

HOUSE OF ASSEMBLY

Tuesday 16 June 2009

The **SPEAKER (Hon. J.J. Snelling)** took the chair at 11:01 and read prayers.

STATUTES AMENDMENT (PUBLIC HEALTH INCIDENTS AND EMERGENCIES) BILL

Consideration in committee of the Legislative Council's amendments.

The Hon. J.D. HILL: I move:

That the Legislative Council's amendments be agreed to.

There were two sets of amendments moved in the other place and two issues raised by the opposition in this place, and I said that the government would happily consider them between houses. We have now been able to reach a consensus, and I thank the opposition for its cooperation.

The first of the amendments related to the circumstances under which elements of the Controlled Substances Act can be put aside so that in an emergency people other than doctors can issue drugs to assist in the handling of a pandemic. The effect of the amendments is to tighten the circumstances under which the minister can modify the operation of the Controlled Substances Act to specify that it is for medical purposes. That provision was moved by the opposition in the other place and accepted by the government.

The second set of amendments relate to the declaration of a medical emergency. The opposition moved that before the health chief executive can do that he must obtain the approval of the minister. The chief executive is also required to obtain the minister's approval for the Public Health Emergency Management Plan to be put in place. In practical terms this would have occurred anyway, but this makes it necessary by statute, and the government was happy to accept that amendment.

The legislation can now go forward. I believe it is unlikely that we will need to use these emergency powers during the management of the current swine flu pandemic, but it is important to have these powers to allow the health system to manage health emergencies. If, for example, this current swine flu was a more virulent form of flu—similar to what is anticipated bird flu might be—then it would be very important to have these measures in place.

We are managing through cooperation and using the existing systems. For the benefit of the house, I will make a statement later today updating the parliament on the handling of the swine flu pandemic. The advice I have this morning is that we now have 86 cases in South Australia and we are rapidly moving to same situation in which Victoria finds itself, and we will need to change the status, I anticipate in the next 24 hours or so, in relation to how we handle this virus. I will certainly have more to say about this later in the day.

I commend the amendments to the house. This is important legislation. I thank the opposition and the other parties in the other house for their cooperation in passing it through the parliament as rapidly as they did. We tried to get cooperation across the various parties so that it was unanimous support, and with these amendments we have reached that kind of consensus. I thank the Deputy Leader of the Opposition for any assistance she may have provided.

Ms CHAPMAN: At the time that this bill was introduced to the parliament in early May 2009 we had no confirmed cases of swine flu in South Australia. I think there were some 18 or 20 suspected cases under investigation, but negative testing resulted. We were pleased to do what was necessary as an opposition to support the government in introducing any legislation that may be necessary for the purposes of managing, containing and maintaining, according to World Health Organisation guidelines, in the event of a pandemic developing. In that regard, there were hasty attendances to briefings and the like.

As a result of the necessity, we felt as an opposition, to support the government in making that assessment and dealing with legislation, we agreed to the second reading and passing in this house of the bill without amendment. However, as the minister said, we flagged that there were some aspects of the bill that at first blush we felt were either unnecessary or too broad in their potential application. One of those was that, during the period of a declaration of a major incident, emergency or disaster—the different categories that apply in the legislation—the application of the

Controlled Substances Act requirements may be modified or suspended. We felt that that was too broad and that identification of what was to be modified should be clear.

As this parliament is well aware, the Controlled Substances Act deals with a number of things, in particular the regulation and prohibition of a number of drugs and substances well recognised as dangerous or potentially dangerous if either consumed or distributed by people who are immature, unqualified or inappropriate or who would be abusive of the use of those drugs. So, it is important legislation.

We felt it was critical to ensure that the strict rules under that legislation have the capacity to be suspended or modified in the event of an emergency; for example, if a vaccine needed to be distributed, as was anticipated may be the case in the swine flu epidemic, as it was, we would need to consider the suspension or operation of the strict rules as to who could apply, supply and distribute and make provision for the injection or otherwise of the vaccine. So we thought that in those circumstances persons without the medical qualifications required by the act might need to be employed for the purposes of a distribution effort relating to an emergency or disaster.

