

## HOUSE OF ASSEMBLY

Monday 31 May 2004

The **SPEAKER (Hon. I.P. Lewis)** took the chair at 2 p.m. and read prayers.

### QUESTIONS ON NOTICE

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 286 and 295.

#### INTERNATIONAL BED NIGHTS

In reply to **Mr HAMILTON-SMITH** (29 March).

The **Hon. J.D. LOMAX-SMITH**: While the figures the member for Waite has quoted are correct, they represent too narrow a focus on SA's international visitor nights. The member is comparing the 12 months ending December 2003 and the 12 months ending June 2003—which is in effect a comparison of a calendar year with a financial year figure.

- For a more comprehensive picture we need to look at the year 2003 in its entirety compared with calendar year 2002.
- Overall, SA maintained international visitor nights for the calendar year 2003 with levels for the calendar year 2002. This is because although we fell in the most recent 6 months, figures had increased in the 6 months before this.
- International nights in Australia declined by 2 per cent comparing calendar year 2003 with calendar year 2002. This is because for Australia as a whole, despite the increase in the most recent 6 months, figures had fallen by a far greater extent in the 6 months before that.
- In calendar year 2003, by maintaining visitor nights in the face of a 2 per cent fall nationally, SA outperformed the Australian average. This is despite worldwide concerns over international security, SARS and the war with Iraq.
- Further, in the second half of 2003, there are specific factors, such as the World Rugby Cup, which may have benefited the Eastern States to a greater degree than South Australia.
- International visitor nights are also related to international air access issues, factors which the SA Government is continuing to work on as a priority.

#### SMALL BUSINESS

In reply to **Mrs HALL** (3 May).

The **Hon. J.D. LOMAX-SMITH**: The Minister for Small Business has provided the following information:

The Government has provided, and will continue to provide and support, a number of programs to ensure female small business operators are able to establish and develop successful businesses.

'Starting Your Own Business' workshops are regularly conducted through metropolitan Business Enterprise Centres and Regional Development Boards. Over the financial years 1999-2000 to 2002-03 and for this year, to date, 3 972 persons have participated in the metropolitan workshops with 49 per cent of those being female.

The 'Business Owners Coaching Program' has assembled 41 coaching groups across metropolitan and regional South Australia since its establishment in 2002. 155 (41 per cent) of the business operators participating, or having participated, in the program are female. Two of the business coaches are female.

The 'Better Business' series of business education workshops are conducted across the state. Eight of the workshop presenters are female.

The Government supports the work of Business Enterprise Centres including programs like 'Southern Women in Business'. This program is sponsored through the Southern Success Business Enterprise Centre in the City of Onkaparinga. It provides opportunity for female business operators to network with others in the area and learn sound business practices for the building of their businesses.

The Government is conscious of the special needs of female business operators and, on 6 September, 2003, a full day event was convened by the former Centre for Innovation, Business and

Manufacturing. 'Money Talks' was a small business expo designed specifically to address difficulties female operators have in raising finance and to discuss other business issues raised by female participants. Over 100 women attended.

The Small Business Development Council is currently addressing the business education needs of operators and will, in the next few months, have developed a program to continue to build business management skills among small business operators in South Australia.

#### CHILD ABUSE

The **Hon. M.D. RANN (Premier)**: I seek leave to make a ministerial statement.

Leave granted.

The **Hon. M.D. RANN**: In May 2003, the Synod of the Diocese of Adelaide of the Anglican Church established a board of inquiry into the handling of complaints about sexual abuse or misconduct within the church. The board of inquiry was comprised of former justice of the Supreme Court, the Hon. Trevor Olsson, and Dr Donna Chung of the University of South Australia, School of Social Work and Social Policy.

I received a formal request by Archbishop Ian George (prior to the completion of the report) to table in parliament the report of the board of inquiry, and I agreed to do so. It is in the public interest that this report be tabled and made public and thereby subjected to full and rigorous public debate and scrutiny. The report, which I have seen for the first time today, makes for very disturbing reading. It is clear that there was a failure over decades on the part of the church as an institution and by some individuals within the church to put the interests of the victims ahead of the perceived interests of the Anglican Church. The church failed those who most deserved support and care, and there was a breach of trust and a betrayal of the church's obligations to pastoral care. The church failed some of its children. The failure of a leading Anglican boarding school to appropriately deal with an incident of sexual abuse by a chaplain deserves both condemnation and further scrutiny—not just in terms of its values but in terms of the law of this state.

In tabling the report, I make it quite clear that this is not a government report. The government did not appoint the board, the government did not set the terms of reference of inquiry and nor did it determine the process or procedure to be adopted by the board of inquiry. The government had no role in determining the contents of the report, its findings or recommendations. I have today referred the report to the Commissioner of Police for his investigation and to the Acting Director of Public Prosecutions for her consideration. I understand that all confidential files and transcripts relating to the board's proceedings have been lodged with the Anglican Church in sealed boxes. I believe these should now be handed over to the police. For its part, the government remains committed to the protection of children from all forms of abuse, including sexual abuse. Child protection is a very clear priority for this government and, I hope, for this parliament.

In 2002, Robyn Layton QC was commissioned by the government to prepare a plan for the protection and advancement of children in this state. Layton's comprehensive report has been publicly released by the government. The government, in its 2003-04 budget, allocated over \$58 million for child protection-related services and provided an additional 73 new child protection positions in the Department of Families and Communities. An additional \$148 million will now be injected into child protection across government over

the next four years. We are also establishing a guardian for children and young people to advocate for and monitor children under the guardianship of the minister.

A major positive development has been the removal by this government and by this parliament of the statute of limitations for sexual offences occurring prior to 1982. Until this government came to office, paedophiles and other sexual offenders were immune from prosecution for their pre-1982 offending. We have ended this protection. There must be no safe haven and no protection for any paedophile who preys on children. The government has now introduced legislation to amend the parole laws so that sex offenders sentenced to less than five years' imprisonment will never again be eligible for automatic parole. I am advised that the police have investigated—or are currently investigating—580 reports of sexual offences, including offences against children which occurred prior to 1982. I table the report of the board of inquiry into the handling of sexual abuse and misconduct within the Anglican Diocese of Adelaide and, by leave, I move:

That the report be published in accordance with section 12 of the Wrongs Act.

Motion carried.

## QUESTION TIME

### MURRAY RIVER

**The Hon. R.G. KERIN (Leader of the Opposition):** My question is to the Minister for Environment and Conservation. Why has there been such a low level of activity in South Australia under the National Action Plan for Salinity and Water Quality over the past 12 months? Of the \$30 million in last year's budget for projects to help the River Murray, only \$12 million was actually spent.

**The Hon. J.D. HILL (Minister for Environment and Conservation):** I am delighted that the Leader of the Opposition has asked this question, because a considerable amount of work has been undertaken over the past 12 months to get these programs happening. He would recall that the major program in relation to salinity management in the Upper South-East Drainage Scheme had come to a grinding halt under his government because it was incapable of fixing up the problems associated with gaining the land. It was only when this government introduced the Upper South-East drainage legislation into the parliament—which the opposition supported and I am grateful to them for doing that—that we were able to get that program back on track.

I was at Keith a week or two ago to inspect the scheme that has been undertaken. The latest stage in that—a commitment of about \$7 million—is going extremely well, and I invite the leader to go and inspect the work and talk to the local farmers who are absolutely delighted that this work is finally taking place. So, finally, after a long time of inaction in relation to this scheme, progress is taking place. In relation to the other commitment of funding, we have had to wait for sign-off by the commonwealth government in relation to the INRM plans. It was not until the INRM plans and an investment strategy had been developed that the commonwealth was prepared to sign off. That has now happened, and there should be no impediment to progress.

## CRIME

**Mr O'BRIEN (Napier):** My question is to the Minister for Police. The Australian Bureau of Statistics released recorded crime statistics last week. What do these statistics tell us about crime in South Australia?

**The Hon. K.O. FOLEY (Minister for Police):** I thank the honourable member for his question. Figures released late last week by the Australian Bureau of Statistics on South Australia's crime rate are worthy of discussion here in the parliament because they show a good trend in the reduction of criminal activity in a number of critical areas here in South Australia. It shows that South Australia's crime rates have dropped across seven of the nine categories collated by the ABS. The statistics show that, in 2003, there was a reduction in the number of victims in homicide and related offences which were down 2.5 per cent; assaults were down 2.3 per cent; robbery, 18.6 per cent; unlawful entry, 13.7 per cent; motor vehicle theft, 9 per cent; and other theft, 6.9 per cent. The numbers of blackmail and extortions, including the contamination of foods, are extremely small and remain virtually unchanged. The rate of victimisation per 100 000 is down .6 per cent, and there has been increased reporting of sex offences, which highlights SAPOL's success at encouraging victims to come forward since this government removed the pre-December 1982 statute of limitations on reporting sex offences.

*Ms Chapman interjecting:*

**The Hon. K.O. FOLEY:** Sorry? How many bushfires?

**The SPEAKER:** The Treasurer will not encourage other honourable members to be disorderly. It is, in fact, more disorderly than their disorderly conduct.

**The Hon. K.O. FOLEY:** I am not quite sure what the member for Bragg was saying, sir.

**The SPEAKER:** The honourable Deputy Premier and Treasurer need not bother himself with what the member for Bragg was saying.

**The Hon. K.O. FOLEY:** It also reflects results from the establishment of a specific paedophile task force in May 2003. Whilst never acceptable, it is encouraging to see that our rates of kidnapping, abduction, murder, driving causing death, robbery and taking of property are all below the national average, and unlawful entry with intent is at the lowest rate in South Australia since 1997. There has been a reduction in motor vehicle theft for three consecutive years. This steady decline is a result of the hard work and diligence of the South Australian police department. The strong emphasis on strategies—

*Members interjecting:*

**The SPEAKER:** Order! The member for West Torrens seems to be ill.

**The Hon. K.O. FOLEY:** I do not know why members opposite would laugh when I say that the steady decline is a result of the hard work and diligence of the South Australian police force. I wonder why the member for MacKillop would laugh at that, sir, because I am proud of it. The strong emphasis on strategies to reduce motor vehicle crime (such as Operation Vigil) is to be commended. Robbery rates have also reduced annually over the past three years. Clearly, any level of crime is not good; that is why this government is strengthening our laws and penalties. Police numbers will also be boosted, as we know, with the recruitment of 200 additional police above attrition. It will be the largest police force, I understand, in this state's history.

Law and order is a top priority of this government. We are bringing down the toughest laws to deal with the criminal element in our society, those who do not respect the laws of this state. We will continue to strengthen the laws, and we will continue to ensure that our police force is strongly resourced. These figures show that, under Labor, crime in this state is reducing significantly.

#### MURRAY RIVER

**The Hon. R.G. KERIN (Leader of Opposition):** My question is again to the Minister for Environment and Conservation. What projects does the government currently have for consideration of the National Action Plan for Salinity and Water Quality within the River Murray catchment?

**The Hon. J.D. HILL (Minister for Environment and Conservation):** I thank the member for his interest in this question. I do not have those project details in front of me, but I will be happy to get a briefing for the member.

**The Hon. R.G. KERIN:** I have a supplementary question, which is again to the minister for environment: has this government any projects for funding under the NAP?

**The Hon. J.D. HILL:** That is a bizarre and ridiculous question. In the answer to the first question, I indicated that an extensive scheme in relation to the Upper South-East Drainage Program is now in place after years of frustration by local land-holders because of the difficulties in getting that project finalised. The leader well understands why that occurred: it has to do with the difficulties associated with a particularly fractious land-holder in that area. We put legislation through which gave us the powers to deal with that. We now have that project on stream. In relation to other projects, interim natural resource management plans have recently been approved and announced by myself and the federal government. Those plans will now be implemented over time. In relation to salinity issues in the River Murray, of course, there has been a range of schemes to remove salinity—

*Ms Chapman interjecting:*

**The Hon. J.D. HILL:** The genius from Bragg interjects with the most inane comments from time to time. There are a range of schemes in place for the River Murray, and we are in the process of consultation—

*An honourable member interjecting:*

**The Hon. J.D. HILL:** Bookpurnong, as the member says, is one. We are in the process of consultation with the member for Chaffey's electors over a scheme to ensure that future developments in the River Murray do not compromise this state's agreements with the eastern states in relation to the amount of salt that goes into the system. In other words, we are trying to encourage development out of the high salinity zone. I can get a complete list of projects that have been approved through the joint commonwealth/state NAP arrangements for the member, and I certainly will.

#### LITERACY, FEDERAL FUNDING

**Mrs GERAGHTY (Torrens):** Has the Minister for Education and Children's Services secured federal literacy funding for South Australian children?

**The Hon. J.D. LOMAX-SMITH (Minister for Education and Children's Services):** The honourable member's inquiry relates to funding to aid literacy programs for children

who have failed to reach the year 3 benchmarks. As she and many members of this house would know, the federal government has not offered any additional funding to South Australian government schools but the week before last announced a program to give vouchers for private tuition to the parents of these children. This was without any consultation with the states and was targeted at only half the states in the nation and was really regarded as something of a pre-election stunt, because the agreement for notification of these children's achievements was not due to be fulfilled until 2004—this year.

Fortunately, the federal government in a letter to me, nine days after the initial announcement, has recognised its error and the minister has backflipped and agreed that he will give funding to South Australia, so that those children who have not reached literacy benchmarks retrospectively at year 3 in 2003 will have access to this money. We were of course active in lobbying the federal minister, because it was quite apparent that it would have been unfair for South Australian children to miss out on this funding. However, it is disappointing that it took such a long time to have commonsense prevail and for the minister to change his view and agree that money should come to South Australian children.

I have instructed the Education Department that it should do whatever is necessary to fulfil the criteria for acquiring these funds, and we will of course comply with any commonwealth requirements, even though they are retrospective and allow the release of data that has not been verified. However, we do have significant concerns about how this scheme will work. It requires that the federal government will tender out for brokers who will be in charge of organising a voucher system. These vouchers will allow children's parents to choose private coaches for after hours, out of school coaching in literacy.

First, we would comment that we have faith in the ability and professionalism of our government school teachers and their ability to teach within a proper environment and within the scope of understanding of the child's background. We are particularly concerned about the access to this scheme in regional and rural South Australia. I would like to put anyone in this room in the position of a parent at Oodnadatta whose child might fall below benchmarks, and I would ask where a private broker is going to find a private coach in that region. I would also like to know—and this has not yet been elucidated—how these private brokers will have the ability to assess the character and quality of these teachers; how the police records will be checked; and the capacity of a teacher, who might well be a year 12 science teacher, who might be excluded from teaching because you actually want teachers who know about literacy programs and who are early school literacy experts. I would also like to be assured that the benefits of this rather fly-by-night pilot program will be fed back and audited to achieve best outcomes.

I also complained, as did the Primary Principals Association, about how this voucher scheme might work in all areas, and have asked the federal minister to make sure that government schools will have the capacity to receive these vouchers. He has assured me verbally—and in press comments now, I understand—that these vouchers will be able to be passed into schools so that the schools, which are the proper places for teaching, will have the capacity to hire teachers for longer hours, perhaps if there is a 0.8 or 0.7 employed teacher, and will have the capacity to teach children in context and within the broader scale of their learning. This is not an ideal scheme. It is not one that reeks

of good, sound understanding of education, nor is it performance based or really designed in a way that would be effective. However, South Australian children will be part of the scheme, and I commend the federal minister for his belated backflip.

### WATER, LOWER MURRAY

**The Hon. R.G. KERIN (Leader of the Opposition):** My question is directed to the Minister for Environment and Conservation. How many dairy properties in the Lower Murray irrigation rehabilitation area have had their water bought by SA Water, leaving these properties without irrigation water?

**The Hon. J.D. HILL (Minister for Environment and Conservation):** In some ways the question is really to my colleague the minister responsible for SA Water, but, as it relates to the Lower Murray irrigation swamps district, I can perhaps answer in general terms. As to the specific number of properties, and so on, we can provide the leader with that information. As the honourable member would know, part of an arrangement that was set in place when he was the responsible minister was to restructure the Lower Murray irrigation swamps, and this has been, I guess, a running sore for South Australia for some time.

Other states have looked at this area and said, 'It is not up to standard. How can you expect us to improve the way in which we look after our part of the River Murray if you have these problems in the lower part of the River Murray?' Of course, too much water was being used, flood irrigation techniques were being used in a relatively unsustainable way and pollution was going into the river. So, a program of restructuring was taking place and, as part of that program, a number of dairy farmers indicated that they wished to withdraw from that area. Some of their land will be taken over by existing dairy farmers and other land will be rehabilitated as swamps. Some of that work is already occurring.

The beginning of that process, I must say, in the time that I became minister was fairly difficult and tense, but we have now got through the hardest processes and it is going ahead in leaps and bounds. At one stage a number of dairy farmers indicated their desire to get out of dairying in that area, and they may have put their property—and, certainly, they put their water licences—on the market, and SA Water, with the agreement of cabinet, purchased some of those licences. As to the number of properties involved, I cannot say, but a number of water licence holders sold their licences, and SA Water purchased that water. However, that was satisfying the dairy farmers who had chosen to get out. Some of them may have decided to hold onto their properties and stay on the land and retired—

*Members interjecting:*

**The Hon. J.D. HILL:** The interjections opposite are just crazy, because this scheme was initiated—

**The SPEAKER:** Notwithstanding the sanity or otherwise, the minister will leave them where they came from.

**The Hon. J.D. HILL:** I am sorry, Mr Speaker, I missed your wise counsel. The point I am making is that the scheme that is in place is a continuation of that which was initiated by members opposite for very good reasons. We are continuing it through to try to get a good outcome. I think it is perfectly reasonable that SA Water should purchase that water for strategic holding purposes, because it may well be that, in the future, people in that area want access to water to enable them to take on some other industry—it may well be

dairy, it may be something else. At least now it is held in government hands in South Australia, and to me that is a good thing. In the meantime, the water is staying in the system and it has an environmental benefit.

**The Hon. R.G. KERIN:** As a supplementary question, as the minister responsible for the rehabilitation of that area, will he say what has he done to ensure that this land—that has had the water bought from it—is properly managed into the future?

**The Hon. J.D. HILL:** Well, a process is in place at the moment. The honourable member may have been down there—

*Members interjecting:*

**The Hon. J.D. HILL:** Well, I was going to say that the honourable member may have been in the lower swamps recently, but at the moment a process is in place to rehabilitate one of the swamps. Water has been applied to land that had been used for dairy purposes, and it is now reverting to wet land. When I inspected it earlier this year or late last year—I cannot recall which—it was home to many thousands of birds which are breeding up. There is a great deal of excitement and interest amongst those involved in the Murray catchment board in that area and the LAP offices, and so on. A great deal of work has been done to rehabilitate that land.

**Mr BRINDAL (Unley):** I have a supplementary question. In answer to the last question, the minister said that a wetland has been rehabilitated in the Lower Murray swamps that had been retired from dairying. Does that mean that the environmental water allocation from the Murray-Darling commission has been used for that particular swamp, given that, I understand, that allocation was to be spread over all the swamps for future salt intrusion?

**The Hon. J.D. HILL:** I am not entirely sure to which allocation the honourable member is referring, but as Minister for Environment and Conservation I have a water holding (about which the honourable member would know) of four point something gegalitres, which was liberated as a result of the Loxton irrigation scheme. I am not sure whether that water was used in this instance, but some of that water has been used for wetland management. I can find out exactly from where the water came, but I think it is from that source.

*The Hon. P.F. Conlon interjecting:*

**The SPEAKER:** The Minister for Infrastructure is making it difficult for me to hear the orderly contributions from members on the government benches.

### DOG FENCE

**Ms BREUER (Giles):** My question is to a very busy minister today, namely, the Minister for Environment and Conservation. What is the condition of the dog fence, and is it still relevant?

**The Hon. J.D. HILL (Minister for Environment and Conservation):** I thank the honourable member for her question and her interest in this issue. I had the pleasure of spending the weekend with members of the Dog Fence Board inspecting the dog fence. In fact, I inspected some 342 kilometres of the dog fence stretching from Dog Fence Beach at Fowlers Bay through to Pureba. I was accompanied by members of the Dog Fence Board itself, including its chair, Mr Don Nicolson, and a number of the local dog fence boards, including those of Fowlers Bay, Penong and Pureba.

*Mr Venning interjecting:*

**The Hon. J.D. HILL:** No, I travelled by four-wheel drive along the 342 kilometres associated with that section of the track, and I closely inspected the dog fence in all its manifestations; and I was very impressed by the state of the fence. As members may or may not know, the dog fence was started in the early part of last century—I think in legislation that came through in 1901—and there are original parts of the dog fence, which I inspected, still in tact, and they are holding up remarkably well, I am told. Since that time, of course, innovations have come in and we now have electrified about 25 per cent of the dog fence. About 540 kilometres of the dog fence is now electrified, and the Premier was delighted today when I told him that the dog fence is electrified using solar power and wind power. As a result of the electrification, the cost per kilometre of establishing the dog fence has dropped from about \$10 000 to about \$4 000. The benefits are great as well. The fence is not only cheaper to construct but also more effective because it better keeps out not only the dogs but also other animals such as foxes and wombats, and so on, which try to burrow under it.

The Dog Fence Board is very impressed with how the dog fence is being maintained, and I was very impressed. I congratulate all those involved. South Australia has a proud record in association with the dog fence. It costs our state approximately \$800 000 a year, about half of which comes from the individual pastoralists and about half from the state government. We maintain 2 200 kilometres of it. New South Wales has about a quarter of the fence that we have—about 500 kilometres—and it costs that state \$1.3 million to maintain. So, we are doing it very cost effectively with a lot of community support, and it protects 12.5 million sheep. I congratulate all the members of the board and their staff.

#### WATER, LOWER MURRAY

**Mr BRINDAL (Unley):** My question is to the minister for government infrastructure. Minister, were the water licences purchased—

*Members interjecting:*

**The SPEAKER:** Order! The member for Unley knows that all questions are directed to the chair.

**Mr BRINDAL:** Sorry, sir. Through you, Mr Speaker, were the water licences purchased from dairy farmers on the Lower Murray irrigation swamps expressed as volumetric licences or in terms of irrigation equivalents? If it was the latter, how is it possible for SA Water to use them?

**The SPEAKER:** Order!

**The Hon. P.F. CONLON:** I rise on a point of order. The member for Unley has asked a question of a minister who does not actually exist. He probably needs to find one which has some sort of corporeal reality. We do not have a minister for government infrastructure.

*Members interjecting:*

**The SPEAKER:** Order!

**Mr BRINDAL:** The government can choose which minister will answer the question.

*An honourable member interjecting:*

**The SPEAKER:** Order!

**Mr BRINDAL:** Licences which are expressed as irrigation equivalents give permission to owners to irrigate to an annual volume per hectare. Best practice when converting these licences in the past has been to do it at best industry practice rate.

**The Hon. J.D. HILL (Minister for the River Murray):** Perhaps I can give the honourable member the information

that he requests. Before the lower swamp irrigators were allowed to trade, the licence had to be converted to volumetric rates, and that has been done on some sort of a formula basis. It would have been that volumetric figure that would have been traded.

**The Hon. R.G. KERIN (Leader of the Opposition):** My question is to the Minister for Administrative Services. How will SA Water use the \$23 million worth of water it has purchased in the Lower Murray irrigation area?

**The Hon. J.D. HILL:** For the benefit of members, the arrangements that were put in place occurred before the current minister was made minister, so he would not necessarily be familiar with the arrangements. When SA Water purchased the water, the agreement was that it would hold that water and cabinet would determine how that water would ultimately be used. The possibilities included: using that water for environmental flow purposes—and that is currently happening; using it for industry development purposes in the Lower Murray swamps area—for example, if at some stage a large dairy operator wished to re-establish in the area but did not have access to water, the government could lease that water to them for a period of time while they got their enterprise up (similar to the arrangement that the Leader of the Opposition, I think, entered into with the Barossa Irrigation Limited scheme); and, the other option would be for the water to be used for some other purpose related to SA Water's functions.

So, it could be used in a range of ways over time, but the government decided that it was strategically sensible to pick up water that was on the market to hold for the future benefit of the state. In fact, as I recall it, when this issue was raised we were being attacked because we were potentially trading this water into Victoria. We thought that it would be of benefit to this state to hold it within South Australia. It was a very good investment made by SA Water.

#### HOSPITALS, DEBT

**The Hon. DEAN BROWN (Deputy Leader of the Opposition):** Will the Minister for Health indicate the current debt of the public hospitals for this current financial year 2003-04?

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. L. STEVENS (Minister for Health):** I do not have that figure at my fingertips. I will certainly obtain the information for the deputy leader.

*Members interjecting:*

**The SPEAKER:** Order! The member for West Torrens again seeks to assist the minister without cause: the minister is doing very well. The member for West Torrens will remain orderly.

**The Hon. L. STEVENS:** I can certainly assure the house that it is not \$60 million, plus all reserves spent, as it was when we came to government and saw what we were facing.

#### SMOKING

**The Hon. DEAN BROWN (Deputy Leader of the Opposition):** My question is to the Minister for Health. What financial assistance will be available to compensate for the smoking discrimination against charitable groups, such as the Crippled Children's Association (called Novita, as of last week), which holds their bingo evenings in non-licensed

premises, compared to bingo in licensed premises, which will be allowed to have smoking for the next three years?

*Members interjecting:*

**The SPEAKER:** The honourable member for West Torrens is already out on thin ice—and the temperature is getting warmer.

**The Hon. L. STEVENS (Minister for Health):** As members would know, today is World No Tobacco Day, and the government will be introducing later this afternoon a very extensive and comprehensive package of legislation that is aimed at tackling the recruitment of young people into smoking; protecting the health and safety of workers; and supporting people who are giving up smoking. In relation to bringing that package into operation, the government is putting aside over \$2.3 million, which will be spent on supporting groups. I am happy to look at the specifics of the issue mentioned by the deputy leader.

### MAGILL YOUTH TRAINING CENTRE

**Mrs HALL (Morialta):** My question is to the Minister for Youth. Will the minister inform the house when the government will relocate Magill Youth Training Centre, and to which location? The 2003-04 state budget included provision for a youth detention centre under the public-private partnership scheme, but it is not listed in the 2004-05 budget papers.

**The Hon. J.W. WEATHERILL (Minister for Families and Communities):** Matters of juvenile justice come within the Families and Communities portfolio, so I am happy to answer the question on behalf of the government. The answer is that I am not in a position to tell the honourable member the date, because the matter is still being evaluated.

**Mrs HALL:** I direct my question to the Minister for Families and Communities. Will the government put on the market the land that has been set aside to build the replacement facility for the Magill Youth Training Centre? In 1999, the Liberal government spent \$750 000 on the purchase of the land adjacent to the Cavan Training Centre as a site for the replacement of the Magill Youth Training Centre. As I said earlier, in the 2003-04 budget the Labor government announced funding under the public-private partnership scheme for the new youth detention centre, which was to be located opposite the Adelaide Women's Prison on Grand Junction Road. Neither site has undergone any new development.

**The SPEAKER:** Order! The honourable member does not need to make any further remarks to explain the meaning of the question other than that they support the contention she obviously wishes to make, namely, that the house agree with a view that it is an appropriate or inappropriate course of action; therefore, it is debate. The question stands, and it is for the Minister for Families and Communities to answer but not debate.

**The Hon. J.W. WEATHERILL:** Thank you, sir. Of course, what happens with any land that may be associated with the existing site will abide the decision about what is to be done. Once we are in a position to make that announcement, it will no doubt follow that there will or will not be implications for the land, as the case may be. I appreciate the honourable member's sensitivity; her electorate takes in that particular land. No doubt, it would be appropriate that she be brought into the process and be given relevant information at the appropriate time.

### LOTTERIES COMMISSION, ADVICE

**Mr BROKENSHIRE (Mawson):** Does the Minister for Gambling believe that point of sale advice being given by SA Lotteries to its agencies is at odds with the government's push for responsible codes of conduct, which restrict advertising of gaming products? A South Australian Lotteries point of sale circular states:

Point of Sale materials are particularly important in influencing 'impulse' purchases. . . many of our Lotteries products are bought on impulse—people come in for the paper and buy an Instant Scratchie, Lotto or Keno ticket as well.

**The Hon. M.J. WRIGHT (Minister for Gambling):** I will seek advice regarding point of sale purchases to which the member is referring. If necessary, I will also refer it to the IGA. As I said last week—and it is perhaps worthwhile repeating for the benefit of the house, not only are the codes of conduct, which were put in place on 30 April, mandatory, unlike those in some other states, but also a very exhaustive consultation process has been undertaken to get to the point where codes of conduct have been put in place. As I also said last week, because it did not seem that the opposition necessarily knew this last week, the codes of conduct apply to all forms of gambling, not just gaming.

With regard to the point of sale advice being given by the SA Lotteries Commission, I will get advice on that matter. As I have said, I may well need to refer the matter to the IGA for their advice. I also made the point last week—and I repeat it for the benefit of the house—that if anyone breaks those codes of conduct there is a consequence for that breach.

**Mr BROKENSHIRE:** Does the Minister for Youth support the endorse of SA Lotteries' advice, which recommends that gaming products are made just as visible at point of sale? I quote the SA Lotteries Commission, as follows:

. . . our products are not on display in the same way as other impulse buys like drinks confectionery and magazines.

**The Hon. M.J. WRIGHT:** I thank the honourable member for his question, which relates to his earlier question, although more specifically to youth on this occasion. Once again, I will take advice on this matter. We will have a close look at the issue and, if it contravenes the codes of conduct in any way, or if it is not responsible behaviour with respect to gambling, we will obviously do something about it.

**Mr BROKENSHIRE:** I have another supplementary question for the Minister for Gambling. Does the minister stand by statements reported in the press entitled 'Gambling Education: Some strategies for South Australian schools'? It states:

Retrospective studies are now telling us that adult problem gambling often begins as early as ten years of age.

**The Hon. M.J. WRIGHT:** What should not be forgotten in this debate is that this government has done more with respect to problem gambling than any other government in Australia.

**The SPEAKER:** Order! The minister will recall that standing order 98 provides that, in giving an answer to an explicit question, the minister will not debate the same. That remark, however interesting, is not germane to the inquiry made by the member for Mawson.

**The Hon. M.J. WRIGHT:** Thank you, sir. One of the programs that this government has introduced in the education system is 'Dicey Dealings'. We articulated that from opposition. We implemented it when we came to government,

and we are very serious about problem gambling. We are very serious in respect of the harmful effects it may have on young people. In relation to the specific detail that the member has raised, I will have a close look at that.

### FISHERIES

**Mrs PENFOLD (Flinders):** My question is to the Minister for Agriculture, Food and Fisheries. Can the minister inform the house at what stage the proposed fisheries legislation is and why it has not been presented to parliament in the past 12 months, as promised?

**The Hon. R.J. McEWEN (Minister for Agriculture, Food and Fisheries):** I thank the honourable member for her question. She obviously has an interest in fisheries and aquaculture legislation and anything to do with progressing that industry which is so valuable to her and the state. I do not yet have my head around all the issues to do with the legislation. I am going through a series of briefings at the moment. I am hopeful that I will be in a confident position to bring that bill to the house in the spring session.

### OVERSEAS STUDENT ENROLMENTS

**Mrs HALL (Morialta):** My question is to the Minister for Tourism. Will the minister inform the house of specific tourism marketing programs in place in India, South Korea and China to capitalise on the growth in overseas student enrolments from these countries? Overseas student enrolments now comprise more than 5 per cent of our market share. The strongest growth has taken place in those three markets. However, the very important segment of visiting friends and relatives, considered by the tourism industry as a valuable market source, shows that the VFR segment has been substantially lower than the 2001 figures and have in the past year been in a constant state of decline.

**The SPEAKER:** Again, the honourable member for Morialta engages in debate in the manner in which factual information is presented which is interesting but not relevant to the thrust of the question.

