least three occasions by this Government. That happened most certainly on two occasions, but the most painful one is outlined in this budget.

I simply say to the Premier and his Ministers—and I hope the Minister for Employment will also take note of these comments—that there are many hundreds of young people in my area who have jobs today because of the opportunities that have been provided for them through the expansion of the hospitality industry. Some people may not like pokies. Some people may have a strong view about poker machines. That is fine; they can have that view because everyone is entitled to their respective views. However, we should all agree that, for any business to sustain investment properly, there must be some certainty. So, if a business person is going out one day to borrow one million dollars to expand their business, at least for the foreseeable future there should be some certainty in the taxation regime.

However, for some reason this Government seems intent upon hitting on business people who have, in the Premier's view, committed the sin of investing in poker machines. We know the Premier's comments in this place and outside where he has said that he regrets the introduction of poker machines—but, as the Leader of the Opposition quite rightly pointed out, the Premier and his Government are now the biggest pokie addicts in this State. I say to the Premier and his Ministers that their attack on hoteliers in this State I for one find abhorrent and I for one find a disgusting impost on business. This Government still has the temerity to insist that the hotel industry pay up its .5 per cent levy that was for one year when they did not generate a guaranteed profit income to the Government on its taxation revenue, which has been significantly exceeded every year since. I had the Premier in this place the other day saying, 'Why should he pay Peter Costello his agreed commitment to fund the notional black hole because they are now in surplus in Canberra?' I say to the Premier: apply the same principle to the hotels as you have to Peter Costello.

**Ms WHITE (Taylor):** I rise to speak on this horror budget, as the Leader of the Opposition and other colleagues have already outlined. It is a high taxing, low job, family hostile budget. Despite many promises by the Liberal Government before the election that it had a budget in surplus and that the 1998-99 budget would be one in which there would be no need to increase the quantum of tax intake above CPI, we find that there has been a radical tax increase. This will affect all South Australian residents and will hit the battlers the most severely.

Before the last election the Government promised many things. It promised to maintain spending in a number of areas, one area being education. The Liberal Government promised to maintain and in fact increase education spending in the 1998-99 budget. On Thursday we found that that promise was broken. The tax measures introduced in last Thursday's budget hit families directly. There are five main categories of tax increases that will directly affect every South Australian.

At the same time as these tax increases are coming we are having a reduction in the level of services provided to South Australia. The tax measures are estimated to raise approximately \$69 million in the coming year's budget—\$77 million in a full year. We have the annual stamp duty increase on compulsory third party insurance—an increase of \$15. We have the rate of stamp duty payable on all forms of general insurance—an increase from 8 per cent to 11 per cent of premiums, giving us the second highest rate of stamp duty on general insurance in the nation.

Thirdly, we have the new property tax—the emergency services levy—which from 1 July 1999 will apply to all property, fixed and mobile. It will hit every South Australian family. On top of that we have the increases to train, bus and tram fares—up by 7 per cent on the cost of those tickets. Financially pained families—the people most affected and least able to absorb this impost, the battlers, constituents like my own in Taylor—are the people least able to absorb additional costs of several hundreds dollars per year per family.

There are some attacks on business in this budget. Two business sectors have been singled out by the Liberals for harsh cuts. Fifty per cent of all hotels with gaming machines in this State will have to endure tax increases. The other sector of business that is being particularly harshly dealt with by this Liberal Government is the taxi industry, with extraordinarily cruel imposts on that industry, increasing by a huge amount the cost of operating a taxi business in this State.

All these tax measures make for a very cruel budget, but at the same time the Government has done nothing to alleviate its own waste. As the Leader of the Opposition outlined earlier, there is enormous waste by the Liberals on their own front while at the same time asking the battlers of South Australia to contribute more.

Let me give some examples of the waste that this Liberal Government has not addressed in this budget. Some \$50 million a year is spent on consultants, some of whom get pay cheques for several hundred thousand dollars. Earlier, the Leader of the Opposition gave an undertaking that Labor would cut that bill. A further \$30 million will be spent on consultancies for the cost planning of the ETSA-Optima sale alone, plus millions of dollars more for studies into further sell-offs. Obviously, under Labor we would not have that bill, given our policy against the privatisation of ETSA. Nearly \$100 million was lost on John Olsen's Osborne electricity

cogeneration deal—again, Government waste. More than \$15 million was spent—

**Mr LEWIS:** I rise on a point of order, Mr Deputy Speaker. Could the member for Taylor refer to all members by their electorates or by their title in the Ministry if the electorate seems to her to be inappropriate. I have noticed over recent days that members are lapsing into referring to one another by their names.

**The DEPUTY SPEAKER:** Order! There is no opportunity to debate. I uphold the point of order. I ask the member for Taylor to refer to members by their electorate or by their ministerial responsibility.

**Ms WHITE:** Yes, I was just referring to Government waste with the Premier's bad decision on the \$100 million cogeneration deal. More than \$50 million was spent on industry assistance for the failed Australis-Galaxy pay-TV venture; \$30 million was spent on the unnecessary EDS building; and in the past five years the Liberals increased the number of senior public servants earning over \$100 000 per annum from 149 to 410. These are excesses, waste, that the Liberal Government has not addressed in this budget, while at the same time further taxing ordinary South Australians to the tune of several hundred dollars a year. One has to ask: why this impost? What has changed from only six months ago, before the State election, when the Government was telling us that we were in good shape, that cuts to services were over—

**Mr Scalzi:** Things do change.

**Ms WHITE:** Well, what has changed between now and then? We had the rosy picture painted in the lead up to the election, of course, that there would be no need in the 1998-99 budget to increase the overall quantum of taxes and charges above CPI. Nothing has changed. We have the same Liberal Government controlling the levers of the State. It is the same Liberal Government that has had the books for the past four years. We finally had an admission from the Health Minister—we did not get an admission before the election; it only came after the election—that the South Australian hospital system is facing a crisis, that the system is overloaded and that waiting lists are increasing. The Minister even admitted that there have been times when medical mistakes were made because the system is so overloaded, with patients being forced to leave hospital earlier. During negotiations for the new Medicare agreement the Minister said to the Federal Government that it needed to increase massively its injection of funds into the State hospital system; but, alas, there is no joy or substantive increase to the health budget in 1998-99.

One piece of health infrastructure capital works in which I am particularly interested involves the Lyell McEwin Hospital, which is in my region. Only \$2.6 million has been allocated from a promised \$40 million project this year. I note in the capital works papers that no commencement date is listed, let alone a completion date. We have been waiting in the northern suburbs for that money to be spent on the Lyell McEwin, and it seems that we will be waiting a very long time for that promised \$40 million development. In all, the capital works budget, as has been pointed out earlier by the Leader, includes promises which have been made year after year but which have not been delivered.

It is clear that the capital works budget has been under-spent by the Liberal Government over its previous term by a massive \$747 million. That is promised spending of three quarters of a billion dollars on capital works—on building construction, on the creation of jobs in the building industry and on the generation of building industry activity, all of

which has been missed out on because the Liberals have allowed its capital works budget to slip from year to year. So, three quarters of a billion dollars that had been approved by Parliament has not been spent over that term. Last year's budget pamphlet distributed by the Liberals to all South Australians included details of last year's capital works spent, but that full spending did not occur and we are expected to believe that this year the Government will spend its promised \$1.243 billion as outlined in the budget papers. Mind you, that figure of \$1.243 billion is less than what it promised to spend in last year's capital works budget.

I will now specifically touch on the education budget and the cuts that have occurred, because education has had a king hit in this budget. We have seen a shift to accrual accounting in the budget papers, which is a desirable measure, making it easier to assess the present and future obligations to be incurred by the Government and forcing the Government to think about how the service it has to deliver to the public affects the outcomes for the community. In addition, the accrual method of accounting brings us more in line with best practice standards.

Unfortunately, the side effect of this change for this year's coming financial budget is that it makes it extremely difficult to compare program expenditures from last year with this budget's proposed expenditures. Indeed, in this year's budget papers there is no program information at all on individual programs. This just happens to be rather convenient for the Government when it comes to the education budget, because most South Australians are aware that education received the cruelest cuts in this budget—100 teachers to go, 30 schools to be closed, freezing of operating grants to all schools and also a decrease in funding to the independent schools sector, but the devil is in the detail, so to speak.

In addition to the change in the budget presentation this year, the Government has amalgamated the DECS and DETAFE departments. Prior to this budget, cuts to jobs and services within both those departments were being explained away as resulting purely from their amalgamation. However, the accrual accounting format clearly does not allow us to make comparisons with last year's budget papers. That, added to the Government's attempt to mask partially the extent of education job cuts achieved with the amalgamation of DECS and DETAFE, makes identifying the true impact of this Government's savage attack on education difficult. I give notice to the Minister that in the Estimates Committee process I will examine program details in quite some depth. Before the election, the Liberals promised, in their education policy:

We are committed to maintaining the current education budget and further increasing State Government funding in the 1998-99 budget.

That is what they told the people of South Australia. In February, after the election, I asked the current Education Minister whether he would maintain funding to public schooling, and he said:

Funding for public schooling will not decrease.

That is a direct quote. I asked him about the impact of the cut in the Commonwealth allocation on funding in relation to the enrolment benchmark adjustment, and in February this year the Minister said that the State would make up that funding. Indeed, he was advocating not only no cut to education but making up the cut that the Federal Government is instituting this year. What has actually happened? The budget papers say directly that the Department of Education, Training and

Employment is required to achieve savings against the board estimates of \$29.8 million in 1998-99, rising to \$47 million by 2000-01, whilst accommodating a number of cost pressures. So there is a \$30 million cut this year; a \$17 million cut in years to come; plus additional cost pressures that will have to be absorbed, that is, more cuts.

I will give an indication of what those cost pressures are. I refer, first, to the common youth allowance changes by the Federal Government starting at the next school year, 1999. Because of the abolition of the dole for 16 and 17 year olds, there will be an increase in demand of education services by the number of teenagers who will return to school. That will lead to increased pressures on budgets and resources. According to the budget papers, that will have to be absorbed in some way. The question is, 'How much will these pressures impact on the education budget?'

There is also the issue of the agreements for this calendar year that have been made under the 1996 enterprise agreement. Those agreements, which are due for renegotiation at the end of this calendar year, include about \$30 million for special programs that have been put in place. All the teachers and programs have been arranged, and it takes a lot of resources to set up those programs. What will happen to those teachers and those programs in December? That also includes \$9.25 million for special education teachers and about \$18 million for school-based resourcing for development programs, class size flexibility, ancillary support staff, and so on. All those costs will be additional cost pressures on the budget.

In the budget there is a cut of 222 staff in the Department of Education, Training and Employment. We know also that there is a cut of 90 to 100 classroom teachers. There has been a request for 180 separation packages for non-school teaching positions, and there will be 30 school closures. The Minister must tell this House which schools are to be closed. The Government has a target: it must know which schools they are. There are around 200 primary schools in this State, excluding rural-based schools, with under 200 students.

I have been inundated with calls from school councils wanting to know whether their school is under threat. In the education capital works budget there has also been slippage. Instead of spending \$167 million last year, only \$136 million was spent, a decrease in the capital works budget of \$31 million.

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

**Mr BROKENSHIRE (Mawson):** Tonight I am committed to speak about what is happening in my electorate, and I am particularly keen to get on the public record issues arising from the 1998-99 budget. There are a number of highlights in this budget that we will not hear referred to by my Opposition colleagues. Whilst I would not expect the Opposition to congratulate a Government on bringing down a difficult, firm but fair budget, I would have thought that there would be far more constructive input from the Opposition, and particularly from the Leader. But then I thought: hang on a moment; it would be a pretty brave, honest Leader of the Opposition who would say to the people of South Australia, 'Yes, Premier Olsen is right; this is a hard budget but nevertheless it is a fair budget. It has considered all the options.'

It has considered the importance of keeping the Public Service at around the number of public servants we have now and it continues to build on a four year strategic recovery

program ongoing from what we have already been doing in the past four years in fixing the mess into which the Leader of the Opposition and the Labor Party put this State. What the Labor Party, and particularly the Leader, want to do is continue to light little bushfires. Absolute mayhem for four years is what the Leader of the Opposition said would happen if he got back in as Leader of the Opposition, and that is his only target. But what a destructive, negative attitude and commitment that is to the people of South Australia.

I believe that the people of South Australia are seeing and will continue to see that the Leader of the Opposition should not be anywhere in this Parliament other than in opposition, when it comes to such an attitude. The people of South Australia want to see a Leader of the Opposition who has a go at the Government when we make mistakes—and we do make mistakes, as I have said here before—but comes out and says ‘I am sorry.’ There has been a sorry day recently in one area: there ought to be a sorry day by the Labor Party, a sorry day every day until this State is back in the black.

I have not yet heard one ‘Sorry’ from the Opposition, particularly from the Leader, let alone having a sorry day for all sectors of the South Australian community, particularly the young people. We see with a lot of interest in this Chamber how tongue in cheek, with smirks all over their faces, members of the Opposition talk to the Minister for Youth and for Employment about youth unemployment. But they do not talk about how we can work together to capitalise on the initiatives that were handed down in the employment strategy, which is a \$100 million strategy to increase the number of jobs, and an excellent program. They do not talk about how they can help us to sell that and encourage young people in their electorate to get on with the job and capitalise on those programs. Instead, they would be talking those people down and making them feel bad about South Australia.