In another place, after some discussions it was agreed, I think with all the relevant parties involved, that the modification to the Controlled Substances Act be confined to circumstances where it was either to meet a demand for drugs for medical purposes arising from the incident, emergency or disaster or to meet an ordinary demand for drugs for medical purposes, despite interruptions to the medical services or supplies or other difficulties arising from that incident, emergency or disaster. As indicated, the government agreed to that and in another place that amendment was made. Indeed, we welcome it because we consider this to be a sensible resolution to an important aspect of the bill.

The second area was that we considered (and I made quite a lengthy submission on this to the parliament) that both the minister and the cabinet should take responsibility for the decisions made to declare an emergency or disaster (even in a health circumstance) or, if there is going to be some action plan developed in the event of an emergency, disaster or incident, then again the cabinet and/or minister should keep responsibility in their corner. They are the people who are elected. They, of course, appoint persons in departments to carry out the policy of the government, but they are the ones responsible. We felt, therefore, with the shift in the legislation to the nomination legislatively of the chief executive officer of the department as the person who would both decide on and prepare the relevant plan and/or the actioning of it, that it should be in the hands of the minister, with or without consultation that he or she may have with the cabinet.

A compromise was negotiated and the government indicated it would support an amendment to the public health management plan in relation to the endorsement of the minister, requiring that the plan be approved by the minister. To be frank, consistent with what we have said previously, we think that is back to front. We think the minister, with his or her cabinet, should be making these decisions. Of course they have departmental people, including chief executive officers, to work up these things and provide them with advice. They also have a responsibility to consult with both the broader spectrum of departmental people who have experience in other departments (which I understand they have done) and also the broader community. The chief executive officer can then be vested with the responsibility to implement the plan. Although we still think that it is back to front, it is an improvement, and we welcome the fact that the government has added the qualification that this be with the approval of the minister.

It is particularly important because I note in the budget announced by the Treasurer a couple of weeks ago, which we will be discussing further in parliament, that in the forthcoming 2009-10 year a significant reduction is proposed in public health funding. In the 2008-09 budget, that is, the year we are about to complete, \$36,279,000 was identified as expenditure; in fact, \$56,784,000 was spent. As we often have with budget papers, the explanation is that a whole lot more immunisation programs were rolled out in that year than had originally been budgeted for—and that is quite a legitimate explanation.

Additional revenue came in from the commonwealth to enable us to provide a universal childhood vaccine for meningococcal, for example, and there had been some revision of the population estimates and funding was available for one-off vaccines for HPV, infanrix hexa and others. That is noted. However, in this year's budget (2009-10), we have \$42,098,000. In fact, that is \$14 million less than we spent last year in the budget.

Of course, it raises the concern about how this will be applied. The chief executive officer and, under him, the head of the public health unit within the health department, will be making

decisions as to the application of vaccines. There appears to be absolutely no provision for swine flu immunisation. I know that we have had to deal with some of this bill on the run because of the intensity of the public's expectation, which is reasonable. As we now climb to some 86 cases of identified swine flu in the South Australian community, they are not only expecting the good management of that by government but by this parliament ensuring that, when we vote for the budget bill, we have sufficient provision.

My understanding—and it is from media reports to date—is that a vaccine has been developed in laboratories in Victoria. I think a Swiss company has the national contract—international contract probably, with other nations as well—to provide the vaccine when it has been duly hatched. In my limited knowledge of how this works scientifically, the vaccine is developed. It is incubated in chicken eggs and various other things. It is developed so that we end up with literally millions of vaccines that are then trialled and distributed to the population for its protection.

We need to be clear that not only do we need to pass legislation to give everyone all these extra powers to do things to ensure that the general population is protected and that health care professionals are armed sufficiently in such a circumstance to be able to act to protect the population generally but also that they have the resources. We know from previous discussions in this parliament that a big stash of masks has been kept. They have been here since the bird flu plan was out. We have those ready to distribute, if we need them. However, on the face of it, there is no provision in the current budget (2009-10) for the distribution of vaccines for these purposes, that is, to the general public.

There could be several reasons for that. First, there is no provision for it from public moneys. Secondly, if you do get a vaccine, you have to pay for it and therefore it will not show in the state budget because they will not be making provision for it: it will go on the Medicare bill and/or private health insurance to provide for vaccination and/or treatment of those who are infected. I raise that because I know that we have had to deal with this bill with some haste in ensuring that we cover all bases to protect South Australians, but, as the minister has already made clear, we are moving out of a stage of containment into maintaining what we have, which obviously means treatment for those who develop other health aspects relating to their being confirmed swine flu carriers.