**The Hon. J.D. LOMAX-SMITH (Minister for Education and Children's Services):** I thank the member for Morialta for her interest in the student market. I think that she has shown far more interest in this area than her predecessor and, in fact, picks up an area of the market on which I was very keen to capitalise when I was fortunate enough to have the ministries of further and higher education and tourism. That ministry included Education Adelaide, whose role it is to market and increase the numbers of overseas full fee-paying students coming to South Australia.

One of the issues that was quite apparent was that there was very little synergy between tourism and education. One of our very first actions in government was to appoint Bill Spurr the CEO to the Education Adelaide board which means that there is a real link between the two portfolios in order to make sure that product development and marketing was well-promoted. Using the skills that we had in-house within tourism, we have given those skills in terms of hours and employees with those capacities to the Department of Further Education and Training and put staff hours from tourism into that lucrative market.

We have also produced significant work and research into the number of times overseas visits come from relatives, friends and family for international tourists and we have

worked our Linger Longer campaign to promote visiting graduation ceremonies and marketing programs.

*An honourable member interjecting:*

**The SPEAKER:** Order, the member for Waite!

**The Hon. J.D. LOMAX-SMITH:** We have actually been effective in increasing the length of time that those visitors spend in South Australia. We have also put resources into marketing off shore so that whenever education goes off shore they have support from the tourism department and SATC. We particularly would gear many of our marketing strategies to have an holistic view whereby international marketing for tourists and students would be enmeshed with the same imaging, the same branding and the same material.

### MOTOR VEHICLES, INSPECTION

**Mr MEIER (Goyder):** My question is to the Minister for Transport. Will the minister advise how regulations for the inspection of accident damaged motor vehicles prior to resale have been changed? Are appropriate inspection provisions being made available in country areas? I have been approached by a constituent who is a licensed second-hand dealer and who buys damaged vehicles at auction and restores them for resale. He has been told that the rules are to change from July and that all vehicles will be required to be taken to Regency Park. Previously, the identity inspection was carried out by the local police officer at little or no cost. So, if changes are proposed to the restoration of damaged vehicles, my constituent believes it is essential that appropriate inspection depots or inspection officers be provided throughout country areas.

**The SPEAKER:** Again, it is an interesting point, but it is debate. It does not enhance the understanding of the inquiry made by the honourable member, only the point of view which he seeks to express.

**The Hon. P.L. WHITE (Minister for Transport):** I am not sure that the honourable member has the right end of the stick in his question, however, I will consult with my department and bring back a response that will be to his satisfaction.

### REEVES PLAINS COMPOST SITE

**The Hon. M.R. BUCKBY (Light):** My question is to the Minister for Urban Development and Planning. Will the minister advise the house of the current status of a development application for a chicken manure composting activity at Reeves Plains? On 15 April 2004, I was advised by the acting minister for urban development and planning that an application by operators wanting to establish a chicken manure composting activity at Reeves Plains had been lodged. I was further advised that the application had been referred to the EPA for environment assessment. However, information requested from the operators by the EPA on three occasions has not been provided.

**The Hon. P.L. WHITE (Minister for Urban Development and Planning):** I am probably not qualified to give details of any action that the EPA has taken at this point. However, I will consult my department and come back with a response to the honourable member regarding the progress of that particular application.

### CATCHMENT BOARD LEVY

**The Hon. D.C. KOTZ (Newland):** My question is to the Minister for Environment and Conservation. Will the minister

advise the house whether local government councils have been approached by the minister to transfer catchment board levy contributions to the new NRM board for use by the NRM board in the financial year prior to the NRM board resuming control of the new regions determined by the NRM legislation?

**The Hon. J.D. HILL (Minister for Environment and Conservation):** This is a question about a piece of legislation that is currently before the other place. It depends, of course, on whether or not that legislation is passed through the parliament, and I would not want to pre-empt the will of the house. Our intention is to move in a steady way towards implementing the arrangements of the NRM bill.

*Members interjecting:*

**The Hon. J.D. HILL:** Several people interjecting at once might be fun, but it does not make any sense at all to the person listening. The government has certainly been working with the LGA. The LGA may well have approached individual councils as to their views, but I am not aware of the government approaching councils directly in relation to those detailed arrangements. If I am incorrect about that, I will certainly clarify it, but we have certainly been working with the LGA about the timetable—

*The Hon. D.C. Kotz interjecting:*

**The Hon. J.D. HILL:** I'm just saying that. We are working with the LGA about the timetable to put in place the new levy arrangements. I would have thought that it is highly unlikely that they would be in place in this coming 12 month period, because the legislation is not through—

*The Hon. D.C. Kotz interjecting:*

**The Hon. J.D. HILL:** I'm not sure that I understand your question if that is not the answer—

*The Hon. D.C. Kotz interjecting:*

**The SPEAKER:** Order!

**The Hon. J.D. HILL:** I will undertake to have a close look at what the member asks. All I can say to her is that, as far as I understand, we have not been dealing directly with individual councils; rather, we have been dealing with the LGA on behalf of councils.

**The Hon. D.C. KOTZ:** As a supplementary question, just to clarify the point, the minister has suggested in his answer that it was not the councils at this point that were being contacted. Did I understand him to say that the LGA has been asked to look at the transference of levy funds from catchment boards in the financial year prior to the board actually resuming control, remembering that the board will take some four years to take control of the region?

**The Hon. J.D. HILL:** I think that when the honourable member said 'councils' she meant the water catchment boards—

**The Hon. D.C. Kotz:** No, I am asking is it your intention to remove—

**The Hon. J.D. HILL:** I am sorry, I am really confused by the question. I will have a close look at it and try to give the honourable member as much information as I can. We are working through a timetable, we have a transition process in place, and we are working with local government on the timing of the establishment of the new levy arrangements. A number of steps have to be gone through, and I will obtain a written response for the honourable member after I have had a closer look at the question she actually asked.

## WINE INDUSTRY

**Mr VENNING (Schubert):** Does the Minister for Agriculture, Food and Fisheries have in place contingency plans to protect the wine industry from disease and weeds in the unfortunate event of vineyards falling into derelict and disused condition? Over the past 10 years a large number of vineyards have been planted by growers new to the industry. In some cases the growers have not anticipated the unforeseen costs of these vineyards and find themselves in a difficult financial position. If these growers were forced to leave their properties, their vineyards would fall into a derelict and disused condition—

**The SPEAKER:** Order! The honourable member now seeks to lay out a case in debate of the implicit answer that might come to the question. The honourable minister.

**The Hon. R.J. McEWEN (Minister for Agriculture, Food and Fisheries):** Some strategies would relate to specific diseases; others could relate to the property in general. I will come back with a more detailed answer, because I think there is some substance behind the question and we ought to have a strategy in place.

## PIRSA, RELOCATION

**Mr VENNING (Schubert):** Will the Minister for Agriculture, Food and Fisheries advise the house whether he would consider relocating the Department of Primary Industries and Resources from the Grenfell Centre (in the CBD) to a departmental property outside the metropolitan area? Over the years, and in particular during the Bannon Labor government, attempts were made to relocate the department into the regions. We currently have a departmentally owned facility at Roseworthy.

**The Hon. R.J. McEWEN (Minister for Agriculture, Food and Fisheries):** You, Mr Speaker, would appreciate that a great deal of the activities of Primary Industries and our SARDI research division are appropriately located in rural areas. It is imperative that services be provided as close to the client as possible. As to whether we have a proactive relocation strategy, it is interesting for the member for Schubert to be asking that, because it is something that members opposite failed to do over many years. Wherever possible, I would like to see that we do put in the regional areas services that are more appropriately delivered from those regional areas and, as part of that, bolster regional communities. The theory is good: if the opportunity presents itself, yes, we will go down that path.

## LOCHIEL PARK

**Mr SCALZI (Hartley):** Will the Treasurer advise on the valuation of land earmarked for the 4.5 hectare housing development at Lochiel Park and the increase in that valuation since 2002? On 8 February 2002 the Hon. Mike Rann (then Leader of the Opposition) gave a written commitment to retaining 100 per cent open space, stating:

We intend to save 100 per cent of Lochiel Park for community facilities—

**The SPEAKER:** Order! The honourable member now wanders off into the world making points which are proper debating points but which are entirely inappropriate in the context of getting information from a minister.

**The Hon. P.F. CONLON (Minister for Infrastructure):** I am happy to indicate that, as suggested in the explanation



to the question, this government has preserved 100 per cent of the open space at Lochiel Park. In doing that we have saved it from the depredation of the previous Liberal government, which had intended building on 70 per cent of that land, leaving 30 per cent to the local community. The Hon. Mike Rann's intervention prevented that occurring. As to the value of the land to which the member for Hartley refers, that is, the 4.25 hectares of land on which buildings formerly stood and where new buildings will stand, as members would know, we have talked in the past about making that a model environmental development. We are still in the process of putting that together.

I can say that it will be a model development for people to follow. I would say that the final nature of the development will dictate the value of the land. However, one of the things I can guarantee is that the protection we have given to that wonderful open space, our commitment to an urban forest and our addition to the Linear Park means that that piece of land is valuable, because it is in one of the nicest parts of South Australia which was saved by this Labor government.

**Mr SCALZI:** As a supplementary question, my question related directly to the increasing value of that 4.5 hectares since 2002. Will the minister give me the increase in valuation?

**The Hon. P.F. CONLON:** I am not sure whether it is a supplementary question or a repetition, but, since the honourable member did not understand the answer, I will say again that, off the top of my head, I cannot give the value of the land. What I can indicate is that I would expect the value of that land to have increased because we have preserved the open space around it. We are committed to planting an open urban forest. We have added to the Linear Park. Why would someone not want to live there? We have saved one of the most beautiful parts of the member for Hartley's electorate. That was something the honourable member could not do under the previous government—

**The SPEAKER:** Order!

**The Hon. P.F. CONLON:** We have saved it for the people. Why would it not be of more value?

**The SPEAKER:** Order!

**The Hon. P.F. CONLON:** When I can give the honourable member a solid answer about the increase in value, I will bring it back to him.

### SCHOOLS, HECTORVILLE PRIMARY

**Mr SCALZI (Hartley):** Will the Minister for Education and Children's Services advise on the cost to taxpayers of managing and maintaining the former Hectorville Primary School site in the two years up to the recent sale to the South Australian Housing Trust as confirmed by the former minister for education and children's services on 23 February and also in terms of the loss of salvageable infrastructure, such as evaporative airconditioning units? The former Hectorville Primary School site was declared surplus to requirements at the end of 2000, and the Land Management Corporation commenced with disposal in accordance with government regulations. The process was delayed several times. Meanwhile, the abandoned site was subjected to repeated vandalism, which necessitated ongoing repairs—

**The SPEAKER:** Order! The honourable member is now clearly engaging in a debate, which is, again, statement of a grievance. The minister for education.

**The Hon. J.D. LOMAX-SMITH (Minister for Education and Children's Services):** I cannot give that information to the honourable member now, but I will bring it back to the house.

**The SPEAKER:** The member for Kavel

*Members interjecting:*

### FIRE BLIGHT

**Mr GOLDSWORTHY (Kavel):** You've got it! Will the Minister for Agriculture, Food and Fisheries explain what contribution this government is making to the work being carried out by Buyer Security Australia in the assessment of importing New Zealand apples and the resultant threat of the introduction into Australia of the extremely serious disease of fire blight?

**The Hon. R.J. McEWEN (Minister for Agriculture, Food and Fisheries):** Unfortunately, Mr Speaker, off the cuff, no, but I pledge to you and the house that I will get it.

*An honourable member interjecting:*

**The Hon. R.J. McEWEN:** An interjector said 'Why?' The answer is because I do not know, but I will find out.

### CHILD ABUSE

**Dr McFETRIDGE (Morphett):** Having tabled the Anglican Church's Board of Inquiry report into the handling of claims of sexual abuse and misconduct, will the Premier now ensure that the Catholic Church also tables its report at the earliest moment?

**The Hon. M.D. RANN (Premier):** I can reveal to the house that I have made the offer to the Catholic Church to table its report when it is ready. I certainly made that offer. I cannot force anyone to take advantage of the facility, but I have made the offer. The honourable member asked me to make the offer. I responded and made the offer—a fact which he already knew before he asked the question.

### INSURANCE, PUBLIC LIABILITY

**Dr McFETRIDGE (Morphett):** My question is to the Premier. What steps are being taken to develop a comprehensive public liability insurance cover for volunteers in South Australia? In the Volunteering SA annual report, it states that their public liability insurance has risen from \$3 850 to \$16 907.

**The Hon. K.O. FOLEY (Deputy Premier):** As the house well knows, we have been dealing with issues of public liability for the best part of 18 months. From memory, two bills have passed the house. We have more bills on the way to provide a comprehensive response to public liability issues. Also, of course, we have assisted at the margin some areas where we have felt it appropriate. I understand the honourable member has that question on the *Notice Paper*, and we will get an answer back to him as soon as we can.

## GRIEVANCE DEBATE

### CHILD ABUSE

**Dr McFETRIDGE (Morphett):** I was very pleased to see the Premier today table the Anglican Church's report into the handling of claims of sexual abuse and misconduct within the Anglican Diocese of Adelaide. As the Premier said, this is a full and rigorous report. It has prompted further public debate, and I am sure it will continue that public debate. This report shows the failure over decades—not just the last few years—as well as neglect and cover-up. This has been an absolute breach of trust by people who should be beyond reproach, whether it is the Anglican or Catholic Church, or any other persons or bodies that hold themselves out to be leaders of the community—people who dictate or try to dictate the way in which we should be conducting ourselves. They should be beyond reproach.

What we have seen here is an absolute breach of trust. People and organisations that cover up or perpetrate any acts of sexual abuse or misconduct, particularly against children but also against others, should be exposed. They should be condemned and further scrutinised. As the Premier pointed out, this is not a government inquiry. This is a church inquiry and it is an independent inquiry. It was carried out by very esteemed people in our society. The board of inquiry comprised former Justice of the Supreme Court, the Hon. Trevor Olsson, and Dr Donna Chung of the University of South Australia's School of Social Work and Social Policy.

I congratulate Archbishop Ian George on having the document tabled in this house. I know that Archbishop Phillip Wilson will enable the report from the Catholic Church to be tabled in this house. I did write to the Catholic archbishop a number of months ago, with the encouragement of the Premier, to seek the Catholic archbishop's assistance in exposing all the wrongs of the past. I look forward to receiving a reply from the Catholic archbishop. I have not yet received a reply. I did get a letter from Monsignor David Cappo advising that the archbishop was at the Vatican and that he would reply. I have not yet received that reply, so I do not yet have on record that the Catholic Church is willing to put its report up for scrutiny.

Questions have been raised with me by people who have attended Catholic organisations, particularly St Ann's Special School. A number of parents have approached me about problems that they have been having and about the perpetrators of those dastardly acts, such as the bus driver, Perkins. Some have been caught and some have been exposed, and some of them are being punished now, but it is very important that we do not look at this inquiry and stick it on the shelf. The Anglican Church's report contains a couple of very salient comments in the first couple of pages. On page one, the fourth point states:

At various stages of the Inquiry the board was told that there was limited knowledge about child sexual abuse and that not much was known amongst parishes and church organisations until recent times. It was said that this prevented abuse from being identified and an appropriate response implemented. Whilst this is a reasonable statement to make in some instances, it was at times made in referring to events occurring in the 1990s.

This abuse goes back many years. The Premier said today that they have removed the statute of limitations pre-1982—and so we should. Everybody who has been involved in these contemptible acts should be exposed and punished. It is not

the church that I am after, and it is not the organisation. I have been accused of that. In fact, there was an interjection today about bashing the Catholics. It is nothing to do with that at all. It is to do with catching people who do horrible things to the most vulnerable people in our society—children. At least the Anglican Church has tabled its report, and I look forward to the Catholic Church's report. Further into the Anglican Church's report, it states:

The evidence that has been presented to the Board indicates that past pastoral responses often emphasised forgiveness and concern for the person who was the subject of the complaint, at the expense of the complainant. There was an emphasis on the complainant needing to 'forgive' and to 'understand' the perpetrator's motives.

I cannot understand the perpetrator's motives. What I want is, not an eye for an eye; I want the perpetrators of these acts to be caught and exposed, and for the system to be corrected, to ensure that no further corruption or disgraceful acts such as these are ever perpetrated upon the most vulnerable in our society.

### RECONCILIATION WEEK

**Ms BEDFORD (Florey):** I acknowledge that this parliament stands on Kurna land, and that we meet here in both the upper house and the lower house on the land of the Kurna people, so I pay my respects to the traditional owners and thank them for their care of the land. Reconciliation Week has seen many activities and I would like to make mention of an event that I attended in Victoria Square last week. Victoria Square is a traditional meeting place, and many people came from all over Adelaide for the entertainment and to catch up on news and hear all the latest about their family groupings. It was wonderful that they had this opportunity to join together on that day. Lots of children came through in school groups—indigenous and non-indigenous children alike—and they visited the various displays and enjoyed the sausage sizzle. When I arrived, the Kurna Plains School was performing several of the songs from their repertoire. I am always happy when I see them at functions, and I enjoy their performances because of their enthusiasm, which is a credit to their school and to their teachers, particularly Cherie Watkins, who is always with them whenever I see them.

The crowd was also treated to a spectacular vocal performance by a young lady, Catherine Sumner, who I understand auditioned recently for *Australian Idol*. If audience reaction is anything to go by, she is in with a very good chance of not only making the show but having a very good career afterwards. One of the stands held a display about the Colebrook Home that was part of so many Aboriginal children's lives. One of the women who lived in that home is now an author. Her name is Doris Kartinyeri and she lives locally, very close to the Florey electorate—

*Mrs Geraghty interjecting:*

**Ms BEDFORD:** Yes, she is a constituent of the member for Torrens. Her book, *Kick the Tin*, is well worth reading. Doris, was also involved in the production of a children's book, which I raced off to purchase straight away. I commend it to all members. It is called *Bush Games and Knucklebones*, and it is about the games that the Colebrook kids played and how they kept each other company, having been taken away from their families—entertaining themselves while forging the lifelong friendships that so many of them have maintained after living in often harsh conditions.

In my time today, the other function I wish to talk about was held in the Old Chamber and was co-hosted by the Minister for Aboriginal Affairs and Reconciliation (Hon. Terry Roberts) and my colleague on the South Australian Reconciliation Council, the member for Hartley. Members of the council were invited, as indeed were members of parliament, and many attended, along with the CEO of DAARE, Mr Peter Buckskin. We were also fortunate to have many prominent indigenous leaders present—Lowitja O'Donoghue and Vi Deuschle being among them. They have long campaigned on issues of concern for indigenous people and have struggled over many years to ensure that their people have equal access and opportunities.

Mr Gary Lewis and others from the APY lands were also able to join us briefly. They are, of course, at the moment working cooperatively under very difficult and trying circumstances to ensure that changes are implemented on the lands and that services are delivered in a more effective way. They know that respect is a key element in strategies to solve problems with service delivery and that their knowledge must be used in providing the solutions. They are working within our culture, and I often wonder how well we would cope if English was our second language. I often think about the efforts we make to negotiate with other international cultures, while failing to learn and work with the oldest culture known to man.

Many powerful contributions were made during the formalities, but for me perhaps the most profound were made by Katrina Power and Tim Agius, whose parents were leaders and many years ago worked to improve services on behalf of their communities. Katrina and Tim now find themselves fighting the same fights and shouldering the burdens of the same struggles on behalf of their own children.

One of the observations shared with us concerned the abandonment of ATSIC. The correlation was made with the Office of the DPP and how the government had recently acted at the state level to improve the outcomes and processes of the office. In relation to ATSIC, federally it has become obvious that a much bigger agenda must be involved, as the whole organisation has been disbanded, ostensibly to improve outcomes and processes. The great concern is that ATSIC will not be replaced by a body that is charged to look after indigenous people and their issues. Both Katrina and Tim spoke passionately on how working within the communities is about very basic needs and that nothing has really changed since their parents' time. Their call was for an indigenous presence in this place.

Time expired.

#### WORLD NO TOBACCO DAY

**Mr SCALZI (Hartley):** Today, I wish to refer to World No Tobacco Day. I am pleased that the government continues with measures to deal with the problems of tobacco, and I support the many measures that have continued since tobacco reforms began with the Hon. Michael Armitage, followed by Dean Brown and, of course, the current minister. It is important that we continue to make headway in dealing with tobacco and its associated health problems. More than 19 000 Australians suffer from tobacco related illnesses and, in fact, over 19 000 die each year as a result, so we still have a long way to go.

I note the headline 'Ban to keep smokes off the shelf' on the front page of *The Advertiser*. However, in a way the real ban is still on the shelf: we must deal with smoking in gaming

rooms and, indeed, in all areas. Unless we have a total ban, we are kidding ourselves, and I commend those who are working hard to that end.

Tobacco is the second major cause of death in the world. As the World Health Organisation tells us, it is currently responsible for the death of one in 10 adults worldwide, that is, approximately 5 million deaths each year. If the trend continues, it will cause over 10 million deaths each year by 2025. Half the people who smoke today (that is, 650 million people) will eventually be killed by tobacco.

Tobacco is also the fourth most common risk factor for disease worldwide, and the economic costs associated with tobacco are equally devastating. In addition to the high public health cost of treating tobacco-related diseases, tobacco kills people at the height of their productivity, depriving their families' of their breadwinner and the nation of a healthy work force. We know that in the developing world over 10 per cent of household income is spent on tobacco. The opportunity cost is bad enough here, but imagine the opportunity cost for health, education and productivity for economic development in those countries.

What saddens me (and I have brought this matter to the attention of the house previously) is that the measures we have adopted to protect the public in the Western world, particularly in Australia, the United States and Canada, are not adopted by companies that go into the developing world from our countries which abide by the laws in Australia and the United States, because they do not feel that they need to abide by those same laws overseas. That is highly irresponsible behaviour on the part of the international corporations, which profit at the expense of the health of the people of these developing countries.

I also refer to the problem associated with smoking amongst young people. As the shadow minister for youth, it concerns me that we do not do enough—and we must do more—to ensure that young people do not take up the smoking habit. Statistics show the increasing number of young women who are smoking, even though the general trend has decreased. I feel we have to deal with this problem.

Time expired.

#### RED CROSS

**Ms THOMPSON (Reynell):** I am pleased to follow the member for Hartley today, as he recognises the importance of World No Tobacco Day. I am not addressing that issue, but I am very pleased that he has done so. I certainly endorse the importance of this day and welcome the bill to be introduced by the Minister for Health later today.

I rise today in response to a very unfortunate event last week when there was considerable discussion about the tragic circumstances of a young woman who appears to have taken a drug overdose. It appears that, in some form of panic, her companions were unable to deal with the situation. Whilst I do not want to speculate too much, I believe the matter is still under some investigation. The family must be having a great deal of difficulty coping with the tragedy.

Suffice to say that other people around appear not to have responded very well to that situation. So, I want to draw the attention of the house today to the Australian Red Cross Save a Mate program, which aims to teach young people how to deal with the unfortunate circumstance of being around when there is some sort of tragedy in relation to an overdose of drugs or alcohol.

It is unfortunate that we have to deal with this situation, but the Australian Red Cross is taking a harm minimisation approach, saying that, as well as providing information and education to young people about the dangers of engaging in alcohol and drug consumption, they must also take the harm minimisation approach of saying, 'If there is an unfortunate circumstance, it's really important that people are around who know what to do.'

When you talk to parents of young people involved in drugs, they find this a tragedy, but their greatest worry is that their young person will not live long enough to realise the error of their ways. The save-a-mate program was an initiative of the South Australian branch of the Australian Red Cross in 2003. It aims to reduce the incidence of harm and death associated with alcohol and substance abuse in young people in two ways, the first of which is the save-a-mate first aid unit, which consists of trained volunteers aged between 18 and 30. These volunteers attend youth events to encourage a safe environment by providing first aid services, relevant peer support, information and health resources to participants. The save-a-mate first aid unit has provided services at a number of events including Battle of the Bands, skate park events, Flinders University and Adelaide University orientation balls, the Big Day Out, and Encounter Schoolies at Victor Harbor. The team cannot be missed at events because all who attend wear red save-a-mate T-shirts and hats and can be found at a red save-a-mate marquee. They attend events to provide help and information about drugs and alcohol.

The second part of the save-a-mate program, which will be launched later this year, will provide an educational program to the community that informs young people about drug and alcohol issues and teaches them valuable lifesaving techniques through basic first aid. The aim is that this program will begin in schools and go to drop-in centres, community centres, detention centres and prisons, etc., following a model which has already been used in Queensland and New South Wales. Key outcomes of the save-a-mate program so far have included 48 events which have been attended by the save-a-mate teams since January 2003.

Volunteers have provided over 1 338 hours at these events and more than 134 450 patrons have attended. Over 170 patrons have been provided with first aid treatment at events, some of whom have been taken to hospital by ambulance, and one person subsequently required surgery. Forty young people have been trained as save-a-mate volunteers. Relevant drug and alcohol material, as well as health information and promotional material, is taken to every youth event that the save-a-mate first aid team attends. This also includes direct save-a-mate material, which is collected, and questions are asked by many young people at every event. Water is provided: at one university orientation ball, 700 litres of water was distributed. The save-a-mate team is a great initiative, and I commend the Australian Red Cross and Tenille Chambers, the coordinator.

Time expired.

#### **WALK SAFELY TO SCHOOL DAY**

**Mrs GERAGHTY (Torrens):** I would like to take this opportunity to speak about an excellent initiative of the Pedestrian Council of Australia, namely, the Walk Safely to School Day, which was held nationally on Friday 2 April. Walk Safely to School Day is an annual event which encourages all primary school children to walk and commute safely to school. The Walk Safely to School Day is a

community event which seeks to promote road safety, health, use of public transport and awareness of the environment. The primary goal of the Pedestrian Council of Australia in holding the event is to help young children develop the vital road crossing skills which they will need as they become mature pedestrians. In addition, the Pedestrian Council of Australia seeks to promote the health benefits of walking and to help create regular walking habits at an early age. A further aim of the initiative is to ensure that children up to 10 years of age hold an adult's hand when they are crossing the road.

The secondary aim of the Walk Safely to School Day initiative is to reduce our car dependency habits which have been created at an early age and which can be difficult to change as children become adults. It also aims to promote the use of public transport, which is very important, to reduce the level of air pollution caused by motor vehicles, and to reduce the overall level of traffic congestion. People in my electorate will certainly appreciate that initiative given the problems we have with the North East Road-Sudholz Road intersection. This is an issue which concerns me greatly, and one that I discuss with anyone who will listen.

I am pleased to say that a number of schools within my electorate participated in the initiative. I am reliably informed that the teachers of those participating schools were greeted by willing and enthusiastic students who benefited not only from the important safety lessons that Walk Safely to School Day teaches but also from the exercise and fresh air that are an inevitable part of a walk to school program, particularly in the morning. The fact that the Pedestrian Council of Australia has also taken the opportunity to address the issue of car dependency and associated problems is highly commendable.

As I said, in my own electorate road congestion is increasingly becoming a major problem. The impact that this has on travel times for drivers and the associated environmental impacts through increased fuel emissions, wear and tear on roads and the impact on residents and communities are certainly known about in the electorate of Torrens. It is quite easy to become landlocked during peak hour traffic when it is passing up and down North East Road.

An initiative which seeks to educate young people about these impacts and which also promotes the alternatives is both valuable and timely, especially when it is considered that fossil fuel emissions are a major contributor to serious environmental problems. There appears to be an increasingly urgent need to pursue alternatives to widespread car use, and the manner in which the Pedestrian Council of Australia has addressed its main objective of pedestrian safety as well as the larger social and environmental issues related to that shows the initiative to be particularly innovative. I might say that I have contact with the people in the Pedestrian Council from time to time, and I think they do a marvellous job, and I commend them for it and I hope they continue to pursue these issues.

**The SPEAKER:** Order! In calling the honourable member for Unley, can I point out to him that if it were not for the charitable disposition of the minister in pleading with me to give him the call out of his turn it might have resulted in his not getting a turn.

#### **CHILD ABUSE**

**Mr BRINDAL (Unley):** I thank both you and the minister, sir, since I was one minute late—which is unusually prompt for me.

*The Hon. M.J. Atkinson interjecting:*

**Mr BRINDAL:** The Attorney says that I am always late. If there is one person in this house that cannot call the kettle black it is the pot—the Attorney is the very person in this house who is consistently and habitually later than I. Today want to speak (as did my colleague the member for Morphett) about the tabling of the report of the board of inquiry into the handling of claims of sexual abuse and misconduct in the Anglican Archdiocese of Adelaide. The Anglican diocese is to be congratulated for having the courage to put this document before the house and before the people of South Australia.

As much as I have had time to read it—the Premier made a copy available to all members in question time—it is an absolutely appalling indictment of a number (too many) of instances that have happened within the Anglican Church in the past couple of decades. It is totally appalling. One is just left to wonder, as I think you are, sir, as members of the Anglican communion whether this is the best we can do. But as the member for Morphett said about this matter, would that it were confined to just one section of society. But it is not. It spreads through the Surf Lifesaving Association. There have been allegations in connection with the Scout Association in the past. There have been allegations concerned with the Catholic Archdiocese and, indeed, into all levels of society.

The Premier quite rightly said that he is referring this matter to the Director of Public Prosecutions, I think he said, and to the police. If there is any matter that requires a legal or judicial response then that matter should be taken up. There was the circumstance surrounding one particular issue, that is, the absconding or the flight overseas some hours before it was reported to police of the chaplain of a well-known boys school in South Australia which was known to myself and any member of this house as being a running disgrace at the time.

The allegation was—and it seems to be confirmed by this inquiry—that the priest, having been accused of something inappropriate sexually, got on a plane and went, I thought, to England but, it turns out from the script, he actually went to Bali, and then subsequent to his catching the plane the police were informed. That is a most serious matter. But the police were aware of it. If something comes out of it, it will be very interesting to know what, the matter having been reported to the police some time ago. But what I wanted to talk about, in terms of airing dirty linen, are the constant allegations, some of them substantiated, made against FAYS and people in connection with FAYS, with this state, this house and the ministers in this place being in loco parentis.

In fact, they are not even in loco parentis, they are the legal guardian of those children, and this sort of allegation, the sort of stuff that is in this document, is constantly referred to my office. I hope that I am not talking out of school, but I know from indications that you, sir, have given me that you have had similar sorts of allegations. Neither you nor I, sir, are fools, and we are capable of discerning the emotive, perhaps the prejudicial, from the facts.

There is a body of fact that I would say makes this document look like kindergarten reading in connection with the state of South Australia and the Department of Family and Youth Services. If this matter needs reference to the police and the Director of Public Prosecutions—as indeed it does—then so does some of the conduct of some of the government's own officers: cases of children who are dead, when

officers have said, 'We were giving her enough rope so she'd hang herself,' in the case of an abusive parent.

We have case after case of abuse by neglect, of inappropriate use of the discharge of the responsibility of care, of people entrusted to the department and, generally speaking, a chronicle of shame for this state. I have only a minute left, but one has only to mention the name Ky Meekins to at least know what we are talking about. The Attorney wants me to shut up. I will, but I note that the Attorney was most anxious for me to sit down.

**The SPEAKER:** Order! The member for Unley quite rightly draws attention to my grave concern about the cover-up that has gone on from very highly placed government officials over more than two decades.

---

### JOINT PARLIAMENTARY SERVICE COMMITTEE

**The Hon. M.J. ATKINSON (Attorney-General):** I move:

That pursuant to section 5 of the Parliament (Joint Services) Act 1985 the member for Schubert be appointed to the Joint Parliamentary Service Committee in place of the member for MacKillop, resigned, and the member for Stuart be appointed as the alternative member to the member for Schubert.

Motion carried.

**The SPEAKER:** I welcome the member for Schubert to the JPSC.

### BAIL (MENTALLY AND INTELLECTUALLY IMPAIRED OFFENDERS) AMENDMENT BILL

**The Hon. M.J. ATKINSON (Attorney-General)** obtained leave and introduced a bill for an act to amend the Bail Act 1985. Read a first time.