I will cite an example of the sort of throwaway lines that members of the Opposition say to those young people: ‘Work hard at your education and then enjoy your time interstate or overseas, because you will not get a job under the Liberal Government in this State.’ That is the sort of advice that members of the Opposition give their young people. I feel sorry for their young people. However, it is not the sort of advice that I give the young people in the electorate of Mawson, because those young people have a future in this State—and a very good future—and if we in this House are prepared to have a bit of guts and fix the mess, their future will even be better. I am pleased to see that the young people and their parents in my electorate are really capitalising on the opportunities that are being developed and getting on with the job.

There are only two sectors that I have not seen getting on with the job, one of which is the Public Service union, under the illustrious Jan McMahon. I expected exactly the response that Jan McMahon and Janet Giles gave to the budget. They could not find one good thing in this budget about education or public sector employment. Later on in the evening I will highlight some of these good things for their members, but first I wish to refer to the economic conditions. Let us have a look at what has happened. Business investment grew by about 10 per cent in the 1997-98 year—and that is on the back of a 23 per cent increase in 1996-97. Members should look at consumer spending. Look at today’s paper and see what has happened to South Australia. Whilst people want to talk about retail trading being in the doldrums and whilst there has been a slight national decline, South Australia is

leading Australia again when it comes to retail sales, and consumer spending was boosted through the retail sector in 1997-98. Mining investment has more than tripled in the past year.

I say to the Leader of the Opposition, when he starts to run away and not address the real, gutsy issues that have been taken on by this Government, which has had to decide to sell ETSA, to have a look at the opportunities in mining investment. The Leader of the Opposition did change his spots, after a lot of effort by the Liberal Party in the Parliament, when it came to Roxby Downs, and he finally supported Roxby Downs. A wonderful opportunity now has been identified in this State—to see another Roxby Downs on the west coast. I hope that the Leader of the Opposition will support the other Roxby Downs on the west coast, and I hope that everyone in this House has a good look at that case and all the other opportunities that have been identified for South Australia through the aeromagnetic survey, which has had further money allocated to it in this budget through PIRSA.

One of the other great things that I am delighted to see happening is that we are starting to halt the decline, and the migration out of South Australia. We all know why that decline and migration occurred—because after 11 years of ‘hard Labor’, people could not see a future in South Australia. One does not turn the *Titanic* around in three or four years: it takes quite a time. But it is now happening, and I am delighted to see a very sharp drop in the number of people that are migrating to other States. Obviously, the Asian slow down will have a negative impact on South Australia, just as it will have on the whole of Australia. Fortunately, we are not as exposed to that as we would have been had Paul Keating and Mike Rann still been in Government, because they would have been throwing everything at one sector of the globe and not looking after their existing markets as well as creating those opportunities that certainly will be there in the mid and long term in Asia.

I want to talk about some of the highlights—and I believe that this one is a real highlight for this Government. When we came into office, we were broke: everyone knows it.

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

#### **LEGAL PRACTITIONERS (MISCELLANEOUS) AMENDMENT BILL**

Received from the Legislative Council with a message drawing the attention of the House of Assembly to clause 52, 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.

#### **STATUTES AMENDMENT (ATTORNEY- GENERAL’S PORTFOLIO) BILL**

Received from the Legislative Council and read a first time.

#### **APPROPRIATION BILL**

Second reading debate resumed.

**Mr BROKENSHIRE:** As I was saying before the dinner break, one of the simple facts of the matter is that when we came into office the State was bankrupt. In 1992-93, we were paying 28 per cent of gross State product in interest on the

debt. That figure has now fallen to below 20 per cent, and we are well on the way to recovery. However, I want to highlight to the House and to my community that we still have a long way to go.

When we look at where the other States are positioning themselves, that is what really worries me. We hear the rhetoric from the other side, but the bottom line is that, if South Australia is not at least competitive with its immediate trading partners, they will become debt free and we will be totally hamstrung, because our immediate trading partners are now all the States. We are not just trading across the borders any more; we are exporting to and importing from interstate—the States are part of the global market. It is no longer even an issue of dropping back to 18 per cent of GSP—the old rule of thumb—it is more about getting back to 10 or 12 per cent to have a chance of capitalising on opportunities.

I want to spend the next few minutes talking about opportunities for my electorate of Mawson, and I want to place on the record my appreciation for the support and commitment of my constituents as we work towards building a sustainable future. The \$100 million allocated in this budget for the Alice Springs to Darwin railway project, the \$55 million for the upgrade of the Adelaide Convention Centre, and the \$32.4 million for major health initiative expenditure on metropolitan and country hospitals will benefit my electorate of Mawson.

In addition, I am delighted to see that Stage 2 of the Southern Expressway is to commence, with \$25.19 million to be expended in 1998-99. The expressway to Old Noarlunga is to be completed during the year 2000. Also of importance to my electorate, particularly in the rural areas, is the provision of a Government radio network and a computer-aided dispatch system, which will be of significant benefit to emergency services and which will ensure that my electorate is well served in times of adversity.

Through capital works, the Government can do a lot towards job generation, and I am pleased to see that in 1998-99 \$1.243 billion will be spent in that direction. That includes some private sector or partnership money, as well, and it represents an increase in real terms of about 8 per cent this year.

In education, the capital works program for 1998-99 amounts to \$110 million and I am pleased to see that, as well as the money being spent on Wirreanda High School, the state-of-the-art upgrade of Christies Beach High School will benefit some of my constituents. In the successful Back to School program, there is a further allocation of \$12.5 million towards priority maintenance. I have spoken before in this House about how the infrastructure of schools in my electorate is in much better shape compared with what it was some years ago. It is important that we continue to bring schools up to a satisfactory standard for teachers, students and their parents. The other important initiative is the continuation of the DECSTech 2001 IT plan for schools, with a further allocation of \$15 million during 1998-99. I understand that, in the last year of the Labor Government, it allocated about \$80 000 to IT.

With respect to health, \$2.9 million is being spent on a 50-bed mental health facility at the Flinders Medical Centre this year, with a total value of \$7.5 million. In addition, \$21.8 million will be spent on strategic metropolitan health redevelopments, and that includes benefits to my electorate through the Daw Park Repatriation Hospital and southern metropolitan facilities, which include the Flinders Medical Centre and, most importantly to me, Noarlunga Hospital.

I also mention an issue that has been of concern to a lot of my constituents on the southern side of the Onkaparinga River, and that is the lack of continuity of water supply by virtue of the increased jobs growth and economic wealth opportunities through viticulture and horticulture. Those activities have been pulling a lot of water out of the mains supply. I am pleased to see that \$14.5 million has been allocated to the augmentation of the water supply headworks to make sure that adequate supplies to the areas south of the Onkaparinga River and Fleurieu Peninsula are put in place. In the next year, \$1.2 million of that allocation will be spent.

As for the courts, I know that the community has been concerned about this issue for some time. I did a considerable amount of lobbying to the Attorney-General and I visited the courts recently, so I am pleased to see in the budget papers that \$5 million has been allocated for the redevelopment of Christies Beach Magistrates Court, with an expenditure of \$1.5 million planned this year. With respect to police, money has been allocated to complete the construction of the Christies Beach police complex, which is very important, given the increasing number of police officers coming into the South Coast Police Division.

I am delighted to see that TransAdelaide will continue the replacement of sleepers and the upgrading of the Seacliff to Noarlunga line, which is an important safety initiative and guarantees our commitment to encourage people to continue using public transport. I should also like to mention human services. I am pleased to note that in August this year we will see the completion of the Noarlunga land purchase to enable the future expansion of the Noarlunga Hospital. That is a total cost of \$1.2 million, with \$360 000 to be spent this year.

Power presents another important infrastructure opportunity. Many of my colleagues would know that not enough money has been spent on upgrading ETSA infrastructure in the past, and the Morphett Vale East transformer, which supplies power to a lot of the eastern side of my electorate through Morphett Vale East and the Onkaparinga Hills, through the rural Onkaparinga areas, and across towards McLaren Flat and Blewitt Springs, is currently being upgraded. The total cost of that project is \$4.1 million, \$520 000 of which is allocated this year.

There is still much more to be done in the electorate of Mawson. We need to continue to work as a committed community to ensure that we capitalise on the opportunities. Indeed, many opportunities are yet to occur for the whole State, but at the end of the day we do not live in Utopia. As members of Parliament we must be realists, and the bottom line is that the State has a long way to go. It has many structural problems concerning not only debt but also population, broadening out our manufacturing base, further value adding our agricultural base and generally ensuring that this State is put in the right shape for the next millennium—the shape to which the State was accustomed in the past. The issues underlying the deficit are important.

I do not get political very often, but now and again it is necessary to reinforce a few fundamental points. When we came into office after 11 years of Labor, just on the recurrent budget we had an underlying deficit which meant that we were spending about \$300 million a year more than we were earning. I am delighted to see that that underlying deficit has been eliminated. I have talked about State liabilities, and I am pleased to see that the net debt continues to fall, but there is still much more to do.

I had hoped that the issue of Commonwealth-State finances would be redressed under the Howard Government,

but I am sad to say that it has not been addressed so far. From way back in the Hawke-Keating era we have seen that we are missing out on our genuine share of Commonwealth taxes, and our share of the gross domestic product is also in decline. For example, in 1992-93 our State's share of Commonwealth taxes was about 29 per cent. Today in 1998-99 we are getting about 20 per cent, and it is estimated to decline further.

My reason for mentioning this is simple. I have mentioned that we have some broad-based structural issues that need to be addressed, and we are addressing them, but we still need to reinforce the fact that the Federal Government must play a fair game with us. We may not be geographically as well located as the Eastern States and we may not have their population density, but when we see what this State contributes, particularly through the old, archaic tax system with respect to wholesale sales tax, one sees that we are contributing a hell of a lot more on a per capita basis than any of the other States—and that is fact. It is about time we restructured the tax and provided a fair opportunity—not an absolute advantage but just a fair go—for South Australia.

The bottom line is that we cannot just sweep the way of the past under the mat. We must look forward, and this Government is looking forward. I hope that we are here in another six to eight years to continue with the job. That decision will be made by our constituents. In the meantime, I can only promise my constituents two things. The first is that I will remain absolutely committed to listening to them, making sure that I put forward their points of view and fighting in their best interests.

My second commitment is that I will not take the Leader of the Opposition's easy cop-out and try to put up smoke screens to take our eye off the ball in the main game. I will continue to support the hard decisions. If at the end of the day a small percentage—and that is all it will be—of my community decide they have had enough of me and the Government of which I am a member, at least I will know that a budget such as this is setting in place the right foundation. We have that in place and we are now building the walls. I look forward to the day when as a community and a Government committed to fix the mess we decorate the interior of that house. In the meantime, however, a lot of work is still to be done. It is not easy. It would be a lot easier if we had some more bipartisan support, but clearly the Leader of the Opposition is committed to one thing only, and that is absolute mayhem. I will work past that and support the Government and my community.

**Mr CONLON (Elder):** I thank the House for the opportunity to speak on this first budget of the new Government, which is notable for three things: first, its predatory and regressive nature; secondly, its deceitful presentation in the budget documents; and, thirdly, the incredible way in which it takes the people of South Australia to be complete fools. It follows on from the off-handed manner in which the people of South Australia were treated by this Government with respect to the proposed sale of ETSA and Optima and, once again, treats them like complete fools.

I do not need to canvass the increases in taxes and charges in this budget because other speakers have done that and we know them well. Suffice to say that they are directed towards those least able to pay. Business can welcome this budget because, unless you are a taxi operator or a pokie machine operator, you get off scot-free, while the great bulk of the burden is to be carried by ordinary South Australians.

The budget is deceitful. I am not an accountant and I do not begin to understand the odd language that is used, but we were told that this budget would be more open, honest and fair because it would use accrual accounting. I think that it should have been called 'obscure' accounting, or something like that, because you cannot—

**An honourable member:** A cruel accounting.

**Mr CONLON:** A cruel accounting is quite right, because you simply cannot find the truth in these documents. That is for a very good reason: that the Government does not want the Opposition or the people of South Australia to know the truth of what it is doing. After the Premier's betrayal of his promise on the sale of ETSA and Optima, one could forgive the ALP for being a little sceptical about claims made in his budget statement. Therefore, when I read in the budget speech that there was an increase of 5 per cent in real terms of outlays for the Police Force, which is one of my responsibilities, I treated that with some scepticism and attempted to work through the documents provided by the Government on this.

The Government has determined that appropriation for the Police Force will go to six principal agencies: community police services, crime management, traffic services, emergency response management and coordination, criminal justice support, and ministerial support services. I will be very interested to ask during the Estimates Committees' hearings for an explanation of this 5 per cent increase in real terms, because it is proposed to cut outlays in five of those six agencies: approximately \$3 million from crime management; close to \$10 million from traffic services; \$400 000 from emergency response management; approximately \$2 million from criminal justice support; and about \$500 000 from ministerial support services for, it appears, an overall reduction of \$14 million.

As I said, I do not begin to understand the complex language of accounting, but I find very hard to reconcile a cut of \$14 million in outlays to agencies with a 5 per cent increase in real terms. So, we look further at these incredibly deliberately obscure documents for what the Government has not told us. One must recall that the Government gave us a big bucket load of bad news with this budget, but it still was not honest enough to give us all the bad news. Given that we know that amounts have been factored in for wage increases, how do we account for this reduction in outlays in the agencies? What a set of weasel words were given to explain it. The Government says that expenses are planned to decrease and the budget papers state:

This mainly results from a reduction to employer superannuation contribution for the police superannuation schemes and SAPOL's contribution to the Government's budget strategies.