The situation is such that this legislation will cover all bases. An example which was given and which is reasonable is that our current emergency management legislation was not clear as to whether a person could be ordered to be confined or detained in their own home during a period in which they may be identified as still, I suppose, alive to contamination and passing on the virus to others. On our reading of the legislation, we thought there was adequate provision under the public Health Act and the Emergency Management Act which have, as the parliament is aware, very extensive—penetrating, in fact—powers.

For example, the State Coordinator under the Emergency Management Act has power to direct a person to submit to a decontamination procedure, direct any person to stop any work or operation, close any premises or place and direct or prohibit the movement of persons, animals or vehicles, and we felt that legislation was adequate. However, remember that it was the government's initiative to transfer some of these rather extensive powers under 'supervision' and to replicate a number of those in a newly defined health emergency under the Chief Executive Officer of the Department of Health, and that he or she would then have the power to deputise others as authorised personnel to undertake these tasks.

To err on the side of caution, we supported the government amendments in that regard to make it absolutely clear. We did oppose the position on the need for a new army of people to be deputised in the Department of Health and the singling out of a health emergency. For the reasons previously indicated, the government has at least curtailed the potential application of that by a requirement that any public health emergency management plan would have to be approved by the minister and that the implementation of a declaration in one of these categories would also require the approval of the minister, and that initiative has been welcomed.

It is not an easy task to deal with a public health problem and its containment when a vaccine has not already been developed; it adds to the level of responsibility. I have been complimentary of the Department of Health—and, in particular, the public health officers—in relation to notification and keeping the public informed, as well as keeping some calm in those circumstances. I think that, in a number of ways, it has done that since early May. It offered very promptly to provide a briefing to the opposition as to what was occurring. What has been disappointing, which I think will not be remedied by this legislation, is that, in recent times, we are

still being given only the daily raw data of the number of people who have swine flu in South Australia.

We still do not get information about the suburb, the town or the region in which they are living, which in my view is deficient. We need to have that information so that the community can be forearmed and forewarned, particularly if there is no money in this year's budget for our public health officers and others to make a significant purchase of the vaccine when it is released. At least if they know what is coming they will have time to save up their money to pay for their own.

The Hon. J.D. HILL: I thank the opposition once again for its support and cooperation with respect to these measures. This is a new set of provisions, which will give the health department and me as health minister (and subsequent health ministers) the opportunity to declare a medical emergency.

This is something that will be used, I guess, fairly infrequently but it is a suitable set of powers that we believe is necessary in circumstances where a full-blown state emergency does not exist. They link in very well with state emergency powers, and the provisions in this legislation ensure that, if a state emergency is brought into play, the powers in the medical emergency legislation would then flow into the broader emergency arrangements. So, this is a sensible provision.

The deputy leader raised some budgetary matters and some matters about the particular management of the swine flu pandemic in South Australia. Whilst they are not particularly relevant to this legislation they are pertinent, I suppose, and I am happy to try to provide a broad understanding about where the government is going.

In relation to the budget for public health, as the deputy leader said, there were some substantial one-off payments last year, particularly from the commonwealth in relation to the HPV vaccine, which was provided free of charge to young women in South Australia. I believe that most people who are entitled to receive the vaccine have now received it. That explains, I think, largely why there was a greater expenditure last year.

In relation to the development of a vaccine for swine flu, my understanding is that trials have begun, and we would expect to see stock available in July/August (or around that time) that could be supplied to the public. How it would be made available in Australia is yet to be determined, but normally flu vaccine is made available through private practitioners (GPs), public hospitals and other community organisations, and some businesses make it available to their staff.

The commonwealth government has protocols in place which makes it free-of-charge to people over, I think, 65 years of age, Aboriginal people over the age of 50 and some other vulnerable groups, and I would assume (although I do not know for certain at this stage) that similar arrangements would be put in place. The health department, of course, makes it available to its own workers.

Whilst I acknowledge that there is perhaps a minor budgetary matter in relation to this, it is not something that I think would cause us great concern. However, we will work this through with the commonwealth.