**The Hon. M.J. ATKINSON:** I move:

That this bill be now read a second time.

The Bail (Mentally and Intellectually Impaired Offenders) Amendment Bill 2004 addresses a problem that has been of concern to successive governments since the early 1990s, that being the ability of a bail authority to grant bail to a person who, because of mental or intellectual impairment, is unable to understand his obligations under a bail agreement. Under the Bail Act 1985, an eligible person may be admitted to bail on terms and conditions set out in a bail agreement. The bail agreement is an agreement under which the person seeking bail makes an undertaking to the Crown to comply with conditions if released on bail, most importantly that he will be present throughout all relevant court proceedings.

A problem arises where the arrested person cannot, for reasons of mental or intellectual impairment, understand his obligation under the bail agreement. Technically he cannot be admitted to bail. The amendments to the Bail Act 1985 contained in this bill deal with this problem by giving the bail authority the option of releasing the arrested person on bail upon some other appropriate person entering into an agreement, called a 'bail undertaking', under which she undertakes to the Crown (or the court, as the case may be) that the bailed person:

- will be present throughout all relevant court proceedings;

- will reside at a place or with a person specified in the undertaking; and
- (or the person entering into the undertaking) will comply with such conditions as are considered necessary.

The new provisions make clear that a bail undertaking is an option only where the bail authority decides that the arrested person should be granted bail, but cannot be, because he is unable to understand the terms of a bail agreement owing to mental or intellectual impairment.

The bill also contains amendments to the Bail Act 1985 to enhance the requirement that persons denied bail be advised of their rights and to prevent persons released on bail from applying for a second passport. I seek leave to have the remainder of the second reading explanation inserted into *Hansard* without my reading it.

Leave granted.

#### **Bail Undertakings**

In 1991, the then Court Services Department commissioned a study into the way in which the courts' system and court processes dealt with persons with intellectual disabilities in conflict with the criminal law. This study also examined the interactions of persons with intellectual disabilities with other parts of the criminal justice system, notably police and correctional services. The resulting report, which made over 30 recommendations for improving the relationship between the criminal justice system and people with intellectual disability, was widely disseminated to criminal justice agencies, people and organisations dealing with people with an intellectual disability, and other interested parties.

The report drew attention to deficiencies in the criminal justice system as it affects people with an intellectual disability. The principal deficiency of the system is that it makes no allowance for the necessary incidents of the disability concerned. As a result, in 1993 the former Attorney-General established a committee to review and make recommendations about the findings of the report. The Committee was chaired by a judge of the District Court and consisted of representatives of the Attorney-General's Department, the Intellectual Disability Services Council, the Legal Services Commission, SAPOL, the Courts Administration Authority, the Department for Correctional Services, the Law Society of South Australia, the Office of Multicultural and Ethnic Affairs, the Department for Aboriginal Affairs, the Director of Public Prosecutions, the Public Advocate, the Chief Magistrate and a judge of the Supreme Court.

In June 1995, the Committee published its report. The report was called "Towards Normalisation" and made recommendations for reform of the criminal justice system as it affects people with intellectual disability.

One recommendation was prompted by the experience of the States' former Chief Magistrate. At some point in the early 1990s, he was faced with a case in which a severely intellectually impaired and institutionalised person was charged with a serious offence alleged to have occurred within the institution. He found that the person was so impaired that he could not understand the terms of the bail agreement. The Chief Magistrate was therefore faced with the impossible choice of bailing the accused to his institutional carers (against the letter of the law) or committing the accused to be remanded in custody. In this case, he chose the former. Although technically not permitted under the *Bail Act 1985*, there was no objection. This case exposed a clear deficiency in the law.

Consequently, a key recommendation of the Committee was for amendments to the *Bail Act 1985* to, firstly, authorise a court or other bail authority to admit a person with impaired intellectual functioning to bail even though that person may not have the capacity to understand his bail obligations and, secondly, to authorise the court or bail authority to release such a person to the supervision or control of people or agencies who would be bound by an agreement to produce the defendant in court at a specified date and time.

The Bail (Mentally and Intellectually Impaired Offenders) Amendment Bill carries out this recommendation.

Clause 6 of the Bill inserts new section 6A into the Act. This new provision introduces the concept of bail undertakings.

New section 6A provides that where a bail authority decides that a person should be released on bail but is of the opinion that, because of a mental or intellectual impairment, the person does not have the capacity to enter into a bail agreement, the bail authority may grant

bail on some other person entering into a bail undertaking for the bailed person.

A bail undertaking is an agreement under which a person (not being the bailed person) undertakes to the Crown or the court that:

- the bailed person will be present throughout all court proceedings described in the undertaking; and
- the bailed person will reside at a place or with a person specified in the undertaking; and
- that the person entering into the undertaking or the bailed person will do (or refrain from doing) such other things as may be specified in the undertaking.

The Bill sets out requirements applying to the setting of conditions of bail under a bail undertaking. These requirements are largely consistent with those already applying under the Act to bail agreements and includes that when deciding on what conditions are to be included in a bail undertaking, a bail authority must give special consideration to any submissions made by the Crown on behalf of the victim of the alleged offence.

The Bill makes a number of further amendments to the Act that are consequential upon the introduction of bail undertakings.

#### **Section 11—Conditions of bail**

Section 11 of the *Bail Act 1985* sets down the conditions that may be imposed by a bail authority on a grant of bail. This includes that the applicant agree to surrender any passport that he may possess.

The restriction does not extend to prohibiting an applicant for bail from applying for another passport. Although there is no evidence that this has ever been a problem, it has been raised by a representative of the State's magistrates as potentially undermining the integrity of the bail process.

The Bill addresses this anomaly by amending section 11 to authorise a bail authority to impose, as a condition of the grant of bail, that the applicant agree not to apply for a passport or replacement passport.

#### **Section 12—refusal of application for bail**

A person who has been refused bail is entitled, under section 14 of the *Bail Act 1985*, to apply for a review of the decision of the bail authority.

There is no specific requirement under the *Bail Act 1985* for a bail authority to advise a person who has applied for but been refused bail of his right to seek a review of that decision.

Anecdotal evidence suggests that there may be cases where persons, having had their application for bail refused, do not seek a review of the decision because they do not properly understand their rights to do so.

To address this the Bill amends section 12 of the Act to place on a bail authority an obligation to provide to a person who has been refused bail (or the guardian of any child, or person prepared to enter into a bail undertaking on behalf of another person) a statement in the prescribed form setting out the person's right to apply for a review of the decision.

I commend the Bill to the House.

#### **EXPLANATION OF CLAUSES**

##### **Part 1—Preliminary**

##### **1—Short title**

##### **2—Commencement**

##### **3—Amendment provisions**

These clauses are formal.

##### **Part 2—Amendment of *Bail Act 1985***

##### **4—Amendment of section 3—Interpretation**

This clause adds and amends definitions of terms used in the Act.

##### **5—Substitution of heading to Part 2**

This clause replaces the heading to Part 2 with a heading that includes "bail undertakings" which represents a key concept introduced by the amendment Bill.

##### **6—Insertion of section 6A**

This clause inserts new section 6A. It represents one of the key changes made to the principal Act by the amendment Bill, namely that persons suffering a mental or intellectual impairment may, in certain circumstances, be released on bail on some other person (most likely a guardian or carer of the person) entering into a bail undertaking. Such an undertaking is made between a person (over 18 years) and the Crown or the court to the effect that the bailed person will be present at court proceedings, will reside at a specified place or with a specified person and that he or she or the person entering the undertaking will do or refrain from doing certain specified things.

Further provisions of this section are modelled on certain provisions of section 11 of the principal Act and are thus not new to the bail process, with the exception of section 6A(11) which gives the bail authority the power "for any sufficient reason" to vary the conditions of or revoke a bail undertaking and section 6A(12) which enables the bail authority that has revoked a bail undertaking to issue a warrant for the arrest of the bailed person.

#### **7—Amendment of section 7—Guarantee of bail**

The changes made by clause 7 reflect that a guarantee of bail may (if required) be entered into in circumstances where a bail undertaking is made.

#### **8—Amendment of section 11—Conditions of bail**

This clause makes drafting changes to section 11 and, at subclause (2), adds conditions that may be imposed on a grant of bail that fill gaps in the law in respect of the right of a bailed person to have a passport.

#### **9—Amendment of section 12—Refusal of application**

This clause adds to the principal Act a right of persons denied release on bail to be given a written explanation of the right to seek a review of that decision and the appropriate application form for such a review.

#### **10—Amendment of section 14—Review of decisions of bail authorities**

This clause gives the right to apply for a review of a bail authority's decision to a person who has sought to enter into a bail undertaking for another person, or that other person.

#### **11—Amendment of section 15—Telephone review**

This clause gives the right to apply for a telephone review of a decision in the circumstances set out by section 15 to a person who has sought to enter into a bail undertaking for another person, or that other person.

#### **12—Amendment of section 15A—Review of magistrate's decision by Supreme Court**

This clause gives the right to a Supreme Court review of a magistrates review in the circumstances set out by section 15A to a person who has sought to enter into a bail undertaking for another person, or that other person.

#### **13—Substitution of section 17A**

This clause extends the current application of section 17A to bail undertakings with the effect that a guarantor must inform the police of any known or suspected breach of conditions of a bail undertaking.

#### **14—Amendment of section 18—Arrest of bailed person on non-compliance with bail agreement or bail undertaking**

This clause amends section 18 of the principal Act by including references to bail undertakings, giving, under section 18(1), a court or a justice the right to cancel a person's right to be at liberty if the conditions of a bail undertaking have not been complied with; and, under section 18(2), the police the power to arrest without warrant a person if they suspect on reasonable grounds that the conditions of a bail undertaking under which the person was released have not been or are not being complied with.

#### **15—Amendment of section 19—Estratment**

This clause extends the estratment provisions to bail undertakings enabling the court to order pecuniary forfeiture if a person released on bail has not complied with a term or condition of such an undertaking.

#### **16—Amendment of section 20—Termination of bail agreement or bail undertaking**

This clause extends the application of section 20 to bail undertakings with the effect that if a bailed person is sentenced or discharged without sentence, the bail undertaking terminates.

#### **17—Amendment of section 21—Evidence**

This clause extends the application of the evidentiary provisions of section 21 to bail undertakings.

**The Hon. R.G. KERIN** secured the adjournment of the debate.

## **TOBACCO PRODUCTS REGULATION (FURTHER RESTRICTIONS) AMENDMENT BILL**

**The Hon. L. STEVENS (Minister for Health)** obtained leave and introduced a bill for an act to amend the Tobacco Products Regulation Act 1997. Read a first time.

**The Hon. L. STEVENS:** 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.

This Bill seeks to amend the Tobacco Products Regulation Act (1997) and the Tobacco Products Regulations 1997.

Tobacco smoking is the single biggest cause of premature death, disease and disability in Australia. This imposes substantial economic and social costs on the South Australian community.

Smoking is the single largest preventable cause of death in Australia and tobacco use has been estimated to cost Australia \$21 billion a year in health care, lost productive life and other social costs. Smoking, more than any other identifiable factor, contributes to the gap in healthy life expectancy between those most advantaged and those most in need. Thirty South Australians die each week from diseases caused by smoking tobacco and smoking related diseases account for 75 000 hospital bed days in the State each year.

In late 2002, the Government established a Hospitality Smokefree Taskforce in response to growing concerns about the health and comfort of staff and patrons in licensed premises and gaming venues.

The role of the Taskforce was to provide advice to the Government on ways to further protect patrons and staff in hospitality areas from exposure to passive smoke.

The Taskforce explored the many complex issues relating to the introduction of further bans, with much discussion on how best to protect the public from exposure to tobacco smoke while allowing businesses and the community to adequately prepare for any changes.

As a result of this extensive process and the ensuing public debate and consultation, a phase-in process was recommended. It was considered the best way of balancing the competing forces of protecting workers and patrons from unwanted and unreasonable exposure to tobacco smoke—and protecting the financial viability of the hospitality industry and the jobs of hospitality workers.

The Government determined that it would be unreasonable not to allow a step-down program for those venues affected by the ban. Businesses know where they stand and the public will expect them to make appropriate arrangements to accommodate the new laws as they roll out.

When announced in November 2003, this raft of decisions by the Government, meant that South Australia was the first State to name a date to ban smoking totally in enclosed public areas. In addition a range of other measures agreed to will particularly target the reduction of smoking in young people.

#### **This package puts South Australia's reforms ahead of every other jurisdiction in the country.**

The South Australian Labor Party platform made a commitment to strengthen legislation and to reduce the incidence of smoking by young people. This commitment to the young people of South Australia was endorsed in our State Strategy. We have set a target to reduce the number of young people smoking by 10% over the next decade.

Before honourable members come to debate the provisions of this Bill I ask that we all remember one critical thing and that is the harm caused by tobacco. Strong measures are needed to reduce the number of young people that are taking up smoking. We need to create an environment that helps current smokers to quit and those who quit to remain smoke free.

#### **Environmental Tobacco Smoke**

The provisions in this Bill will protect South Australians from exposure to environmental tobacco smoke in the places in which they work and relax.

This Bill strengthens and consolidates provisions for smoke-free workplaces and smoke-free enclosed public places, including hospitality settings in South Australia.

Passive smoking is an occupational health and safety hazard and public health risk; it is not an issue of comfort or choice. The National Occupational Health and Safety Commission recently

recommended that exposure to environmental tobacco smoke should be eliminated from all Australian workplaces.

The majority of workplaces already have voluntary smoke-free policies, but not all. Too many workers in blue-collar sectors such as factories, workshops and small workplaces are still involuntarily exposed to environmental tobacco smoke at work.

Currently, 31% of South Australian restaurant and bar workers are exposed to passive smoking at work with the associated risks to their health.

Recent litigation also highlights the legal risks for all areas in the hospitality industry that are not smoke-free. Throughout Australia, there is an increasing number of out of court settlements and damages awarded through workers compensation and common law related to passive smoking. A recent study conducted by US Health Physicist, Professor James Repace, commissioned by the NSW Department of Health, estimated that each year 70 NSW bar workers are dying prematurely due to occupational exposure to tobacco smoke.

Separation and ventilation are not solutions. Smoke drifts and spatial separation of smokers and non-smokers offer inadequate protection. South Australian research concluded that ventilation does not offer a solution. Eliminating smoking indoors is the only way to protect worker health and reduce the recruitment of new smokers.

Smoking is now prohibited in restaurants, nightclubs and bars in five US States and hundreds of municipalities in the USA and Canada. These include major cities such as Ottawa, New York, Los Angeles, San Francisco, Boston, Dallas, and Miami, as well as cities such as Lexington, Kentucky, in the heart of America's 'tobacco country'.

California has had smoke-free bars since 1998, and studies of the Californian experience have found that the law has become increasingly popular and has led to improvements in bar-workers' respiratory health.

It is time for South Australia, also, to join Ireland, Sweden, Norway, New Zealand, and India, as well as other Australian states, to legislate to protect its workers from passive smoking.

Exposure to environmental tobacco smoke in enclosed public places is also a public health issue. In 2001, a representative survey of over 3000 South Australians, aged 15 and over showed that more people are exposed to passive smoking in hospitality venues, than in any other place (including private homes). 36% of South Australians report that they have been exposed to passive smoking in a hotel or bar in the past two weeks. The majority of South Australians are aware of the health consequences of passive smoking and are concerned about their own exposure to passive smoking.

The evidence demonstrates that smoking bans in workplaces would not only protect non-smokers from the dangers of passive smoke, but they would also have the important secondary benefit of reducing the number of cigarettes smoked in a day by smokers, and even encourage quitting. There is anticipated to be a reduction in the recruitment of young people to smoking. As a consequence, smoking bans in workplaces are likely to help reduce South Australia's smoking rate.

There will be complete bans on smoking in all workplaces, except in the hospitality and gaming industry, from October 31, 2004.

Enclosed Shopping malls, many of which already have voluntary smoke free policies, will now be required to be smoke free from October 31 2004.

Restaurants and cafes have had five years to become fully accustomed to being smoke-free. Any exemptions in this sector will be removed on October 31 2004.

There will be a phased in approach to smoking bans in bars, nightclubs and gaming areas, including the high roller room in the Casino, and these will be smoke free by October 31 2007. As part of this phased in approach, smoking will be banned within one metre of all service areas in licensed hospitality venues, including gaming tables at the Adelaide Casino, from 31 October 2004.

There is now increased community support for smoke-free public places and workplaces. In 2002, three-quarters of South Australians said that they wanted smoke-free bars, nightclub and gaming venues. The responses to the 2003 public consultation about the proposed smoke-free legislation were 92% in favour of smoke-free enclosed public places and workplaces.

South Australian research suggests that not only would smoking bans make visiting hotels and bars more enjoyable, most South Australians predicted that it would increase rather than decrease how often they attended these venues. Even smokers predicted that a

smoking ban would make little difference to their patronage of hospitality venues.

#### **Other Measures—effective 31 October 2004**

This Bill seeks to increase the restrictions on the sale of tobacco and to restrict further the advertising of tobacco products in order to protect children from tobacco advertisements and other inducements to take up smoking.

A 2002 survey of nearly 3000 South Australian Secondary School children demonstrated that great progress has been made in reducing smoking uptake in South Australian young people. Rates of smoking are at their lowest point ever recorded, having virtually halved over the past two decades. However, we must remain vigilant with our efforts to discourage young people from taking up a habit that kills one in two long term users. The research showed that experience of smoking increases markedly with age. At the age of twelve, 74% of boys and 84% of girls have never smoked at all. Whereas, by the age of sixteen and seventeen, 19% of these young people are regular smokers.

Since 1999, controlled purchase operations have been conducted in both metropolitan and rural areas. This involves supervised, trained young people (usually from 13 years to 15 years of age) attempting to purchase tobacco products from retailers. They are instructed not to lie about their age and will produce valid identification if asked.

Despite the publicity surrounding this process, one fifth of retailers throughout the State are still selling cigarettes to minors. In 2002, 23% of children reported having bought their last cigarette from a retailer. It is unacceptable that children are able to purchase cigarettes easily and this Bill introduces a number of measures that will enforce compliance.

This Bill seeks to make employers vicariously liable for the sale and the supply of tobacco by their employees to children aged less than eighteen years. This means that employers will need to train their staff to seek valid proof of a purchaser's age to ensure that those who purchase cigarettes are aged eighteen or above.

The sale of herbal cigarettes is to be restricted to retailers who have a merchant's licence. Whilst not containing nicotine, herbal cigarettes still release tar and other cancer-causing agents into the body and the air. There is evidence that young people have been introduced to smoking through the use of these products. Restricting the sale of herbal cigarettes under licence will mean they are available only through licensed outlets.

There will also be restrictions on mobile sales of cigarettes and bans will be imposed on mobile trays and toy cigarettes. Mobile sales and trays are a common form of marketing in nightclubs. My Departmental officers have often reported nightclub tobacco vendors dressed in tobacco-company colours approaching young patrons with trays of tobacco for sale or sampling. Research has demonstrated that smoking relapse often occurs under the influence of alcohol in a social setting and so this Bill will prohibit this form of blatant youth advertising and recruitment.

#### **Licensing and display measures—effective 31 March 2005**

As children have been 100% successful in buying cigarettes through vending machines under our current system, restrictions on access will be tightened. Vending machines will become employer operated or will need to be placed in a gaming room that is age restricted.

The legislation includes the introduction of a tobacco merchant's licence fee to sell tobacco products for each retail outlet. Under previous arrangements it was possible for large franchises, such as supermarket chains, to pay a single licence fee for multiple outlets. This has led to inequities for small business proprietors who pay the same fee for their one retail outlet as a supermarket chain does for its multiple stores. The shift to a single tobacco merchant's licence fee for each outlet will remove this inequity. It also ensures that the local manager is liable for compliance.

Each tobacco outlet will be required to prominently display their tobacco merchant's licence certificate adjacent to the point of sale.

This legislation strengthens and consolidates the regulation and control of the advertising and promotion of tobacco products and continues our efforts to discourage the recruitment of children and young people to smoking. Limitations will be extended to require that tobacco sale displays and advertising are out of public view and that tobacco outlets can only have one point of tobacco sale per licensed outlet.

The provisions of this Bill will begin coming into force on 31st October 2004. Licensing and display measures affecting retailers will begin on March 31 2005 and further restrictions on bars and gaming areas will occur on October 31 2005. By October 31 2007 there will



be completely smoke free workplaces and enclosed public places in South Australia.

During this time there will be an extensive communication campaign to ensure the legislation and its implications are well understood. The introduction of these measures will also be accompanied by a Business Consultancy Service for licensed country hotels and clubs to assist them in adapting to the new legislation.

I commend the Bill to Members.

#### EXPLANATION OF CLAUSES

##### Part 1—Preliminary

###### 1—Short title

###### 2—Commencement

###### 3—Amendment provisions

These clauses are formal. The commencement provision and the *Acts Interpretation Act 1915* will allow different provisions of the measure to be brought into operation at different times.

##### Part 2—Amendment of *Tobacco Products Regulation Act 1997*

###### 4—Amendment of section 4—Interpretation

A number of new definitions are added for the purposes of the amendments.

A wide definition of *advertise* is introduced.

Definitions of *public place workplace* and *shared area* are provided for the extended ban on smoking.

*Shared area* is an area in multi-unit premises the use of which is shared by persons from various parts of the premises that are in separate ownership or occupation, for example, lobbies, lifts, garages, etc. The *workplace* definition is based on the *Occupational Health, Safety and Welfare Act 1986* definition with certain exceptions such as occupied residential places, self-employed persons' workplaces and work vehicles that are not shared.

The new definition of *enclosed* is intended to remove subjectivity in deciding whether a *public place, workplace* or *shared area* is sufficiently enclosed to warrant application of the proposed smoking ban. Under the new definition, a space will be enclosed if the total actual ceiling and wall area exceeds 70 per cent of the *total notional ceiling and wall area* (which is based on a continuous horizontal ceiling and continuous walls).

*Tobacco product* is now widened to include any product that does not contain tobacco but is designed for smoking. This will mean that such products will only be able to be sold by licensed tobacco retailers and all other provisions relating to tobacco products will apply to such products.

###### 5—Insertion of section 4A

A provision is added to exclude any power of the Independent Gambling Authority to restrict the sale or consumption of tobacco products.

###### 6—Amendment of section 9—Licence conditions

The conditions of a tobacco retailer's licence may include—

- a condition under which the holder of the licence will be prevented from selling tobacco products except at a single place specified in the condition (with the effect that a separate licence will be required by the person for any or each other place at which the person sells tobacco products)
- a condition that will restrict the points of sale of tobacco products within the place at which the holder of the licence may sell tobacco products under the licence.

###### 7—Substitution of heading to Part 3

Part 3 is now to deal only with the supply or promotion of tobacco products.

###### 8—Repeal of section 28

Section 28 currently defines *tobacco product*, for the purposes of Part 3, to include any product that does not contain tobacco but is designed for smoking. This definition is now unnecessary in view of the change to the general definition of *tobacco product* in section 4.

###### 9—Amendment of section 32—Tobacco products in relation to which no health warning has been prescribed

A reference to the Minister for Human Services is replaced by the Minister (that is, the Minister to whom the Act is committed).

###### 10—Repeal of section 33

This section, which requires health warnings in tobacco advertisements, is to be deleted. This provision is unnecessary

in view of Commonwealth laws and the proposed changes to section 40.

###### 11—Substitution of section 36

The prohibition on the sale of confectionary designed to resemble a tobacco product is extended to other non-confectionary products designed to resemble tobacco products.

###### 12—Substitution of section 37

This section currently restricts the location of cigarette vending machines to licensed premises under the *Liquor Licensing Act 1997*.

Under the proposed new section, a person will be prohibited from selling cigarettes or any other tobacco product by means of a vending machine unless—

- the machine is situated in a gaming machine area under the *Gaming Machines Act 1992* or
- the machine is situated in some other part of licensed premises under the *Liquor Licensing Act 1997* and can only be operated by obtaining a token from, or with some other assistance from, the holder of the licence or an employee of the holder of the licence.

###### 13—Substitution of section 38

Section 38 currently contains a prohibition on the sale of tobacco products to children. This is replaced by—

- a provision that makes it an offence for a person to go amongst persons in premises carrying tobacco products in a tray or container or otherwise on his or her person for the purpose of making successive retail sales of tobacco products
- a tighter prohibition on the sale of tobacco products to children that extends the offence to the proprietor of the business by which such a sale is made and requires the production of evidence of age of a kind fixed by regulation (this is intended to be certain photographic evidence).

###### 14—Amendment of section 39—Power to require evidence of age

This is a consequential amendment only.

###### 15—Amendment of section 40—Certain advertising prohibited

A wider prohibition on the advertising of tobacco products is introduced.

###### 16—Substitution of sections 44 to 47

These sections contain various smoking offences that are now unnecessary in view of the wider prohibition on smoking in proposed new section 46.

A new control is introduced to the effect that if any tobacco product, packaging material for tobacco products or information relating to tobacco products is stored or displayed in premises where tobacco products are sold by retail so as to be visible to persons outside the premises or potential customers inside the premises, the proprietor of the business and any manager in charge of the premises will each be guilty of an offence. Certain exceptions are allowed for handling of stock.

A further new control is introduced prohibiting the display of signs or any practice designed to promote a business as welcoming or permitting smoking on its premises.

Proposed new section 46 bans smoking in any enclosed public place, workplace or shared area.

Certain detailed temporary exceptions are allowed for licensed premises.

In licensed premises (other than the casino) with multiple separate bars, the ban does not apply until the end of October 2007 in separate bars or lounge areas designated by the licensee as smoking areas if—

- the area within 1 metre of any service area is excluded from any designated smoking area
- at least 1 of the separate bars in the premises is not a designated smoking area
- no more than 1 of the designated smoking areas consists of or includes a dining area.

In licensed premises (other than the casino) with a single separate bar, the ban does not apply until the end of October 2007 in an area of the bar designated by the licensee as a smoking area or in separate lounge areas designated by the licensee as smoking areas if—

- the area within 1 metre of any service area is excluded from any designated smoking area
- any designated smoking area in the bar does not exceed 50 per cent of the total area of the bar and adjoins

not more than 50 per cent of the total length of the area referred to above alongside the drinks service counter in the bar

- any dining area in the bar consists of or includes the part of the bar not within the designated smoking area
- no more than 1 of the designated smoking areas consists of or includes a dining area.

In the casino, the ban does not apply until the end of October 2007 in bars or lounge areas designated by the licensee as smoking areas if—

- the area within 1 metre of any service area is excluded from any designated smoking area
- no more than half of the bars in the casino are designated as smoking areas
- no more than 1 of the designated smoking areas consists of or includes a dining area.

Until the end of October 2005, in a gaming area, the smoking ban does not apply in an area designated by the licensee as a smoking area if—

- the area within 1 metre of any service area is excluded from the designated smoking area
- the designated smoking area does not exceed 75 per cent of the total area of the gaming area
- the designated smoking area contains no more than 75 per cent of the gaming machines in the gaming area.

From the end of October 2005 until the end of October 2007, in a gaming area, the ban does not apply in an area designated by the licensee as a smoking area if—

- the area within 1 metre of any service area is excluded from the designated smoking area
- the designated smoking area does not exceed 50 per cent of the total area of the gaming area
- the designated smoking area contains no more than 50 per cent of the gaming machines in the gaming area.

#### **17—Amendment of section 71—Exemptions**

This is a consequential amendment only.

#### **18—Amendment of section 81—Vicarious liability**

A new stricter vicarious liability provision is added.

#### **19—Amendment of section 87—Regulations**

These are consequential amendments only.

**The Hon. R.G. KERIN** secured the adjournment of the debate.

### **APPROPRIATION BILL**

Adjourned debate on second reading.

(Continued from 27 May, Page 2285.)

**The SPEAKER:** As is conventional, the Treasurer is heard in silence. I point out to the house that, as should always be the case in any case, but I remind them, the leader in response, on behalf of the opposition, also should be heard in silence.

**The Hon. R.G. KERIN (Leader of the Opposition):** Thank you, sir—and a very good convention that is. What we are about to debate is not unexpectedly a budget of spin. It is disappointing for many South Australians who are either left out or further clobbered by this high taxing government. We saw pre-announcements, controlled leaks, a very controlled lock-up, misleading releases, television advertising and, basically, a misleading spin put on what is a disappointing budget. It does not deliver what the government is saying it delivers, but an aspect into which I would like to delve is that one of the biggest problems is that it is a budget that is anti-jobs. In so many aspects this budget goes against job creation.

Despite the Premier's and Treasurer's rhetoric—and no other minister has been allowed to speak on it; perhaps they cannot be trusted to stick to the right spin or they may have let the cat out of the bag—the Premier and Treasurer have been trying to put out there that this is a budget for jobs. The

government itself has included a jobs growth forecast of only 0.75 per cent—the lowest rate in the country.

For the record, I point out what the other states and territories are saying about jobs growth over the next financial year: Northern Territory, 2.9 per cent; Queensland, 2.5 per cent; Tasmania 2.4 per cent; Western Australia, 2.3 per cent; New South Wales, 2.1 per cent; Victoria, 1.5 per cent; and ACT, 1.5 per cent. South Australia comes in at only 0.75 per cent. That comes on top of South Australia's having by far the worst jobs figures for this current financial year; so one would have thought that a lot more upside was available here.

The government is actually saying that in relation to jobs we have had a bad year but that next year, against the rest of Australia, we will be the poor performing state as far as jobs are concerned. There are reasons why this budget says that we are going to perform the worst of any Australian state on the jobs front. We have the highest taxing government South Australia has ever seen; and we have by Grants Commission independent figures the highest taxing state government in Australia.

Property taxes are collecting more than is sustainable. This is sucking excessive money from our economy, which is having an effect on investment and retail spending and, therefore, costing us jobs. We have a capital works budget which, in reality, is a reduction on last year—and I will come back to explain why. We have much slippage and cancellation out of last year's capital works budget (jobs forgone). We have seen our economic development and job creating agency gutted and rendered dysfunctional by lack of government direction.

Last Wednesday we enjoyed announcements of \$250 million in this year's budget to stimulate the economy. We were told that it would stimulate jobs. The list released perhaps highlights why we have the lowest jobs forecast in Australia, because very little of the \$250 million is to be spent until after the next election—about the same time that the government is going to report on its strategic plan targets.

I have been arguing for some time that this government with its AAA focus does not understand the difference between running a budget and running an economy. Certainly, we have a surplus, and we would agree with that. But its fiscal and economic policy must be about a lot more than just running a surplus budget and focusing on a AAA rating.

Let us have a look at our job figures. The government has criticised poor job figures as being unreliable because they are based on who actually works for one hour of the day. They have also locked in to using trend figures in the strategic plan document. So, in line with what the government has said, let us use full-time trend figures. In this financial year, to the end of April, South Australia has lost 14 500 full-time jobs. Australia's figure, at the same time, has increased by 180 000 full-time jobs. We are going very much against the trend. At the same time (and you have got to look at who is paying the penalty here), we have seen 11 000 women in South Australia lose full-time jobs. At the same time, the figure for full-time jobs for women Australia wide has gone up by 55 000.

The government tried to tell us at one stage that this is because there is an Australia-wide trend to part-time jobs. That is absolute rubbish. It is not backed up by the figures—55 000 more women in Australia were employed full-time and 180 000 Australians employed were full-time, yet in South Australia we have lost 14 500 jobs.

So, one would expect some recovery on those figures in the next year versus the rest of Australia because we are coming from such a low base. But, no, we are again facing the worst performance in Australia, by this government's own admission, with a forecast of point 75 per cent, half the next lowest figure that has been put forward. And there is nothing in this budget that will turn that around. Its taxing policy, its reduction in capital works, its focus on announcing far distant projects, its starving of our economic development agencies of funds, and what it has done to tourism will only help get rid of jobs in South Australia, not create them.