That is the Government's explanation for cuts in outlays of \$14 million. That is the Government's honesty with the people of South Australia. That is the degree of truthfulness in its new open and honest accrual accounting. That is the reason for the \$14 million cut in outlays. I would be happy to hear from the relevant Minister if that is not true, because one cannot tell from the documents. I would be happy to hear if that is not true. What is the Government prepared to tell the people of South Australia—that it is SAPOL's contribution to the Government's budget strategy. What a set of weasel words!

What else can we find in the budget papers to account for these cuts in outlays? It is stated that the total number of employees in the South Australian Police in 1998 was 4 276. In 1999, the budget papers show there will be 4 227, some 49

fewer employees. We have no mention of cuts to the number of employees in the police service. The Government has a very interesting track record on this—again, one built on cynicism and deceit.

We must look at the past five years of a Liberal Government that we have endured. When the Brown Government came to office way back in 1993, it promised 200 more operational police. But what did we get? On average, in the first three years of the Brown Government, we got cuts of 100 police per year. In the fourth year, an election year—and this is how cynical and deceitful they are—we got somewhere between 100 and 120 more. We would say it was a net reduction admitted to by the Government of 185 in that term—some 385 less than promised, but a net reduction of 185.

I would ask the Minister to answer this question for me: does this mean we have seen a slowing in the reduction? Will we see 50 go next year, 50 the year after and 50 the year after that and, when we get to another election year, will we get 75 back? If that is the case, and if the Government is to be honest with its four year plan, perhaps it will tell the people of South Australia, as it has been unwilling to do on almost every other matter. That is the first piece of what I would call a failure in the proposed budget honesty of this Government—a 5 per cent increase in real terms which on the documents shows a reduction in police numbers of 49 and a reduction in outlays to agencies of \$14 million. The relevant Minister may have a very good explanation for this, but so far the people of South Australia have not been offered it, and it is certainly not evident in the documents we have been offered.

I turn now to another area of my responsibility, that is, the Country Fire Service. The comment we get about the Country Fire Service is this throw-away line in the budget speech about the Government's proposed new emergency services levy, its new tax, which apparently will be introduced in one year—and about which we know no detail but on which the Government is already predicating a number of serious changes. This is another example of the deceitfulness of the Government. There is no detail of the new tax or how it will operate, but the Government is quite happy to begin to predicate major changes on it.

What will be the changes in the Country Fire Service? Again, I would like some answers from the relevant Minister. No doubt we will ask the questions in the Estimates Committee, but the budget papers state:

Given the impending introduction of this levy—  
referring to the emergency services levy—

the Government has decided to seek the repayment of the \$13 million in CFS debt. This action will see a net benefit to the budget of \$6.5 million in 1998-99 funded by increased fire insurance premiums.

That all sounds rather innocuous. It all sounds like a minor jiggling of the numbers, a minor financial change. It all sounds rather innocuous until you puzzle your way through the Government's budget papers. I might be wrong, but it is incumbent on the Government to show me, with its new, clear, certain, fair and honest accrual accounting, why that is the case.

Again I refer to the budget papers and we see something rather extraordinary. If we look at the operating statement of the Country Fire Service, we see for 1997-98 an estimated result—and I refer only to the most significant agency, that is, emergency services itself, which accounts for the bulk of

its budget—and there is a Government appropriation of \$5.38 million towards that and other revenue of \$6.8 million. As I understand it, the bulk of that other revenue comes from fire insurance premiums. That makes up the bulk of private funding for the CFS.

What do we see in 1998-99? The appropriation will be \$11.3 million from the State Government, an increase of almost double—over \$5 million. Revenue from 'other', that is, fire insurance premiums, is an increase of \$11.9 million—an increase of over \$5 million. Before the introduction of its emergency services levy the Government seems intent, in one massive snatch and grab on country fire insurance premium payers, to double in one year the sum obtained to wipe off years of accrued debt that these people are not responsible for. If I am wrong, the Minister can correct me. Clearly, the Government intends in one year, before levying its new tax, to make a snatch and grab to almost double fire insurance premiums.

At last people paying those premiums will be happy because for once the Government is telling the truth: when it introduces the emergency services levy, fire insurance premiums will go down because that component will have been doubled in one year to pay off the accrued debt. I ask country members whether they are entirely happy with that, because I can tell them that I would not be happy with that if I lived in the country and was paying fire insurance premiums towards the maintenance of the Country Fire Service. I would want to know why I was being whacked in one year for half the accumulated debt of the CFS. As I say, if this is not correct, I am happy to be disabused of the notions I have gained from these documents. I would also like to have it explained to me why it appears that this is the case. The facts speak for themselves. The Government has doubled its appropriation to the CFS and doubled the take on fire insurance premiums and has created an artificial operating surplus of \$14 million, just enough to pay back the debt and add \$6.5 million to the Government's budget bottom line.

Why is a debt that has been accumulated over a number of years to be paid off—half of it at least—in one whack through one year's set of insurance premiums and the other half to be written off—or so it appears—through Government appropriation? This seems remarkably unfair and I look forward to having that explained to me. Certainly, I hope members opposite representing country electorates will ask questions in their Party room about why this will be done, because it seems demonstrably unfair.

In terms of emergency services, this is all in advance of the introduction of the emergency services tax in a year's time. Again, we see no detail of this tax but we are given some assurances. One assurance is that everything raised will be spent on emergency services, including some emergency services that have not had money spent on them in the past. I treat that assurance with the same sort of credibility I would give to other assurances we have received in recent years, most notably the Government's assurance that it had no plans whatever to sell ETSA and Optima. This Government will never have credibility again.

*Members interjecting:*

**Mr CONLON:** Joe, you can complain but, first, get back in your seat and, secondly, you will not have credibility again until you stagger to that election in four years, which you will lose—and, Joe, you will be the first one out. I want to refer briefly to the emergency services tax about which we have been given some assurances. From the statements we have seen, it appears it will raise more money than is currently

spent on emergency services. If we are to believe the Government—and doubtless we can—it means that the Government will be spending much more on emergency services with the introduction of this tax. If you believe that, I have a bridge I would like to sell you. We have to ask this question: what measures will be put in place to ensure that all funds raised will be spent on emergency services? The members for Goyder and MacKillop could well relate to the next issue.

It is very much like the Government's introduction of the water levy. In the past the Government made contributions from consolidated revenue to some of this work. The water levy absolves the Government of any responsibility for paying and imposes a new tax on the community. Wait and see what happens with this emergency services levy. With those contributions that currently go from consolidated revenue, can we be confident the Government will continue to make them? I do not think so. Its track record speaks for itself. John Olsen should be known as the back-door man. Anywhere he can get a tax in the back door where no-one can see it, any way he can sneak and slide around to get his way on things, he takes it. He will not front the people and tell them what he wants to do. No, he will sneak around the back door and go in that way.

That is a further question I have about the Government's proposed emergency services levy and again one that those in the country would be well paid to raise as well. We can examine the track record. Wherever these levies have arisen we can examine the track record. We have sat on the Economic and Finance Committee and seen the water levies being introduced with no adequate explanation of where they are going. They raise the money first and decide how they will spend it, as far as I can work out. Is that how the emergency services levy will be run? Will it be another case of raising the money and then deciding how to spend it? That is the reverse of good government.

You examine the budget you need and raise the money you need and not the other way around. The other question I raise about the emergency services levy we will have imposed on us in one year's time is whether the Government will give us a guarantee that it will not use it to redistribute between agencies as at present? Will the Government give us an assurance that it will not use this as a smokescreen to redistribute between agencies? Is every agency's budget guaranteed because, if it is, it will be the first time in the course of this Government?

I will leave my comments there, even though I have three minutes left and people would love to hear me a little longer, as we have a number of speakers. I repeat what I said: it is a predatory, deceitful and dishonest budget and one that treats the people of South Australia as complete fools.

*There being a disturbance in the Speaker's gallery:*

**The SPEAKER:** Order! There will be no applause from the gallery, thank you very much.

**Mr HANNA (Mitchell):** This budget raises a couple of fundamental questions about the governance of South Australia. In particular I think of the question of how big or small governments should be, and also, to the extent that the Government is committed to outlays for social purposes, where the money is to come from. The size of government is one of the crucial differences between the philosophy of members on this side and the philosophy of Government members opposite. There should be a social wage, apart from

what ends up in workers' pay packets or pensioners' bank accounts.

The provision of health care, education and training services should be available to everybody, no matter what their income and in this way we mean to provide equal opportunity for all South Australians, no matter what their family or community circumstances might be. We hope to provide a society where the inequalities are not absolutely abolished but at least equalled out because of the equal opportunity for every person to succeed. There is no doubt that we on this side are committed to government that is active in the pursuit of social policies as well as managing the economy competently.

The past five years or so have shown us—and if we had the money and media power that the Liberal Government has had we would be able to demonstrate this perfectly well to the South Australian people—that there is a great myth about the Liberal Party's ability to govern the economy more competently than Labor. Of course, on both sides there are one or two particularly notorious examples of mismanagement, but on the whole we have seen in the last five years such a lacklustre economic performance and some positively bad management decisions that we cannot say truthfully that the Liberal Government is able to manage the economy any better than those of us on this side.

The other aspect to being in government in South Australia is that it is not just about managing the economy: it is a matter of showing leadership in the South Australian community. We are custodians, guardians if you like, of South Australian society. It is our decisions which shape the future of the South Australian community and a sense of community amongst our people that will be fostered by this equal opportunity to which I earlier referred.

This budget typifies the mean approach, the fend-for-yourself approach, that is adopted by the Tories, by the members of the Government opposite. Whereas Labor has a long history demonstrated time and again of genuine concern for the ordinary people's welfare and equal opportunity for everyone in South Australia no matter what their personal circumstances, race, creed or whatever, members opposite seem to be committed to these social objectives only when it comes to election time. In fact, that is what this budget is about, because it is setting the groundwork by pruning now and making a war chest of campaign funds available to shower on the electorates in a feat of apparent largesse to prove that it is a caring Government. We know that that is not true. This Government demonstrates it in this budget because of the regressive nature of the budget.

This is the second question that I said is a critical one in terms of the governance of South Australia. Where does the money come from when to begin with we say that we are committed to these outlays which will provide for social services of all kinds and equal opportunities? In this budget the Government says it comes from ordinary Australians, anybody who owns a house or who is buying a house, anybody who owns a car, anyone who uses public transport, anyone who relies on a good public education system or from anyone who relies on the relatively free availability of health care in the community. All these people will bear the brunt of this budget, but it will not be those in the upper echelons of business or the businesses and individuals with their millions who are so closely tied with the Liberal Party. I say good luck to them in the sense that they have the worldly fortune to have that sort of backing. We in the Labor Party have never had that and we probably never will have it, but



we stand up for the ordinary people who need the social services of which I have been speaking.

I make those general points in relation to this budget. The same arguments also apply in relation to the sale of ETSA, but I will deal with that at another time. It is a budget which demonstrates that the Liberal Government is insincere about caring for the ordinary person, and it demonstrates the Liberal Government's commitment to take money where possible from ordinary people and families rather than from those who can most afford it. I represent the electorate of Mitchell. I have looked through the budget papers and am sorry to report that there is nothing there specifically for the people of Mitchell. There is nothing there for improving the traffic problems at the Dunrobin Avenue and Diagonal Road intersection at Warradale; there is nothing there for the Peters Road and Marion Road intersection at Marion; and there is nothing there for the Miller Street and Seacombe Road intersection. There is nothing there for the relocation of the inner southern community health service and the Marion youth service, both of which need new and better accommodation.

There is nothing in the budget for local job creation. The only point I will concede is that there will be some improvements to the Flinders Medical Centre. The people of Mitchell in the south-western suburbs will be able to take advantage of those services. However, although there might be improvement in specific specialised areas such as cardiac arrest care and mental health care, that is to be matched up against the deterioration that has taken place over several years in the Flinders Medical Centre facilities. There are dark wards because there is not enough money to have them open. It is not for want of demand, because I know that some of my constituents have been waiting several years for what is called 'elective surgery' where perhaps their knees are so bad that they need to walk with a stick, and so on.

With those very few rays of sunshine, I am afraid it is a very dark and gloomy budget for the people of Mitchell in particular; and it is not for want of my trying, because in respect of all those matters to which I have just referred I have written to the appropriate Ministers and made the appropriate submissions. I will keep doing so for the people of Mitchell.

**Mr McEWEN (Gordon):** I was asked by the press to comment on the budget soon after its release, and my words at that time were 'cautious and responsible', but of course the devil is always in the detail. It is when you drill down that you begin to see that it is not quite as cautious or responsible—

**Mr Hamilton-Smith:** Here we go.

**Mr McEWEN:** The honourable member says, 'Here we go.' In relation to jobs, the budget started two days prior to the Treasurer's coming into this Chamber, much to Mr Lewis's chagrin. On Tuesday we had the employment statement 1998; 4 500 new jobs, \$100 million. It sounded great on the surface, but it is not creating 4 500 new jobs. It is creating perhaps 4 500 new opportunities which may lead to jobs. So, it is good, but it is not as good as it implied. It talks about 2 400 additional traineeships, yet I remember that when the member for Fisher was Minister we had 1 500 traineeships a year. It says 'additional', but it is not additional because 3 000 have gone. It ought to truly say, '600 fewer traineeships'. Once we start drilling down a bit we see that it is not quite what it appeared on the first reading.