After the flu has been through South Australia and Australia, the seasonal flu vaccine for next year will, as I understand it, pick up whatever elements the public needs to be protected from in relation to swine flu, and they will be included in the vaccine that will be made broadly available next year. So, we are really looking at just one season.

Australia, I think, will suffer swine flu in a larger way (and I am talking about by volume here rather than by clinical degree) than other jurisdictions, because it is coming into our country at the beginning of our winter. It emerged in other countries at the end of their winter (presumably, it had been there in winter and was incubating), whereas it has become noticeable in Australia at the beginning of our winter. So, I would expect that a large number of people in our community are likely to suffer from this illness.

So far, it has been relatively mild. The majority of people who have contracted it have been young people, and there are a couple of possible explanations for that. The health department is thinking through what resources are required to manage the growth in swine flu in our state: the number of beds and the kind of equipment and drugs, and so on, that are required.

I can assure the deputy leader and the house that appropriate provisioning is being made for the management of this flu. However, in relation to this legislation, I think these are sensible

provisions. Once again, I thank both houses for their cooperation in managing the rapid movement of this legislation through both houses of parliament. I commend the legislation to the house.

Motion carried.

ITALIAN CONSULATE

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (11:31): I seek leave to make a ministerial statement.

Leave granted.

The Hon. M.D. RANN: I am sure all members will share my concern and that of the government about the proposed closure of the Italian Consulate in Adelaide. Late last week the member for Norwood informed me of an announcement in the Italian national parliament in Rome that a number of Italian consulates around the world would be closed. I understand that this announcement followed the joint sitting of the Commission for Foreign Affairs of both the Italian Senate and House of Deputies on 10 June.

It is understood that the move to close a considerable number of consulates was a rationalisation or cost-cutting initiative. There has been speculation that this move will save the Italian government about €8 million a year from 2011. I am not yet fully aware of the timetable for the proposed closure of the office in Adelaide, but I understand that it is likely to occur some time before the end of 2010.

Two Italian consulates in Australia have been proposed for closure—Adelaide and Brisbane. I understand that if this were to occur it would mean that South Australia would be serviced by the Italian Consulate in Melbourne. All members would be aware that South Australians of Italian background comprise the largest ethnic group in South Australia, with about 14,000 people actually holding Italian passports and around 100,000 South Australians being of Italian origin.

An active and energised Italian Consulate has been an integral part of our community for many decades and central to local Italian community activities. In addition to normal consular functions involving migration, visas and passports, the Italian Consulate has been very much the hub of the community for trade, social welfare, community services to the elderly, and cultural and language activities.

The closure of the Italian Consulate will cause enormous inconvenience to people having their consular needs serviced from Melbourne. It will also be a body blow to local Italian community affairs given the central role that the consulate plays.

Only last week the Italian ambassador and I opened the Punto Italia Centre in Campbelltown, which brings together a range of Italian-related services and activities; so the timing of the announcement from Rome could not have been worse.

The announcement of the proposed closure also occurs at a time when South Australia's relationship with Italy is being reinvigorated. The South Australian government has formed a special relationship with the government of Puglia, and as a result a series of initiatives are currently underway, including educational, scientific and business exchanges. For instance, South Australia is the only state in Australia to participate in the Fiera del Levante—the major Italian trade affair held in Bari each year.

The relationship with Puglia builds on the special relationship or gemellaggio with the Campania region. In recent times the South Australian government has invested a significant increase in funding to the Carnevale and has contributed \$30,000 to revive the Dante Alighieri Society's Italian language and cultural programs. The South Australian government has also committed \$200,000 for the relief and rebuilding following the tragic earthquake in the L'Aquila area of Abruzzo.

The member for Norwood is preparing a petition against the proposed closure of the Italian Consulate that will be presented to the Italian parliament in Rome. I understand that she will be working with a number of other members of parliament on this petition. In the meantime, I will be writing to the Italian Prime Minister, Silvio Berlusconi, urging his government to reconsider the closure of the Italian Consulate in Adelaide, given the strength and importance of the Italian community in South Australia and ties between our state and Italy that are growing rather than diminishing.