So, while this budget is an exceptional con job, I believe that the most alarming aspect is its lack of jobs focus and its own prediction of Australia's worst employment performance, again next year—after the performance that we have seen this year, which has been terrible. Members in this house must realise that all of this is happening independent of the Fair Work Bill, which we are about to face—the Fair Work Bill which is making employers out there absolutely nervous and which could, in its own right, rob South Australia of tens of thousands of jobs. And that is on top of a shocking performance in this last financial year on the jobs front, and the lowest forecast in Australia for what is ahead.

This is a budget which ignores many groups. Pensioners, for instance, will be asking, 'What's in it for us?' Rural people have been totally ignored. And it is also a budget which absolutely clobbers others—notably, those paying land tax and most of those buying a house. Let us have a look at the taxes, and the con job that has been done with them. In this financial year, this government will collect \$587 million more than was ever collected by a Liberal government. They have talked about returning \$360 million in tax relief, but very conveniently, when they talk about that type of thing, we hear the four-year figures, that is, \$360 million over four years. What the Treasurer also has not told us about the \$360 million (he is making it sound like he is giving back \$360 million) is that for \$180 million of that—half of that—the decision was made years ago. The decision on bank debits tax was made in our time.

*Members interjecting:*

**The ACTING SPEAKER (Ms Rankine):** Order! The Speaker has ruled that the leader will be heard in silence—and that means members of the opposition as well.

**The Hon. R.G. KERIN:** Thank you for your protection, Madam Acting Speaker. The bank debits tax, which is half the tax relief talked about, was part of the GST deal—the deal that this government opposed at the time—yet the Treasurer is quite happy to take full credit for it. It had nothing to do with him. He opposed it. He should have been far more open when he talked about tax cuts in that a large portion of what he talked about was down to the previous government. In this coming year, we will see \$40 million in tax relief, remembering that this government is collecting \$563 million more than the Liberal government collected in 2001-02. So, you have \$587 million more, yet only \$40 million going back, and that \$40 million will be knocked off several times along the way by inflation.

We welcome some relief on payroll tax, but the problem is that it should have been done on the threshold. Because it has been done on the rate, the government will collect \$8 million more in payroll tax next year than it did last year, so that is not a hell of a lot of relief.

*Mr Brokenshire interjecting:*

**The ACTING SPEAKER:** Order! The member for Mawson will allow the leader to be heard in silence.

**The Hon. R.G. KERIN:** The business community will pay an extra \$8 million in payroll tax. That is hardly what you would call tax relief. Not only will a lot more companies pay payroll tax, but for all those small businesses in South Australia that will provide absolutely no relief whatsoever.

This government has lived off property taxes. Despite the fact that higher amounts were budgeted, the government has received \$263 million more (30 per cent extra) in property taxes than was in the budget. With the exception of Western Australia, this is becoming a habit of Labor governments right across Australia. Labor governments have been underestimating their take from property taxes by hundreds of millions of dollars. If you are in government, that allows some pretty sloppy management. If you have \$263 million not budgeted for, blow-outs in health and other areas are pretty easy to cover, while still bringing in a surplus.

Governments should have a good look at the way they are doing this. It is becoming a habit and it certainly does not line up with budget honesty. It is an understatement of revenue to buy some flexibility for sloppy management as the year goes by. So, when an underfunded health system runs into trouble, you can pluck \$5 million or \$10 million here or there from that \$263 million. The Treasurer will not pluck any more than that amount at a time, but it buys budget flexibility and it has become a habit amongst Labor governments across this country that does not line up with claims of budget honesty.

The level of property tax is starting to impact on the community. It is having an effect on the way some people live and on their investments. It is not just about wealthy people (as the Treasurer said): a whole range of people is suffering. Land tax is causing real hardship. The brunt of it is being borne by not only wealthy people but a whole range of people. Often, people have a second home that has been in the family for generations, and their land tax used to be in the hundreds of dollars a year. In some cases, this government is now charging those people \$6 000, \$8 000 or \$10 000 a year in land tax, and many are on fixed incomes. This year, some of those families may be forced into selling those properties—properties that have been in the family for a long time.

Another issue on which the Labor Party should be focused is that many people have invested in a couple of houses or a block of flats as their superannuation. That is their income; that is what they live off. If, all of a sudden, they are clobbered with an extra \$15 000 in land tax for, say, two properties, they will have to pass that sum on. That means that the people who rent those flats, townhouses and houses will see their rent increase, so not only wealthy people will be affected. Some of the people in rental accommodation are those who can least afford to pay the huge property tax grab of the government, but it is passing straight through to them.

The Treasurer claims not to understand the impact. He is more worried about his AAA rating. But the soaking of money out of the economy via land tax is starting to impact not only on people—whether they be renters, families or individuals—but also on the economy via investment. The money that is being soaked up by land tax could have gone into investments, further building, employment, retail sales, holidays, entertainment and recreation. If all these areas suffer, the ultimate price is that we lose jobs.

I will now look at the first home buyer's concession. I think the Treasurer must have had his fingers crossed behind his back when he made most of these announcements. He tried to spin the first home buyer's concession as generous

when it is not. Every other government in Australia has dealt with the issue of property prices rising quickly, but South Australia has just scratched around the edges. This is not a generous concession, particularly when put up against what has happened in other states.

Let us look at a \$250 000 house. In South Australia, a first home owner will pay \$9 000 more stamp duty on such a house than they would in New South Wales. The stamp duty relief in South Australia on a \$250 000 is \$792. If the house is worth more than \$250 000, you get no relief. The relief given recently by the New South Wales government is over \$8 000; the relief given in Victoria is \$5 000; that in Western Australia is just under \$5 000; and the relief in the ACT is \$7 500, which is tenfold what this government has held up as being major relief.

**The Hon. Dean Brown:** So South Australia is the worst in Australia.

**The Hon. R.G. KERIN:** That is right. So, many South Australian first home buyers will either receive no relief or they will get very much less than that received in other states. The other side to that is that 80 to 90 per cent of home buyers will continue to be slogged by quickly accelerating stamp duty. Not only do they not receive relief but also they are getting slugged as values go up, largely because this government broke a fundamental promise back in 2002. In that year, the government increased the land tax rates above \$200 000, and the impact of that is that most home buyers out there pay higher stamp duty. That was the government's first broken promise; they cut their teeth on that one. Many more broken promises have followed. However, home buyers are the ones who are paying a huge penalty because this government decided, even though property values and incomes were rising, to put an extra impost on home buyers in this state.

However, it is not just property taxes where the government is breaking promises. There is people's ability to pay a whole range of charges which have gone up more than inflation. Again, we have seen a broken promise. The government said that there would be no new taxes and charges, and it footnoted that by saying that nothing would rise above the CPI. Again, a AAA rating focus is a broken promise. Car registration has risen by 3.8 per cent; annual water charges, 4.4 per cent; and drivers' licences have increased by 4.3 per cent. Look out for speeding fines! Whilst individual fines may have gone up by only 3.6 per cent, what the budget uncovers is that the government will reap a further 40 per cent overall from speeding fines. This means that families and individuals in South Australia will pay 40 per cent more to this government in speeding fines, and I think that is slightly above the rate of inflation.

Again, I question whether the Treasurer and the government understand the difference between the economy and the state budget. The harder the government sucks in these taxes, the less retail spending there will be, the less investment will occur, and fewer people will be able to afford to go out. Ultimately, as I have said, at the end of the day, that affects jobs.

In relation to the capital works front, it is a cruel hoax. If you really look at the announcements made last Wednesday versus what has actually come out in the capital works budget, you see that it is a hoax. We were told that it was a boost of \$950 million for capital works. However, when you go to the budget papers, you find that, because of a different treatment for the purchase of state fleet cars, in reality, it is a \$50 million cut to the capital budget—and it is supposed to be a budget about jobs.

On radio last week, the Premier said that \$250 million of that \$950 million is to be spent on capital works that underpin economic growth. So, it is about getting our economy right, because that means jobs for our kids and a future for our state. If you go through that list of \$250 million, you will see that a lot of those projects are not capital works, anyway; they were put in the budget to boost the figure. Further, the amazing thing with the \$250 million is that very little will be spent in the next two financial years. Most of the money for this instant job promotion announced by the Premier will not be spent until after the next state election. So, the government might not even have to come up with that money. The government has made all these announcements that the \$250 million is to boost jobs, yet most of that money will be spent in years 3 and 4. That is not the type of honesty, openness and accountability that we want. When the government goes out pre-budget and tells South Australians something that is just not correct, it is all about spin.

Going through the capital works budget over the last few days, I saw some classic examples of a whole range of misleading statements made by the government. One of the announcements made the other day was that an additional \$14 million would be spent on trams, which made it sound as though we were going to get more trams. The \$14 million referred to in this boost for jobs will not get us one more tram; it will not get us one more seat. It is a blow-out from the government's mismanagement of the purchase of the trams. This \$14 million has been wasted; we will get nothing for that \$14 million. It is to cover up the fact that the government did not get on with it, and it mismanaged the purchase of those trams. So, what a wonderful job creating announcement that was! It is purely a paper entry; it is a waste of \$14 million of this state's taxpayers' money.

Other projects have also been pushed out a long way. For example, in relation to the Bakewell Bridge, there is nothing in next year's budget and \$3 million in the following budget. The \$27 million is to be spent after the next election, apart from a bit of planning money. It is there on the never never.

In relation to Marine Innovation South Australia, the member for Flinders and I are pretty excited about this project. I know that it will take a while to get up. However, I am complaining about the spin that was put on it: I am not complaining about the fact they are doing it. I think it is a great idea. However, it has been made to sound as though that project was to be absolutely terrific and would commence straight away, whereas, in reality, \$300 000 is to be expended next year, \$500 000 the following year, \$4.1 million three years away, and \$8 million four years away. We welcome the project, but that was not the spin that was put on it. That was part of this immediate \$250 million to create jobs, whereas, in reality, \$8 million will not be seen until 2007-08, which is a long way away. The major tourism infrastructure was a very interesting announcement. We have seen what they have done to tourism infrastructure money and we have seen what they have done to tourism money. That was also in this immediate plan to get things going—\$3 million for tourism infrastructure. We probably would have welcomed that; we still do in a way.

*Members interjecting:*

**The Hon. R.G. KERIN:** They have cut it out from elsewhere. If you have a look at where it is in the budget, how much of this immediate boost is in the next financial year? Nothing; not a cent. There is \$1 million in two years' time, \$1 million in three years' time and \$1 million in four years' time. The construction of a bioscience incubator is also way

out there and will not do what they have said. These current programs were reannounced as major new initiatives. If you look at road safety—and these announcements were included in this economic boost that we were supposed to have—at the moment, with shoulder sealing, we spend \$6.8 million a year on an ongoing basis.

There was a big announcement about \$6.8 million to improve road safety in this state, but all it is is \$6.8 million in three years' time to continue the current program. That is smoke and mirrors. That is something that they would have had to budget for anyway. There was an announcement on overtaking lanes about how they would boost our jobs as part of this \$250 million, and that was an \$8 million package. It sounds as if suddenly we are going to have this boost for overtaking lanes. When you go to the budget papers, what you see is that we currently spend \$5 million a year on overtaking lanes. If you look at the way that that \$8 million is structured, what it means is that, in reality, the announcement is that we will no longer spend \$5 million on overtaking lanes, it will drop to \$3.5 million per year. None of that \$8 million is in the next couple of years: it is in the out years. What it represents is a drop from \$5 million a year on overtaking lanes down to \$3.5 million.

I cannot see that that is such a wonderful announcement for job creation; I cannot see that it is a wonderful announcement for road safety—I would have thought that it was counter to both of those arguments. Regarding the delays of projects announced in last year's budget, there are the well-publicised 19. The minister who is on duty now, when he was minister for administrative services, announced in January that 19 capital works projects have been shelved. Communities are out there expecting those to be done. They had been announced.

**An honourable member:** They are fiddling the books.

**The Hon. R.G. KERIN:** The minister says that it was because of a booming economy. What did they save by trying to hold those works back? Is that because the government knows that through its mismanagement the economy is going to slow right down? The only time that you would not get on and build those things would be because the building industry was a bit hot at the time and you expected it to come off the boil and the price to go down. That is the only way you could justify what the minister announced during January.

*An honourable member interjecting:*

**The Hon. R.G. KERIN:** Exactly.

*Members interjecting:*

**The Hon. R.G. KERIN:** I suppose that, to his credit, the admission by the minister that the heat is going to go out of the building sector is in line with the prediction about job creation in South Australia. There are a couple of delays in the budget. Mawson Lakes road and bridge development: there was \$8 million in there, of which they have only spent half a million. The Mawson Lakes public transport interchange: that had \$2.7 million allocated and only \$300 000 spent. Lo and behold—I did not hear this one announced and I am not so sure that the member for Stuart knew about it either—but a real job has been done on the Port Augusta courthouse. I will come back to that. What they did with the Port Augusta courthouse is basically just shoved it back a few years, despite the fact that half of it was in last year's public works budget. I will touch on that one later.

Major delays were not announced. I suppose people will ask what happened to the Adelaide Women's Prison and the juvenile youth centre, because they just seem to have disappeared into thin air. With all the rhetoric on law and

order, those three important law and order projects—the Port Augusta courts, the women's prison and the juvenile youth centre—all just disappeared out of current budgeting. They know the pressure is on. We have a Premier and an Attorney-General who are forever saying that they are going to lock everyone up; yet, when it comes to accommodation, they will not back up their rhetoric with any action whatsoever.

What we saw was an emphasis in their announcements on capital works and jobs now. A whole lot of spending was announced, but what we found is very little of it is for this year. It is way out there. Let us face it: with capital works, normally if you announce it, you are pretty well locked in. People expect that, when something is announced, they will get it. In the light of those 19 shelved projects and a few others that have come to light now, basically this government could not be trusted to deliver what they promised on capital works last year. Why should South Australians believe them on a three or four year program? If they could not stick to it for one year, how can we expect over a period of three to four years that this government will actually deliver what has actually been promised.

*Members interjecting:*

**The Hon. R.G. KERIN:** I will come to that. There were several times during the rhetoric when the government referred to how this budget matches their strategic plan. The strategic plan—we have spoken about it before—is basically only about targets anyway. There is very little in there that says how you are going to get there. If you look at some of the targets, even by their own admission this budget moves further away from the jobs target. It moves a lot further away from the jobs target, so I cannot see how this budget can possibly line up with the target for employment within the strategic plan. It does nothing to address the current dilemma with exports. We were going along at \$9.1 billion a year in exports out of this state. Under this government, that has dropped to an annual figure of \$7.4 billion. The strategic plan is to triple exports. We need to be at about \$11 billion a year; we are currently at \$7.4 billion a year.

What is the reaction from this government? Where are projects within this budget that will address that very worrying trend? To address that trend you need infrastructure in regional areas. To address that trend you particularly need housing in some of those areas. But what you need is a government which is focused on what the problems are. You do not need a government closing overseas offices. You do not need a government putting doubt into all the export programs. You do not need a government which gives no certainty to programs like the Food for the Future program.

Over the weekend the Premier opened the potato plant at Millicent. It is a terrific initiative which is one of ours. We started discussions about that about five years ago. It was a project on which we worked very closely with them. There was a well resourced Department of Industry and Trade that was very involved in that project and a far better resourced Department of Primary Industries involved in that project. There were project funds out of the Regional Development Infrastructure Fund and a focus from the government on getting that sort of project up. I welcome the fact that the Premier opened it, but you really need to ask the question: where is the next range of those projects going to come from?

There is absolutely no focus within the government. The people within the economic development arm of this government cannot focus on that type of thing. For two years they have sat there with uncertainty and a lack of leadership

and no ability to really make decisions. So, coming back to the strategic plan, there is nothing out of this budget which you could say does anything to address the fact that exports are going down at a rate of knots rather than heading towards the tripling. We have heard about how it matches up with the population target, but, in reality, if you want to do something about the population target it is largely about housing, and there is no regional housing strategy. If you want to head down the track of increasing population by the amount in the strategic plan you have to be bold and you have to do something about infrastructure and housing. To do that, if you are going to have the population increase, you have to do something about jobs. You cannot have a high population target and yet still be saying, 'We're not going to create jobs in this state,' and that is what is happening.

The other aspect well and truly out of line with the strategic plan and the targets is tourism. They realise that they have dropped the ball with tourism. That is why in the strategic plan we have this bizarre target which just talks about what tourism is worth to the state. I imagine that that will be a Treasury created figure. There are well-known measures which could be used for tourism targets to do with overseas visitors, or overseas bed nights, and interstate visitors and interstate bed nights. So they have put a figure there which is really not all that measurable. But whatever your target is with tourism, and the strategic plan says it wants to increase it, what you are doing to the Tourism Commission really destroys any chance of that happening.

**The Hon. Dean Brown:** Tourism is plummeting at present.

**The Hon. R.G. KERIN:** Tourism is in trouble.

**The Hon. Dean Brown:** Particularly from overseas.

**The Hon. R.G. KERIN:** But, of course, the strategic plan is only about targets; there is no road map on how they get there. Certainly, this budget adds absolutely nothing to the achievement of those targets. You can go through the capital works budget and see that tourism gets \$113 000, or whatever, just for general maintenance. There is just nothing in there. In the regional papers there was an announcement of \$1 million in the out years, but from the capital point of view nothing. The tourism budget (the money given to the Tourism Commission) is extremely disappointing. What has happened to tourism over the last couple of years—that great job creator, that great economic indicator—is really sad. I would have thought that this year they would have learnt the lesson and put money back into tourism for marketing.

Today we heard how effective they are in trying to get people to buy lottery products, with impulse spending and whatever. On one hand they understand that if you advertise and promote you can actually create sales. Tourism is no different. You have to be out there in the marketplace. You have to be in the European market, you have to be in the Asian market, you have to be up and down the eastern seaboard. You have to be there. But to be there you have to be able to fund the campaigns that make people decide, 'I want to go to Adelaide. I want to go to Kangaroo Island. I want to go to Crystal Brook.' They just will not come here on impulse. You have to be out there and push at them what we have to sell, and we have a lot to sell.

Tourism was going well. The former minister for tourism had it cooking, absolutely cooking, but ever since the change of government tourism has gone down, down, down, against national trends, and again that is important. It is like the jobs situation, and they are linked, because if you are not going to look after tourism you are not going to get the jobs. There is

no doubt about that. Obviously, we have seen that tourism has no priority with this government.

One thing I welcome in the budget is the money for child protection. It is a very important area and one which is in crisis—and 'crisis' is probably not too strong a word. For individuals it certainly is a crisis. We do welcome the money for child protection, but we want to see the money on the ground, we want to see it have an impact, we want the results to flow through and for there to be some outcomes in the child protection area, not just inputs. We welcome it, but we will be watching carefully as to how the government manages that extra money.

I do not know what happened with country health. It is a disaster. I know that there are pressures in the health budget, but how can a cabinet can sit around and say, 'Let's just cut country health to try and prop up the rest of the system'? There are some real problems starting to occur out there. In real terms, if you use the right indicator, country health is down 9 per cent. You have actually given less money to country health than what was used in this current financial year. It is a reduction, even in dollar terms let alone the indicators, and that is a major problem.

It is a huge problem for people who live in country areas. It will impact on decisions such as whether or not nurses and doctors are willing to go to country areas. It puts them under enormous pressure and gives them absolutely no support. It provides no support for country people. Instead of being able to be treated where they live, more and more country people will have to come to Adelaide, and that will create some real problems. It is expensive. They need somewhere to stay while they are here. It will create an enormous number of pressures in country areas and within the whole system. The overflow will come here and, as I said, those patients will be picking up a lot of extra money.

We have seen what has happened with metro health. There has been some extra money, but it is not enough and it will not be enough. It will struggle again and no doubt, out of the windfall gains on property taxes that the government has not put in the budget, we will see a trickle of funds, which will be a reaction to media stories. With health, over the next year we will see money put in, but that money will be held back so that, when there is a big front page story in *The Advertiser* or stories on TV with patients standing there talking about their experiences, we will see a reaction. That is the only time we will see that reaction, and that money will be put in as a bandaid for what we have seen in the media. That is a pretty sad way of running a health system.

I would like to spend a few minutes on regional areas and the contempt that this government shows people in regional South Australia. We heard a couple of big announcements in that \$250 million, but these will have very little impact in the short term. With the rhetoric, I suppose the question is there, as it is with capital works: will we ever see this money actually delivered? I can cite a few examples out of the regional statement, which gives some idea of the way that the money that has been talked about for regional South Australia will not impact for quite a while, or will have a negative impact. Some of these I welcome, but not the timing. There is \$3 million for Upper Spencer Gulf but only half a million of that in the next financial year, then half a million, then one and one, very much backloaded. That is an area that really needs the money.

There was an opportunity to get a power station up there last year and the government fumbled that issue. We now need to make sure that we do everything we possibly can to

get a couple of major industries into the Upper Spencer Gulf area. I do not know why, if the government says that it is going to put in \$3 million, it has left it until years 3 and 4 to spend the money. That is pretty unfortunate. We have an announcement that there is about \$14 million going into FarmBis. I believe half of that is federal money anyway but, yet again, we hear an announcement of \$14 million, even though there is only \$1.5 million in the first year. Again it is backloaded, and that was put forward as one of the ways of quickly increasing jobs and the economy. Once again, it is out three and four years.

I mentioned the figures for marine innovation before, but about two-thirds of that money is four years away. For the Tourism Commission there is a token amount for domestic marketing. I do not know why the government put that in the regional statement, because marketing has gone down. How can the government try to sell this big initiative of domestic marketing when the figures show something very different? As I said, in the infrastructure money that has been put into tourism, there is nothing in this coming year and then one for the next three. The government has an initiative of about \$1 million a year for nursing. Why make that announcement? Has that come out of the health budget as well?

Country health is getting less money and yet there is this big initiative for nursing. It is just robbing Peter to pay Paul—very much a pointless exercise. On overtaking lanes, I note that that announcement is actually a reduction. There is a Living Coast strategy, planning for the creation of marine reserves, something that members opposite seem to have fumbled with since they went to government. We realised that there were issues there, we were dealing with them, but it seems to have gone nowhere lately. And it is not likely to go anywhere for a while because, although \$5 million is going into that, it will be half a million this coming year then half a million, and then two and two. Yet again, virtually all backloaded.

The government cut the money out of the maintenance for regional theatres and has now made an announcement that \$2 million is going in. That \$2 million should have been spent last year on regional theatres. There is a \$7.2 million backlog, I think. They have put in \$2 million, and people have said that that will fix a couple of things, but it is going to take four years for them to put in the \$2 million. It is only \$500 000 a year, so that will take quite a while to do.

The Port Augusta court is an absolute disgrace, if you look at the programs we are having in that Port Augusta area and north of there. We have heard plenty from the government about addressing the issues in the AP Lands and some other issues. The Port Augusta court was budgeted for last year (half last year and half this year), yet all of a sudden it appears in the budget papers as basically an income for the government this year, because it is taking the money back in. Now the government is going to build it in 2006-07—after the election. I just cannot work out the government strategy with this one, because this government is putting money into running what is basically a political office out of Port Augusta, to try to win a seat up there, and they must obviously think—

*Mr Brokenshire interjecting:*

**The ACTING SPEAKER (Ms Rankine):** The member for Mawson will allow the leader to be heard in silence.

*Mr Brokenshire interjecting:*

**The ACTING SPEAKER:** The member for Mawson will come to order. The leader does not need a support act. Show some courtesy to your leader.

**The Hon. R.G. KERIN:** We have a ministerial adviser running an office out of Port Augusta. This just does not seem to be in line with the rest of the government's strategy to win the seat of Stuart. It is just outrageous. The people of Port Augusta, the police and everyone else involved with the court know that there are some real issues up there—occupational health and safety issues and a whole range of issues—and to say now, when it should have been half built, 'You're not getting it for a few years' is totally unacceptable. I really think the government ought to have a damn good look at itself on that.

Another matter that affected regional areas was \$24 million going into emergency communications. If one looks at the budget papers one can see that that is merely the ongoing maintenance of our radio network, three and four years out. It is just what we have to spend, anyway. So, for the \$24 million we get absolutely nothing that we do not already have. Let us not talk about roads. No doubt many country members will talk about roads. However, I would encourage members to have a good look at the budget, because, in our time, minister Laidlaw did a magnificent job in terms of sealing rural arterial roads. It was a terrific initiative, and one which contributed to the way in which people in regional Australia live, and it contributed enormously to road safety and to tourism. It was a terrific project.

If one looks in this year's budget one will see that there is a token \$1 million in it in this respect, but if one looks at the total size of that initiative and compares it to last year's budget one will see that it has shrunk. The government has actually brought it back. I think that the government is saying, basically, 'You can have your \$1 million and that is it. We're out of here and the others can stay unsealed.' It is a shrinking program. No doubt the government is listening more carefully to the member for Reynell than they are to regional people.

The member for Reynell said that some people prefer to drive on unsealed roads. There is a class of people called 'pot hole lovers,' I think it is! It was an outrageous statement. Some of the claims she made are wrong. If members go back and look at *Hansard* they will see that the honourable member quoted some statements from a tourism document, but the last part, basically, was very much that some people prefer to drive through pot holes. She did not quite say that but she sort of said, 'rough roads'.

In conclusion, with respect to roads, I think that what this government has done—whether it be with Outback roads or roads in general—is an absolute disgrace, because it really now puts future governments and country people behind the eight ball. There is a major impact on the way in which country people live, on road safety and on tourism. What Di Laidlaw did was a real positive in those three areas. What this government has done, particularly under the former minister who chopped everything, is a disgrace. Quite frankly, it is a safety issue, a tourism issue, and, certainly, an amenity issue.

This government is the highest taxing government in South Australia's history. The figures from the Grants Commission (the independent assessment of governments across Australia) is that the South Australian government is the highest taxing state government in Australia. This government has totally unsustainable property taxes. It is getting to the stage that, because he does not understand the difference between an economy and his own little surplus budget, the Treasurer does not understand the effect of his decisions on the economy. We have unsustainable property taxes, which are sucking money out of the economy, affecting a range of areas and costing us jobs.

What we now have is an anti-jobs budget. We have that tax strain issue and we have fewer capital works. We have contempt for tourism (which is a major employer), we have delays in the economic projects about which members spoke last week, and we have the gutting of the economic development agencies (the same thing happened to primary industries as happened to business, manufacturing and trade).

We have seen all those other programs, which were good programs that created exports, either cut right back or totally killed off. We have a total ignorance by this government of the export potential that exists within South Australia, and there is no consideration for that in the budget.

The government's policy settings are producing negative results, as we have seen from the job losses. South Australia has the lowest prediction in Australia for jobs growth in the next year, which is in line with the way in which the government has been travelling with respect to jobs. This is a jobs-unfriendly budget. Really, it is about time the government started to focus on jobs rather than just spinning the story. Each day over the last year or so South Australians have lost jobs. We have seen a lot of people lose full-time jobs, and meanwhile we just get this spin in the media every day in terms of the message that the government wants to get out rather than its actually doing something.

This is a disappointing budget. This government has enjoyed huge revenue through property taxes. The GST, which the government opposed, is about to pay it huge dividends. It is a government that has benefited by the previous government's successes economically and with respect to exports and tourism across the board, and it has tended to drop the ball in that respect.

It is disappointing that the government is incapable of better managing its funds. We have seen blow-outs, such as the *Ring Cycle*, about which we have heard over the last week or two; the \$14 million on trams, which was a blow-out; we have seen the opening of the Sturt Street school but the mismanagement of doing that up. We have seen the \$30 million escalation in the cost of the Port River crossing project. That \$30 million might just have paid for the publicity to announce it, because I reckon the government has announced it about eight or 10 times. That infrastructure at Outer Harbor has just been announced and announced.

What we do not get is an announcement of the \$30 million escalation; and, as we saw in the last Auditor-General's Report (and it will be very interesting reading this year), the absolute explosion in the number of fat cats. This Treasurer looked at those cameras fairly and squarely and said, 'Look out, fat cats; I'm going to come and get you.' The Treasurer was going to reduce—

**The Hon. Dean Brown:** And they went out and multiplied.

**The Hon. R.G. KERIN:** Yes. Instead of that he listened to the federal Treasurer and he had one for him, one for her and one for the economy. It multiplied. Instead of delivering on the 50 fewer fat cats, which was also a key promise to the Speaker, the Treasurer told South Australians, 'We are getting rid of 50 fat cats.' They got as big a surprise as anyone because no-one did anything about it. It was a good line at the time. When the Auditor-General's Report came out last year and we started adding up, we got 100 more, and 200 more—I cannot remember where we got to. The reports of a couple of ministers had to be held back for a while, but I reckon it might have been an increase of more than 250. It was a huge number. That is an enormous cost. All that money, whether it be for fat cats, trams, the blow-out down

there or the debacle at Sturt Street, has been wasted. That is one of the reasons why, basically, pensioners and others have got nothing out of this budget.

I am disappointed with the contents of the budget. They do not match the rhetoric or the spin that we have heard over the past week, and they certainly do not match the television advertising which the Premier now so eagerly embraces. We could probably add \$90 000 for the TV commercials. I forgot the door snakes! Can I start again? I am not sure how much 9 700 door snakes actually cost, but we can add that to the cost of the television advertising and, yet again, we have wasted money. In wrapping up, all I say to the government is: please talk less and act more.

**Mr O'BRIEN (Napier):** In speaking to this budget I congratulate the Treasurer on its mildly expansionary nature.

*Mr Venning interjecting:*

**Mr O'BRIEN:** You have not yet heard it. Several weeks ago during a grievance debate, I expressed my concern as to the possible deflationary effect of a slump in housing prices elsewhere in Australia. In that debate I cited an International Monetary Fund study of price booms and busts in 14 industrialised countries since 1970. The study found that in 40 per cent of those cases where housing prices have risen more than 50 per cent busts were of the order of 30 per cent or more. If such a bust were to occur in Australia, this would involve the destruction of wealth equivalent to over 100 percentage points of disposable income and a negative consumption shock to the national economy of the order of 4 per cent of GDP.

Last week, Australian property monitors released revised figures for the March quarter, showing falls in median prices in most cities, notably Melbourne, where the median price fell 12.9 per cent. The figures are based on sales that actually occurred during the quarter and the sample is large, covering at least half the sales in each city. The jury is still out as to the eventual extent of the decline in prices before the housing market finally plateaus.

The South Australian budget is mildly stimulatory, and this may well pay dividends if the housing market interstate continues to see equity evaporate over the coming financial year. A few comments need to be made in respect of the stimulatory nature of the federal budget and its impact on South Australia. The federal budget was unabashedly an election budget and, as such, has the financial finesse of bull in a china shop: it pumps too much into the economy in too short a time and into the wrong hands.

The personal taxation cuts should have directed to low income earners, not only for reasons of social justice. Put simply, this section of the community would spend additional income provided by taxation cuts to maintain personal and family living standards in the event of a downturn. Incidentally, the South Australian population has the second highest proportion of low income earners in the nation and has been a major loser in the federal budget.

High income earners generally save or reduce their existing debt levels during a downturn and, therefore, would provide limited consumer spending stimuli in a downturn. Too much money is also provided by the federal budget, and this could risk a major over-stimulation of the economy and force a lift in interest rates by the Reserve Bank. This is the concern of the New South Wales Treasurer. Room should have been left for a federal mini budget in the event of a pronounced downturn in housing values.



The South Australian budget is prudentially stimulatory, whereas the federal budget is ill-targeted and may prove to be the handmaiden of higher interest rates. The 2004-05 South Australian budget result and forward estimates are highly reassuring. As a reader of profit and loss statements, I find the GFS net operating balance the most useful indicator, subtracting (as it does) expenses, including depreciation, from revenue.

These figures are even more impressive in three of the four years than the GFS net lending outcomes. The GFS net lending outcome figures, I believe, understate the financial health of the state, deducting (as they do) all purchases of non-financial assets from the net operating balance, while loading back in depreciation. This seems to be a hybrid accrual and cash flow measure which expenses capital acquisitions. It may give a clearer surplus or deficit picture—and this was obviously its intention—but it clouds the real view of a state's economic health.