Wages growth has been factored in and I think that is a responsible thing to do. The assumptions underpinning that wages growth will be challenged by the unions over the months to come, and let us hope that the Government has got it right. It is good to see over \$1 billion in capital expenditure. It is continuing investment in the State. There is a four year financial plan, which is excellent to see. I acknowledge the comments from the member for Elder; that is, it is hard to see where the black hole is in the four year plan, the black hole that we will have to fund with a mini budget or something else. The pokies tax has gone up and, on the surface, again it seems a reasonable thing to do but then it lacks fairness on a number of fronts.

I would hate to be the business man who had his own four year financial plan which had some revenue points suddenly finding that every year the rules change. That is not a good signal to send to investors, and investors in entertainment are no different from investors in any other area. On top of that comes the .5 per cent levy. When that levy was agreed to by the owners and operators of poker machines, they assumed that the Government would be playing on a level playing field. The Government has now changed the size of the equation and it has every right to now drop that .5 per cent levy. It also begs the question of fairness in relation to conflict of interest. Why should the Casino be treated differently from the other big operators? There is a conflict of interest—

**Mr Conlon:** They are trying to sell it.

**Mr McEWEN:** I am talking about fairness in this regard, thank you, member for Elder. I listened to the honourable member's speech earlier and I mused on the marvels of engineering; the fact that that belt withstood those forces was absolutely amazing!

Of course, the real rub in all this is asset sales. Asset sales are the only debt circuit breaker. That is where I start having major difficulties with the budget. I will come back to that, because it is a major concern. I am really concerned about the off balance sheet items—the indirect taxes—and catchment water management boards are just one of those. Within the next 12 to 18 months, those catchment water management boards will raise about \$30 million. In the past, that \$30 million was part of core funding out of the State budget, and it has now been shifted off as another impost over and above taxes. It is a new tax; it is a different tax, collected in a different way but a tax nonetheless.

The member for Schubert in particular ought to be concerned about what is going on here, because he supported a division 1 levy in the Northern Adelaide and Barossa Water Catchment Management Board last Thursday, with the Minister saying at the time, 'This is no different from the Murray Catchment Board.' The Minister has misled him in that there is no division 1 levy on ground water in the Murray Catchment Board. In the Bremer River area there is no impost on ground water users. So we still have the Northern Adelaide and Barossa Catchment Water Management Board as the exception to the rule, and that unfair tax is now still being imposed only on the people in Schubert.

Boat ramps are just another example. The State Government says, 'On top of your mainstream taxes, we will charge all boat registrations \$25 a year to build boat ramps.' Then it says to local government, 'If you want to have access to that money, you will have to pay the same amount again.' This is where we have a major problem with the way State Government treats local government. In a rate capped environment, the State Government could say, 'We will use

the boat owners to collect our 25 per cent. We won't spend a single dollar unless you spend a matching dollar. You will collect that dollar out of your rates.' It is an hypocrisy.

An emergency services levy will do exactly the same thing. Like the member for Elder, I have some problems with the mathematics of the emergency services levy, because \$6.5 million seems to be out of sync. We will either collect twice—two lots of \$6.5 million within one year—or somebody has their sums a bit wrong. However, when \$6.5 million suddenly goes to \$13 million in one year, you have to ask, 'Are we double dipping here? Are we continuing the fire insurance levy, and at the same time bringing in the separate levy?'

The cost of waste management—and the Minister for Local Government ought to take note of this area as well—is up by \$1.2 million in the city, half of which will be contributed by local government. So, that is another \$600 000 impost on local government by the State Government in a rate capped environment. How can one tier of government continue to force extra revenue raising on another tier? The Minister for Local Government will find this difficult to explain in a rate capped environment. To that end, local government is saying, 'Yes, the Government is deceitful.'

Let us now turn briefly to the big picture. Perhaps it really is a budget without hope, a budget without vision, a budget that looks inward instead of outward, a budget of sameness and a budget that is on about clones—because, with the ETSA sale and everything else, all we are doing is mimicking the Eastern States. All the literature tells you that you achieve nothing through sameness. Leadership and vision is on about points of difference not points of sameness. The challenge for us is to find solutions which are unique to us and which do not just mimic the Eastern States.

Then, of course, try spooking us with rubbish like the fact that, if we are not in before New South Wales, it will cost \$2 billion. Nobody swallows that sort of rubbish. No asset is suddenly discounted by \$2 billion simply because of timing—not even Martin would swallow that one. We know he is questionable, but not even he will talk about that level of risk. If someone is buying an asset and amortising it over 50 years of return—and that is what these power assets are—they will not discount it by \$2 billion because they missed out on a sale by a month. The electorate might be gullible but they are not that gullible.

Let us talk briefly about points of difference. What is it about this State that we want to do? What are the opportunities? What are the challenges? Where are the opportunities that we can create in wine, mining, manufacturing, fishing, aquaculture and horticulture? There are so many opportunities in tourism and in IT. This State will always be a boutique State. It is adding total value to boutique opportunities—like dairying as well, I might say—that will take us to the leading edge.

We will never have the critical mass to be in that mass production market, so we need to add that intimacy to the product. That is the vision we ought to have as a State, and you do not achieve that simply by asset stripping. If we want to make a statement in this global village, we ought to make the statement that we are different: there is a point of difference and we will celebrate that difference. In so doing, we need to encourage our employers to create opportunities for our youth. We need to say to our employers: 'We will support you; we will underwrite your creating the opportunities,' because it is our youth who are our wealth generators five, 10 and 15 years out in this vision. We have to do that in

partnership. I hoped that the employment statement would do that, but when you drill down the statement it does not do that; it does not underwrite a complementary strategy over a two, three and five year cycle.

The only other thing we need to do is add some certainty, and this tax leapfrogging in relation to the poker machine levy adds no certainty. The real question at the end of the day is: how do we want to be remembered? Do we just want to be seen as the condoms on the penis of progress or do we want to be seen as leaders with a vision? Do we want to make a statement that we know where this State is going and we want to be part of it?

**Mr KOUTSANTONIS (Peake):** I support the Appropriation Bill. It is a great tradition in the Labor Party: we always support supply, unlike members opposite, who have a notorious history of opposing supply.

*An honourable member interjecting:*

**Mr KOUTSANTONIS:** They are the words I was looking for.

*An honourable member interjecting:*

**Mr KOUTSANTONIS:** After the member for Unley's comments about what he thinks of the western suburbs, I would be very quiet if I were him. I am sure that the West Torrens and Charles Sturt councils would be very interested to hear what he said about the western suburbs in this—

**The SPEAKER:** Order! This is not a grievance debate. It is the Appropriation Bill.

**Mr KOUTSANTONIS:** I support this Bill, and in doing so wish to point out a few things that I found quite curious in the budget. One of those was the impost on our taxi drivers in this fine State of ours.

*Members interjecting:*

**Mr KOUTSANTONIS:** I am glad that members find it amusing, because this small business that the Government claims to have left alone has been given an impost of \$900 extra a year.

*Members interjecting:*

**Mr KOUTSANTONIS:** The member for Unley laughs and thinks that this is not very important. The fact is that a large number of his constituents are taxi drivers, and I do not think they will find very amusing the member for Unley's thinking that it is something to laugh at.

**The Hon. M.K. BRINDAL:** On a point of order, the honourable member is misrepresenting me. I did not laugh.

**The SPEAKER:** There is no point of order.

**Mr KOUTSANTONIS:** Taxi drivers have been hit twofold. First, most of these small business owners are also family people who have family costs and expenses, and who have been hit very hard by this Government. It is sad that the Government has targeted taxi drivers. I read the example that it cited as the reason why taxi drivers deserve to be hit at a higher rate. The fact is that in this State in terms of accidents per hour taxi drivers have no larger proportion of accidents than normal motorists, yet the Government believes that taxi drivers should be hit with an impost of \$900. This is a disgraceful impost on small business, especially when the Government has been bragging in this budget that it has not hit small business. The fact is that 1 000 small businesses in this State have been hit with an extra tax of \$900, and who cries for them?

Who cares about them? No-one on the Government side—they are not interested. Members opposite think that it is a big joke. I do not think that imposing a \$1 000 tax or thereabouts on 1 000 small businesses in this State is something to be

laughed at. The Government has basically ignored its constituencies in this budget. It has attacked families and it has attacked small business.

This Government will pay dearly for these costs at the next State election. The member for Unley smiles and laughs. I am sure that he is very pleased with the tax increases in this budget because he will need all the pork-barrelling he can get in his seat of Unley after the redistribution. He is resigned to the fact that he will be struggling to hold his seat at the next election, especially when his boundaries are extended into Burnside, etc.—they are very safe Labor booths!

**The Hon. M.K. Brindal:** Take your hand out of your pocket!

**Mr KOUTSANTONIS:** No, I will leave it there now. The overall strategy of this budget is to attack people who can least afford to pay the imposts of this Government. This Government told us before the election that it was in the home straight: that the budget was balanced and that it had everything it needed to secure a balanced budget, running into surplus for the next four years. Unfortunately, the Government got it horribly wrong—so horribly wrong that it has had to place a huge impost on families. These working families that have been hit hardest by the Government will be paying for the mistakes and mismanagement of this Government over the past four years. The economic waste and mismanagement of this Government is by far the worst in the country, and I refer to the amount of money that it has spent on consultants, such as Ms Alex Kennedy (who is, I believe, being paid \$150 000 a year), to lose an election campaign. Where can one get money and work like that?

*Mr Conlon interjecting:*

**Mr KOUTSANTONIS:** That is right; they could have done it for free. This Government has shown how to take a mandate and waste it. Four years ago, when this Government entered this place, it promised 20 000 jobs a year, a balanced budget within four years and no tax increases.

*The Hon. M.K. Brindal interjecting:*

**Mr KOUTSANTONIS:** The member for Unley, in his rantings, is saying something about how those promises were kept. The fact is that this Government has shown the worst type of betrayal a Government can show. Rather than keeping its promises and trying to be a good Government and manage its economic finances properly, what has happened is that it has found, over the past four years, that it cannot manage the economy, that it has no ability to manage its finances—they are running at a massive deficit—and it now feels that it must tax families.

What does taxing families do to the economy? It is a regressive tactic. It is like a GST: it is a tax on spending. When families are hit harder, especially with motor registration, bus tickets and schools fees rising, and schools being closed, families will tighten their belts. The last thing we need in South Australia, with retail sales declining across the nation under this Government and the Howard Government, is a further tax on spending. But this is what this Government has done. It has basically said, 'We cannot tax capital any more, we cannot tax big business any more, because they can just move their operations interstate'—

**An honourable member:** They have no idea.

**Mr KOUTSANTONIS:** They have no idea. So, the Government has said, 'What we will do is tax families; we will tax the battlers.' The member for Hartley sighs. If I were him, I would be sighing as well. It is a pretty harsh budget to go out and defend, especially in a seat as marginal as yours—but I am sure that you will make a valiant effort.

**The Hon. M.K. Brindal:** I rise on a point of order, Sir. Members in this House are supposed to be addressed by their title, not 'you' or 'your'.

**The DEPUTY SPEAKER:** I uphold the point of order.

**Mr KOUTSANTONIS:** Obviously, the member for Hartley has much thicker skin than the member for Unley, and he has shown that he is a much better performer in this place. I am sure that his promotion will be very rapid—at the expense of that of the member for Unley.

I return to my first issue about taxi owner-operators. The many taxi drivers to whom I have spoken over the past few days about this impost feel that what it will mean to them is that either they withdraw from the industry—that is, cease being a taxi driver, because they simply cannot afford the extra impost—or put up their fares.

If the Government decides to raise the fares of taxi drivers—because taxi drivers cannot raise their fares on their own; it is Government regulated—to compensate taxi drivers, who will carry the costs of the impost? Again, the consumers: the same families and pensioners who require cheap transport to go and do their shopping but cannot afford to buy bus tickets any more, or who require cheap transport to go to the dentist, where they cannot get their dentures any more because of the cutbacks of this Government and its Federal counterparts.

This Government basically has said that it cannot manage the economy. All it can do is increase basic taxes. It is a good old-fashioned Liberal budget: put up smokes and beer. That is the level of this Government's intellect and imagination. It cannot perform any economic miracles; it does not have any vision. It goes back to the basics and raises taxes on working families, because they do not have the same capacity for tax avoidance as does big business.

*The Hon. M.K. Brindal interjecting:*

**Mr KOUTSANTONIS:** The member for Unley is probably not as concerned because many of his constituents will not be hit as hard as mine who are mainly family people, whereas I believe that his constituents are made up of many double income families with no children. I am not being critical of those people—

*Members interjecting:*

**The DEPUTY SPEAKER:** Order!

**Mr KOUTSANTONIS:** Thank you for your protection, Mr Deputy Speaker. It is often difficult to make a speech when the member for Unley is in the House. Families have been hit so hard by this budget that many people are considering leaving the State and moving to Victoria, Western Australia or Queensland, as have many people in the past. It is sad when a Government cannot offer vision and leadership to its young people. All it can offer is pain and hardship.

The worst part of this budget is the impost on education and the cuts that have been made. Today, the Minister was not able to give details of which schools he intends to close, but I am sure that he has a list and that he is checking it twice and making sure that all the schools in Labor electorates will be closed and the people will be punished for voting for Labor at the last State election.