To proceed with the closure of the consulate would be a body blow to the Italian community, which has contributed so much to our state, and would have a detrimental impact on the range of services that are coordinated by the consulate. I understand that the member for Norwood will be moving a notice of motion this afternoon, and I am sure it will be supported by all members in a bipartisan way.

WATERWORKS (RATES) AMENDMENT BILL

Consideration in committee of the Legislative Council's amendment.

The Hon. K.A. MAYWALD: I move:

That the Legislative Council's amendment be disagreed to.

The government put a case in this house that it was inappropriate to be setting prices six months out (or more) from the commencement of a new pricing term. The amendment that has been proposed by the upper house would see that the prices continue to be set in December each year—some six months before they come into effect.

The reason water prices currently must be gazetted by 7 December each year is that under the existing act customers have a consumption year that may commence as early as mid-December, the bill for which will be issued after 1 July in the following year when new prices may have come into effect.

The date of 7 December was inserted in 1991 when, as I understand it, there was some public concern about the then government's right to set a rate for water that had already been consumed. A key element of this bill is to remove the consumption year provisions so that customers only pay a financial year's price for water used in that financial year. Consequently, the need to gazette prices seven months before they come into effect will no longer exist.

In addition, it would be far preferable for any government to be able to set water prices as part of its normal budget process in May/June of each year. The date of 1 June still provides the community with a month's notice of new water prices; furthermore, 1 June is close to when new prices will apply, making the information more relevant and useful to customers.

The effect of the opposition's amendment will be to require prices to be fixed six months before they are to take effect. Such a long lead time would be inconsistent with other states which generally only provide around four weeks' prior notice.

I will provide for the house some recent examples. The Independent Pricing and Regulatory Tribunal (IPART) of New South Wales released its final determination on 16 June 2008 for Sydney water prices that applied from 1 July 2008 for four years to 30 June 2012. In respect of the 2008-09 prices, this represented approximately two weeks between announcement of the new water prices and their implementation.

In Western Australia, water prices applied by the water corporation in that state are set by the minister during the state budget process and announced at the state's official budget release. The 2009-10 WA budget was released on 14 May and included a 10 per cent increase in water prices for Perth to be implemented on 1 July.

The Essential Services Commission of Victoria is yet to hand down its final decision for Melbourne water prices; however, it did make a draft determination in April 2009, with written submissions and comments due on 19 May 2009. The actual date of release of the prices is yet to be publicly announced. This will leave less than four weeks in that state.

As to revenue to government, comments have been made by the opposition during debate on this bill that, by December of each year, the Treasurer and government would already have decided how much money they were intending to draw down from SA Water revenue. In fact, since 2003, the government has operated under a process for setting water prices which ensures that the prices are set consistent with national pricing principles. That process is documented for public scrutiny in the annual transparency statement and is open to independent review by the Essential Services Commission of South Australia. Quite simply, the government does not have the sort of flexibility in determining water prices that members opposite imply.

In summary, I reiterate that the purpose of this bill is to enable customers to have greater information and hence better control over their water use and its cost. By enabling quarterly water use billing, customers will receive more timely information about the amount of water they have used and its cost.

Members will be aware that water prices for 2009-10 include a reduction in the fixed annual water supply charge to enable customers to reduce their water bills by being more water wise. The more timely information provided by quarterly water use bills complements that measure. Quarterly water use billing will also aid family budgeting by smoothing out water charges over the year, subject to any seasonal pattern in customers' water use.

If this legislation fails, South Australian families will not get the information they need to take greater control of their water use and their water bills. I call on members opposite and those in the other place to support the bill.

Mr WILLIAMS: I am bitterly disappointed that it is the government's wont to continue its charade that this is about giving timely information to water consumers. I think the minister just said that if this bill fails the public of South Australia will not get the information about the new water rates. What a load of nonsense!

The opposition and the minor parties in the other place have set out to ensure that the community of South Australia has even more information about water prices. Indeed—and I make no apology for this—the opposition and the minor parties in the other place want the South Australian community to know exactly what the water prices will be post-July 2010 before they vote in March 2010.

This is a sneaky little manoeuvre by the government so that it can put off the announcement of what water prices will be for the 2010-11 year until after the March 2010 election. That is what this is all about. This is about the government being secretive, as it is every day.