The construction of a hospital wing, for argument's sake, cannot be equated with expenses such as wages or office consumables. The consumables are consumed but the hospital wing remains. The Victorian budget incorporates additional financial measuring devices beyond those required by the uniform presentation framework (UPF), which deals with the types of criticisms I have made.

I note that South Australia is obliged to adopt international financial reporting standards by 2005, and that there will be four statements for reporting, namely, statement of financial performance/income statement, statement of financial performance/balance sheet, cash flow statement and statement of equity. The names of these statements are recognisable as private sector tools, and I hope they bring a clarity to future budget papers that is currently lacking with the measuring devices now in use.

The one major concern for me in this budget relates to nominal superannuation interest expense. Interest expense is forecast to decline over the forward estimates, and this reflects the declining level of gross debt over the period following the application of cash surpluses to reduce debt. However, when nominal superannuation interest expense is added to net interest expense, total interest expense hangs in the \$400 to \$500 million band over the forward estimates. This is not a predicament common to this state or country, or to the public sector.

In the United States, major auto makers such as General Motors are facing similar problems with their unfunded pension schemes. State governments such as South Australia are in a less invidious position than US auto manufacturers in that we do not have to worry about declining market share and declining profitability impacting on our ability to fund superannuation, nor do we have to worry about our place in the market when the internal combustion engine is phased out to be replaced by alternative technologies. Nevertheless, unfunded superannuation liability is expected to rise from an estimated \$5 756 million at June 2004 to \$6 036 million by June 2008.

The government has indicated its intention to fully fund superannuation liability by 2034 and cash contributions are budgeted to increase across the forward estimates consistent with this intention. The risk statement as it applies to an increase in superannuation liabilities is reassuring, given the volatility of equity markets and the sums involved. The statement points out that a fall in the national government bond rate between valuation dates will lead to the use of a lower discount rate assumption for valuation purposes,

resulting in an increase in the value of the unfunded liability. A 1 per cent reduction in the discount rate would increase the unfunded superannuation liability by \$1.2 billion. However, the impact on the budget balance is the imputed interest on these unfunded liabilities, and the interest rate used to calculate this will also fall by 1 per cent—the net effect on the budget being only \$4 million deterioration in that lending.

It is particularly pleasing to note the findings of the Commonwealth Grants Commission in relation to standardised expenditure for the South Australian Public Service. The Commonwealth Grants Commission methodology produces an estimate of the level of standardised expenditure for each state for the full range of state functions. This allows the most comprehensive basis for comparing expenditure on the delivery of services between the states. The standardised expenditure for any function (for example, health or education) is the Commonwealth Grants Commission's estimate of what it would cost to deliver the national average level of services with respect to that function. Taking account of cost differences attributable to each state's particular circumstances, these circumstances could be: the extent of dispersal of population away from major regional centres, age of population, level of parental education, or geographic size of the state, to name just a few. Consequently, it provides an objective benchmark against which to measure a government's actual expenditure levels.

A comparison between actual and standardised expenditure for 2002-03 indicates an over-expenditure of \$187.5 million. This is a significant improvement on the findings of 2001-02, and reflects changes to methodology and data that have produced a more realistic comparison. Nevertheless, the Commonwealth Grants Commission indicates that expenditure savings to the tune of \$187.5 million are achievable with no concurrent diminution of service. This is more than the cost of funding the functions of agriculture, forestry and fishing, as determined by the Australian Bureau of Statistics Government Purposes Classification. The South Australian Strategic Plan, announced by the Premier in March this year, has as a major objective:

Lead the nation in cost effectiveness of government services within 5 years.

The attainment of this objective will have significant benefits for future budgets in reducing the cost of service delivery and freeing up revenue for other purposes. The Auditor-General of New South Wales has responsibility, for not only auditing state government finances but also the efficiency with which services are delivered. These performance audits could be an invaluable tool in meeting the South Australia Strategic Plan's objective of bettering national outcomes in cost effectiveness of government services within five years.

The budget has correctly been identified as a health budget. Spending on hospitals and health services will increase to a record \$2.659 billion in the forthcoming financial year. This represents 27 per cent of the entire state budget. A total of \$432 million in new spending measures has been announced for expenditure over the next four years. These new initiatives include:

- \$239.275 million for increased costs and demand in metropolitan hospitals
- \$30.074 million for Flinders Medical Centre Emergency Department upgrade
- \$27.765 million for Clinical Information System

- \$20.528 million for improved care options to reduce the number of people who need to go to hospital or to reduce the duration of their hospital stay
- \$2.5 million for the \$14.5 million Flinders Medical Centre Cancer Care facility—a joint initiative with the Flinders Medical Centre Foundation
- \$13.811 million to provide 24-hour mental health crisis intervention service, registrar support and expansion of community-based support
- \$8 million to fund extra elective surgery
- \$4.5 million to reduce dental waiting lists
- \$4.257 million to fund additional employment costs for nurses in country hospitals
- \$1.703 million to increase transport assistance for rural patients
- \$2.802 million for supported accommodation at Catherine House
- \$5.427 million to cover health system cost increases
- \$4.17 million to cover structural reform within the health service
- \$7 million to develop a 20-bed aged acute mental health facility at the QEH
- \$7 million to develop a mental health facility at the Women's and Children's Hospital
- \$6.5 million to develop a 30-bed adult acute mental health facility at Noarlunga Hospital
- \$2.8 million extra funding to establish 40 new adult acute and 20 new aged acute mental health beds at the Lyell McEwin Health Service
- \$1.6 million initial funding for construction of a 40-bed secure forensic mental health facility, replacing the existing facilities at Hillcrest and Glenside
- \$1.6 million for expansion of the mental health facility at Modbury Hospital for 25 beds, and—

**Mr Venning:** What about country beds?

**Mr O'BRIEN:** I have mentioned a couple of the country hospitals. I might have to read a little slower for the honourable member. The list continues:

- \$1.2 million initial funding to provide a 30-bed rehabilitation mental health facility at Glenside.

I will expand on several of these expenditure lines, because they will all have a significant impact on the health and wellbeing of tens of thousands of South Australians.

**Elective surgery funding:** last year, 35 500 people were admitted for elective surgery. The extra \$8 million over four years contained in this budget will allow extra spending of \$2 million a year to increase this number further. In 2002, the state government committed \$2 million each year for four years to meet increased demand for surgery in our hospitals. This budget doubles this funding and builds on the special allocation of \$5 million made in March this year to reduce waiting lists and waiting times.

**Dental waiting lists:** when the commonwealth dental scheme was cancelled by the Prime Minister, John Howard, in 1996, it resulted in the waiting list for dental care blowing out to over 100 000 South Australians. In 2002, the state government committed \$2 million per year for four years to meet increased demand for dental procedures and to reduce the waiting list. The waiting list has now been reduced to 63 000, and the extra \$4.5 million over four years contained in this budget is targeted to increase further the number of procedures performed.

**Flinders Medical Centre emergency department redevelopment:** the Flinders Medical Centre emergency department is one of the busiest in Australia, handling 50 000 attendees

annually. In March 2003, a new 12-bed emergency extended care unit was opened. The extra \$30 million contained in this budget will be expended over the next four years to allow a new 24-bed medical assessment and planning unit.

**Patient assisted transport scheme:** the budget for the patient transport scheme, which supports patients having to travel from the country for treatment—here is something for the country—has received a boost of \$410 000 and \$1.703 million over four years. This will help the scheme meet the increased costs of transport and accommodation, the declining availability of obstetricians in rural areas and the needs of people having to travel for renal dialysis.

**Clinical information systems:** the Open Architecture Clinical Information System records clinical information for patients and allows hospitals to share information. Funding of \$27.765 million will link with the allocation of \$20 million to South Australia announced by the commonwealth under the Health Connect program to link OACIS with primary health care providers, including GPs and community health providers. This interconnectivity between primary care and acute care was a focus of the Generational Health Review. Our major metropolitan hospitals will seek the roll-out of these information systems over the next four years.

**Hospital avoidance strategies:** the budget allocates \$20.528 million over four years to begin a program of hospital avoidance strategies. These will reduce the length of stay, increase hospital capacity, reduce presentations to emergency departments, reduce hospital admissions and increase community based services. Strategies include: home supported discharge from hospital; reduction of admissions to emergency departments, private practice and nursing homes; and the management of chronic and complex conditions. These programs were also strongly advocated by the Generational Health Review.

**Flinders Medical Centre Cancer Centre:** cancer is a major health and social problem in Australia. The budget contributes up to \$2.5 million in matching funds to the Flinders Medical Centre Cancer Centre for the Centre of Innovation in Cancer project. This project is forecast to cost \$14.5 million and will bring together in one location at the FMC opportunities for research, prevention and treatment services and community education.

**Rebuilding our hospitals:** 2004-05 will see the completion of the current stages of the redevelopment of the Royal Adelaide, Lyell McEwin and Queen Elizabeth hospitals. The sum of \$8.2 million has been allocated to complete and commission stage A of the Lyell McEwin Hospital. A total of \$9.7 million has been allocated to complete and commission stages 2 and 3 of the Royal Adelaide Hospital. The sum of \$1.9 million has been allocated for preliminary work on the \$120 million stage 2 of the Queen Elizabeth Hospital redevelopment, and \$1.5 million has also been allocated to sustain the tower block at the Queen Elizabeth Hospital. A total of \$7.6 million has been allocated for the Margaret Tobin mental health facility at the Flinders Medical Centre, and \$7 million has been allocated for the new aged care acute mental health facility at the Repatriation General Hospital.

**Mental health:** the 2004-05 budget continues the government's mental health reform strategy. A total of \$7.6 million is being spent on the Margaret Tobin Centre at the Flinders Medical Centre.

Time expired.

**Mr VENNING (Schubert):** Before I start my contribution this evening, I congratulate the member for Stuart on a

great landmark: yesterday, he celebrated 34 years in this place. That is a fantastic milestone worthy of everybody's note. I believe that the member for Fisher celebrates his 60th birthday in a couple of days' time. These are certainly a couple of memorable dates.

When I sat in this chamber last Thursday and listened to the Treasurer's budget speech, I admit that I was quite pleased with what was being said. However, my approval was short lived. On the surface, this budget has something for everyone. However, the devil is in the detail. As the leader said, this budget is anti jobs, and we start from a very low and falling ebb. There is also a cut in capital works, as though it was not bad enough in the preceding year.

This budget also continues our reputation as being the highest taxing state. I quickly worked out that this is a budget where, more than ever before, the country is subsidising the city, rather than the other way around. We all know that to live in the country is expensive, and this budget does nothing to address that issue. We already live in the most decentralised state in the most decentralised country in the world, and after this budget, it will only get worse. I will go so far as to say that this is a dishonest document. Country South Australia has been totally ignored, snubbed and discriminated against. In my memory, this is the worst example of a government totally ignoring a major sector of the state.

I refer now to country hospitals. State government funds to country hospitals and community health services have been cut in this budget by \$5.6 million (or 3.2 per cent). Allowing for a healthy inflation of about 6 per cent, that means a cut in state-funded country health services of about 9 per cent in real terms. For each of the last two years, country hospitals have had to make savings or cut services by 3 per cent per year. This is devastating news for country hospitals, many of which have had to cancel surgery, stop obstetrics, and reduce specialist medical and allied health services, such as physiotherapy and podiatry. That is a long list.

I am particularly upset that no mention was made of a new hospital for the Barossa. On Friday, after the budget was announced, I revisited the Angaston Hospital. I wanted to take another look to make sure that I had this right, and I walked away more disgusted than ever. The condition of the hospital is not only as bad as I had remembered, but it is worse. In the four months or so since I last inspected the facility, management has had to assess white ant issues. Minister, land set aside for the new hospital is in a disgusting condition, with rubbish, weeds and vermin, and the buildings on it are falling down and are being vandalised. It is an absolute disgrace. The minister is probably not aware of the fact that it is his responsibility to look after the land.

The Angaston facility is the worst medical facility in South Australia. I ought to know because, as a member of the Public Works Committee, I regularly visit all new projects. Of course, I am always looking at the old ones, and making comparisons. I will take another video to show members of the Public Works Committee and members generally just how bad this facility is. The increasing demand on this hospital is huge, and this government is showing its lack of foresight.

Like the rest of the state, my electorate has an ageing population. The Barossa is marketed as a great place to retire, as it is. However, this government needs to support the residents from whom they collect taxes. This hospital is an occupational health and safety nightmare. It was originally a house which has been added to over the years, as needs dictated. It was built on the side of a hill and, as a result, it is on many different levels. Obviously, hospitals do not have

stairs; they have corridors. So, to accommodate the rise and fall of the land, the corridors of this hospital are on slopes, which, in some cases, are quite steep. Staff are required to push trolleys of food, supplies, cleaning equipment and barouches carrying patients up and down these corridors. I understand the drug trolleys have been upgraded to accommodate the slopes to ensure that supplies stay on the trolley during drug rounds.

The ramp used by Meals on Wheels volunteers for their food trolleys is an absolute disgrace. Injuries have occurred on the ramp, and the service has been roughed up. However, nothing can be done to fix the angle of the ramp. The staff and volunteers are doing their best with what is available to them. I will be questioning the minister about the number of WorkCover claims she has received from this hospital.

The hospital walls are so badly cracked that they were covered with vinyl many years ago. This is now a fire hazard. If there were to be a fire, the noxious fumes would cause major problems. The vinyl is separating from the walls and the ceilings. I am pleased that this is going on the record because, if there is ever a fire, I will be referring back to this speech.

Minister, does this hospital pass the department's own standards? The government is spending \$300 000 on the hospital right now, replacing ablutions. I believe this is a total farce. What a waste of money! It is a band-aid solution; it is like putting a new gear box in a car with a blown motor. It is absolutely amazing that the doctors and staff provide the exemplary care they do with the facilities available to them. The level of service is right up there with the most modern and well equipped hospital, and the Angaston Hospital has the accreditation to prove it.

The hospital is well past its use-by date. Over a decade ago, it was identified that the hospital had reached the end of its life, and the decision was then made not to spend any more money on it. After all, it is only an old house which has been extended umpteen times. We now have a rabbit warren with ups and downs, and it is breaking in two. This applies to some of the emergency areas on the old verandah, to say nothing of the plumbing, and the hot water is still oil fired. Who is paying for that gross inefficiency?

The cost of maintaining this worn out facility would more than cover the interest on the money to build a new one. If this facility was located in Mount Gambier or Murray Bridge, it would be replaced. How cynical is that? However, with this government, it is true. Minister, are your bureaucrats telling you how bad this facility is? They look blank when I ask them. Governments of all persuasions have a moral and political responsibility to govern for all South Australians, not just those in the metropolitan area. This is a blatant example of where this is not happening. Worse still, there is no sign that the government even recognises or accepts that the Barossa desperately needs a new hospital. Minister, I challenge you to send your departmental officers to conduct a standard audit on the health facilities in the Barossa. Are you going to close down the hospital and send the residents to Gawler or even Lyell McEwin at Elizabeth? No way!

One item, more than any other in this budget, made me absolutely fume, that is, the government's allocation to Kapunda Homes of \$1.443 million of a total of \$2.468 million. Allow me to refresh the memories of those in this parliament. This project is wholly funded by the community, not the government, through bequests to the hospital and through the shrewd management practices of the staff and the board. The board took the advice of DAIS and DHS officials

when this project was still in its embryonic stages. They followed the advice to a tee and, when they were in the final approval stages, they were told that they needed to comply with the fire safety standards required by the year 2008. This was the first they had heard of this. They had been speaking to DAIS approved architects and DAIS officers in this area and no mention had been made before.

I agree that this project should comply, but it is a ridiculous situation where departmental officers advising on the project do not mention it and, when the project is in its final approval stages, it becomes a big issue. Of course, this meant more delays. After this project sat in the office of the Minister for Health or the DAIS minister for months—I am not sure which minister had it, nobody seems to know, because each was blaming the other for the delay—the tenders were finally let. I remind the house that in mid-November last year I asked the minister a question in this house and she said that all was okay. A couple of days later when the project was finally ready to go to tender, the board received advice that DAIS was shutting down for Christmas and that the tenders would not be called for until late January next year.

If this was not so serious, it would be humorous. It is disgusting. When the tenders finally closed, guess what? The project had blown out by half a million dollars. The hospital board put forward a proposal to the minister to find half of that difference because that is all they could afford. They had to do considerable juggling to come up with that money. I give the minister credit. She did come up with the additional \$250 000 to fund the project. Last Thursday I was absolutely furious to read the budget allocation to Kapunda Homes. This is community money; it is not government money. Yet, this government had the cheek to put the project in the budget papers and make it look as if they are funding the project—token funding for a country hospital.

If the minister is going to give the Kapunda Homes a further \$1.443 million, I will take back all of the things I said and all the ill thoughts I have had, but I doubt it. This just demonstrates that this budget looks good on the surface but, if you delve down a layer or two, the truth is revealed. This budget is being referred to as a smoke and mirrors budget and I agree. I am totally disgusted. The Barossa and our region is generally considered to be the powerhouse driving the state's economy. What recognition of that is there in this budget? None. It is sending a very powerful message to those companies who are still investing megamillions in our winemaking, tourism and food industries. 'Put up with the rapidly depreciating public infrastructure while we garner votes in marginal seats' is the message.

I wonder what the Victorian government is doing in the Yarra Valley and Rutherglen or what the New South Wales government is doing in the Hunter Valley. I wonder what land tax they charge the same companies that we have here in South Australia. I bet the Orlandos, Southcorps and Beringer Blasses know. Orlando cannot even get a decent access to the highway from its huge investment at Richmond Grove. Semi-trailers park over the railway line while they wait to enter the main road. That is a disgrace. It is a disaster waiting to happen, and it should be fixed immediately. I have been lobbying for this for nearly three years. In this budget, what do we see? Nothing. I wonder what Mr Champion de Crespigny or Mr Stephen Baker think about that. Where would South Australian exports be without these hugely successful companies that export all over the world?

What about the roads here in South Australia, particularly in rural South Australia? This budget initially talks about an

increase in road funding, shoulder sealing, passing lanes and black spots, but when you actually check the documents, the money is two years away. The very best spin you can put on it is that it is a cut from \$5 million back to \$3.5 million. When you read the Treasurer's speech, there is no mention of that—it is all rosy, we have seen the light and we are going to put the money towards roads. When you look at the facts and figures, how disappointed we are!

I had interstate visitors staying over at the weekend including a retired ex-parliamentarian from Tasmania heading for the Outback. They wanted to visit Wilpena, Arkaroola, Marree, William Creek and Oodnadatta. They made inquiries about the roads and they were told that the roads were in a poor, dilapidated state and could damage their motorhome. So, they decided to stay on the highway and go directly to Alice Springs and then do their touring in the Northern Territory as all their attractions have good roads. They estimated that the trip would cost over \$15 000. The question I ask is how much will South Australia get of that? If we are lucky, \$1 000 of that, which would be for fuel. It would be a fraction of that if we were lucky.

How many other people do the same? These people are in their late seventies as so many of these retired nomads are. Maybe they have heard about the member for Reynell's statement that rough roads are part of our tourism attractions. What a ridiculous thing to say! I am pleased that the leader referred to the Hon. Diana Laidlaw's contribution. In my electorate alone, over \$30 million was spent on roads—\$19.6 million on one road alone, the Morgan to Burra Road and, again, \$5 million for the Gomersal Road. There is nothing like that for anywhere in South Australia in this budget, nothing at all. What have we done since then? We have sacked an outback road gang—17 workers. When it rains in the Outback, the idea is to get those roads graded as quickly as possible while they are wet. How can 17 people (one gang) grade all those roads? It is ridiculous.

*Ms Breuer interjecting:*

**Mr VENNING:** The member for Giles would know that they end up grading them dry. What is the good of grading a road dry? No good at all. It is a total waste of time. It just blows away when the next vehicle comes along and that is how you get corrugations. How can they grade all those roads with one gang? We visited Moomba and Innamincka last week. Six MPs visited, and I was rather annoyed to hear that the supplies for Moomba, Innamincka and the mining projects are all coming from Queensland. Do you know why? Because the Queensland government has bituminised its roads right up the border. So, guess what? All the supplies are coming from Queensland. Surprise, surprise, surprise! What do we do about it? The roads north of Marree are an absolute disgrace. The Birdsville Track is a disgrace; the Strzelecki Track is a disgrace; and you just sit here and go yap, yap, yap. You ought to get out there and have a look. Get out there and have a look and stop just yakking in here. The member for Giles ought to do the same; it is, after all, her electorate.

*Ms Breuer:* It is not my electorate.

**Mr VENNING:** A lot of it is. In March Country Cabinet went to Kapunda, and locals were encouraged to meet the cabinet and arrange delegations with various ministers. I was involved with several: the severe dust problem and the need for a bypass; many council issues were discussed. What do we see in this budget? Not even lip service; it is cruel to say the least. You gave these people false hope that you were listening and that you understood; then you totally ignore them. I expect that all the other country towns that have had

the luck of having a Country Cabinet would have been treated similarly—expect Murray Bridge and Mount Gambier. Why did you not tell the Kapunda residents that the budget process starts in November, and that there was no hope of a solution in this year's budget?

The state government's funding for our roads is a disgrace, as I said. It is the lowest of any mainland state or territory. We used to have the best roads in Australia in the 1960s but consecutive Labor governments have fixed that. The previous Liberal government did much in the eight years that it was in government. I had \$30-\$40 million spent in my own electorate; that is just mine alone. How much money has been spent in the past two years apart from the Gomersal Road, which was an initiative of the Liberal government, anyway? There has been nothing since then. You ignore your road assets at great peril. They cannot be fixed in a couple of years. If you get behind, as we are now, the roads will fall apart quicker than we can repair or replace them.

The Labor government criticises the federal government for its lack of funding. Heavens above! Why should it when the state government gives it such a low priority? It gave \$800 000 last year, and a little more this year. Compare our state's road budget to other states: Queensland and Western Australia—\$63 million. It just does not equate, does it? Somebody has got this wrong.

The Barossa has an acute road infrastructure problem. Gomersal Road is just great, but we now need a bypass road to get the trucks out of the towns. It is totally unacceptable and very un-Barossan. The quality of life is suffering. Truro also needs to be bypassed, because the Sturt Highway goes right through the middle of the town and is causing all sorts of problems.

After health and roads in my electorate, tourism is the next most important issue. I cannot believe the budget priorities here as well. It is the third cut in three years. The Rann Labor government has cut back on its tourism funding ever since it got into office, last year and again this year. The wine tourist train has gone. The Barossa Wine and Tourism Association was the best example of a regional tourist office, probably, in Australia, performing outstandingly well. It was a fine example to others. What has this government done? It has removed the driving force and the marketer, the CEO, Mr Barry Salter. The government says that we do not need a marketing position in the Barossa, and we will now have it in Adelaide. So, guess what? Mr Salter resigned only a few months after the fabulously successful Barossa Under the Stars, twice. This sort of entrepreneurialship should be reported and rewarded but, no, it is pulled down. I wonder if we will ever have another Barossa Under the Stars. Mr Salter personally drove this. I give both Barry and the previous chairman, Aaron Penley, the highest accolade. I apologise for the shabby behaviour of this shocking government. Will it go the same way as the funding for the Barossa Music Festival?

**Ms CHAPMAN (Bragg):** Education budget 2004-05: and the winner is the Sturt Street Community School. Not only is this development by the government over the last three years the single biggest capital works project for the entire education budget for this forthcoming year, in this year alone it will spend the most on this project. You will remember that this project is the golden child of the Labor government and one which the Premier announced would be reopened. Clearly, come hell or high water, whatever the cost, this government is going to deliver on that promise, and when I say 'whatever the cost' I certainly want to reinforce today the

other projects that have been sacrificed in the wake of the development of this school. It is a school for which, in this year, the government proposes to spend \$2.93 million. It is a project which they publish as having a value of \$5.750 million, and which, in fact, we know, as already published by the Education Department, is a project which is now at \$6.14 million and growing.

The situation is that in the past three years we have had capital works projects in the first budget of the government which slashed existing Liberal government projects for the 2001-02 year. In fact, it slashed it to the extent that, in that year alone, \$34 million worth of capital works did not proceed. Fortunately, it was established and presented to the then minister for education that many of these projects were already commonwealth funded. In fact, the state government had already received the moneys for this, so they were forced, in 2002-03, to spend some of those funds. Some of those projects are now only just finishing completion and had to be forced to be done.

In this last financial year when the government promised to spend some \$55 million, it only spent \$40 million. So, we have had another \$15 million slippage. Of course, we understand, as announced by, I think, the Minister for Infrastructure, in January this year, that the holding back of tenders for a number of projects had significantly affected the delay in capital works and, accordingly, we now have another \$15 million unspent from last year's budget.

In this budget we have \$58 million allocated for this financial year. As I say, the 'golden child' school is Sturt Street Community School, which will pick up \$2 930 000 for the apparent completion of that project in September 2004. I remind the house that that school was opened this year with 19 students enrolled and has an enrolment now of some 70—not at the school, I might say. Many of these families are not to start at the school until it is completed in September 2004, if it ever opens, given the fact that it is now locked in the inquiry before the Public Works Committee. As the house will appreciate, it is now a project that, having blown out to such an extreme amount, over \$4 million, is in the hands of the Public Works Committee.

One of the most concerning aspects of that project is not just the blatant waste of money by the government but the fact that the government was clearly warned that there were difficulties with the redevelopment of this school and its consequential reopening, and now we find that cadmium and arsenic problems are not yet resolved and even further funds will need to be spent if the school is to reopen. I am very concerned about the priorities of this government for public works. We will see what happens. Incidentally, this is a school that even has to have a lift for 19 students. It is a three storey building, and there is no commitment from the current Minister for Education to cover lifts for any other schools that have three storeys. For 100 years children in the Sturt Street school used to walk up the stairs, but now they need this extra provision of a lift. It seems that that is not a convenience that is available to other students across the state. So, there is the public works position. We will see how many slip this time, especially if the Minister for Infrastructure gets his way and we have tender slippage, tender being held back and, again, problems with the lack of funding.

There are a couple of other areas I would like to highlight today, one of which is in relation to students with special needs. These are children with a behavioural, learning or physical intellectual disability who have special needs within the classrooms of the schools in South Australia, whether

they be in public or in independent schools. I particularly highlight the fact that nowhere in this budget has there been any extra provision for these children with special needs. When you consider the trend of declining enrolments in state schools, the least this government could have done in this budget was to give more to students with those special needs.

Unfortunately, for another year that opportunity has been lost, as has the opportunity to extend the definition of students with special needs to include those with behavioural and learning difficulties. I think it is important to point out that in 2002 we had some 2 000 students fewer than in the previous year. Last year, 2003, we had some 2 300 students fewer in our public schools, so there is no excuse for this government not having extra funding available to be able to allocate some money at least to these children with special needs. They are clearly not prepared to put it into the infrastructure and be able to deal with capital works programs, which when in opposition they complained were in a sad state of repair.

We now have the situation of being faced with the increasing number of students with special needs. It is notable to see in the annual report of the Department of Education and Children's Services that there has been a 6 per cent increase in the number of students with disabilities. These are students under the current definition of children with a disability. It does not cover children who may have some reading disorders or something of that nature, who do not even count for any extra funding. So, there are no new initiatives for children with special needs, and we know from the people who are working extremely hard in areas such as children with autism, children with reading disorders and children with considerable behavioural disability that this is ever increasing.

As shadow Minister for Education, I hear the concerns raised by the teaching community about how difficult it is for them to continue to apply their teaching skills in classrooms where there is an ever-increasing number of children with special needs. They need and deserve support, and our children are entitled to that support. I look forward to the government next year, at least, taking note of this expanding group of children who are in need. The government has a reducing number of children for whom it must pay, and it ought to be considering with some merit the cries of these communities with special needs.

I also point out that when one looks at the annual report of the Department of Education and Children's Services it also reveals the rather embarrassing situation where the literacy scores and retention rates have got worse under Labor. That is very concerning and will be the basis of further debates in this house, I am sure, particularly as we had supported the government in its initiative to increase the school age, yet we still have this problem. But the government did look at literacy scores and it seems that, without admitting to the parents of the some 2 300 children last year who failed to reach the national benchmark, and having refused to tell the parents of that circumstance in that time period, it knew that it was in trouble. So, what do we get in this budget? We get the bandaid announcement that the government will make provision for an early years literacy program. We do not actually get any extra funding for those children who have failed the benchmark test: they will have left school. They do not actually get any extra support.

Fortunately, the federal minister has come in with some voucher system to make that available. At last, the state minister has now agreed to publish to the parents so that they

are in a position to be able to apply. Having done that, we can at least say thank you to the federal government for making this provision. What the government here has done is say, 'We will address the importance of ensuring that this literacy position is remedied and will put in \$35 million over the next four years.'

Here I want to make the point that what is important with a budget is that treasurers tell the truth, the whole truth and nothing but the truth. If it is necessary for witnesses to have that standard applied to them in a courtroom, at the very least it ought to be a standard that is applied here in this parliament. What the Treasurer does is to trot out these four-year figures and make it sound like multimillions of dollars are being spent as though there is some immediate relief. When one does read the budget one is disappointed to see that the transparency is revealed, namely, that in this instance the government will be spending only \$5 million in the first year. So, up until June 2003, the early learning literacy program will have only \$5 million applied to it. I say to the house that it seems to me that, in the presentation of a budget (which, of course, we are debating as the Appropriation Bill) for a 12-month period, even if governments want to gloss up and treasurers want to make things look better than they are, the very least the government ought to be announcing is what will be allocated in that first year. We need a government that is prepared to tell the whole story and not just make these glossy announcements.

The other matter I wish to point out is that the literacy program has an aspect of early intervention, which I endorse. We have been looking at that in the last two years. Indeed, as shadow minister, I have convened conferences in relation to early intervention and the importance of getting those early years right. I applaud the intention of dealing with the problem, but what is very concerning is that when the 2003 results came in they were worse even than the 2002 results and, in some year levels, worse than the 2001 year results, and a lot of money, in fact millions of dollars last year, was spent on rewriting the literacy and numeracy tests.

We did not want to have the New South Wales one any more. We did not want to save any money. We wanted to have our own. That is all very well, but all we have done now is to spend a lot of money on having a new program and a new set of tests, and still we have not addressed the fundamental problem, that is, ensuring that our children can read and write.

One of the other things I would encourage the government to do when it looks at the early years is not to ignore the importance of oral literacy. This is another area which is sadly in need of attention. We must ensure that children have communication skills not only in reading and writing but also in learning the skill of how to speak. It is a very important tool in relation to a child's advancement and their establishing relationships that we know are critical to their development.

Pockets of funding have been allocated. Disappointingly, there is no extra funding in school bus services increasing over the next four years. That is of concern in terms of operational funding because, already, we have in this state a problem with the school bus contractors not being given the same courtesy or respect, I suggest, in relation to appropriate increments in their allocation of funds. It seems that the government has a view that, every three years, a teacher is entitled to have their funding reviewed in line with the cost of living, etc., in addition to reviewing their terms of employ-

ment and the benefits they receive, and I do not make any criticism of that.

However, when it comes to renewing the contract for our bus drivers, that seems to be a very different situation. We have a clear distinction by the government between those whom it employs and those who are under subcontract. That will be interesting, I think, when we come to deal with the Fair Work Bill which is before the house. That piece of legislation is purported by this government to be one in which it is important to welcome into the fold all the subcontractors, and to make sure that they are given all the rights and privileges of employees. In practice, though, this aspect clearly demonstrates the discrimination which this government is perpetuating in its own areas of responsibility.

It seems to me that, in relation to children's services, the government has still not addressed the fact that, while the applications of a number of childcare centres are before it for approval, it has not addressed the issue of qualification and skilling of people sufficiently able to qualify for the provision of childcare services. This is a serious matter which needs to be addressed, and I think it is very important that the minister get on and deal with it.

Another area clearly in high need is the after school and before school care. The 40 000 extra places provided by the federal government in its budget will at least address that. I am advised that every application for a space before the federal government around Australia will be covered by that allocation. I would ask that the state government follow, and that it deal with the responsible approach to the qualifying and approving of childcare centres in order to meet the needs in those areas.