**Mr Foley:** The member for Unley nods his head.

**Mr KOUTSANTONIS:** The member for Unley is nodding his head in agreement. There probably is a list which he has seen. He probably drew up the list. The fact is that education is the most important and vital asset that we have in this State. If we do not encourage our young people and provide for them the best opportunities—that is, the best schools in the country and the best teachers, the lowest class

sizes, and the best level of academic standards—they will suffer. The member for Unley, a former school teacher, should hang his head in shame because of what this Government has done to education in this budget. It is the most draconian, scorched earth budget that I have ever seen in my long life—in my 26 years. Of all the budgets that I have seen Governments bring down in this place, this is the most disgraceful.

*The Hon. G.A. Ingerson interjecting:*

**Mr KOUTSANTONIS:** Well may the Deputy Premier laugh.

*The Hon. G.A. Ingerson interjecting:*

**Mr KOUTSANTONIS:** I will have a go, Graham. Education is so important that this Government has decided to slash the education budget. The greatest tragedy of this budget is that 30 more schools are to close. What will we say to those parents and children who will have their school ripped out of their community?

*Mr Scalzi interjecting:*

**Mr KOUTSANTONIS:** The member for Hartley says that we can bring them in here. He is obviously shedding crocodile tears for the schools that will close. I wonder whether Unley Primary School will be closed. Would the member for Unley argue that Unley Primary School should close? Would he argue with the Minister and say that for the sake of good government Unley Primary School should close? Of course, he would not.

*The Hon. M.K. Brindal interjecting:*

**Mr KOUTSANTONIS:** Has the member for Unley even been to Unley Primary School? He probably does not even know where it is.

*Members interjecting:*

**Mr KOUTSANTONIS:** I need a bit of protection, Mr Deputy Speaker. I return to my original point about taxi drivers and car registration. The Australian dream relies upon car ownership. This Government is attacking the Australian dream. It is saying to the average Australian: 'You are not worthy to own a car. If you wish to have the privilege'—not the right—'of owning a car, you will have to pay a massive impost, and if you dare to charge anyone a fare—'

*Mr Hamilton-Smith interjecting:*

**Mr KOUTSANTONIS:** The member for Waite should be very wary of this car registration increase because I—

**The Hon. M.K. BRINDAL:** I rise on a point of order, Sir. The Opposition is laughing at its own member so loudly that I cannot hear what he is saying.

**The DEPUTY SPEAKER:** There is no point of order.

**Mr KOUTSANTONIS:** I understand the honourable member's complaint; in a man of his age, often hearing is one of the first faculties to go. One faculty has already gone; hearing is second. If I were the member for Waite I would be (as I am) very concerned about motor registration, because the member for Waite and I share an interest in motor vehicles. We both drive fine Australian manufactured cars, and unfortunately they have lots of cylinders, which would increase our registration.

I return to the serious matter of taxi drivers. This Government has applied a blow torch to taxi drivers and their families. These people also have to put their children through school and onto buses. These people will face extra imposts which will make it almost impossible for them to enjoy the Australian dream, because of the member for Unley. Their kids will probably never own cars, because by the time this Government has finished cars will be a thing of the past.

*The Hon. M.K. Brindal interjecting:*

**Mr KOUTSANTONIS:** The member for Unley says he hopes so; he hopes there will be no more cars on the road. It is typical of this Government's attacking people's right to fish, hunt and drive cars. What is next? Where else does the member for Unley want to go? How far does he want to pry into someone's private life? How far does he want to go? The question is whether the member for Unley really wants to go that far into someone's private life. I think not.

We might have had a good laugh about this budget and at members opposite, but in all seriousness this budget is a great tragedy for South Australia. If the people of South Australia had their choice over again, we would have seen a very different result at the 11 October election. We would have seen a Labor Government elected who was compassionate and caring, whose members were better financial and economic managers of the State. We would have seen the member for Elder as Minister for Local Government—someone who is not afraid to travel to the western suburbs and tackle European wasps head on. We would have seen the member for Hart as Treasurer whose first act as Treasurer would have been to apply side barriers to Bakewell Bridge to protect my constituents from dangerous accidents that might occur on the bridge. The member for Taylor would have been Education Minister, and I can guarantee that not one school in metropolitan Adelaide or South Australia would have been closed; I am sure that would be her policy.

We would have seen a Deputy Premier who was above reproach, whom no-one could criticise on their briefing papers and who would not come into this place with fairytales about what they saw and when. We would not have sold ETSA and we would have had a Premier from the north; a Minister from the south; excellent western suburbs representation from the members for Hanson and Wright and me; and the member for the east. We probably would have won Hartley as well if we had won Government, so we would have had two excellent members in the eastern suburbs. The member for Hartley would have been Quentin Black, and Benny Brown would have been the member for Stuart. If we could have that time over again, I am sure that the majority of this House would wish for that to happen. In conclusion, all I can say is that in my many years I have never seen a more disgraceful budget. I hope the Government learns from its mistakes. I hope the Government can come back next year and be honest with this Parliament and give us the decent budget that we deserve.

**Mr SCALZI (Hartley):** I support the Appropriation Bill and commend the Treasurer for bringing down a responsible but fair budget. This is not a laughing matter. The State budget is a serious matter, but I know that some members, especially members opposite, find it entertaining. When I was an economics teacher, I once gave my students the following essay question: why are taxes necessary and why are taxes a good thing? The students were a bit puzzled at first why Mr Scalzi would give them such a question, but after they gave it some serious thought they realised that taxes are necessary.

In any civilised society taxes are necessary to provide goods and services and the infrastructure to sustain the standard of living that we wish for our society. We need taxes to provide education, to protect the community with good community safety measures and to provide—

*Members interjecting:*

**The DEPUTY SPEAKER:** Order! There is far too much noise to my left and I ask members to respect the member who is speaking.

**Mr SCALZI:** Thank you, Mr Deputy Speaker. We need taxes to provide a sound environment, and I make no apology for the water catchment levy, just as I make no apology for the Government's having to impose an emergency services levy. Those measures are necessary. There is no question that we have had to make some tough decisions. The increase in stamp duty on compulsory third party insurance will be \$45; stamp duty on general insurance will increase from 8 per cent to 11 per cent; and a new property based levy will be introduced from July 1999 to fund emergency services. We make no excuses for that. That is the reality. They were introduced in this budget, along with the \$22 million increase in a range of fees and charges. The Treasurer has made that statement.

My students understood that taxes are necessary if we want to maintain our standard of living, our health provisions and indeed the level of education to which we are accustomed. We do not become the lucky country by chance. That luck is developed by hard work and sacrifice.

Today I have listened carefully to members opposite and to the Leader of the Opposition, and the main thrust of their argument has been that last year we said that we were on the home straight, that we would not privatise ETSA, but now we have deceived the public, and so on. That is the thrust of the argument of members opposite.

Some members went a little further and suggested that, as a result of these levies and insurance increases, we will be going back to the days of the Flintstones so that people who cannot afford tyres will have to pedal their cars through holes in the floor! That happens with toys but this is not the place for such analogies, because the measures that this Government has had to take have been necessary in order to provide the infrastructure and the base for future development in this State.

Today the Leader of the Opposition said that we had changed tack, that before the election we said one thing but that now we have changed our mind and he asked why. The Leader of the Opposition and members opposite should realise that we are part of a national economy and part of a global economy. We were in the home straight, but things have changed.

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

**Mr SCALZI:** I remind the Leader of the Opposition that, in comparison with the American dollar, the Australian dollar has gone down 19¢. That is an economic reality. What has happened to our trading partners in Asia? The Asian melt-down will have an effect. Perhaps he should watch the television news at night. We have become part of the national electricity grid.

**The Hon. M.D. Rann:** So it's not the dollar!

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

**Mr SCALZI:** The Leader of the Opposition would understand that political decisions are made as a result of composite reactions to policies; they are made as a result of composite pressures and not a single factor. The Opposition can harp on about promises but, as I said last week, it is better to say, 'Sorry, we had to change the policy that left the State in a sorry state,' and that is what the Opposition did prior to 1993. The Opposition will say that taxes need not be increased while, at the same time, maintaining the levels of

services to which the people of South Australia have become accustomed and which they deserve. You cannot do both.

You cannot have your cake and eat it, too. Members opposite and their ideas on spending will make Keynes, the father of modern economics, look like a monetarist. The Opposition will turn Keynes into an economic rationalist. The Opposition will spend regardless of the effect. It is easy to say that in this House when you do not have the responsibility to balance the budget. I make no apologies for the measures we must take. We apologise for the change in policies but it is necessary, and the Premier has stated that many times. At least he has had the courage to say, 'For the good of South Australia, this is what we have had to do, and we are doing it.'

What benefits will we derive from this? In the health sphere, there will be no funding cuts to public hospitals. Indeed, \$43 million will be committed to the redevelopment of the Queen Elizabeth Hospital; \$33 million will be allocated to mental health services over the next four years; and there will be \$7.5 million for a 50-bed mental health facility at Flinders Medical Centre.

The creation of jobs is seen as important by this Government. Policies have been developed with respect to youth development, finding jobs and increasing traineeships. These policies are not perfect, but it is a genuine effort by this Government to make sure that we tackle these areas that have been a blight on our society. No matter what we do we will not bring down the full employment rate to 5 per cent or 4 per cent in the near future. We cannot do it. No matter what economic policies are adopted, in the short term we cannot do it, but we can lay a foundation so that developments will take place in the future.

With respect to education, there is a continued \$50 million commitment for schools and computer programs, etc. We have continued to allocate funds for the clean-up of the Torrens River and the Patawalonga. We want proper radio equipment for emergency services, but that cannot be achieved without raising the necessary funds.

The Government is still faced with the problem of paying \$2 million a day in interest payments. Who was responsible for some of the debt when, in the past, fixed interest rates of the order of 15 per cent applied, or do we have short memories? I can tell members that we cannot bank on the Opposition. Sooner or later they will slip into the water.

I believe that this budget is responsible. It is tough but it is fair, as the Treasurer said. I look forward to the benefits of this responsible decision. We will be able to say that in 1998 the Olsen Liberal Government made the tough decisions that had to be made so that schools and health standards were maintained; so that we tackled our environmental problems; so that we stimulated job growth for our youth; and so that we could provide services for the aged.

We took the tough decisions; we took the flak; and, as a result, in the twenty-first century South Australia will be a much better place, even though there will be global and national pressures, as there always will be, than it otherwise would have faced had those decisions not been made. I commend the budget to the House so that people will know that in 1998 we made the right decisions.

**Mr CLARKE (Ross Smith):** I support the comments made already by my colleague the Leader of the Opposition with respect to this budget. I will take only a part of my time looking at areas of particular interest that I had when I was a shadow Minister. In doing so, I would congratulate the

Government on a couple of things. First, I refer to the decision to outlay \$55 million for the expansion of the Adelaide Convention Centre. I congratulate the Minister and the Cabinet for finally recognising the views of the Labor Party, which we have put forcefully over the last 12 months, in encouraging the Government to find the capital money to upgrade the Convention Centre to the amount specified of \$55 million. Not only is that organisation very profitable in its own right but also it attracts significant sums of money into this State through convention business, amounting to additional tourist dollars in our local economy.

Also, I would congratulate the Government with respect to its infrastructure payments in regard to Kangaroo Island. I am not sure whether it is sufficient money but, if we are to develop Kangaroo Island to its full potential and, in particular, not wreck the environment of that island, there is a necessity for major infrastructure work to take place with respect to the provision of potable water, sewerage services and various other things which, if not adequately addressed, will frankly ruin the island as a potential tourist destination for years to come, simply because we will overload it with tourists without providing adequate facilities. I am pleased to see that the Deputy Premier has taken on board my advice and has managed to convince the Cabinet that my views on this matter should prevail.

However, there is a great deal for us to be disappointed in under this budget in terms of employment. It shows how this Government goes through a series of gymnastics in trying to excuse its appalling failure to provide adequate employment in this State. Just over four years ago the now Minister for Human Services, the then Leader of the Opposition for the Liberal Party, promised that a Liberal Government on election to office would produce 200 000 jobs over 10 years, with 12 000 in the first year and essentially 20 000 jobs thereafter for the next 10 years. There is no way that the Government has matched that promise. Indeed, the shortfall is horrific in terms of the yardstick it set for itself in 1993.

We see from the budget papers—in particular, Budget Paper 2, at 4.2—that employment growth in South Australia for the next year is estimated by the Government's own Treasury people at 1 per cent; 1.5 per cent for the following financial year, 1999-2000; and 1.5 per cent for 2000-01. However, the Australian employment growth rate is seen to be about 1.75 per cent for the coming financial year through to 2.25 per cent for the remaining two years.

The growth in the GSP of the State is likewise expected to be very moderate, ranging from 2.75 per cent this year to 2.5 per cent for the coming financial year and 3 per cent for each of the years 1999-2000 and 2000-01, when the national average is, on the Government's own projected figures, considerably in advance of that, but less than the 4 per cent growth rate that we need both in Australia and South Australia not only to keep pace with the rise in the number of people entering the employment market but also to make some sort of dent into the levels of unemployment.

What this Government has admitted, both in this budget and in last year's budget, is that unemployment will rise. Indeed, the only hope that this Government and the Federal Liberal Government have of seeing the official unemployment rate diminish is if people give up looking for work. Dr Kemp, the Federal Minister for Employment, Education, Training and Youth Affairs, said recently that we would see the State and Federal Governments achieving 7 per cent unemployment nationally if the participation rate dropped significantly. In effect, that was their only hope of showing

an improvement in unemployment levels. That just simply covers up hidden unemployment, as we know. It means that more and more people just simply give up looking for work, do not register for it and do not show up on the official statistics.