The minister made the claim that this should be done as a part of the ordinary budget process. SA Water is listed under the public non-financial corporations section of the budget, and it is held somewhat at arm's length from the normal budgetary process in so much as when the Treasurer handed down the budget a fortnight ago he claimed that South Australia was facing a deficit of about \$3.2 billion. He was able to make that claim only because the debt borne by SA Water and the other non-financial corporations owned by the South Australian government were outside of that figure; they were accounted separately. We know that the true debt position, if you include those corporations, is over \$6 billion.

On the one hand, the minister is arguing here that this should be part of the normal budgetary process, yet the Treasurer very conveniently excludes it when he talks about the total state debt. When it suits him, the Treasurer does not want SA Water to be part of the normal budgetary process, yet the minister comes in here and tries to put the argument that it should be part of the normal budgetary process.

The minister also talked about what happens in other states. Let me assure the house not only that what happens in South Australia barely meets the national water initiative standards but it is very different to what happens in other states. In other states—and she mentioned IPART in New South Wales—there is a truly independent setting of water pricing. We do not have that here in South Australia.

The minister talked about ESCOSA and its role. The Essential Services Commission in South Australia gets to review the process after the fact, and does not get to be involved in setting water prices. It only has a function of reviewing the process after the fact—after the Treasurer has already put his grubby little hands into SA Water's profits. That is what happens in South Australia. That is one of the reasons the opposition and the minor parties in the other place want this government to be honest about water prices and to announce its intention before it goes to the people.

We have had enough of this government saying, 'Trust me.' It is a bit like the Treasurer saying, 'I want to take \$750 million out of the budget, but I'm not going to tell you how I'm going to do it until after the next election.' In fact, it is exactly the same thing. We have a Treasurer who is desperate for cash. We know that, and we know that one of the big cash cows being used by the this Treasurer is SA Water. Over \$2.2 billion has gone from SA Water to the Consolidated Account during the term of this government. That would more than build a 100 gigalitre desal plant; there would be money left over. This is simply about the Treasurer wanting to keep secret his intent from the people of South Australia until after the election.

The opposition supports the amendment moved in the upper house. I can assure members that it is my strong suspicion that the other place will insist on this amendment, because it is a very good one that the government should have accepted. The government is being very silly here, and

everyone in the community can see what is going on. Everyone in the community knows that the Treasurer is desperate for cash and knows what he will do if he happens to be re-elected and he has not had to say how much money he is going to extract from SA Water consumers until after that election. This is a very sound amendment made in the other place, and the opposition supports it.

Motion carried.

APPROPRIATION BILL

Adjourned debate on second reading.

(Continued from 4 June 2009. Page 3096.)

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (11:48): Here we have, after eight years of state Labor, its eighth budget—the budget that will define this government going into the next election, as it argues the case for a third term of government. It is a budget from a 'do nothing' government, which has spent eight years doing virtually nothing and which promises and borrows its way—using money borrowed from the Australian people via the Prime Minister—into a third term.

It is a budget that will be remembered for what it does not reveal rather than for what it does reveal. Cuts to services and programs and increases in taxes will remain secret for at least 300 days beyond the budget. This extraordinary strategy means that voters will be kept in the dark while the Treasurer decides where the axe will fall and which new and increased taxes he will contrive.

So, how do we judge the government's economic performance? We can judge it only on past budgets when, even in the good times, this government has not been able to exercise financial discipline—and this is a key point for the house to consider. Seven of the eight years have been the best financial years this state has ever seen. Money has been rolling in, thanks to windfall GST and property tax revenues. Despite having received windfall receipts beyond expectations, the government has budgeted very small surpluses, and now it has found itself short, not by millions but by hundreds and hundreds of millions of dollars, and it is being bailed out.

In 2002, revenue was \$8.5 billion but, by 2013, revenue will be \$15.1 billion. Just think about that—it is a significant increase in government revenues, and it is not being spent wisely. As the Auditor-General has observed of the Rann Labor government, year after year, in his reports:

...the state may have developed a culture of expecting growing revenues to continue to support increasing expenses.

I think the Auditor-General has been unremarkably modest in his observation, which was in his 2007-08 report, part C, page 6. The fact is that Labor has quickly and unwisely spent the windfall revenues it has received.