Sadly, we have a budget which does little to address the question of the training and upskilling of our children as they leave school. Clearly, in its budget, the government has flagged its proposal to restructure the TAFE services and facilities in this state; and, of course, governments do this from time to time.

There is a massive cut in relation to funding in that area, which I will reserve to another day, but that is concerning when repeatedly we hear in this chamber the minister saying that one of the difficulties we have in South Australia compared to Australia is that our overall work force is so underskilled. To find in this budget no real provision—in fact, a significant cut—in this area, is a most disturbing trend about which the minister needs to speak with the Treasurer urgently. I am concerned that, whilst there has been a very significant increase in funding available to this government by its major tax being reaped, particularly from goods and services and its own taxes, little relief has been given in relation to some key areas.

There is an opportunity with education—when there is actually a diminishing pool of students—for some quite innovative, long-term benefit programs to be introduced for children in this state. That has not always been the case. We have had situations where the population has been booming and an enormous amount of attention has had to be given to just making provision for the services that are there. We have a diminishing pool of students in this state—and I am talking about the zero to 19-year olds—and this should give this government, which is allegedly committed to education, the opportunity to do some quite innovative developments for our children in South Australia.

I am very disappointed in this budget overall for education. I am concerned about the skill level that is not being addressed (when it has been such a highlight of this govern-

ment in its explanation for unemployment), and I hope the minister, when we come to the next budget round, will have significant influence in relation to the Treasurer's decision for 2005-06.

**Mr WILLIAMS (MacKillop):** I rise to speak on the bill to appropriate \$6.894 billion. It amazes me that, with all that money, so little is being done to provide for the future of South Australia; so little is being done to provide jobs for South Australians and the children and grandchildren of South Australians; and, particularly, so little is being done for rural and regional South Australia—that part of South Australia which has been driving the economy for the last few years. All that money, yet so little is being done.

The other issue I have with this budget is that this is a sleight of hand budget. It purports to be many things, but reality shows that it is a very mean budget. It purports to spread largesse across a number of areas of government activity, yet when one gets into the detail, when one looks behind the figures and analyses them—a lot more of that work will need to be done during the estimates committee—we see that the government has no strategy. It has no strategy to bring jobs to South Australia; it has no strategy to build the infrastructure of South Australia; and it has no strategy to fulfil the things it talks about, such as its population policy, its jobs policy and its policy to drive the economy. There is no strategy whatsoever in this budget. In fact, I think the only strategy in this budget is to complete the sleight of hand ruse, to hide away hundreds of millions of dollars for the government to spend in the run-up to the next election. That is what this budget is all about.

The state economy of South Australia at present is being driven by the domestic building industry. That is what is driving it. That is the only part of the economy that is really going gangbusters. That is evidenced by the huge windfall in the revenue side of the budget that the Treasurer has received in the last 12 months. It is a huge windfall. He has received something like \$260 million-odd in excess of what was budgeted for 12 months ago. That is what has come into Treasury in the last 12 months in excess of what was budgeted for.

On top of that, the Treasurer can look forward to huge increases in GST receipts—about \$750 million more over the next five years than what was budgeted for 12 months ago. On top of that, the Treasurer has increased fees and charges by an average of 3.8 per cent across the board compared with a CPI increase of about 2 per cent. The government has got this huge revenue increase, yet it cannot deliver, particularly to regional South Australia. It has delivered to a couple of small groups—and, hopefully, I will have time to come to that—but, by and large, the government has missed opportunities with this budget. It has carried on the function it has been carrying on for the last couple of years—all about rhetoric, spin and image and very little action.

I want to talk a little about some of the areas for which I have responsibility as the shadow spokesperson for the opposition. First, the Treasurer, who claims to be a good economic manager, has had huge windfall increases in revenue and still cannot turn around a half decent surplus. He has about \$260 million extra in property taxes but can only have a bit over a \$50 million turnaround in the surplus. Where has the money gone? What has he done to increase jobs? There is a very slight reduction in payroll taxes that puts us well ahead of some of the other states, such as Queensland and Victoria, with which we are competing. How

can we expect people to invest in South Australia when it costs so much more to do business in South Australia than if they were in one of those other states?

There has been no land tax relief for the population of South Australia. That is impacting heavily on self-funded retirees. I think everyone in the community was expecting that the government would make some reductions in land tax. We were expecting that the government might announce some changes with regard to B&Bs. There are a number of people in rural areas who operate B&Bs out of their home and pay land tax on the full value of their home because they use a small portion of it to run a business. These are some of the areas where the Treasurer has missed opportunities.

I think the biggest missed opportunity is in the area of capital works. Since the change of government, we have seen the capital works program slow down significantly. We have hardly seen a new project go through the Public Works Committee. We will be wondering why in a year or two the state's economy has gone into a nosedive. That will be because this government, through its sleight of hand treatment in this budget, has failed to do what it says it is doing. It says that it is putting a lot of money into capital works programs, but most of that money is sleight of hand treatment. I will highlight some of those things.

One of them is in the area of the Department of Administrative and Information Services, and on page 3 of the Capital Investment Statement it shows that that particular department is going to invest \$144 million on behalf on the state—\$111 million of that is for purchase of vehicles. This is merely reflecting a change in the way that the state fleet is managed. It was traditionally managed by the CBA bank, which owned the vehicle and funded the difference between the purchase price of the vehicle and the sale price of the vehicle in the ongoing charge to government. Now the government has taken over the full ownership of those vehicles and will fund it through SAFA, but that has put a bookkeeping figure into the budget of \$111 million.

Consequently, for property, plant and equipment reflected on page 3 of Budget Paper No. 5, the government is investing \$950 million this year in capital projects. If we take that \$111 million out we get back to \$839 million. That is the sort of thing I am talking about as sleight of hand. The Treasurer and the Premier have been saying that we are investing heavily, that we are investing to drive the economy, to drive job creation in South Australia. That \$111 million sleight of hand will not create one job in South Australia, not even a part-time job, because there is no change. It is purely an accounting sleight of hand.

The Premier and his minister for mineral resources in another place recently put out a press release saying that they were going to encourage the mining industry and further investment in mineral exploration in South Australia, and made much of supposed new funding of \$15 million over five years to drive this particular program. I have been through the budget papers with a very fine toothcomb and the total increase in expenditure for the mineral resources area of government this year will be a mere \$442 000. Although we have had press releases, we have had glossy brochures, we have had people speaking at conferences about a \$15 million program—sleight of hand. What we have seen is new names for existing programs all packaged up in a glossy brochure in the same way that this government spins everything it does.

As well as only having a \$440 000 increase in the total amount of money spent under that budget line, there is an

expectation that mining royalties over the next 12 months will increase from just a tad over \$76 million to \$84 million in the following financial year. That is an \$8 million increase in mining royalties, but we can only find \$442 000 to help the minerals exploration industry and the mining industry to increase their activities in South Australia. That does not take into account the announcement that was made in last year's budget that mining royalties will increase from 2.5 per cent to 3.5 per cent in South Australia. So, I would argue that this government is more about hindering the mining industry in South Australia than helping.

Another area that comes under my shadow responsibilities is SA Water. This is another sleight of hand and as I look down through the capital works program for SA Water I can see a great shift—money that is budgeted year after year for the same program and never gets spent. Yet the Premier and the Treasurer stand out there and hail what wonderful people they are, how they are driving the economy because they are announcing all these programs.

The leader talked about this in regard to a number of programs in regional South Australia. One example is in forestry, where we have a budgeted capital acquisition figure for fire truck replacements—a total cost of \$9.3 million. We have had \$1.65 million budgeted in 2002-03, \$7.16 million budgeted in 2003-04, and \$4.34 million budgeted for the ensuing year. This government has made \$12 million worth of announcements for a \$9 million project, and that is the sort of thing that happens over and over again with this government. We will be using the estimates committees process to go through and find out how much slippage there has been in the Capital Works Program over the last twelve months. I suspect that a substantial amount of the Capital Works Program has slipped and a substantial number of the projects in this budget were in the last budget, and there were tens, if not hundreds, of millions of dollars of under-spend.

Regional South Australia has fared incredibly badly. For the regional health budget in program S3, the estimated result from last year was \$329 694 000. The budget for this year is \$326 885 000, a cut of almost \$3 million in regional health, and members opposite wonder why the opposition is complaining about this budget—a \$3 million cut to regional health. I do not know what impact that will have in Whyalla, but I hope the member for Giles has picked that up, because I am sure it will be impacting on the services provided to her people in Whyalla and the surrounding areas.

Again there is a sleight of hand because in program S9, under the heading 'Regional Health', the budget papers purport to show that there is an increase in expenditure in regional health, but it should be noted that those figures include funds for disability services and nursing homes—which are both funded from the commonwealth government—and revenues from private patients. So, there is a significant under-spend in regional health.

*[Sitting suspended from 6 to 7.30 pm]*

## **HEALTH AND COMMUNITY SERVICES COMPLAINTS BILL**

The Legislative Council disagreed to the amendment made by the House of Assembly to the Legislative Council's amendment No. 25 and insisted on its amendments Nos 2, 4, 5, 9, 13 to 16, 18 to 21, 23, 26 to 35 and 37 to 42 to which the House of Assembly had disagreed.



## APPROPRIATION BILL

Second reading debate resumed.

**Mr BRINDAL (Unley):** It is common in times of budget for a government to say, 'This is the best budget since the Pharaohs ruled Egypt,' and for an opposition to say, 'This is the worst budget that has ever been seen in a modern democratic country.' Often, the truth lies somewhere in the middle, because we live in an adversarial and democratic system which, unfortunately, tends to polarise sides. There is much to be pleased about in this budget, and I think the credit should, at least in part, go to the Treasurer. However—

**The Hon. K.O. Foley:** To the Treasurer?

**Mr BRINDAL:** The Treasurer—you, Kevin Foley.

**The Hon. K.O. Foley:** The Treasurer?

**Mr BRINDAL:** Kevin Foley, Treasurer of South Australia—

**The Hon. K.O. Foley:** Kevin Foley.

**Mr BRINDAL:** —who is sitting in this house and who is most anxious that I spend my whole 20 minutes lauding him. However, I am afraid that I will disappoint him, because I will not be able to do so. If we are all honest (and I am not suggesting that anyone is not), the position in which the Treasurer, the Treasury and the state government find themselves is the result of many factors that have come together at this time. I remind the house that GST is just starting to flow into the state coffers, a tax that was not universally popular among Australian electors but that now seems to be increasingly popular with treasurers and treasuries because it is providing a positive guaranteed cash flow for which premiers do not have to argue, cap in hand, in what used to be an almost obscene parody that took place each year in Canberra between the treasurers and the premiers.

As an adjunct to that, we have an economy, not only in this state but in others around Australia, that has been booming, so there have been windfall gains in many areas. It is a matter of some jealousy for me, and I think for many of my colleagues, that when we were in government for eight years we did not quite have the money flowing into the South Australian coffers that this Treasurer enjoys. Having said that, this is the Treasurer's budget. In comparatively few years (and the Treasurer can probably inform the house how many years), the state budget has risen from approximately \$7 billion to \$8 billion in our time to the budget the Treasurer has presented, which is now in excess of \$10 billion. This represents a hefty 20 per cent increase in money to be expended.

As I say, two sorts of governments and two sorts of budgets are repeated throughout the history of the state and of the nation. The first is presented by the Treasurer when a state or federal government is doing it tough, when the economy is not going well and when things need fixing. That sort of budget deserves to be analysed in the form of, 'Is this the best that can be done with the money that is available? Are we spreading this adequately, and are we doing the best we can with the money that is available?' In many years, despite some of the rhetoric—and I do remember the rhetoric 'This budget brings home the bacon,' which I think was one of Stephen Baker's budgets that you might recall, sir—about bringing home the bacon, there was, in fact, not much bacon in the larder. Year in, year out, under the Liberal government, we were forced to try to do better with non-expanding cash flows, or cash flows that were expanding less quickly than some of the demands on expenditure.

The Treasurer would know that, through no failing of his or anyone on this side of the house, except perhaps his boss, we had the State Bank debt. It will be argued long after we have gone whether the sale of ETSA was, in fact, an assistance in remedying the state's financial mess or whether it was, in fact, not as good. I could stand here tonight and say that it was absolutely necessary because, other than through the sale of ETSA, the Treasurer would be spending many millions of dollars purely to pay back the interest bill. The Treasurer could possibly stand up and counter, 'Oh, yes, but if we still owned ETSA, given what we are all paying for electricity, there may be a cash flow.' That is the insoluble argument: what was done, was done; where we are now, we are now; and it is now a matter of where we go from here.

At the time, the Treasurer and his Premier ran around very cleverly saying it to the point where most Australians believed we actually sold SA Water. You talk to a South Australian about whether we own the water, and they will say, 'Oh, no, the Liberals sold that.' You talk to the Treasurer about whether we own the water and how much money we are getting from it each year, and he will smile and say, 'Well, that's worth, I think, roughly, year in, year out, \$200 million in excess—'

**The Hon. K.O. Foley:** That was one of our finer moments.

**Mr BRINDAL:** The Treasurer acknowledges that it was one of his better con jobs. I think he called it one of his finer moments, but I think that means the same thing. The point is that, because of what was done with SA Water, it went from what traditionally—

*Ms Ciccarello interjecting:*

**Mr BRINDAL:** I thank the member for Norwood for acknowledging that it was the Liberals who turned it from a profit losing organisation into a profit generating organisation for the government of South Australia: \$200 million a year.

*Ms Ciccarello interjecting:*

**Mr BRINDAL:** I remind the member for Norwood, if she would stop bleating, that no-one more eminent than the current thinker in residence, Professor Peter Cullen, has argued that this Treasurer should put up the cost of water by 300 per cent. I note that he has not done so but, while the member for Norwood is saying, 'Well, the Liberals put up the cost,' Professor Peter Cullen has said, 'Yes, but nowhere enough; the price of water still needs to rise.' I note that the Treasurer has resisted that temptation. However, it may be that in future, no matter what the revenue flows into South Australia, no Treasurer of this state can afford to ignore the fact that many serious thinkers in the matter of water think that water is seriously underpriced. It is a commodity that has to be used better. One of the arguments is that the economic imperative is one of the few imperatives that will drive water to a better use.

As I have said, there are, in fact, two sorts of budgets: the budgets of a government in a lean year, which need to be judged by whether they doing as well as they can with the money; and the sort of budget we saw the Treasurer presents this year, which is a budget in a good year. Then, quite seriously, we can argue: is the available money being spent in the best possible way. That is where the government opposite and these benches would have some differences and difficulties, and quite legitimate differences and difficulties that are the province of this parliament to debate. Tonight the leader pointed out that he does not believe—and I concur with him—that enough money is being put into investment attraction and trainee programs.

**The Hon. K.O. Foley:** You are a bunch of socialists, you lot.

**Mr BRINDAL:** The Treasurer accuses us of being a bunch of socialists. I do not think that is fair, in my case at least. I actually think that the best way to drive a vibrant economy forward and the best way to see that everybody in this state is reaping the maximum financial gains they can so that this government becomes even wealthier, is to ensure that they are employed. An unemployed person, the Treasurer, myself and every employed person—

*The Hon. K.O. Foley interjecting:*

**Mr BRINDAL:** The Treasurer says to look at the unemployment rate. I acknowledge that, but that is one point I want to touch on about a budget in a good—

*The Hon. K.O. Foley interjecting:*

**Mr BRINDAL:** No, that did not happen, I do not think.

*The Hon. K.O. Foley interjecting:*

**Mr BRINDAL:** Did he? I quote back to the Treasurer, who says he saw it on television. The Treasurer has always told me that you do not want to believe everything you see on television, unless it is him making some scandalous or scurrilous comment on the nightly news. Whenever I have told him he was being scurrilous he would say to me (I do not think he will mind me saying this), 'But, Mark, did you see the news? Did you see who led all the news stations?' It was invariably him and, the more scandalous the comment, the more prominently he seemed to lead the news services; but he has changed, and he is now a statesman. He is now Treasurer of South Australia and would not dream of pulling those tawdry little tricks he used to pull in opposition. The problem is that I do not think we have ever been quite as good as he was at doing that very thing.

To be serious, this budget therefore needs to be analysed in these terms: there is a good amount of money available. Is it being appropriately and properly spent? As I said, the answer of the Leader of the Opposition (which I feel too) is in terms of training. The Treasurer says, 'Look at the unemployment rate' and the Treasurer is quite right. We worked very hard and the Treasurer will remember that we had employment packages numbering tens of millions of dollars. I am not saying that they were entirely responsible, but they helped to create a climate. However, at present, through no fault of this state government, we are looking at the closure of the Tonsley plant's engine-making capacity—600 people will be out of work.

I would say to the Treasurer that it is not that unemployment is a worry at present: it is one of the best records we have. The problem is not the budget for now: the problem is the budget as a foundation for the next five to six years because, to keep unemployment at its current levels, I believe that it is absolutely imperative that a sufficient amount of money is invested in retraining, upskilling and further training our work force and that a sufficient amount of money is invested in industry attraction. I actually happen to agree with some of the things I have heard coming from the government benches about not being forced into some sort of tawdry bidding war with the other states where everybody puts their hands up and says, 'I can pay more than you' to get X jobs into their state. That, I think, is counterproductive and is a simple waste of taxpayers' money.

On the other hand, to legitimately attract business in a way that attracts long-term stayers and encourages growth within our state—and I point out his own government's announcement over the biotech centres and things like that, the new generation of industries for South Australia—is an intelligent

placement of government money. They do not have to be in the tens of millions or hundreds of millions of dollars. They simply are clever and strategic financing and an encouragement of the way forward for South Australia. Far from being a socialist, I do not mind any person in this state growing an industry that makes them a billionaire, because I figure that, if they can grow that industry legitimately in accordance with our law without hurting other people, they will be taxed enormously and those taxes will be returned to the people, but what is more—

*The Hon. R.B. Such interjecting:*

**Mr BRINDAL:** The member for Fisher says that you would hope they would pay tax but, given what he and I pay in tax, and most other people in this chamber, one sincerely hopes they would pay tax. Notwithstanding that, I would say that they will undoubtedly be a huge employer of people. Whether it is to enlarge their houses, whether it is to consume goods and services, or whether it is because their industry needs employment (it generally does), those people will employ. I go back to the theme that an employed person is a contributor to the state; an unemployed person is somebody whom we need to help because they do not have the wherewithal to help themselves. I do not think that is socialist, and I do not think the Treasurer will argue with that, because it is a way of creating a more prosperous South Australia.

Regarding some of the other points that I want to briefly cover in my contribution tonight, I noted with some dismay—through you, Madam Acting Chair, to the Treasurer—that the department of youth is now to be funded through the Department of Health. The member for Fisher, himself a previous minister for youth, will realise that that was not the case; it was to have a department which was not about kids in need or kids at risk, but, rather, to celebrate all of our kids who are growing up to be decent young Australians and not in trouble. The youth department, unlike the health department, was an empowering and supportive sort of program. It did not have a lot of money; it did not need a lot of money—it was about positive reinforcement of young people: who they are and where they are going. It worries me to see that shift. I am sure my colleague will speak about it in great length, only because if we are going to lose the focus of celebrating our young people—most of whom do not get into any more trouble than most of us get into on our way to becoming adults—then I think we will have lost something as a government—and it detracts from this government.

I want to spend the last five minutes talking about the very welcome increase in the Family and Youth Services budget. For putting \$158 million into an area of crying need, the government is to be applauded. However, the question then arises of what is the best way to employ this money. In one sense this goes beyond the Treasurer at the table. He can accept the advice of his ministers and the discussions around the cabinet table, and he can apply the money. But, the fact is that, from all the evidence available to me, the \$158 million cannot be well spent by this government until it looks at the system that has produced the problem that we are in. This is not party political; I freely acknowledge that it goes back to the previous Liberal government and probably well into the Bannon government. It is a problem that everyone in this house knows is decades old. But, if you actually read the Layton Report and any evidence on child abuse, especially sexual and physical abuse, you will see that it is a systemic problem, and one of the problems is the system. The system has not coped, it has failed to cope adequately, and has more often than not covered up.

*The Hon. K.O. Foley interjecting:*

**Mr BRINDAL:** Sorry? We were looking at the report of the Anglican Church today; it was featured on every news service. I have not yet read it in detail, but two things struck me: one of them was an instance where a matter of abuse was reported to FAYS. I wish I could find the words because I would quote them directly into the record. It says that there was a matter of abuse reported to Family and Youth Services which basically proceeded to ignore the problem. Another instance is where, I think, a matter was reported to the Unley police station, and the same sort of thing happened. We can stand up here and condemn that which was wrong in the Anglican Church; and so we should. In the Catholic Church, the Anglican Church or surf lifesaving, wherever it happens, we should condemn it, but, we should also look at those instances where our own system is implicated and where, equally, nothing was done.

So, I say to the Treasurer, 'Well done on the \$158 million,' but I also say to the minister responsible, 'That money from all South Australians, from this parliament, the appropriation voted will be completely wasted if he does not look at the system and do something to clean up the mess'. It is easy for me to say 'Do that'; I do not know how he does it. For months I have been trying to work out how I could come into this parliament and wave a magic wand and say, 'Look, the way you need to fix it up Minister Weatherill is to do this, do that, do something else.' I do not think that there are any easy fixes.

Most importantly, I do not think there will be any fix at all until we see the problem as a problem. I noted one of the other members in here tonight, who is always deeply involved in social justice issues and Aboriginal affairs. One of the great catchcries of the nation, one of the criticisms of the Prime Minister—although I am not saying that I accept it—is that until you say sorry you cannot move forward. While I want to separate the argument, I want to illustrate the point that I am making. Until we look the problem squarely in the eye and say that we, the ongoing government of South Australia, we the members of this parliament, we the ongoing Public Service, are partly responsible for the mess that is child physical and sexual abuse, we will get nowhere.

The Treasurer's good intentions will come to nought unless Minister Weatherill pays some real attention to long-term solutions, a change in the nature of his department and maybe a change in some personnel, if that proves necessary. But there needs to be a new broom. The Treasurer has given Family and Youth Services a breath of fresh air, if you like, and a second chance. I say to this house that, if it does not use it, it will not be the Treasurer's fault; it will not be the fault of the cabinet of South Australia; but it will stand as a damning indictment on all those responsible for that department.

**The Hon. R.B. SUCH (Fisher):** I believe that overall this is a good budget. In terms of some fundamentals, it lays a very strong basis for the future. I am the first to acknowledge that in economics we have fads, fancies and trends, and there is a need to be a little bit cautious about the current trend, which is that you must have a balanced budget. I think that is more true for a state government than for a federal government because a federal government, in effect, controls not only the fiscal process but also the monetary process, so it is less important for it. We can recall that a few years ago the obsession was privatisation, outsourcing. That was the big

trend for Reagan and Thatcher, followed here by the local Liberal government, with some serious consequences.

If you go back even further to the time of the State Bank issue, Labor wore the pain of that. I believe that situation would have happened whichever party was in power at the time. If you look at it fairly and squarely, the Liberal Party was pushing very hard prior to the State Bank collapse for that bank to be separated from government control. That is a fact. I reread the *Hansard* recently and, whilst it was a Labor government that snapped the apron strings of the State Bank to cast it adrift and let it go on what eventually become a disastrous path, the Liberal Party was supporting it all the way, encouraging it and wanting it to become a free agent, because that was the economic ideology of the time.

The economic ideology of the time was that governments should not be running businesses—that we must outsource, let them all do their own thing. The consequence of doing your own thing for the State Bank was that it did its own thing and almost bankrupted the state. John Bannon, to his credit, wore the flak of that, because he is an honourable person. However, if you look at it honestly and squarely you would have to say that the Labor Party probably wears 60 per cent and the Liberal Party at the time should have worn about 40 per cent.

The point I am making is that we have those fads and fancies, and the one we are into now is balanced budgets and credit ratings. You can argue the merits and say that that is good, and at a federal level, by creating a budget surplus, you put a contractionary impact on the economy. But we need to come back to the basic point of any budget, state or federal, and anything that government, be it state, federal or local does: what are we doing it for?

It is not an end in itself to have a AAA rating, a balanced budget or a deficit budget. We are doing these things, hopefully, because they are in the best interests of the people of South Australia; otherwise, we should not be doing them at all. I can recall when as a minister I was frustrated by what I thought was the self interest of bureaucracy, having a big rubber stamp and stamping everyone's forehead with 'I am here to serve the people of South Australia.' I did not do that because it had connotations of a nasty era back in Europe when people were stamped. We need constantly to remind ourselves what this is all about.

This budget, as I say, is moving strongly to the black in terms of genuine accounting, accrual accounting, rather than the phoney cash accounting we have had over many years as the traditional con job. I note that the Treasurer is here in the chamber. We have to be careful that we do not see the AAA credit rating as an end in itself, or balanced or surplus budgets in years to come as some sort of thing in its own right.

It has no meaning outside of making sure that we are doing and providing services for the people of this state. The budget involves considerable expenditure in health—which I welcome—and considerable expenditure in relation to child protection. I make the point, particularly in relation to child protection (which I welcome), that we need those social workers, those youth workers, but, in a sense, that is a bandaid for the underlying causes. I think that we have some very serious problems here in South Australia in terms of what has happened to this state over, probably, 25 years, where we have seen a decline in basic values, a decline in the family.

That is not going to be remedied overnight, nor can governments wave a magic wand. I have supported 'tough on crime' programs, and all those sorts of things, as well as child

protection, but what the government needs to be doing is getting in early in terms of early intervention and tackling the issue of literacy and young people in schools who need help from psychologists and counsellors. You need to tackle the problem early on. One of the issues that continually is reinforced to me by agencies now—which can appreciate the need for change—is not to intervene at the last minute when it is almost too late but to get in early so that people are not likely to get into a position of committing crime, or where they are going to become bad parents because they are either ignorant or because of some other factor that can be dealt with.

I am not naive enough to think that you can just throw money in there, that everyone will be a good parent and love their kids, and that sort of thing. But what we need to do is turn the emphasis—as happened in health—towards prevention rather than simply focusing on what you might call an approach of trying to cure the problem after it has existed for a long time. Really, at times I despair about what I hear in South Australia, and I heard the crime figures today. We have, in many parts of this state, significant numbers of people whose behaviour is dysfunctional. Now, that is a trendy term, but nearly every day you hear of car chases, home invasions and things like that.

You have to keep it in perspective—a favourite phrase of my late mother's. But there is something not right in the state of South Australia amongst a significant number of the people. I suspect that it is related to drugs and the misuse thereof. Some of it is probably related to mental health issues as well, but we have a significant problem here and, if we are not careful, I think it will really come down on us in an even bigger way than it is at the moment. That is why, when I talk about things such as crime prevention, it is not the silly crime prevention we had inflicted on us as part of the previous program—not totally, there were some good things.

Silly stuff happened in my electorate when a crime prevention meeting was told by one of the crime prevention people, 'Take up your concrete drive and put in gravel, then you can hear the would-be thief coming down your drive.' That is nonsense; it was an extreme bit of silly advice. But I was making the point earlier about tackling literacy issues, behavioural issues and helping people manage their children and to be good parents. All those sorts of things need attention rather than simply locking them up, or sitting back and hoping things are going to work out well.

This budget acknowledges through its spending the benefit from the property tax boom. I think the Treasurer is prudent not to regard that as an ongoing bonanza. It is a short-term thing. Any treasurer or government would be foolish to expect the benefit or bonanza from property movements to be an ongoing thing, so I think that is a smart thing.

The member for Unley highlighted the flow-on of GST, and it is very fortuitous that this government will have a steady stream of money, which will probably exceed expectations over time. We need that money. As I said earlier, I commend the money going into health. As I have said in this place before, the government could spend all its money on health and still not satisfy every person in South Australia.

We need a lot of money spent in schools, particularly state schools. Many private schools—not all of them—have been very shrewd in the way in which they have operated. They have approached the commonwealth in recent years. They have a group funding based on the poorer schools, when in fact some of the schools in the group are quite well off. They

have been able to get significant funding from the commonwealth on the basis of the poorer schools belonging to that particular group.

In my view, our state schools need hundreds of millions of dollars spent on them in capital works. We have a variation of what Professor Galbraith said. He talked about public squalor and private affluence. I think it is an irony that in many areas of the state we have people who live in homes which are physically better than the schools their children attend. That seems bizarre to me. We have people who are privately affluent but whose children have to attend a school where the system—the public purse—cannot provide a school which is of the same standard as the house in which the children live. That suggests something is not quite right.

We often have people saying that we are overtaxed. Well, some people are but a lot of people are not paying much tax at all. It is a challenge for the federal government to get fair dinkum with the people who are not paying their fair share. The average wage and salary earner is paying a fair whack out of their pay packet, given bracket creep and so on, and then there are people who cannot be paying a fair share of tax, even though the member for Unley said, 'Good luck if they are billionaires.' I do not mind if someone works hard and gets a generous reward for it, but there is a difference between that and avoiding a tax liability.

I recall a member in this place telling me that 'only idiots pay tax'. He was a millionaire; he is no longer in this place. He told me that people who pay tax are idiots because, somehow, he managed not to pay tax and the Medicare levy. He sent his children to the most expensive school. I do not accept the argument that every South Australian is overtaxed, either by the commonwealth or the state.

One of the worrying issues that affects this state and its budget is when one state—and it has often been Queensland—through a range of factors has been able to cut its local taxes. That has put pressure on other states to follow likewise because they have to match it. That has been a legacy of the Joh Bjelke-Petersen government in Queensland. I think it has had unfortunate consequences throughout Australia. We still have payroll tax, which is a crazy, silly tax, but no state government is really in a position to abolish it completely. That would require some substitution by the federal government. When one thinks about it, we punish people for employing more people. How irrational and bizarre is that? In my view it is quite silly.

I also raise the issue of whether the idea of an annual budget is still the way to go. I know we have a half yearly statement but, in this day and age, is it still the way to go to have a big hit at this time of the year? Maybe it is time we had a look at whether the current annual budget, the big bang approach, is really the way to go.

In relation to some specifics—and I thought long and hard about this when I was minister for employment—state governments can do very little about employment. I have tried to encourage employment ministers, both Liberal and Labor, since I was in that position not to put themselves in a position where you take the flak for something that you cannot really control. It has always been the tradition that the Premier of the day likes the gloss and the employment minister has to front up and explain when the figures are not so good. State governments do not create employment or unemployment in any significant degree: that is the result of the federal government and international factors. State governments can help, but they cannot fundamentally determine those things. South Australia's employment is

largely determined by whether people interstate and overseas buy our products. The state government can lubricate it a little but it cannot really satisfy that demand of creating employment totally.

This process that we go through with the budget is also squeaky. I am an advocate of allowing upper house members to participate in this process through estimates. I think estimates needs not only keyhole surgery but fundamental open-heart surgery but, if we are to have this current antiquated approach—what I call the near death experience of being involved in estimates—let us involve members of the upper house. I believe that we can do it without challenging the traditional approach that the House of Assembly has responsibility for financial matters, because the estimates committees do not ever vote per se on the actual Appropriation Bill. I am looking at that issue to see whether there is a better way and, if we are to have estimates, at least let us make them efficient and involve upper house members as well.

In terms of specifics, it is good to see that there will be additional police. I am not sure where the police are allocated. I know it is the commissioner's responsibility. I am not sure whether he has a lot of committee activity or paperwork, but I would have to say that I very rarely see police officers out and about. Members might say that we do not want to see them out and about: we want to see them tackling crime, but the public do want to see police out for reassurance, and I think they have a right to see police actively out on the beat. I am not sure where the police are and I am not sure how they are allocated, but I will be fascinated to find out through the estimates process how they are allocated to tasks because, in my judgment, there seem to be fewer police than there have ever been.