The employment participation rate in South Australia is at its lowest level for over 12 years. That simply means that more and more people in South Australia have given up looking for work and have given up any chance at all of employment. We also see the Government trying to turn on its head the statistics that have been generally accepted throughout Australia with respect to the measurement of unemployment. We saw that today, in part, with the prescribed read answer given by the junior Minister for Employment when questions were put to her not only about the participation rate but about a number of other matters relating to employment. She has the same mantra, briefing paper and piece of paper put before her that she trots out on every occasion when she is asked a question, simply because she is not able to answer questions off the cuff as she has no knowledge of her own portfolio areas.

At page 4.1 of the Government's Budget Paper 2, referring to unemployment figures, it is stated:

While these indicators of economic growth are positive, the increased activity has not resulted in employment gains over the year as reported by the Australian Bureau of Statistics. It is believed that recent ABS estimates of employment growth are unrepresentative of actual conditions in the State's labour market.

That is a nonsense. Because the ABS collects statistics which do not fit in with the image the Government is trying to project to the public as a whole, we are told that we must turn those ABS statistics on their head and discount them entirely. That is a nonsense because, from time to time when we have had the Morgan and Banks projections for labour hire for the next quarter come out, the Government has seized on them. However, on every occasion that I can remember the Morgan and Banks' surveys for the past two years have been woefully wrong when we have looked at ABS statistics of actual levels of unemployment.

But still this Government wants to assail the veracity of organisations such as the Australian Bureau of Statistics with respect to its measurement of unemployment not only in South Australia but in Australia generally because it does not fit the perception that it is trying to sell to the electorate. The fact is this: the punters are not mugs and they know how hard it is to get a job. They know through their own personal experience what a member of their own family goes through, be it a breadwinner or a spouse seeking additional money to supplement family income, one of their children, a nephew, a brother or a sister.

They know that those people have tried hard to get a job and that a number of them have dropped out of actively looking for work because they have given up all hope of gaining employment. It is wrong for this Government to try to con people that things are better than they are. One of the things I have experienced in my public life—and I include my time as a union secretary and union official for 20 years before coming into this Parliament—is that people do not accept lies. They know when lies are being told to them.

People are prepared to accept somebody getting up and saying that they are doing their best, setting out the facts, saying that in some of their decisions they have been wrong and that they have put policies into operation that may not have been as successful as they had hoped, but at the end of the day somebody has been honest enough to stand up before

the people and say, 'Look, we have tried and have fallen far too short', rather than trying to sell them a bill of goods which they know is rotten to the core. One should not try to lie to people because ultimately one will be found out and it damages the institution of Government and Parliament itself when Governments blatantly lie to the public and try to sell them a bag of goods that people in their inner gut know is wrong.

The State Government's \$100 million announcement on job creation is so much froth and bubble with no real substance. In the lead-up to the 1997 State election the Labor Party announced policies that were costed and over which I had some stewardship with respect to increasing the number of traineeships and apprenticeships for young people. At a cost of \$14 million per annum over three years the Labor Party would have created 2 000 additional jobs, apprenticeships and traineeships for young people aged between 15 and 19 years of age. It would have been funded on a one for one basis with local government and small business. Those small business people and local government were enthusiastic about the scheme.

The Government would have been the employer of those trainees or apprentices. We would have taken on the responsibility of WorkCover, superannuation and disciplinary matters as far as the employer was concerned to take the worry out of the hands of small business and local government. I can say from my discussions with the Local Government Association that it was ready and anxious to get on with the program. It would have been into employing young people straightaway to do much needed infrastructure work where the State Government accepted those responsibilities and, in effect, subsidise the costs of those wages on a dollar for dollar basis.

In addition, as a State Government we would have provided some 500 jobs—and that would just be the beginning—for mentors looking after people. This would have been specifically targeting mature-aged persons who could have been employed directly as mentors to assist in keeping elderly people in their homes, in particular by assisting them in a whole range of household and domestic duties, rather than burdening the State and themselves with the cost of going into nursing homes.

That would have led, through access to HACC funding through the Commonwealth, to an additional 1 300 jobs being created in that area alone. Yet we have the State Government bragging that it will create 4 500 traineeship positions. Quite frankly, we could create many more of those positions if the \$100 million was truly new money being spent on employment creation. The fact that we would have been able to create 2 000 jobs directly for \$14 million from State Government money shows just how poor is the State Government's effort in that area. Had we had \$100 million fresh money we would have been able to create well in excess of the 2 000 jobs.

With \$100 million every year over the next three years we would have been creating over 10 000 positions—more than five times the number. I know that the \$100 million to be announced by the State Government was to be staggered in over a number of years, but on any comparison, with the costing we put forward before the State election last year, it shows that we would have achieved far more with far less money.

I note that there is nothing specific in the budget papers in terms of regional development. We will need to investigate that further during the Estimates Committees. It is appalling that a Government with so many members in country areas

of this State does so little about regional development and can think no further than north of Gepps Cross or over the Adelaide Hills.

I refer to the public sector. Despite the Government's promise not to cut public sector employment, to bring in additional traineeships and so on, we still see in the budget that over 500 full-time equivalent public sector jobs will be lost in crucial areas. We had the nonsense of the Premier today in Question Time when he said that if the sale of ETSA does not proceed he will either have to sack ultimately between 10 000 and 20 000 public servants or have to raise taxes significantly. That is absolutely absurd, for if the Premier were serious about sacking 20 000 public servants not only would this State grind to halt but we would have to find about \$1 billion in redundancy pay for people to sit at home and do nothing while vital services do not operate. With the loss of one public sector job we would lose at least another in the private sector somewhere because of the lack of spending power. By trying to up the ante on the sale of ETSA today the Premier only added greater insecurity to State public servants, who will make sure that their hands never leave their pockets in terms of spending money or showing confidence in the economic future of this State.

I was interested to note in Budget Paper 2 at page 5.4 that interest payments have declined for the State from \$591 million last year to an estimated \$547 million in 1998-99. It states:

The reduction principally reflects the downward movement in interest rates, elimination of the non commercial sector deficit and real reduction in net debt in recent years. Net interest costs are expected to fall significantly in real terms until 2001-02, when there is a small rise.

Where is this \$2 million a day saving in interest rates, which is the mantra that members opposite keep chanting with respect to the need to sell ETSA? Clearly, that amount of money will not be saved with respect to debt reduction, because the budget papers say that interest payments for next year are \$547 million, that they will decrease every year through to 2001-02, and are expected to be reduced significantly. Where is the economic sense in getting rid of an asset such as ETSA? Where is the \$2 million a day that members opposite keep chanting this State will save in interest payments if we get rid of ETSA, when the whole of State debt is costing us at this moment \$547 million for the next 12 months and will be reduced over time?

Let me finish with a warning about the Asian meltdown and the implications for South Australia's finances. A couple of months ago as a guest of the Employers Chamber I attended a seminar at which Dr Hewson, Dr Peter Brain and a number of other prominent economists looked at the problems of the Asian economies generally. Dr Peter Brain frightened me when he said that in the years 2003-05 he expected the Australian unemployment rate to be at least 12 per cent because of the impact of the Asian economic meltdown—notwithstanding that this budget paper and the Federal budget papers try to gloss over the problems of Asia. We know that, if the Australian unemployment rate is 12 per cent, the South Australian rate will almost certainly be 3 or 4 percentage points higher than the national rate. If Dr Peter Brain is right—and he has been pretty close to the mark over the past 1½ decades—we will be looking at a rate of 14, 15 or 16 per cent unemployment officially in this State, not taking into account the under employment—

*Mr Lewis interjecting:*

**Mr CLARKE:** I hope that I am wrong and that the member for Hammond is right because, as a father of a 17 year old about to enter the work force, I would certainly like to think that there is a bit of hope left in this State.

**Mr LEWIS (Hammond):** I will address the matter with which the member for Ross Smith was just regaling us; that is, the prospective implications of the Asian meltdown for the South Australian economy. It is unfortunate, as I see it, that over the past one or more decades South Australia—the South Australian Government and South Australian industry—has not aggressively pursued the market opportunities that were available to us in South-East Asia nearly as much as we could have. It has taken us a fair while to recognise that a dollar spent by someone from elsewhere is a dollar earned here. It means, though, that, because we dragged our feet behind our Eastern State cousins and because Perth had a natural flying time advantage for those countries in their time zone geographically, such as Singapore, Malaysia, Sri Lanka, India, and so on, and was closer to South Africa, when the time came for the consequences of the meltdown to be assessed the result was clear to some of us. South Australia would suffer least because we were least exposed in our market share on markets in the South-East Asian countries adversely affected by their unfortunate—I think that is a good word—mismanagement and misreporting of the underlying value of their capital assets which resulted in their banking sectors and the world's banking sectors saying to them, 'You can't borrow against this because it's not worth as much as you say it is and you won't get any more credit because you can't pay your bills.'

What was happening in many of those countries, as the member for Ross Smith would know, is that large companies within those economies had several subsidiary companies which they ran as separate business entities, and they sold one asset of real property from one of the subsidiaries to another subsidiary at an inflated price. They did that deliberately so that they could then go back to the banking sector and say, 'We have revalued our properties on the basis of this sale and now they are worth so much.' They stacked them all up—all the properties they owned within that economy that were anything like the piece of real property which was sold from one subsidiary to another; there was a book entry, and the cheques really do not mean anything, because the consolidated account is not altered on the bottom line. They then borrowed against that increased so-called market valuation falsely and concocted their books, enabling them to get past the necessity to demonstrate an ability to service the debt to repay it. That is how they have got themselves into those difficulties.

It was worse in Hong Kong, which is where it all happened first. That is where the false nature of the security that had been used by those businesses was first discovered. In consequence of that being discovered in Hong Kong, it was then found to be so in Thailand and in following weeks in Indonesia. We all know how it flowed on from there and, as yet, it still has not been properly exposed and addressed in Japan.

Unfortunately for the Japanese, they have that pain to go through, and they have a very rigid structure within their economy, as well as a greater rigidity in their social attitudes to decision making. That is why it is taking so long for them to come to terms with it and recognise the problems that confront them. As the member for Ross Smith has said, my explanation is for the benefit of members' understanding that,

whilst there is a risk for the rest of Australia, that risk, in terms of increasing unemployment, is not as great for South Australia. It means that, because we have come along more recently behind our interstate cousins to penetrate those markets more effectively, we have now discovered that the way in which to enter those markets is to ensure that there is a capacity for our customers to pay. We have also discovered that the way to go is not an immediate sale, but ensure a medium to long-term prospect of expanding the market. Moreover, we know we need to make arrangements that are thorough if we are going into joint ventures.

The South Australian business people who are now looking to moving into South-East Asia need not in be in the least bit perturbed. Now is the time to go. Their currency exchange rates are very favourable to us—and I want to say something about that later as it affects another aspect of our budget—and we can move in there and buy up assets at bargain basement prices, at around 20 per cent of the value, to get into a joint venture, that we would otherwise have paid 12 months or more ago.

Classic cases of that would be in the greater metropolis of Bangkok, for instance, or in the whole of the South Korean economy. The value of real property has fallen in terms not only of their own currency, but also in Australian dollars because of the more favourable exchange rate that we now enjoy. For instance, in South Korea in September/October last year it used to be about 750 won to \$1 Australian, and now it is over 2 000 won. The real price has fallen. The exchange rate is about three-fold. So you can buy it now for 20 to 25 per cent of what it would have cost to buy into a joint venture arrangement.

That is my message to business people who are 'export ready', who have a product that is recognised and can show that it is recognised as having internationally accepted standards of accreditation, and who have the means by which they can deliver that product from machines, whether they are located in South Australia or anywhere else. Now is the time to start selling into those markets against competition, if the price is there, and to do a joint venture deal in those economies to set up and get the benefits of doing it, so that you can sell the technology, put the money in the pocket for that, take the market share that will be there as those economies come rapidly out of recession in the subsidiary joint venture operation, keep supplying the essential small parts that we have the higher technology to produce here, and enjoy the benefits of a rapidly expanding market that will increase the value of your shares or business to the extent that you will be able to expand your operations against your competitors in this market in Australia. Whether those competitors are interstate, here or overseas, it does not matter: it means that you have a bigger production base from which you can meet that competition.

That means your short run and long run cost curve has shifted further to the right, and you are more efficient in your ability to meet competition as it arises. So that means the jobs of your employees are more secure. That is the message which ought to be going out from us in this Parliament rather than having shots at each other across the Chamber. We ought to be analysing what we know to be the strengths of our economy, pointing out how the people in those positions can gain great benefit now by venturing into the overseas markets in the fashion in which I have just suggested, and ensuring that the Government's training programs (which are a matter of choice as far as training goes through TAFE and other agencies that deliver those training programs) are relevant to



the needs of the work force in the expanding venture that you are planning. So, you simply tell TAFE and the other agencies competing with TAFE, to provide that training. You tell your bank your business plan, in conjunction with your in-house accountants and/or your consultants who helped you prepare your business plan. They analyse where your strengths are. You then go into those economies and pick up the opportunities there with your bank's blessing to do so, knowing that, it fulfils everything we want for South Australia.

That is, it will stop the drain of people who are leaving the State to find jobs elsewhere. That is the way to stop the drain. While each of us in this Chamber continues having pot shots at one another across the Chamber and ignores the way to address this problem, we do nothing for the people outside.