In its first term from 2002 until 2006, nothing of substance was built and nothing was done, bar opening projects like the Alice Springs to Darwin railway and the Adelaide Airport terminal, all the work of the former Liberal government which, despite extraordinary debts inherited from Labor as a consequence of the State Bank, still built and did more in its eight years than this government has done in its eight years.

Of course, in that first term of Labor, there were glossy brochures and plenty of plans. We had a lot of creative tension spawned from having everyone talking among themselves: 'We will go out there, and we will form a lot of committees, economic development boards and so on'. However, I saw no sign back in 2002 to 2006 of action for the future. There was no action for the future back then. It was all about hanging on for your first term and then thinking about what you would do in your second.

Over the past week, the people of South Australia have seen the advertisements promoting the government. Over these two terms of government, there has been plenty of spin. There has been plenty of government-funded advertising. We all know what the Premier and the Treasurer had to say about that when they were in opposition. Now, millions of dollars are being spent on what is, in substance, politically inspired advertising.

It is time for South Australians to reflect on the true state of the state. The Liberal opposition recently reviewed the Economic Development Board's work known as the 'State of the state'. South Australians will remember that the Economic Development Board was commissioned

to complete a strategic plan, a step that the government and the opposition jointly supported. There was a 'State of the state' report that was to snapshot where we were positioned relative to other states. That report endeavoured to clarify how competitive or uncompetitive we were within the nation.

A copy of our work is publicly available. It is on my website martin2010.com.au, and I would encourage people to look at it. We have looked at those key measures that the EDB used back in 2002. We have looked, for example, at our slice of the national economic cake. It has continued to decline over the past eight years. We have looked, for example, at our share of the nation's exports, our share of national economic activity, our share of investment and our share of population growth. Guess what? It has all continued to decline over the past eight years.

Our work on the 'State of the state' report demonstrates—and South Australians can read it for themselves—that a great opportunity has been lost over the past eight years. During this up cycle, this boom that we have had from June 2002 until recently, when buoyant revenues could have sustained structural reforms, tax reforms, planning reforms and infrastructure reforms, instead, the money has essentially been wasted.

The government has suddenly realised that it needs to go out and build things. After eight years, it has suddenly realised that it needs to take action for the future. 'Let's go out and take some action now for the future!' It has now to borrow the money from Mr Rudd—really, the Australian taxpayers—in order to make it work. Beyond the spin, there is considerably more work to be done, and the 'State of the state' report tells its own story.

So, in this budget the opposition and, I think, the people of South Australia were looking for a change of direction. We were looking for signs of a fresh start from the government, signs of a new beginning or a new direction, one which reflected fresh thinking and a long-term view, but the reality of the budget when it is examined is quite different.

The first point I want to make about the budget is that, after eight years, it should have defined this government based on its results, rather than present as a budget of promises. I make this point to South Australians: you must judge governments on what they do, on the results they achieve, not on their words and their promises. Look back over the last eight years and ask yourselves what Labor has done for you in that eight years. It is a soulless exercise.

Thanks to the Australian taxpayer, borrowed federal funds gifted to the states mean that the Rann government does not now have a revenue problem. Contrary to what we have been told, revenue is actually up, and it is not up by a small amount: it is up by \$1 billion a year, and that is a significant pay rise. Any shortfall in GST or property tax revenues have been more than offset by just short of \$3 billion in extra grants from the commonwealth which have sprung up out of nowhere since the last federal budget from the bottom line.

The Treasurer would have us believe that the \$2.9 billion of special purpose payments from the commonwealth extra over the last 12 months are not something you can consider. It is extra funding that was not there last year. It is windfall revenue. You have rushed off to your federal colleagues, you have asked to be bailed out and you have been bailed out using borrowed money. It is being used to build your electrified rail. It is being used to build a raft of infrastructure promises you are putting forward because you cannot afford to do them yourselves. It is also being used to build infrastructure in schools, community housing and for a raft of other measures which the state budget will now not need to fund.

If the Prime Minister suddenly turns up with an extra \$3 billion and says, 'Here, have this to build things that you would otherwise have to fund,' then you can use your GST revenue and your property tax revenue for other things: you can use it to pay wages, you can use it for a whole host of purposes.