I would like to see some significant capital projects undertaken in this state. I have argued for a long time about things such as electrification of the rail system or development of a light rail system, but I think we need some projects to kickstart South Australia so that we do not fall back into what I will call the Rest Haven mode—sleepy. We need things that will activate the economy; we then get the multiplier effect and from there we can really stimulate the economy. I have said many times that the Keswick rail terminal ought to be integrated with suburban buses and trains and with accommodation. We could build houses above the railway yards; we could do all sorts of things. We seem to lack vision or excitement about getting on with some major projects. I think it is great to have thinkers in residence. I think what we need is a few more doers, especially in the bureaucracy who, instead of telling you why you cannot, tell you how you can.

I find it frustrating that, when you talk to ministers, they say, 'I think it is a good idea but the bureaucracy does not like it.' Bad luck! The government is there to govern; the bureaucracy is supposed to do what the minister wants, not trot out their old agendas from when they were at university or somewhere else. They are supposed to be carrying out the will of the government, not flogging old agendas and telling the ministers what to do. Sadly, quite a few ministers are run by their departments and the bureaucracy and they are told, 'It will cost too much; it is too difficult.' Often the advice they are given is just not up to it: it is very poor. In respect of my own electorate, I know we have a grievance opportunity later, but I want to see the government get on with Black Road. That project has been hanging around for so long that I was going to say that I will be a grandfather before I see it, but I will not say that because I could be a grandfather fairly

shortly. I will be a great grandfather by the time that project is done! I know that the Minister for Transport is trying to crack the whip, but—

**The Hon. K.O. Foley:** Which road, Bob?

**The Hon. R.B. SUCH:** Black Road at Flagstaff Hill. It has been on the books for years. The council has allocated the money and put its little yellow marks on the road. Let us get that road done. I do not care if it is done in stages, even over a few years, but it should be done properly; no mickey mouse. The people down south do not ask for much—they do not get much—but that is one thing that they particularly want. Further south, I would like to see the railway extended to Seaford—and, preferably, Aldinga. It is a cut lunch job for the people who live there if they want go to the city to work. Let us have that railway extended. If we are to keep the heavy rail, extend it to Aldinga. We have not had any significant extension in public transport in recent years. I know that we are getting some new trams—which are long overdue—but there has been nothing fundamental in terms of new ideas.

There are a few little projects that we need to get under way. The community road watch scheme that New Zealand has developed is fantastic. It is staffed with a couple of people. It is brilliant. People use the internet and fax machines to report bad divers. That scheme works well and it saves a lot of lives, and I would like to see it implemented here. It would cost literally next to nothing to implement because, in a way, the police do it now, but it is not systematised. Let us systematise it and get the benefit.

Time expired.

**The Hon. W.A. MATTHEW (Bright):** I rise tonight to join my colleagues in expressing concern about aspects of the budget that has just been handed down in this parliament. I had the misfortune to sit on the opposition side of parliament from 1989 to 1993 during the time of the Bannon Labor government and, later, the Arnold Labor government, and I witnessed the budgets that were handed down by those governments. It is fair to say that there are a number of common hallmarks between those budgets and the one that we have seen handed down on this occasion—hallmarks of deceit, manipulation and hypocrisy. It disappoints me that we are seeing the Labor Party of old again show its spots with the handing down of this budget.

I think it is important to look at the framework upon which this budget has been delivered. We have seen the government in a position to deliver a budget of foresight, a budget that would move the state ahead, aided by windfalls from the \$750 million extra that will come into the state's coffers through the GST deal, the enormous increase in revenue through the buoyant property market and, of course, on the back of a considerably reduced state debt. I well remember the appalling \$9 400 million in state debt that our Liberal government inherited from Labor. We were able to turn around its appalling mismanagement and to largely repay the bulk of that debt, leaving Labor to come into office with a little over \$3 billion in debt remaining.

Of course, that debt was reduced, in significant part, through the lease of the electricity assets. It is, indeed, an irony that we have a Labor government in a position where it can deliver a budget of foresight which moves the state forward on the back of two things which it opposed. It opposed the introduction of the GST and the lease of the ETSA assets, but the reality is that those are the two things that have delivered the state the opportunities to craft a budget that will move the state forward. Therefore, I had

expected a budget which would encourage development and employment in the state, one which would move the state forward.

Indeed, at first glance, if one had listened to the Treasurer's rhetoric in the delivery of his budget speech, one would have thought that it appeared to be responsible. It delivered a modest surplus, given the \$10 billion scope that was there. It seemed balanced, and it was presented as delivering much needed funding in key areas such as health, child welfare, first home buyer assistance and business tax relief.

However, as my colleagues and I know, the devil is always in the detail, and indeed the devil is in the detail of this budget. The Treasurer talked about a fair bit of spending over the next four years, with \$200 million here and \$400 million there. But on close scrutiny in many areas there are minimal outlays in this year's budget, and we see that the same story occurs for next year, so effectively it is a budget on the never never, a budget of promises for the future which may never be delivered under a budget that is designed to give the appearance of the government's actually doing something when in fact it is not.

For example, I share with the house the example of the Bakewell Bridge replacement project at Hilton, announced with much fanfare. No doubt it will be championed by the member for West Torrens, but in reality there is no spending plan for this coming financial year and \$27 million of the \$30 million budgeted will not be outlaid until 2006-07 and 2007-08. The announcements are made now, but there is effectively no funding now for that project even to commence.

The so-called tax relief announced in this budget also does not withstand closer scrutiny. I do not believe anyone will argue against stamp duty concessions being necessary for first home buyers. Many of my colleagues and I have campaigned for that to occur, but again we saw the smoke and mirrors machine cranked up by the government in its budget delivery. For example, a first home buyer purchasing a \$250 000 home, with a \$225 000 mortgage, will now pay \$8 940 in stamp duty, or a saving of \$792. But let us look at what they do over the border.

In New South Wales a similar property attracts zero stamp duty. In Victoria they will be paying almost \$4 000 less. So, all that has been done is some minor relief provided to new home buyers who are already having to cop the brunt of significantly increased prices in a buoyant property market. They are considerably worse off with that \$792 additional to where they were when a Liberal government was in power just two years ago because of moves in the property market. This promise has been nothing more than smoke and mirrors.

Let us look at how many people will be affected. Significantly, while this initiative will benefit 7 700 home buyers, which on the surface sounds like a lot of people, over the next year the Real Estate Institute figures show that there will be about 63 000 property sales in South Australia if they maintain the same pace as last year. That means no benefit at all for the other 55 000 people buying properties in this market. Let us not lose sight of those selling and buying properties. Many people on a fixed income are living in properties and cannot afford to pay the increases in council and water rates. These people then seek to sell their properties and are being hit with stamp duty on the property they purchase to replace it, losing still more money. They are getting no consideration from this government.

The Treasurer also made much of the pay-roll tax concession—a reduction in the rate of pay-roll tax from

5.67 per cent to 5.55 per cent: again something which on the surface looked commendable. But, again, the devil is in the detail. The vast bulk of employers will receive no benefit from this because the tax is not applicable on payrolls of less than \$504 000 a year. The vast majority of small business owners will not get it because—

*The Hon. K.O. Foley interjecting:*

**The Hon. W.A. MATTHEW:** Of course they don't, but those people aren't going to get any benefit, and that is the whole issue. This government claims that it is encouraging business, but the simple fact is—

**The Hon. K.O. FOLEY:** On a point of order, Madam Acting Speaker, it is incumbent upon a speaker in reply to the budget to be honest and not to tell untruths and make misleading statements to the house. The government at no stage suggested that those people would receive a taxation benefit, so the member should not allude to such.

**The ACTING SPEAKER (Ms Ciccarello):** There is no point of order. That would require a substantive motion.

**The Hon. W.A. MATTHEW:** Thank you, Madam Acting Speaker. I can understand the Treasurer's sensibility, because he has been out there spinning the line that this is a budget that will encourage small business, and he knows full well those small businesses will not benefit. They will not benefit and his statement to this house just then, through his ruled out of order attempt at raising a point of order, is proof of that.

It is in the area of tax collection that this government's approach is least defensible, because the budget papers show that this is the highest taxing government in the state's history. This government is the highest taxing government that has ever been in South Australia. That is a fact and, indeed, the recent commonwealth Grant's Commission report lists South Australia as having the highest taxing government in the country. That is a fact that South Australians must now face. Riding on the crest of the property boom that I mentioned earlier, the state this year will raise about \$1 billion in property taxes—about one tenth of the total budget income. It rather puts, I must say, a \$14 million concession for first home buyers into its true perspective.

The Treasurer has publicly said that those who invest in properties have done well out of the property boom, and they have if one looks at the increase in their property value. But the reality is that they do well out of it only if they sell the property. The fact that the taxes they have to pay to sustain that property keep moving up means that more and more of them will be forced into relinquishing those properties. That has a potential threat for the future in the rental market, something about which this particular government must be particularly guarded. Property taxes are not the only ones that have gone up.

Let us look at some of the every day charges that South Australians have to fork out for: public transport costs are up by 3 per cent, motor vehicle registration up by 3.7 per cent, third party insurance premiums up by 5.5 per cent, water charges up by 4.4 per cent, and water rates up by 4.8 per cent. Given that the expected inflation rate is 2 per cent, we are seeing charges more than double the expected rate of inflation.

Let us also look at the issue of speeding fines. Speeding fines are an interesting aspect of the government, because speeding fines are expected to be increased by between 3.6 per cent and 3.9 per cent, dependant upon the offence involved. Actual revenue from these fines is expected to leap by 42 per cent, from \$55 million to \$78 million. So, South Australian motorists will deliver to this government almost

double the amount that it will hand back to first home buyers. Again, it starts to put that into perspective. That means we are no doubt going to see far more rigorous policing of our roads, with yet more speed cameras, more red light cameras, more revenue taken out of the pockets of South Australians, and more people fined for travelling at 50 km/h in a 40 km/h zone. We well know why the government will not tackle the problem of doing something about the 40 km/h zones. It affects the revenue stream. It would probably like to see 40 km/h zones right throughout the metropolitan area.

The jobs front does not provide any better news. We see on the jobs front projected growth of just 0.75 of 1 per cent this financial year. That is the lowest projected rate in the country. This government is saying that it is prepared to accept being the worst in Australia. That is its plan, and I for one am not prepared to stand in this parliament and tolerate a government that is satisfied with being last.

What happened to the pride that used to drive this state forward, when we aimed to be first, not last? The rate of job growth this government is predicting is half the rate expected in Victoria and the ACT, a third of the rate projected in WA and Tasmania, and a quarter of the rate in the Northern Territory. This government wonders why South Australia is referred to by its eastern state counterparts as the Cinderella state. The reason it is referred to as the Cinderella state is that Labor governments have habitually put us into that role because of their poor targets, their poor decision making and their poor budgetary practice.

Of course, nothing can be manipulated and sold to the public without its being done in a very controlled way, and one only needs to look at the approach of the government in delivering its budget message. There has been a number of press releases—I have not counted how many but it is seven or eight—issued in the Treasurer's name. Only two spokesmen from the government were allowed, and they are the Treasurer and the Premier. Media outlet after media outlet has advised the opposition they were seeking commentary on the budget from various ministers and were told continually by the media minders of the government there were only two speakers on the budget—the Premier and the Treasurer. Why have all the other government ministers been silenced from speaking on this? What are they afraid they might say? What are they worried about if their backbench colleagues speak on the budget? I would have thought the government would encourage its whole team—if, in fact, it was working as a team—to be selling the message about its budget to the public.

But, no, the government has chosen to do it another way. The government has embarked on a program of advertising the budget through television. It is interesting to reflect on the views of the Premier on advertising, for it was the now Premier who told a budget estimates committee on 19 June 2001:

We all know that when we see a politician on a taxpayer funded ad, it is just a cheap way of doing the party ads.

They are not my words: they are the words of the now Premier. So, through this budget advertising, the now Premier is, in his own words, indulging in a cheap way of running Labor Party advertisements at the expense of the South Australian taxpayer. I pay tribute to my good friend in another place, the Hon. Nick Xenophon, who made a statement to the media when he held a press conference on Friday, and I am paraphrasing but his words were something like, 'I am sitting in the same room giving a conference that

I did with the now Premier three years ago, when he said that he would put a stop to political advertisements and put a stop to advertising budgets in this way, and here he is doing it.'

I started by saying, in part, that this budget is about hypocrisy, and nothing highlights the hypocrisy of this government better than the way in which it is indulging in a spending spree for taxpayer funded advertisements as, in the Premier's words, 'just a cheap way of doing the party ads'. I am sure that Trades Hall will be happy that it is getting its party ads so cheaply, but I hope that the South Australian taxpayer is not happy about the Premier doing his party ads in this cheap way.

When I spoke to the budget last year I highlighted that on the eve of the delivery of the budget the government also delivered a 5.6 per cent increase in domestic gas prices, the second increase in gas prices since it came into office. I flagged previously that I saw this increase in gas prices (now more than 13 per cent since it came into government) as being a way of slowly preparing South Australians for higher prices and sneaking them in early so they would not have to be increased by as much come the deregulation of gas, which we now know for South Australian households will be from 28 July this year.

The reality is that it did not work and the government, in panic mode, realised that it needed more. Then it tipped a bucket of \$64 million of taxpayers' money into the infrastructure costs that would be incurred through the creation of this market in a bid to hold down the prices. I still believe there is a fair chance we could see an increase of as much as 10 per cent come 28 July, added to an increase of almost 13 per cent (in fact, if my memory serves me correctly, 12.6 per cent) increase in gas price since this government came to office. We are heading over the 22 per cent mark even with \$64 million being poured in and, by an interesting coincidence, that equates to the average price in electricity under this government since they came into office. So, not only did they mismanage electricity but they are now showing strong signs of exactly the same sort of mismanagement of gas, with a twist that makes it far worse of pouring \$64 million of taxpayers money into the bucket to boot. That is not the sort of governance South Australians deserve, and that is certainly not the sort of governance that South Australians expect, regardless of who happens to be in government.

I would like to close my remarks by focusing on gambling revenue. I point out that the money spent by this government on advertising gambling is about three times the amount they put into gambler rehabilitation. Again, this is another element of the hypocrisy of this government. On the one hand, it claims that it is concerned about problem gambling, yet it spends three times as much on advertising that encourages more people to become gamblers than it does on spending to help those who are. That is a despicable act, one that is not worthy of any government of honour, one that is certainly nowhere near the standard that South Australians deserve.

*The Hon. K.O. Foley interjecting:*

**The Hon. W.A. MATTHEW:** It does not matter what the Treasurer says, those are the facts of the matter. He knows that, he cannot dispute it, the facts stand on the public record.

**Mr GOLDSWORTHY (Kavel):** It certainly gives me pleasure to rise this evening in the house to speak to the budget. I support my colleagues on this side of the house in the general comments that have been made concerning the budget. I would like members to cast their minds back to roughly two years ago when the Labor Party first came to

government. One of the first things that they tried to do was to talk down the economy and try to highlight the terrible job the previous Liberal government had done in managing the economy in this state. They were unsuccessful in their attempts; nevertheless, they did their darnedest to try and cast things in fairly poor light. From memory, they talked about a black hole of about \$160 million that was evident in the balance sheets that existed when they took government. The Liberal opposition (lead by the leader and the shadow treasurer) did not take long to debunk that as absolute nonsense and again highlighted the strong position which the Labor Party benefited from taking over a very good set of books.

The government has made every effort over the last two years to try and herald and highlight that, as a consequence of their genius and strong economic management, they have delivered a sound result. That could not be any further from the truth, because in actual fact the opposite has occurred. Apart from increasing taxation, this government has done nothing in terms of managing the economy. The reason the state is supposedly in a good economic situation—we actually argue that it is not because of the huge hike in taxation—is because the government took over a strong economic position in 2002. They have been fortunate, with the escalating real estate values, that taxation regimes such as land tax and the like have flooded the coffers with additional funds. I would just like to quote something that the Leader of the Opposition stated:

The Rann government came to office promising no new or higher taxes but in 2004-05 it will collect \$587 million more in taxes from South Australians than the last Liberal government budget in 2001. That is a massive amount of money—no wonder the Treasurer is sitting on a pile of cash with that amount of money coming in to government coffers in the last two years. It is a significant amount of money.

Another point I would like to make is that it is pretty basic knowledge that one of the key drivers of a strong economy is the ability of the general community to be able to spend money. It is the ability of people to have a reasonable level of disposable income to spend on consumables, whatever they might be. Obviously, employment opportunities are important, and that is recognised by every member of the parliament, but the ability to spend funds is a key driver for a strong economy. But what we are seeing here is that the hike in taxation is soaking up a tremendous amount of money from the community. Wage earners have to find additional funds to spend on taxation, whereas historically they would have been able to spend that on consumables.

The Leader of the Opposition has highlighted the level of increasing unemployment. That has a double impact, a double whammy if you like: not only are taxation levels increasing but unemployment is also increasing. So fewer people are employed who have to spend more money in taxation and, obviously, that has a huge impact on the economy. Those signs are starting to emerge.

As I said, the restrictive taxation regime sucks money out of the general economy, thus reducing demand. So, it is not the government's strong economic management that has supposedly put us in a balanced budget situation: it is this tremendous amount of taxation coming in—\$587 million more in the last two years than was previously experienced. The Treasurer is also not satisfactorily funding those programs that are part of the essential running of this state.

We have also heard the government, through the Treasurer, herald the fact that the AAA rating is just around the

corner. The opposition has said before that that is certainly a worthy goal to strive for, but it is not the Holy Grail that the Treasurer thinks it is. If people cannot afford to purchase goods and chattels because of excessive taxation, the AAA rating counts for nothing.

**The Hon. K.O. Foley:** Counts for nothing!

**Mr GOLDSWORTHY:** Indeed. I turn to some local issues on which this budget has a detrimental impact. Previously, I have spoken about the need for significant transport infrastructure in the electorate of Kavel, and I refer to my comments on the construction of new freeway interchanges, particularly at Hahndorf and Mount Barker. Last year, we invited the Minister for Tourism (Hon. Jane Lomax-Smith) to come to Hahndorf for lunch, where a delegation spoke to her about the chronic traffic issues in the main street of Hahndorf. The minister was very attentive to the concerns raised and, as a result, Transport SA undertook a survey of traffic around and along the main street, and video cameras were erected on the corner of Main Street and Pine Avenue.

I would like to know what has become of that survey, which was undertaken 12 months ago, if not more. Neither I nor anybody in the Hahndorf community, or in the District Council of Mount Barker, have heard or seen anything from Transport SA about the results of this survey. It is about time that Transport SA, and the Minister for Transport, who is responsible for the operation of that department, lifted their game. The Minister for Transport was the previous minister for education and children's services. She obviously failed in that portfolio, because the Premier would not have changed her responsibilities had that not been the case. I trust that the minister will perform better in her current role. She needs to instruct Transport SA, via the Chief Executive, to get off whatever it is he is sitting on and to do some work so that we can see things happening on the ground. As I said, a traffic survey was undertaken on the main street in Hahndorf, but we have not seen a damn thing resulting from it, and that is pretty poor.

In relation to traffic issues, I refer to some information about speeding fines that was telecast the other night on the news. Over the next 12 months, speeding fines will show an increase of \$22 million, which is a significant amount of money. I wonder how much roadwork \$22 million would provide. We have the opening bridges at the port that will cost tens of millions of dollars, and perhaps the Treasurer has looked at those figures and realised that he will have the money for his opening bridges. I implore the Minister for Transport to apply those moneys sensibly to the crucial transport and road infrastructure needs of not only my electorate but of other electorates in the state.

We have heard the leader, the member for Stuart and other members on this side of the house speak about the terrible condition of roads in the Outback, and one of our esteemed members of parliament commented about that matter in relation to Outback Adventure. However, I am not here to talk about that issue. I am here to highlight issues concerning the electorate of Kavel, one of which is the necessity for a second freeway interchange at Mount Barker. A week or two ago, I had a meeting with some senior managers of the District Council of Mount Barker, and they advised me of their 10-year plan for residential development. They initially had a 20-year vision for the Mount Barker district, which includes Littlehampton and Nairne. However, Planning SA apparently said, 'No, we don't like this 20-year vision; we want to reduce it to 10 years.' So, the council reworked its



policy and strategic plan and came up with a 10-year plan. Once the council's PAR has been finalised and approved, a further 1 500 new homes can be built in that town. That residential development, once it is completed, will obviously have a significant impact on the existing road network and transport infrastructure. I believe it is an absolute necessity that we have a second freeway interchange at Mount Barker, and I will hammer away at this point for as long as it takes for that work to be completed.

Another issue concerns educational facilities in the Kavel electorate. I congratulate the Treasurer and the government on one very good piece of news, namely, the fact that the education department has allocated funding of \$3.678 million for a new school to be built on the existing Woodside Primary School site. It will be a fairly extensive renovation, and obviously new buildings will replace what are quite standard facilities for the children. That is good news, and the school community is obviously very happy about it. According to the budget papers, only \$100 000 is allocated for this year, with the remainder being allocated in 2005 and 2006 for the completion of the school.

However, I will not hold my breath. I have been in this place for only a couple of years, but experience has shown me that the government announces projects and says they will be completed in, say, one or two years' time, but that does not happen. What happens is that perhaps the next year it is re-announced, and the year after that the government might think about advertising for tenders. A classic example of this is the Mount Barker Police Station. Two years ago, the government announced that a new police station would be built in Mount Barker, to be completed, in 2004-05. What have we seen? A fortnight or so ago, I asked the Treasurer (the Minister for Police) a question about when we could expect work on the Mount Barker Police Station to commence. He was not quite sure about the answer to that question. He did not have a handle on it, and he had to go away and get a more detailed response. A vague answer came back that the government was looking at tenders, and so on.

This is a project that has been going on for some time. Admittedly, it was announced during the previous Liberal government and carried on by the ALP but for goodness sake, it is time for us to see some actual physical, tangible works being done on the ground. I hope and trust that the Woodside Primary School is not caught up in the same set of circumstances as the Mount Barker police station. The Woodside Primary School community is very happy, as I said, but they have some questions concerning the appropriation of the funds. That is something that we can deal with at a later date. I also want to raise the issue that, I hope over the next 12 months, this government will look to allocate capital works funding for the upgrade of the Birdwood High School. A feasibility study has taken place and I understand that the planning stage is well and truly underway, but it will be incumbent on this government to actually allocate funds for the capital works to commence. Again, the Birdwood High School, the Woodside Primary School and other schools in my electorate have been very patient in waiting for an upgrade of their facilities. I urge the government to fulfil its commitment in providing a satisfactory level of educational facilities, particularly for the Birdwood High School students. In closing, I want to talk about a social policy issue concerning FAYS.

Time expired.

**The Hon. D.C. KOTZ (Newland):** I rise to support the Appropriation Bill for the 2004-05 financial year, which enables the budget for the state of South Australia to provide and deliver services to the people of the state under the policies of the government of the day as well as other matters important to an overall state benefit. However, I find that this third budget delivered by the current Labor government can only be described as dishonest, non-accountable in terms of its creative perceptions, and exaggerated in limited detail of its overall intent. The Treasurer of the state, in his absurd attempt to promote his alleged fiscally appropriate budget, naively believes that South Australians will approve of his back-to-the-future budget based on the bad old Labor principles of divide and conquer through recreating Labor's class discrimination ideologies where the allegedly wealthy are the evil villains. Who does the Treasurer class as the allegedly wealthy? First, we heard the dramatic and defamatory claim that hoteliers who provided poker machines for their customers were the evil robber barons. Whether you are personally for or against poker machines per se, it became a legal enterprise once the Labor Party in a previous government introduced a bill to proclaim the right of private enterprise to provide poker machines in every hotel venue that now applies to the agencies of government for a legal licence.

How did the Treasurer and his government deal with these evil rich barons of a legal industry? The Treasurer initiated a supertax to add millions of dollars to the state's coffers, squirreling away moneys which did not contribute to the hospitals' funds or the needs of the education of young people in this state or to offer concessions to pensioners, when he and his Minister for Energy accepted a monstrous 32 per cent increase in electricity. Another blow was then dealt to South Australians when this government, supported by the Treasurer and the Minister for Energy, added further increases of 12 per cent in gas prices over the period of its first two budgets. Nor did the extra supertax contribute massively to the needs of problem gamblers by the development of programs through the gambling fund for addicted gamblers. When the Treasurer established this emotive rhetoric against state business interests and, flush at the time with excitement that he had created sufficient perception against this legally entitled industry, he moved on to a further group of people in our constituencies and, in his back-to-the-future bad old Labor ideologies, he is now creating a further class distinction and therefore a class discrimination against those who have worked hard to establish the once-upon-a-time dream of every Australian owning their own home, working to provide the means to improve their lifestyles and provide a good education for their children.

These people seek the means to provide for themselves, independent of government assistance, by purchasing a second property which provides income through renting in order to continue to provide for their own futures. This further group of people includes those who live on superannuation benefits, many of whom receive only a matter of a few dollars which takes them above the threshold where a pension would be allocated. This group includes people, who by no stretch of anyone's imagination, could be called wealthy; that is, those people whose families, past or present, purchased blocks of land so long ago that property values were affordable to almost anyone who had initiative or to those with just the plain desire to get away from city living for a few days or weeks, and where they had the opportunity to build family values and offer recreation and other interests

over and above the work and school necessities of every day living.

Over the years, many of those people inherited that land with a very modest type building commonly known as 'the shack' with no thought of the value of their properties rising beyond all proportions. Even today, the true value to the individual and the family is in the esoteric rather than the material. Many of these property holders are, indeed, the battlers amongst us. Many properties have been inherited over the years, handed down from generation to generation. Basic maintenance is attended to, but nothing like major improvements that cost huge amounts of money.

However, this class discriminatory Treasurer and his government have been indulging in a mode of rhetoric pronouncing that the battlers and the superannuants in our communities are, effectively, the robber-barons of wealth and privilege, and that properties other than the principal place of residence that they own give them a wealth benefit over and above the ordinary South Australian and, because of that wealth benefit, they deserve to be taxed at extraordinary rates. The Treasurer has refused to recognise that valuation increases have been due to a circumstance beyond the control of any property owner. The Treasurer has also refused to recognise that his and his government's role is to objectively deal with all circumstances that cause hardship to the people of this state.

Without his subjective analysis, which is cynically biased to bad old Labor principles, he seeks to apply interventionist methods of wealth distribution and again create the unhealthy ideologies of Labor socialist governments of bygone days. What does this government and the Treasurer gain from this intransigent stance? This government will rip off more than \$1 billion in property taxes from the South Australian economy. That is \$263 million more than the budget estimated, and 30 per cent more than the Treasurer predicted last year. One billion dollars is the highest ever tax slug by any government in the history of this state. One billion dollars paid into government coffers has been taken from the hip pockets of ordinary South Australians on the premise that property owners are now a wealthy lot, because the market has dictated the valuation increases. The one entity, the state government, that could alleviate this massive tax hike is turning its back on its constituency, leaving South Australians \$1 billion poorer.

The Labor government and its arrogant Treasurer create unacceptable and demeaning perceptions against these evil and wealthy property owners on the one hand, but gleefully rakes in \$1 000 million from its own constituents on the other hand, leaving this budget to send this message. The pleas from the community and the opposition to increase the threshold and to alleviate the financial hardship now created by the anomalous valuation increases will not be heeded as he and his government sit and watch the next \$267 million windfall from land tax roll into Treasury coffers.

This budget has more bad news for property owners and others whom I will mention shortly. Next year will not only have more of the same, in fact, it will be 32 per cent worse than what we have seen in this year's budget. Land tax alone is projected to rise by 32 per cent to \$267 million dollars. Large sections of the South Australian community will be severely affected by this further outrageous grab for funds. They will include the self-funded retirees and those in rental accommodation who will be impacted by higher rentals.

Unfortunately, the tax grab by this government does not stop there. Annual water supply charges will rise by 4.4 per

cent, although the Treasurer has advised in the budget papers that the CPI forecast for the coming year stands at 2 per cent. Those South Australians who rely upon and use public transport will face a 3 per cent increase in single trip tickets, while multitrip fare tickets will rise by 2.8 per cent. Car owners will also contribute to the above CPI increases by this government as car registration will escalate to another 3.8 per cent impost and driver's licences will rise by 4.3 per cent. A further windfall for this government is the expectation that speeding fines will increase by more than 3.6 per cent. So much for this government's continued assurances that its speed control methodology will reduce speeding on our roads.

The Rann government came to office with the Rann pledge card being offered to the public of South Australia. The Rann pledge card proclaimed in the election advertisements and promotions that went into every household in our state the promise that no new or higher taxes would be the policy of the Rann Labor government. In the coming budget year, the Rann Labor government will collect \$587 million more in taxes from South Australians than the last Liberal government in 2001. On average, South Australians will be relieved of some \$1.6 million every day of this coming year. And what of the Rann pledge card? We now know that it was recycled the moment after it was published, because that was the only value that South Australians would recover from the broken promise found in each of the three budgets now delivered by a Rann Labor government.

In my opening comments I spoke about the dishonesty of this Labor government: a government that promised honesty and accountability to the people of our state; a commitment once again signed, sealed and delivered to the households of all South Australians. Let me at this point illustrate the smoke and mirrors by which the government deals with its honesty and accountability promise. To form some manner of excuse for this government's high taxing regime, the budget media releases providing information for the 2004-05 budget year advised that the government would return \$360 million to the community in tax cuts. This is totally dishonest, because it is untrue: \$180 million of the \$360 million alleged tax cuts will remove bank debits tax because of the GST arrangements with the commonwealth signed off and committed to by the previous (Liberal) government five years ago.

For a period of five years, Treasury was aware of the estimated amount it would forgo and therefore budget for in this year's budget to comply with the requirements to remove certain state taxes in return for its percentage share of the GST. The remaining \$180 million is not a tax cut that South Australians will receive from this dishonest government in this financial year. The \$180 million will in fact be allocated over four budgets through to the 2007-08 budget year. Of course, that budget year will be two years after the next state election. Therefore, in the first instance, South Australians may see \$40 million offered in tax cuts this year, but certainly not \$180 million. As the next state election is legislated to occur in March 2006, the Labor Party will undoubtedly reannounce and reannounce these same tax cuts during the election period.

The big question to this government would be: is the allocation in the forward years' budgets to 2007-08 of the remainder of this alleged tax cut of \$140 million to be carried over into those forward years until expended or is the identified remainder of the \$140 million until 2007-08 being taken from sequential yearly budgets? Because if the latter was the intent, the dishonesty factor would increase substan-

tially and this government would be caught out in one of the biggest financial rorts of our time, and would equal the farcical and underhanded debacle perpetrated by John Bannon's Labor government that was the State Bank.

The last three budgets of this Labor government have seen tax grabs out of all proportion to the needs of Treasury and the policies of this government. Although policies have been difficult to define, we do know that building Treasury finances has been the main aim of this current Treasurer. In its outrageous building of a Treasury chest for the next election, this government's major policy from day one has been to cut dollars from the state agencies' budgets. The 3.5 per cent across-the-board cuts over this government's four-year term will accrue \$1 billion into the consolidated account.

That 3.5 per cent cut has been applied to every agency and, although we were initially told that education and health would be quarantined from those cuts, we now know that, again, there was no truth in that statement. Those savage cuts have seen education, health and police lurch from crisis to crisis for the past two years. The problems the health minister faces in diminishing services in the hospital system are of her own government's design. The education minister was removed because she was incapable of dealing with even the most simple issues within the education department, and she allowed her government cabinet ministers to roll her on the important and much needed capital works and maintenance programs, which were all put on hold during her time in the ministry.

In fact, almost anything that provided service to our communities was put on hold or closed down during Labor's first year in government, and that is the reason all portfolios are now in crisis. This government and its ministers are trying to catch up because the outcomes of those mismanaged decisions are now coming home to roost, which brings me to one of the most despicable scandals this government has perpetrated on the South Australian public, that is, in the area of the South Australian police force. The police force was not quarantined from this government's savage cuts.