Having then made that digression and used about half the time at my disposal—I still think it worthwhile to have done so—let me now state some of the things that I see as quite outstanding which were not mentioned much, if at all, in the budget speech or by other members about the way in which this budget has been prepared and presented. This is the nineteenth budget that I have seen introduced in this place, and I was delighted to find just prior to coming in here that the Leader of the Liberal Party, who was the Leader of the Opposition at the time (Dr David Tonkin), was willing to take on board what he had seen when he had travelled overseas and introduced budget estimates as a means by which programs could be analysed by the Parliament. That was a big step forward. I remember the first budget here. I had sat in the Gallery for three or four years prior to the time I came in here, to listen to the budget. I was appalled at the ignorance of the members who were here and their indifference to the way in which the State's finances were prepared and presented to them for approval of the expenditure, and the fashion in which they used the opportunity presented to score points off each other.

It was a complete abstraction from reality; it had no relevance whatever to Fred and Freda Citizen, and it just disgusted me. So, I was delighted when David Tonkin introduced the 'budget estimates'. Moreover, I was delighted to see the improvements during the time the Labor Party was in government. In recent years I have been dismayed to see how the Estimates Committees have become more farcical as a result of the way we use them, instead of the way we could use them, but that does not alter the fact that the system is better than it used to be. We used to have filibusters in here all day and all night, trying to grill Ministers who were dead on their feet, to the point where they would eventually make a slip-up, and then say, 'Ha-ha: caught you!' and make a joke of it, and the rest of the public used to look at us and think: what idiots!

**An honourable member:** What did he say?

**Mr LEWIS:** 'Ha-ha: caught you!' because the Minister was dead on his feet—as was the person asking the question, because the moment they realised they had caught him, they forgot what they had used as bait. They would try to explain it to journalists and the journalists would get it wrong, and the public would laugh even more at the stupidity and inanity of the process we were using. It had no resemblance whatever to the processes undertaken by business outside, and there needed to be some resemblance.

This budget has several other steps which further improves the way in which it is presented. The best is that we have now adopted accrual accounting. In the 'budget guide', on pages 2 and 3, it explains for people how it all works. It sets it out

in a way which anyone who can run a household budget or budget the cash they have at their disposal from their income each week can understand. Cash payments plus depreciation, plus your work force's entitlements and the purchases you make on credit, minus the previous accruals that have been paid, minus the repayments in the budget year under consideration, plus the repayment from prior years. That sum gives you the accrued cost.

That means that you add up all the factors involved. It is transparent; you can see it all. And you can stop the fibbing that goes on from year to year and the way in which you had to do a bit of Sherlock Holmes financial analysis to work out what the hell was really in the budget papers. The way in which the papers used to be provided seemed to me to mean that we employed the people in Treasury—the Under Treasurer and his minions—to do a sort of cryptic crossword for us. You had to work it out; you had to be a wit enough (and I am only half a wit, and everyone knows that) to get some understanding of it.

*Mr Foley interjecting:*

**Mr LEWIS:** Yes. On the very next page in the Budget Guide, one can see set out the way in which the documents have been prepared, and the information they contain. It is an explanatory document overall, pointing out what is in the budget papers; why outputs and accruals are used as the means for assessing expenditure and income to get a real focus on what is there; an explanation of how you can interpret the statements, in some detail; and then a further page pointing out the meaning of words—the new terminology that is in the budget papers for the first time this year. I commend the Treasurer for his initiative by providing that in the budget papers. It is a pity that Stephen Baker did not do it: I asked him to.

I next want to commend the fashion in which the capital works have been set out within each of the agencies that are to get the money, so that it is easier for us to identify which projects are getting the money, how much they are to get this year and in subsequent years and how much they have already had in the previous year. Then we have the usual estimates statement that we have been using in the Estimates Committees, and the portfolio statements, which give us a clear statement of what each program will receive within those portfolios and whether they are recurrent ongoing programs or one-off for the year. That is paper four, volumes 1 and 2.

The other thing that I like is the fact that we have an employment statement, which points out for us the types of programs available and how to access them. That will make it easy for people out there in voter land—I believe that, these days, they are called the punters, or whatever takes members' fancy. All the programs are detailed, and I commend the Minister for Employment and the Treasurer, and whoever else was responsible, for presenting the information in this manner: it makes it so easy. There is Kickstart and Kickstart for Youth; the regional labour exchanges; the Self Starter program; the Information Technology Skills Advantage program; the Special Employment Initiatives; Don't Overlook Mature Expertise; the Small Business Employer Incentive Scheme; the Human Resource Advisory Service; the State Government Entry Level Training Scheme; Upskill SA; pilot projects that can be undertaken, and how one can gain access to them and the State Government Youth Training Scheme. It lists the names and telephone numbers of people you can talk to in the offices. It is all there in the one document.

The last document that I want to commend the Treasurer for having produced is the document called Budget at a Glance. I am saddened that much of the capital works that are to be done still have missed out on the funds I have sought for them, such as fixing the Bowhill and Swan Reach wharves for houseboats and other pleasure cruisers; sealing the Murray Valley Highway, where the only unsealed section of it is, to our shame, between Walkers Flat and Bowhill; and providing the funds that we promised to the people of Pinaroo to finish off their folk museum. That museum has the best collection in the world of cereals; of household goods and utensils, and so on, for turn of the century settlers' homes. It has the best collection of printing equipment over the past 100 years anywhere in Australia, and things of that ilk—barbed wire, rabbit traps and so on. We cannot even give it enough money to finish off the concrete floor, even though we promised it two years ago, and that saddens me.

The other matter to which I draw attention in my remarks is that it is high time we had a full-on debate about the relationship between the States and the Commonwealth and whether we want our Federation to survive into the next century, because, if you look at the way in which things are going and if you analyse the percentage of gross domestic product that is being provided to the States for their prerogative expenditure, you will see that it has fallen to the point where the States have been hollowed out to the extent that they are almost irrelevant. If there are not some changes in this taxation reform process in the immediate future, the Federation will fall apart and we will be the poorer for it.

**Ms STEVENS (Elizabeth):** Last week's budget has not been received well in my electorate. It follows the Federal budget which also did not bring a lot of joy to the northern suburbs. With respect to the Federal budget, we saw the Treasurer pat himself on the back and exclaim triumphantly that the Government had done the hard yards in relation to the economic management of this country. As we all know, the hard yards were certainly not done by the Treasurer or anyone he knows; they were done by the elderly, families with children, the unemployed, and the disabled—those people in our community who are least able to do the hard yards.

The State budget, which was brought down last week, brings more hardship for those same people, many of whom reside in the electorate of Elizabeth, and we have been faced with the threat of even more hardship and pain if ETSA and Optima are not sold. In the electorate of Elizabeth, which has the highest unemployment rate in this State, getting a job, making ends meet and having access to basic services are the major issues—and that has been the case for some time. I will refer, first, to employment. For the second year in a row, the Premier has promised the creation of more jobs (this year 4 500) and lower unemployment. He has failed to admit that since he became Premier this State has lost 10 500 jobs, and he has failed to note that his \$100 million jobs package over four years will be immediately undermined by a further loss of 550 public sector jobs, including 100 teachers.

The growth forecast in the State budget of well below 4 per cent probably makes the Premier's jobs target impossible to achieve. The strategies that he has used so far are not working: we need to do it better. I refer to the comments of the member for Ross Smith. I appreciate the effort that went into the calculations, planning and research involved in Labor's jobs policy with which the Opposition went to the election last year—and I would like to refer to that policy, as did the member for Ross Smith. I suggest that the Govern-

ment take some time to read the Opposition's policy and see how it can get a lot more jobs for the money that it is prepared to put up—as the Opposition expounded in its budget documents last year.

The member for Ross Smith referred to the Opposition's traineeship program. I would like to expand a little on the community mentor/helper program, because that program, which targets mainly, but not necessarily, mature aged people, would have had direct input into the human services area. The Opposition promised funding of \$7 million per year to create a minimum of 460 State-funded mentor/helper jobs based on employment for an average of 24 hours per week under award conditions.

These jobs were to be in the areas of disability services, family support and services to older people, as the member for Ross Smith spoke about, and also services in support of vulnerable young people in our community. One of the other important issues in relation to this program was that we had also suggested that this would be the basic level of jobs able to be produced. We would have sought a commitment from local councils, the Commonwealth Government under the 'work for the dole' scheme and the Home And Community Care program and, with those other organisations and agencies, we would have tried to encourage partnerships to multiply the dollars available to produce jobs. These are the sorts of projects that this Government needs to look at.

We need to get the best result we can for the money that we have. The Government would do well to look at those programs that we were suggesting last year and perhaps learn and develop something out of them and get more for the money it is intending to put in. I hope the \$100 million jobs package does something for unemployment, especially in my own electorate. I must say that I am disappointed in what has been put up, but I certainly hope it will make some difference.

I will make a few comments about the capital works program. Capital works spending is a major strategy that can be used to stimulate the economy and produce jobs. However, if we look back at the term of the last Government we see that during those four years the Government underspent its capital works budget by \$747 million, and many major projects slipped by, year after year. So, instead of delivering on his promises to spend that money on capital works, stimulate the economy and create thousands of jobs through the construction industry, the Premier failed miserably—to the tune of \$747 million. Again, if we look carefully at the budget figures this year we see that the capital works budget decreases by \$48 million from last year's budget. That is disappointing, because it means that the jobs will not exist.

As I mentioned previously, making ends meet is a big issue in my electorate, and it will be much harder as a result of the budget last week. It is interesting and illuminating to note that in its State budget submission the South Australian Council of Social Service (SACOSS) has revealed a disturbing picture of the growing hardship in South Australia. I wonder how many of us know that the percentage of South Australian households whose incomes are below 60 per cent of average weekly earnings has risen from 25.8 per cent in 1986 to a staggering 41.7 per cent in 1996. That is something worth pondering.

Nearly 42 per cent of all families in South Australia have an income below 60 per cent of average weekly earnings. That is a lot of people; that is a lot of families in South Australia who are really doing it tough. Another statistic is the number of schoolcard approvals as a percentage of the

total number of South Australian students in our schools, both Government and non-government. In 1986-87 it was 20.5 per cent of all students on schoolcard, and in 1995-96 it was 46.1 per cent. That is just another indication of how things are getting tougher.

What does this budget do for the people who are struggling? The taxes and charges that have been increased enormously will hit all families. Stamp duty is up and public transport fares are up and, for electorates such as mine on the outer reaches of the metropolitan area where car ownership is below that of other areas, that is an issue. In addition, the emergency services levy and other fees and charges will just make it harder for families to cope. What would it be like in the awful event that a GST was imposed on top of all that?

I turn now to access to services. Over the last four years the northern suburbs have seen an unprecedented withdrawal of funds and services. That has been done by the State Government in the name of being fair to other areas. It has nothing to do with the greater need that exists in the northern suburbs with respect to poverty and disadvantage. So programs such as Carelink, the Para Districts Counselling Service, the much-touted Home Visiting Program and other programs have been slashed by the State Government. The Federal Government has even chimed in with cuts to legal services and to an agency called the Northern Suburbs Family Resource Centre.

The great disappointment in this budget is the reduction in the capital funds allocated to the upgrade of the Lyell McEwin Health Service. That upgrade has been on the minds of the people of Elizabeth for a number of years. Indeed, since I have been in Parliament, it has been a priority. Last year in the Estimates Committee I questioned the then Health Minister about the upgrade. He assured me that \$48.5 million would be spent on the Lyell McEwin Hospital. If members look in the capital works program they will see that it is now \$40 million, with \$2.16 million to be spent this year. People are angry and disappointed about that. They are saying that it is just another example of funds being withdrawn from the northern suburbs. I also notice—

*The Hon. Dean Brown interjecting:*

**Ms STEVENS:** I am talking about the Lyell McEwin Health Service, Minister, and if you read your predecessor's comments from last year's Estimates Committee you will see that he assured me that it would be \$48.5 million. That has been reduced by \$8.5 million. I also notice that the community health centre which is to be built in Elizabeth is not mentioned in the capital works program. It has slipped off completely. It was on the program for two years but it has now disappeared. I am hoping that that is an omission and that it will appear next year. It is very frustrating when, year after year, things just do not come to pass.

We in the Elizabeth electorate have noticed that the Queen Elizabeth Hospital redevelopment is now a \$43 million project, with \$4 million to be spent this year. That concerns us because we are joined with the Queen Elizabeth Hospital as part of the North Western Adelaide Health Service, and what happens to that hospital affects us, too.

I noticed that the Elizabeth Fire Station has remained on the program this year. Mind you, it is about 18 months late because it was a slipped program, and I will be watching eagerly to see that it occurs.

In terms of education, I am very concerned that we are to lose another 100 teachers. In the northern suburbs, we need to put an extra special effort into education because our students do not make it to TAFE or to university in the same

proportion as do those from other areas. That needs to be compensated with affirmative action in relation to improving educational outcomes. Being able to offer small classes and particular subjects is crucial to that, and 100 teachers will be lost to the system.

School councils and primary school principals constantly raise with me the need for counsellors in their schools. All schools need school counsellors. Schools are dealing with many issues. When a community is stressed, times are hard and poverty is widespread, stresses spill over into the learning environment. Principals, school councils and primary schools in my electorate are constantly speaking to me about the need for counsellors. It is a pity that the Government does not consider that and knock some problems at schools on the head in the early days.

I am also greatly concerned that school support grants are remaining static for the next few years. I am very concerned about that because when charges need to be increased it will fall back on parents. Again, in areas such as mine, that is a very heavy and unfair burden which should not fall so hard on people who are not wealthy, and that is the vast majority of people who live in my electorate.

I know that the Premier's announcement today is supposed to prove his new found social responsibility. I say that this budget fails miserably in this respect. His meagre efforts today, while welcome, are only a drop in the ocean in protecting the needs of those people who need our help most.

Health cuts of \$234 million administered over the past four years by this State Government, increased activity in our hospitals that is likely to continue, a lack of services in our community for people who are frail aged, the disabled and people who are being discharged from our hospitals have not been addressed in this budget. The Premier and the Health Minister have agreed that hospital budgets will be maintained at current levels, but this does nothing to assist increasing activity levels or to address the concerns about the parlous position of our State health system as reported to the Senate committee by the Human Services Minister a few weeks ago.

Another issue of concern is dental waiting lists. Again, the Federal Government is responsible for this dilemma, but our State Government refuses to respond to it. I was hoping that today, when the Premier talked about his social responsibility and his social policy, he might have considered allocating some money to the dental waiting lists which are a disgrace at this moment in our State. In excess of 80 000 people on health care cards now are queuing for dental care—a program cut by the Howard Federal Liberal Government. That issue needs to be addressed in some way, and I would have hoped and expected that the State Government might see fit to do something about it.

In terms of disability services, we know that the Commonwealth-State disability agreement was signed very recently. The Commonwealth increased its commitment by \$3.6 million a year, but I must say that a conservative estimate of unmet need in this State indicates that \$15 million of new money is needed to be put in by the State Government. That is a conservative estimate and, unfortunately, no new money is being allocated at all. So, there is a long way to go in terms of social responsibility.

Finally, in the last few seconds remaining, I must say that dealing with the human services budget documents this year is proving to be a nightmare. The change to accrual accounting seems to have been an excuse for accountants to produce a document of such complexity and opaqueness that we are finding it extraordinarily difficult to get any information at

all. So, rather than having greater transparency and greater accountability, we are in fact faced with a situation that promises to be exactly the opposite. We look forward to trying to get some of that basic information from the Minister during the Estimates Committee.

**Mr HAMILTON-SMITH** secured the adjournment of the debate.

#### ADJOURNMENT DEBATE

**The Hon. DEAN BROWN (Minister for Human Services):** I move:

That the House do now adjourn.

**Ms STEVENS (Elizabeth):** Last week in Question Time I asked the Minister for Human Services a question about the future of Glenside Hospital. I asked why he had failed to address the concerns of families of patients at Glenside Hospital and others in the community who were alarmed by his recent public statement that Glenside Hospital will be closed. In answering my question, he said:

We would be providing long-term care for mental health patients at the Hillcrest Hospital.

He then went on to say:

I think I have already signed a letter in reply to those people pointing out exactly those facts.

Earlier in the answer he made a bit of a joke about the fact that perhaps I had overlooked this or forgotten that he had made that statement. I had not forgotten at all because, in the letter he had written to the families of long-term patients at Glenside Hospital, there was absolutely no mention at all of Hillcrest Hospital and the fact that those patient facilities would be transferred to Hillcrest. The letter states, in part:

Dear . . .

Following my recent announcement that Glenside Hospital will be closed within three to four years, I am writing to reassure you that appropriate, supported residential facilities will be provided to replace those located at the hospital.

He says further on, with still no mention of Hillcrest:

There have been many changes in public mental health services in the last five years and a great deal has been achieved. It is now time to provide high quality, integrated mental health services outside institutions.

He states further:

As we begin to plan this important step, rest assured that you will be consulted and kept fully informed of the new developments.

Overall, this letter virtually gave no reassurance to people. It was a bureaucratic response, promising consultation, but there were no specifics and certainly no mention of facilities at Hillcrest. This has been of concern to many people in our community. I have had a number of conversations and have received a number of letters, with 86 signatures attached to one letter. I will cite the issues outlined in one letter. The person says:

With the announcement that Glenside Hospital is to be closed, [this] presents a dilemma for myself and other parents of clients. My son . . . has been a client at Glenside for 17 years and intermittently for several years before his permanent admission. Both the Guardianship Board and his carers at Glenside agree [he] needs 24 hour supervision, so I am naturally concerned about his welfare as:

1. [he] does not communicate;
2. [he] would be a prey to possible sexual risk, drugs and possibly death;
3. Hygiene would be non-existent.
4. Is very gullible.
5. Medication not taken.

He has many other idiosyncrasies which are a worry if not in 24-hour care. I am in constant contact with him as I visit twice weekly, so I am aware of his condition. I would be grateful if you could advise me of what will happen to unfortunate mental folk who have no-one to speak on their behalf. My son has myself, 74 years old, and his sisters, who are concerned with his welfare.

That is the sort of letter that I have been receiving from a number of people and these are the concerns expressed to me. It is important that, even though the Minister seems to believe he stated this publicly (and perhaps he did), even though he certainly did not do it in the letter, he immediately seek to reassure these people that his intentions are to replace those facilities in Glenside. People need to know how and when this is to be done. They need to be reassured that what happened with the closure of Hillcrest will not happen again.

We have been through this before. The Labor Party acknowledges that mistakes have been made on both sides in the provision of mental health services. We are saying that we should learn from the past and not make those mistakes again. Certainly, we support the closure of large mental health institutions and, where possible, we support people living in the community, but we support that only if sufficient resources and supports are there to enable people to cope in those situations.

We have seen previous cuts to mental health services in the past few years and the problems at Glenside. We saw emergency patients being booked into a hotel in Hindley Street because there were not enough beds. We certainly saw people with mental illness being turned away from Glenside Hospital and we need to ensure that this does not happen. So, I am saying that the Human Services Minister needs to ensure that everyone knows what the situation is and that people do not feel like that person whose letter I read out, and do not feel that their son or daughter is going to be put in severe risk by being turned out of a situation where they have probably been in extended care for months and years.

In the time remaining I have a few words to say about Living Health. I noted with a great deal of relief after months of uncertainty that at last the Government, through the Treasurer, has ended the uncertainty and announced what it has in store for Living Health and the programs funded by it. I must say straightaway that it seems there was no necessity for that uncertainty and stress that went on during those months. During that time we saw the closure of Keep Fit SA and we saw a number of youth traineeships lost simply because time ran out and organisations were not sure whether they had the funds to actually have these trainees. All of this was completely unnecessary and unconscionable.

As I said last week, I welcome the introduction of the tobacco control strategy but I do say again, and I stand by my comments of last week, that I have concerns about the new ways of disseminating the funds previously handled by Living Health. Leaving it to Ministers in departments has the potential for pork barrelling and ministerial interference. That is a problem. Many questions also remain unanswered regarding the whole deal. The \$13.4 million is no longer indexed. We need to know how health promotion will occur under the new arrangements and how administration costs will be saved by three organisations distributing the money as against one organisation doing that.

I noted that some comments were made in the other place by the Treasurer and the Hon. Angus Redford about comments I made last year on Living Health and I will clarify those comments. Yes, last year I certainly had major concerns about Living Health which I had raised previously in this

House, and last year I supported the recommendations of the Economic and Finance Committee. If members care to look back in *Hansard*, they will see that I had two major concerns when I spoke about it: first, the level of tobacco smoking that still remains in our State and, secondly, the level of funding from Living Health that had been going directly to anti-smoking programs.

I was very impressed that Living Health addressed both concerns and increased the level of funds to \$1.4 million, from \$600 000. I was impressed that it obviously took my comments and the comments of others on board and made that change. So, I changed my view. It is not to say that there were not still outstanding issues in relation to dissemination of funds, corporate spending and administration costs, but I changed my views. It is better not to throw the baby out with the bathwater and, if issues are of concern, we should fix them rather than change to something that could be more problematic.

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

**Mr MEIER (Goyder):** Tonight I refer to the Yorke Peninsula turn-off north of Port Wakefield.

*Mr Brokenshire interjecting:*

**Mr MEIER:** Yorke Peninsula is the only leg Australia has to stand on, for the edification of the honourable member. It is the most important region in the State and is increasingly so. Members need to be made more aware of Yorke Peninsula. I refer to the turn-off north of Port Wakefield. For many years it has been a relatively efficient turn-off, with one major exception, namely, that a passing lane needed to be incorporated for traffic heading in a northerly direction from Port Wakefield and continuing through to Yorke Peninsula. I called for that over a period of years, particularly with the former Labor Government, but I was unsuccessful on each occasion.

When our Government came to office I again brought it to its attention, but at that stage it was decided to have an investigation into possible bypasses at Port Wakefield. The net result was that three options were put forward: first, to incorporate a wider through road through Port Wakefield; secondly, to have a bypass close by the town; and, thirdly, to have a bypass further away from the town. The options certainly met with considerable discussion and there were problems with each option and at this stage the whole scheme has been dropped. In its place a significant upgrade was proposed for the intersection north of the town, plus an upgrade through Port Wakefield.

When community consultation occurred with the proposed upgrade, everyone consulted in Port Wakefield said, 'Fine we welcome an upgrade of this intersection; we need an extra lane there, go ahead with it.' However, the Department of Transport said that, because it was dealing with an intersection on a major highway, it must be a T-junction. So, plans were put forward to residents of Port Wakefield and I was present at that time. To a T all of us said that we cannot have that T-junction; it would be a potential disaster. The department again said, 'The upgrade will occur—you will have a T-junction and that is that; you cannot retain the old Y-junction.' Together with other people it was suggested that an additional lane be put in so that traffic coming from Yorke Peninsula could at least have the option to accelerate and go at a similar or the same speed as traffic on Highway 1 when they had entered the T-junction and that is the way the

eventual proposal proceeded. The road has now been constructed.

With due respect to the Minister, I point out that maximum consultation occurred not only on this but also on the upgrade through Port Wakefield. It was very clear that the locals did not want this particular intersection. In fact, in a letter I wrote to the Minister—it was my second formal letter; I also had discussions with the Minister on a person-to-person basis—I said:

The locals warned the Department of Transport and their consultants that this would happen—

that it would become an accident-prone corner—

but they refused to budge on having a T-junction intersection.

I said quite a few other things as well. It really disturbs me that local knowledge seems to be ignored when it comes to a Federal decision that intersections with major highways have to be in favour of the highway, yet in this particular case the vast majority of traffic comes to and from the Yorke Peninsula. As a result of the new road we have what has been identified by the Yorke Peninsula *Country Times* as 'Crash Corner—one accident a fortnight'. It is a great tragedy. In fact, not only did the Yorke Peninsula *Country Times* highlight this but several weeks earlier the *Plains Producer*, the Balaclava newspaper, also highlighted the crash incidence of this corner. In this particular article it states:

The new Highway One junction at Port Wakefield is now dubbed 'Crash Corner', with Port Wakefield police officer Senior Constable Martin Bazeley saying that, since the junction opened in March, there has been an average of one accident a fortnight.

Some time ago I took up with the Minister the fact that changes had to be made and made urgently. I have now received a reply from the Minister which acknowledges that there have been difficulties. In relation to national Highway One and the Wallaroo-Kadina Road junction, the Minister said:

The design of this junction is a new concept, and it will take some time for motorists to become aware of how to use the junction properly and without hesitation. In addition, wide media coverage, including newspapers, pamphlets, radio and television, was undertaken to inform motorists how this junction is to work and how to use it effectively.

With regard to the clearing of the low-lying bushes to ensure a better line of sight for traffic turning right, Transport SA will investigate this matter and take appropriate action if necessary.

The behaviour of the vehicles that you mentioned, which slowed instead of accelerating, is the kind of behaviour that the design of this junction is trying to discourage. The merge lanes have been designed to give vehicles time to accelerate to the speeds of the vehicles travelling on the highway and provides them with an opportunity to merge safely.

A meeting was held recently between officers from Transport SA and SA Police, and it was decided that some interim and immediate changes and minor upgrading were required at the intersection. The upgrading includes:

- The temporary erection of flashing bollards and 'Roadworks in Progress' signs around the junction whilst minor works are being considered and carried out, to alert traffic to slow down through the junction.

- The erection of 'Give Way' signs on the approach to the junction for traffic travelling south from the Yorke Peninsula. This is not a standard practice; however, due to the wide nature of the junction to accommodate B-double road train movements, these signs are being installed to reinforce that the vehicles have to give way to traffic travelling in both directions.

- Movement of the 'give way bar' on the Kadina-Wallaroo Road closer to the junction to reduce the gap required for vehicles turning right to Port Wakefield.

- Painting turning arrows on the pavement to clarify turning movements and to reinforce the correct lanes for vehicles.

- Additional pavement markings to reduce the amount of open space at the junction, and to reduce driver confusion.

I thank the Minister for ensuring that action is being taken forthwith. The answer which I have just read out did not take into account the latest correspondence I put to the Minister, but I am prepared to give this a chance and see how it goes. What worries me is that a lot of taxpayers' money was spent—and this would have been Federal money, not State money—on a corner that I believe had faults from the very start. It is another clear example of where these sorts of matter have to be thought through first of all. It is another clear indication that when the local community says, 'We don't want the T-junction', they must be listened to. Why spend hundreds of thousands of dollars on a new junction

when it is causing accident after accident?

I trust that we will not have to spend another few hundred thousand dollars to get things right. I have a few proposals which I could put into operation and which I think would fix it, but I hope the Department of Transport will now be able to rectify matters, and rectify them as soon as possible, to ensure preferably that no more accidents happen and certainly that no-one is injured in any future accident.

Motion carried.

At 10.11 p.m. the House adjourned until Wednesday 3 June at 2 p.m.