The police minister (also the Treasurer) has told this parliament on numerous occasions since the 2002-03 budget that, under Labor, South Australia's police force had more police numbers than under a Liberal government. This was the set answer to this parliament during intensive questioning by the opposition, which pointed out to the police minister that resources withheld from our police were causing shortages and entitlements in each of the local service areas (LSAs). Attrition levels were not being met and recruit courses were cut, exacerbating the shortage in police numbers. In answer to a question asked by the shadow minister for police, police minister Foley replied:

I will conclude by making this point: unlike the Liberals, we are not getting rid of police officers. We are recruiting against attrition. This Labor government will provide the resources to back our policies. Labor, tough on crime. Liberals, soft on crime.

Well, that was pretty tough talk from the allegedly tough police minister, but when you claim, month after month, that recruiting against attrition increases police numbers (a perfect inanity and a total misunderstanding of managing numbers), your inane comment is bound to come back at you sooner or later. Well, the sooner rather than the later appeared in the SAPOL annual report, which completely blew the police minister's inane comments right back at him and reality was revealed.

The annual report at page 108 shows a graph highlighting SAPOL recruits over a three-year period. The graph line for intakes and graduations moved substantially upwards from 2001 to 2003, and then proceeded to plummet from the 2002 year to 2003, and it is estimated to continue to plummet in 2004. The explanation of the graph states that expansions in this period were 80 additional police in 2001; 156 additional in 2002; and, in 2003 (the first area where this Labor government had any impact), seven—seven additional police during the time that the Labor Party had charge of the police budget. Well, we did hear more bluff and bluster from this Treasurer and police minister, however, we were successful in moving this minister from inanity to reality.

An announcement was made that a further 200 police would be recruited. Unfortunately, this minister's pledge for a further 200 police is somewhat late, and this budget shows that the full complement of 200 extra police cannot be brought on board until the year 2006; and attrition numbers could well erode the extra numbers that these first 200 recruits under a Labor budget will bring to the force.

But the police minister cannot bluff his way around the damage already caused by cutting resources to SAPOL. Let me advise the house of the current situation at my local service area. Holden Hill local service area has an authorised establishment of 313.5 FTEs (full time equivalents). However, at 30 April they were 39.9 staff members under establishment. The resourcing of our police is so pitiful that the most urgent administrative matter being addressed in every LSA across South Australia is how not to use too many pens, biros, photocopies, mobile phones, and—who knows—perhaps the list could possibly include toilet paper; perhaps the minister may suggest that they bring their own.

Minister, there are no excuses, no more inanities expressed as knowledge. SAPOL and its serving members deserve a lot more than tokenism when they all put their lives on the line for every one of us every day and every night of the week. The minister's cuts in previous budgets have caused these indignities to our police force, and the minister knows that this government has huge windfalls of hundreds of millions of dollars to resource SAPOL appropriately. I say to this minister, through you Madam Acting Speaker, that it is about time that he did. It is becoming one of the most ridiculous situations that I have ever seen, when members of the police force have to check every single little item they use; when electricity, mobile phones, pens, pencils, biros and stationery become a matter of administrative concern in order to try to bring down police budgets so that they have a few extra dollars to be able to resource the police in areas of the state.

This is no longer a matter for the minister to decry completely time and again in this parliament (as he has) in the most inane ways we have ever heard. One of the greatest nonsenses I have ever heard is the police minister—and the previous minister—continually saying that recruiting by attrition is bringing extra staff to the police force. There is absolutely no truth in that point and it is about time the minister acted.

**Dr McFETRIDGE (Morphett):** The 2004-05 budget is a very convoluted document. I remember last year that I made comments about economists and meteorologists and ended up doing penance at the Bureau of Meteorology, so I will not say anything about the work that economists do. The presentation of the budget each year seems to become more convoluted. I am just a simple vet. I am not an economist, so

sometimes it is very difficult to find out exactly what is going on in this budget.

South Australia is a fantastic place in which to live—the best place in the world. It has a population of about 1.5 million or 1.6 million and it has a budget of just over \$6.894 billion—and rising. A number of comments have been made about this budget. Some members are saying that the Treasurer has a bucketload of money. Well, it is more than that. The Treasurer has got a truckload of money. In fact, I have visions of the Lotteries Commission advertisement with that bloke trying to get the big truckload of money under the bridge; and the guy jumping up and down on top of it, trying to squeeze that money down into the truck so that he can get under the bridge. That is what this Treasurer is like. He is trying to get that truckload of money and trying to keep it all to himself and not spend any until next year's budget, which is just before the election. But it will not happen. We are going to examine this budget and we will go into the minutia of it.

In relation to estimates, I do not quite agree with the member for Fisher that they are a near death experience. They can be quite protracted, particularly as a result of the way the government conducts itself. It can block a lot of genuine, open, honest questioning—but we will do that, anyway. We will find out where the truckload of money has gone and, more importantly, where it has not gone and, even more importantly, where it should be going.

The people of South Australia are the ones to judge this government and the Treasurer. I know the Treasurer is a very hardworking man, but one only has to read the letters to the editor in *The Advertiser* on Saturday to see what the public is thinking. There were not too many good letters. The locals in the electorate at Morphett have been contacting me about this budget. People say, 'It's a safe Liberal seat; what do you expect? They will bag the budget.' That is not the case. A lot of them are trying to be as positive as possible about the way the state is going. They recognise that we have to make hard decisions in some cases. I refer to an email which I received from one of my constituents which says:

I thought there was some good announcements in the budget yesterday. . . There is precious little in the budget for unemployed people and nothing at all, that I could see, in terms of both innovation and the maintenance of infrastructure. Neither were there any capital works projects announced. It is all set up for the provision of a reduction in state taxes next year ahead of the 2006 state election. The increase in costs for motorists and public transport users will hurt people who can least afford to be hurt. . . We need to engage in large-scale infrastructure/capital works projects. . . I fear for the future of South Australia if we do not provide more employment opportunities.

That is the tone not only of this email from my constituent but of many of the letters to the editor in *The Advertiser* in the past week or so. There is a real concern that the budget is—we have said it before and I say it again—a smoke and mirrors budget. There is a lot of spending in the budget but it is not in the 2004-05 year or the 2005-06 year. If you are lucky, it might be in the 2007-08 year, but a lot of money in this budget is put right out.

The Rann Labor government came to office promising to manage this state and claiming to be good economic managers. We hear the Treasurer repeating it over and over again. It is like many things in life; that is, they may not be quite true but, if you say them enough, people start to believe you. They have come in here pretending to be sound and wonderful economic managers. However, let us remember another thing. The Rann Labor government came to office promising

no new or high taxes, but in the 2004-05 budget the Rann Labor government will collect an extra \$587 million in taxes from South Australians than the last Liberal budget in 2001. That is \$1.6 million extra every day in extra taxes.

I cannot verify this figure as I stand here, but I understand that, had we not leased out ETSA, we would have been paying approximately \$2 million a day in interest rates to the Belgium dentists. Instead of paying out \$2 million a day to the Belgium dentists in interest, this Treasurer is reaping \$1.6 million every day in extra taxes. He is really \$3.6 million better off because of what the Liberal government did and because the economy of South Australia has been built up. This is the highest taxing government for many years, and I understand that it has the reputation as being the highest taxing state government in the history of Australia.

We hear the Treasurer saying that he will give \$360 million back to the community, but we must remember that five years ago the Liberal government agreed with the federal government to reduce the bank debits tax, and that is \$180 million. So, bang, that has gone straightaway. We knew that was going to happen five years ago. The rest of the money, the other \$180 million will be dragged out and given back very slowly, drip fed. There will be only \$40 million in 2004-05.

Having the honour to represent the electorate of Morphett, I talk to constituents and I see what is happening. I am very aware of the property boom not only from my constituents' experiences but also my own. What we have to remember is that many of those constituents have lived in those homes for many years. Others have worked their backsides off. They have made sacrifices to achieve what they have today. Twenty years ago, my wife, family and I lived in a 20 by 40 tin shed at Kangarilla, so anyone who begrudges what we have today should have another think. Many of my constituents are in exactly the same position. They have worked their backsides off to get where they are, but what have we got? We have a state government that has sucked out over \$1 billion in property taxes. Not even the Treasurer in his wildest dreams could have fantasised about that.

When you speak to local government representatives around the place, they are expecting a 20 to 30 per cent increase in property values in South Australia next year. There will not be a drop in property tax: there will be more property taxes—another \$1 billion plus in 2004-05. Who knows how much in the future because South Australia, despite this Labor government, will continue to boom. People in South Australia are go ahead, have a go people. If you can do business in South Australia, you can do business anywhere because this is a tight market and, despite what the government is trying to do with the Fair Work Bill and other imposts on business, this place will go ahead.

Talking about imposts, I can never understand why governments do not do everything they possibly can to minimise the effect of payroll tax on businesses. Every time I speak to some of my business associates they ask, 'What are you going to do about payroll tax?' We should be increasing the threshold and reducing the rate. There is a minimal decrease; a minuscule point something of a per cent decrease. One of the greatest incentives for generating employment would be a reduction in payroll tax—or, hopefully, the abolition of payroll tax. But that will not happen.

We have an increase in annual water supply charges of 4.4 per cent. Then we have the good old hit you in the hip pocket where it really hurts. It does not matter whether you live in Morphett and have a bit more money to spend or

whether you live at Elizabeth or Hackham and are on unemployment benefits: you are hit by a 4.3 per cent increase in car registration and a 3.6 per cent increase in speeding fines and, according to the budget documents, the number of speeding fines is expected to increase very strongly.

We should never forget that we are part of a federation. The Commonwealth of Australia taxes each of us and, last year, the GST repayments to South Australia were about \$3.3 billion. Those GST payments are expected to rise to about \$3.75 billion in 2007-08. It appears to be another truck load of money coming from interstate, but it is really coming from the taxpayers of South Australia. This government has more money than it could ever have dreamed of, but I will cite some examples of what it has done. It has cut the animal welfare budget by \$99 000. Gee-whiz! What softer target could you get? It is really quite sad. It has increased public transport fees by an average of 3.8 per cent, and up to 7.7 per cent for some compulsory third party insurances. Taxation from gambling is \$377 million, up 11 per cent. We all know that the proposed reduction in the number of poker machines by 3 000 (if the legislation is passed) will not have any effect on that. The Treasurer knows that. It is really false economy.

The Premier wants to triple exports, but we should look at what is happening. Overseas exports fell 11 per cent in volume and 18 per cent in value. This state government really needs to re-examine where it is going. It has a strategic plan, but I will talk about its strategic plan in my grievance speech, because the language in there is so fluffy; the statements that are made are such motherhood statements.

Let me get down to some of the matters relating to my portfolios. I cannot find any mention of surf lifesaving in the budget anywhere; it is hidden away. We do get another rescue helicopter: I congratulate the government on spending \$1.6 million plus on a rescue helicopter. But there is no mention of what is going on with respect to shark patrols or surf lifesaving. In last year's budget we had \$150 000 each year for the next three years for volunteers, but I cannot find anything else in this year's budget. I hope that more funding is hidden in there somewhere. As I said at the start of my speech, this is a very convoluted document.

I refer to the Office for Recreation and Sport. Operation Flinders receives \$200 000 each year. Good on it! I have visited Operation Flinders, and it does a fantastic job. I know that this government supports Operation Flinders, and bipartisan support is what it deserves. Then there are the poor kids who want to learn how to swim. Regarding Vacswim, every child who wants to learn how to swim will have to pay another \$2. They have hit the animal welfare and they have hit the children. This government is really going off. People cannot afford to go to swimming—they cannot even afford to get on the bus, because public transport fees are to increase. So, they might as well stay at home and learn how to play chess. But there is very little point in learning to play chess, because the government has pulled the funding on the chess olympics. We are now not holding the chess olympics here in South Australia.

I was very pleased to see the government provide last year—it is in the budget this year—some funding for the International Horse Trials. But it is a bit of a concern where we go from 2007-08. Let us hope that it is not all bad news. The men's hard court tennis has funding now, but that cuts out in 2007-08. The statewide physical activity strategy was talked about in the highlights last year, and there is \$410 000 this year. And what was \$170 000 in 2003-04 spent on? There are lots of questions here. I do not mind if I am flagging ques-

tions for estimates here, because what I want are some honest, open answers in estimates, not just some fudging and argy-bargy. It would be nice if we could get some good information.

In the highlights of the budget is: 'implementing the state sporting facility strategy'. Last year \$100 000 was spent, but there is nothing shown this year—what is that about? With the State Aquatic Centre at Marion, fantastic facilities are to be built down there. They had better hurry up because the police and fire games are in 2007. I am not sure what is going on as the figures are all over the place, but I am sure there will be good answers in estimates.

The South Australian Sports Institute (SASI) was supposedly being examined for restructuring to bring programs into line with national structures. There was \$161 000 of savings estimated for that in 2004-05. Let us hope they continue to support SASI. The administrative procedures of the Office of Recreation and Sport are being cut by \$181 000 per year. It is interesting to see what that will do to it. There are increased fees for the hire of Hindmarsh Stadium, which they say still has an outstanding debt of \$5.2 million for the state. I would like to know what it is now, as that figure is 12 months old.

I refer to recreation trails around South Australia. Why does the capital investment statement have \$595 000 for the upgrade of recreation trails, whereas in the regional and budget statement it is \$788 000? These are not rubber figures, but I will have to wait for estimates to have that clarified. The Office of Consumer and Business Affairs has \$150 000 of fee increases budgeted for 2005-06 and 2006-07 but there is nothing in the 2004-05 budget. Does that mean there are no more increases in fees for the Office of Consumer and Business Affairs? State and local government relations are continuing the European Wasp program, which is good to see. The member for Kavel will be pleased to see that.

There is nothing in the 2004-05 budget to continue funding to strengthen the capacity of local government to respond to communities. If I am wrong in any of these assumptions, I look forward to estimates to be corrected. If this budget was not as convoluted as it is, perhaps some of the answers may be clearer. There are increased fees for land division, development applications, building rules assessment, section 7 inquiries and crown land developments, with more and more fees hitting the ratepayers and not quite cost shifting to councils. That is an issue at the moment, but it is a real concern for me as the shadow minister for local government.

I look forward to seeing what is in the program for natural disaster mitigation for local government. In the 2004-05 budget there is \$700 000, and having had the floods at Glenelg we know all about that—it is a real worry. I am concerned about why the state black spot road safety program is being cut by \$120 000 from \$1.6 million-plus last year? I cannot understand that. It is like the funding for bituminising rural roads. They are putting in \$1 million, which will do about nine kilometres of road. These people need to get real about what they are going to do.

If you cannot drive on the roads you might try landing on the air strips, but I cannot find anything on how much will be spent on maintaining airstrips in areas covered by the Outback Areas Trust. The other area I will mention, as I am on the Aboriginal Lands Standing Committee, is the issues in the APY lands. It is good to see an increase in money for policing in the APY lands, but it is still not enough. Then you look further down in other lines in the budget and see that

there are inquiries into rental subsidies for government employees. What is going on there? Another thing that amazed me is that they will spend \$3 million to build new houses in the APY lands, which is fantastic, but then they list the houses they will demolish. They will build new homes but demolish 164 homes. To replace those homes costs \$18 293 per house. That would not even buy a toilet in the AP lands by the time you add in transport and labour costs. I do not know where the money is going to come from, because \$3 million for new housing in the AP lands is not very much at all.

For the Aboriginal social services up there, in the 2003-04 budget there was \$2.897 million, but they only spent just over \$1 million. Where has the rest of it gone? Why was it not spent? This government had plenty of notice about what was going on in the AP lands. In August last year, the social justice inquiries at Port Augusta told them all about that. There is no excuse. Poor old Pika Wiya, the health centre at Port Augusta, only got a \$25 000 increase in their budget, not the \$100 000 increase you would need to keep pace with medical inflation. The state CPI is about 2 per cent, but people you talk to in the medical professions put the medical inflation (health inflation) at between 6 and 15 per cent. Poor old Pika Wiya: they do not even get 6 per cent; they get a \$25 000 increase.

The way this government is managing the budget is very clear to see. It is all aimed at next year's budget. Next year is going to be an absolute windfall for everybody out there in voter land. People say, 'Governments always pork barrel the budgets before the elections', but I should warn them that, if the budget comes out in May next year, it is almost a year to the election, people will start to realise what is going on. They will start to realise that the funding is not for that particular year; the funding is for years ahead.

In my last few moments, I will say that the Paringa Park Primary School gets \$2.5 million. I have worked for that for two years. I am so pleased that is in the budget. Thank you, Mr Treasurer. However, I am very disappointed that it is for 2005-06. I will be watching that space very carefully because, if that school is not finished in December 2006, I will personally come down and protest outside the Treasurer's office, because you cannot lead people on. You can fool some of the people some of the time, but you cannot fool all the people all the time. South Australians are watching. Look at the letters to the Editor in *The Advertiser*, look at what people are saying to members of parliament. Watch this space.

**Mr MEIER (Goyder):** An initial perusal of the budget provides a sense of optimism, but on closer examination, myriad holes and sleight of hand are revealed. In fact, I think that is the way *The Advertiser* saw the budget in its initial appraisal of it—as providing a sense of optimism. I urge *The Advertiser* to look more carefully, to dig deeper and to read it carefully, and not to be put off by what the minders of the government have said about this budget. We have heard so much already tonight, and we will hear more about the truth of the budget.

What do I mean by myriad holes and sleight of hand? For example, although the Treasurer stated that \$6.8 million is earmarked for the widening of rural roads through shoulder sealing, closer examination of the budget shows none of this money will be spent until the 2006-07 budget year. That is three years away. In my opinion, that is not the way to frame a budget, yet the government gets away with saying, 'We are allocating \$6.8 million for the shoulder sealing of roads.'

Another example is the development of South Australia's fisheries and aquaculture, for which \$12.9 million is promised. We heard the Treasurer state that figure in parliament last Thursday. But, when you look closely at the budget, only \$300 000 of that \$12.9 million will be spent next year, with half a million dollars the year after, and a significant amount of \$8 million being committed in four years' time. That is two years after the next state election. That is a long way off. I suspect that future governments—and I hope it might be a Liberal government after the next state election—might renounce that so-called new initiative of spending on fisheries and aquaculture, and yet it has actually been announced this year with virtually nothing being spent in the next two years.

As one of my federal colleagues said, how on earth can the state government get away with such fiddling of the books? I would hope that the public of South Australia sees through it, and I wish *The Advertiser* would highlight it. But, of course, as we all know, *The Advertiser* said it wanted a Labor government. It has a Labor government and it will protect it come hell or high water. Anyone can see from its write-up of the budget that it supports it. It is a tragedy for this state that we do not have a second newspaper to highlight some of the—

**Mrs Redmond:** You mean a first newspaper. We don't really have a newspaper.

**Mr MEIER:** That is right, as my colleague interjects. The reason for this sleight of hand is that this budget provides funding initiatives over a four year time frame which, in itself, creates deception as to what money is being spent. Unfortunately, the lack of attention occurs in areas such as health, roads, primary industries, regional development and tourism. So it is across a wide range.

**The Hon. M.J. Atkinson:** Yes, we know the old Liberal opposition nostrums—cut taxes and spend more money.

**Mr MEIER:** Sorry, what is the Attorney-General interjecting?

**The Hon. M.J. Atkinson:** The Liberal nostrum—cut taxes and spend more money, simultaneously.

**The DEPUTY SPEAKER:** Order! The Attorney-General should not be interjecting.

**Mr MEIER:** Thank you, Mr Deputy Speaker, for your protection, but I cannot help but note the interjections and I ask: which government brought this state from a situation of absolute crisis to a situation where it was leading Australia in many areas? It was the Liberal government. The Liberal government inherited the worst possible situation any government could have inherited, and we turned around the state's economy. I thought the Labor party would have overcome the problems it has suffered for decades—namely, mismanaging the economy. I really thought it would have overcome it this time and, in fact, the Treasurer has sought to convey that impression, but this budget clearly shows it is not interested in promoting South Australia, and I weep in that respect and I weep for regional South Australia.

**The Hon. M.J. Atkinson:** Who is the audience for this piffle?

**Mr MEIER:** The audience is you, Mr Attorney, and every other member of this parliament. That is the audience. The Attorney-General may or may not be aware of the way the system works, but the 47 members of this parliament are elected in our own right to represent our constituents, and I highlight my particular concerns to all other 46 members who I know are present here this evening.

I am particularly concerned about what I would regard as a disastrous situation when a hospital such as Wallaroo has

abandoned joint replacement surgery and has had to suspend surgical operations for an extended period on two occasions in the past year because of a lack of funding. As a result of my representations in this parliament and through the presentation of petitions, I was given the clear impression by the Minister for Health some time ago that extra funding would become available in this budget. I have looked carefully at the budget papers and sought advice from other persons and, so far, nothing has been revealed to give me an indication that this crisis has been overcome.

At this very late stage I plead with the Minister for Health to personally intervene to provide additional funding for Northern Yorke Peninsula Health Services to ensure that at least the joint replacement surgery will be reinstated and that appropriate funding is provided for Wallaroo—and, also, the maintenance of appropriate health services in other rural hospitals, not only in my electorate but throughout the state of South Australia.

It is total false economy if the government thinks for one minute that if they add extra money to the metropolitan hospitals then that will help overcome the country crisis, because the people in the country will have to go to the city to have their operations performed. That is, in my opinion, fictitious, it will not work, and it goes totally against what the previous Liberal government sought to undertake, namely, as many operations as possible to be performed in country areas. That is the only way our hospitals are going to remain viable and able to provide the services that country people look to and ask for, and we do not want to go the way of certain other countries, and to some extent the way of other states, which are now seeing the error of their ways.

In fact, according to the shadow minister for health, Dean Brown, there has been a real cut of \$5.6 million to country health in this budget.

*The Hon. M.J. Atkinson interjecting:*

**Mr MEIER:** Yes, as the attorney interjects—the deputy leader, who happens to be the shadow minister for health. I believe that the shadow minister for health has done his homework and that there is a real cut of \$5.6 million for country health. With the amount of extra money that the government is getting through the GST—\$175 million—I would urge the Treasurer to reassess his priorities and to make sure that not only an extra \$5.6 million is given to country health but preferably another \$15.6 million is given to country health. At least that will stabilise the situation because, if you let it get out of hand too much, hospitals will start closing in country areas and that will lead to an absolute, total crisis in the metropolitan area—let alone in country areas.

Primary industries has also been deceived in this budget. Now, while the Treasurer has announced FarmBis 3, which is specifically designed for farm business development and providing resource management skills, in fact, some \$4 million less will be spent on FarmBis by the state government than was spent in the last year of the state Liberal government. So, to say that this budget is really bringing out the money for farmers is totally wrong and, in fact, of the almost \$14 million, I believe that about half that is being provided by the federal government, and the state has little option if they want to retain that money but to match funds. FarmBis was a Liberal initiative and it was virtually removed in the last budget. It has been reactivated in this budget and if only this government would appreciate the importance of the rural sector and the farming sector to this state's economy. We have seen, as was highlighted by the leader earlier in his

speech, that the government has included a jobs forecast of only .75 per cent, which is the lowest rate in Australia. As the leader pointed out in the figures for other states and territories, he identified that the Northern Territory predicts a 2.9 per cent increase in jobs; Queensland, 2.5 per cent; Tasmania, 2.4 per cent; Western Australia, 2.3 per cent; New South Wales, 2.1 per cent; Victoria, 1.5 per cent; the ACT, 1.5 per cent; and we come in a dismal last at .75 per cent.

One thing that can help us is the primary industries sector. To give a pittance to FarmBis 3 is extremely disappointing but, likewise, to give a pittance to regions as a whole is also extremely disappointing. That brings me to the tourism sector: there have been some real sleights of hand in the tourism budget and, whilst the impression given by the Treasurer in his speech was such that there were new initiatives in tourism, the reality is that tourism has once again had a cut in its budget. It is simply taking money away from one area and giving it to another, and actually reducing overall expenditure. Now, if the government cannot see that tourism is so important to this state, I will go he. When a former member for Yorke Peninsula, Keith Russack, said that we needed a new industry in our area a former premier, namely Don Dunstan, said, 'Well, you have got an industry staring you in the face, and that industry is tourism'. In fact, it was partly as a result of that that the Cornish festival, the Kernewek Lowender, of which I now happen to be president, was created.

**The Hon. M.J. Atkinson:** They let non-Celts be president of it?

**Mr MEIER:** Yes, they let non-Celts be president of it. In fact, there has been a tradition—seeing as the Attorney-General interjects—of members of parliament from Lloyd Hughes who, I believe, was chairman of the steering committee of the first Cornish festival but who did not actually serve as president, through to people such as Keith Russack and John Olsen and now, after quite some years, John Meier becoming president of the Cornish festival of the Kernewek Lowender.

We see the importance of tourism, but do you think that we can handle it by ourselves? To some extent we can but in many ways we would greatly appreciate any assistance from the government. The former minister, the Hon. Joan Hall, the member for Morialta, did a wonderful job for tourism not only by marketing our state interstate and overseas but also by providing tourism money for infrastructure projects such as the Kadina dry land farming museum and new tourism roads. My electorate benefited from one of those, namely, the road from Corny Point to Marion Bay.

**The Hon. M.J. Atkinson:** A very important road.

**Mr MEIER:** It is because, while the locals hardly use it at all, thousands—and possibly tens of thousands—of tourists use that road and it has helped open up the bottom end of Yorke Peninsula in a wonderful way. I am delighted that the Attorney indicates, through his interjection, that he also agrees. It is a tragedy that this government has not continued to promote tourism in that way. We have really opened up South Australia in a wonderful way.

Members would probably be aware that I am currently running a competition in my schools for an icon to identify Yorke Peninsula as 'the only leg that Australia has to stand on.' All secondary schools have been invited to participate in that competition, and the two criteria are that it must include the configuration of a kangaroo and it must include on that kangaroo the state of South Australia with the kangaroo's leg representing Yorke Peninsula. Those entries

are due within the next two or three weeks and I hope that the judging panel will be pleasantly surprised and delighted with the entries. We will see how well we can promote Yorke Peninsula as 'the only leg Australia has to stand on.' It is part and parcel of South Australia's economic development. The Barossa is an icon. If members talk to the average tourist in King William Street or North Terrace, as I do from time to time, and ask where they are from, they might say Japan. I have asked what they are here to see and they invariably say that they are here to see Kangaroo Island and the Barossa Valley. I want to add Yorke Peninsula to that—the only leg Australia has to stand on—and I will do everything I can to promote that.

I am very disappointed that the budget has not promoted tourism more, but I have had so many other disappointments as well. With escalating property prices in my electorate, and throughout South Australia, particularly in the past two years, land tax is really hurting many businesses, pensioners and self-funded retirees. Over some months, I have pleaded in writing with the Treasurer to provide some relief, and I was certainly hoping that such relief would be contained in the budget. However, from my reading of it, there is absolutely none for land tax, and my leader has indicated the same opinion, as have other members.

The government does not realise that this relief would help not only people who have a few dollars but also self-funded retirees who have perhaps bought an extra property or two to try to provide a little income for their retirement and to try to take some pressure off the government in providing their pension. What relief do they get? Absolutely nothing! They are simply penalised with high land tax. In many cases, land tax has jumped from about \$1 500 to \$8 000 or \$9 000 per property. I have been given some examples of this, and I have certainly highlighted them to the Treasurer. Has he taken any notice? No!

It is a tragic situation and, in the long term, the federal government will be penalised by having to pay these people their pension when they sell their property, saying, 'I am sick and tired of trying to look after myself, because the state government hits me so hard.' We are well aware that the federal government has contributed some \$750 million in GST revenue to the state government, which has never had it better. Unfortunately, it is not using the excessive money as it should—to help promote the economic growth and welfare of South Australia. It is a disappointing budget in so many ways. Unfortunately, rural South Australia will be an area that suffers.

Time expired.

**Mrs REDMOND (Heysen):** First of all, I will comment on the hypocrisy of the Premier in his advertising campaign in relation to this budget. I would not mind this campaign, except that he was the very person who said three years ago that it was a disgrace that a government should do this and that he would not. Admittedly, I am paraphrasing, but it is absolute and utter hypocrisy, and it is what I would expect from this Premier.

Like the member for Goyder, I found this budget extremely disappointing. The government has announced that it contained \$360 million in tax cuts, when the reality is that, on my calculation, the tax cuts this year will be in the order of only \$75 million. As mentioned by previous speakers, that comes about because, of the \$360 million, half (\$180 million) was a result of the removal of the bank debits tax, an arrangement which was entered into by the Liberal government in 1999 and which would always come into play by

2005. Thus, the government has the previous Liberal government to thank for half the tax cuts. The other \$180 million is spread over four years. So, on my calculation, that works out at approximately \$45 million, which is nothing like the \$360 million that the government is trumpeting.

Like other speakers, I have a significant concern about land tax, and my concern relates primarily to the issue of the bed and breakfast operators in the Hills. For the benefit of members, I will explain the way in which that system operates. If you own a bed and breakfast located on or even within your principal residence, it is still subject to land tax. The value of your home (and, potentially, the surrounding land) is discretely set aside and land tax is charged on the rest of the property.

Numerous situations have been brought to the Treasurer's attention, and I remember one a couple of months ago in the form of a question from the member for Morialta. The proprietor of a bed and breakfast establishment earned only a little over \$6 000 gross income per year from that business. However, the land tax on that property had increased to over \$5 000 a year. Given the extra money to be paid by these people for the extra rates because of the higher property valuations and the costs incurred in simply running a bed and breakfast—in providing the various facilities and amenities normally provided by a bed and breakfast, obviously food and so on, as the name suggests—this proprietor found that she was in a situation where the \$6 000-odd that she was making in gross terms was less than the amount she was required to pay out by the time she paid the land tax. It was the increase in land tax which led to the bed and breakfast being no longer profitable.

When this question was raised with the Treasurer during question time, he seemed very genuine in his response. He seemed genuinely concerned that that could be the situation, and he undertook to look into the matter. I honestly expected we would see some relief in the budget for people in that situation; but, no, that was not the case. Indeed, I think the day after the budget was announced, there was an item on the news about someone in a similar circumstance having to close their bed and breakfast operation. It is no surprise, because bed and breakfasts do not make lots of money. They do not have heaps of people there all the time, and they rely on a reasonably regular but fairly small amount of money. It will come as no surprise to find that a number of these bed and breakfast operators up in the Hills will now face closure.

The Treasurer is getting something like \$64 million in extra money this year from land tax, and he has failed to look at the issue of the bed and breakfast operators. It would not have taken many millions just to reduce land tax for the bed and breakfast operators—to make them exempt and allow them to run those little businesses. Potentially, a large percentage of those businesses in the Hills could close before the Treasurer does what we anticipate he will do.

**The Hon. M.J. Atkinson:** You'll do that when you are in government?

**Mrs REDMOND:** I would happily do that if I were in government, especially with the sort of windfall that the government has had in terms of property values—not only the land tax but also the GST. The issue is that these businesses will be gone before there is time to deal with the changes, and it will be too late next year.

Payroll tax is another issue. One of my constituents wrote to me recently about the payroll tax that he has to pay. Other speakers have mentioned the fact that there has been a very minimal reduction from, I think, 5.67 per cent to 5.5 per cent,



which is a 0.17 per cent decrease in the payroll tax level. However, there has been no change in the threshold, and the threshold is the real problem. This business proprietor wanted to put on two extra people to increase his work force from 20 to 22. However, in doing so, he then became subject to payroll tax. As he put it in his letter to me, it became a guaranteed disincentive for him to grow his business. There is a problem when any government seeks to run an economy but does not address an issue as basic as payroll tax. It is a built-in disincentive for businesses in this state to grow and, in this budget, the government is doing little enough to help businesses to grow. It should at least be doing something about the level of payroll tax and the threshold at which it becomes payable.

Other members have already mentioned the issue of stamp duty. The figures used by the Leader of the Opposition indicate that in other states, such as New South Wales, Queensland and the ACT, no stamp duty would be payable on a house valued at \$250 000. However, in this state, we still have \$9 000 in stamp duty to pay. I seek leave to continue my remarks.

Leave granted; debate adjourned.

#### **ADJOURNMENT**

At 10 p.m. the house adjourned until Tuesday 1 June at 2 p.m.