The Treasurer sits here, having had to be bailed out to the tune of \$3 billion, and says that other members in the house need help with the accounts. I think that the person who needs help with the accounts is the Treasurer because he has left himself with a very significant deficit. I remind the house that, on a net lending basis, it is \$1.541 billion and, on a cash deficit basis, it is \$1.54 billion. His deficit on a net operating basis is \$304 million. It is a sorry state of affairs.

This borrowed money he has from the Australian taxpayers, via Mr Rudd (a pattern repeated in all the states), we will have to pay back. This state understands better than any that, when you go out and rack up taxpayer debt, sooner or later someone has to pay it back: it will be our children, it will be our grandchildren or it will be us.

The state is delighted to have that money. It has dropped out of the sky. Like Santa Claus, Prime Minister Rudd has come along and said, 'Here, have I got a Christmas stocking for you.' It has bailed out the business of the state government in this eighth budget, a bailout that should never have been necessary.

The second point I make about this budget is that, despite the bailout, the next four to eight years depend upon prudent cost controls within government—something this government has never ever shown. State Labor is trying to reverse its indulgences during the boom years. The budget shows that over the last eight years it has hired over 16,400 extra public servants, of whom only 4,400 (according to the last Auditor-General's Report) are nurses, teachers, doctors and police officers. That is 12,000 people extra.

The Treasurer is now looking to get rid of 1,600, and I put this question to him: why hire them in the first place during the boom if you did not intend to keep them on? Why did the government not manage the business well in the first place? Why let it grow so that the only choice you have is to slash it back when things turn down?

Of course, the budget hinges on pinning wage growth across the public sector to 2.5 per cent per annum. All I can say is: good luck and best wishes. Looking over the record of the last eight years, it will be nothing short of a miracle if that is adhered to—leaving us short.

Then there is the \$750 million in savings either through tax increases, cuts to public sector jobs—and there will be thousands and thousands of them—or services. But, wait for it, we will not be told what those cuts will be until after the election. How curious is that? I am trying to imagine members opposite, when they are in opposition, wearing that one. 'By the way, here's \$750 million worth of promises. We're going to make these savings, but we will tell you about it the day after the election.'

I signal to the Public Service Association: I hope you are watching, because we know what the view on this was at the time of the last election. It is very clear what the government is doing. It is a massive con—\$750 million, 'We will tell you about it the day after the election.' All I can say to the people of South Australia is watch out!

The standard now appears to be that Labor governments are so arrogant that they make whatever outrageous promises they want without specifying how the savings will be made—they can put it all off for public scrutiny beyond the next election. All I can say is: do not ask the opposition again to explain what they will cut when they make any commitment. If you are not prepared to do it yourself, if you are not prepared to hold yourself to the same standard you require of others, do not expect to be treated credibly.

If you want to talk about dodgy goings-on, ask the Premier how he managed to appoint a goose with 60 speeding fines and traffic offences as the minister for road safety. Ask the Premier why he did not refer the allegations of corruption against Randall Ashbourne to police immediately when they were first made known to him.

If you want to talk about people's judgment, we are happy to engage. Do not worry about that. The question you have to answer is, how you are going to make this \$750 million worth of cuts, because the standard now is that apparently no-one needs to explain where they are going to make the savings; it is all right, you can leave it until after the election.

The Hon. K.O. Foley: Where's your deputy? Where's Vickie?

The SPEAKER: Order!

Mr HAMILTON-SMITH: The third point—

The Hon. K.O. Foley interjecting:

Mr HAMILTON-SMITH: Look, he's a little bit frisky. He has been the Treasurer for eight budgets. He cannot balance the books. Kevin Rudd and Wayne Swan have come along and said, 'Here's a quick \$3 billion, Kevin. We'll help you out,' and now he is getting prickly.

Remember, this is the Treasurer who was getting up for seven budgets and saying, 'Mr Speaker, I've spent seven years making tough decisions.' As Stephen Baker beautifully explained on ABC Radio, this bloke would not know what a tough decision was if he tripped over it at the Colac Hotel.

For the first time in his life he has actually faced some tough decisions, and what happened? Kevin Rudd let him off the hook: 'Here's \$3 billion.' I reckon Billy the goose could go to

his accountant and bank manager with \$3 billion in his pocket and his bank manager would probably say, 'Gee, you've run a good business this year; we'll give you a AAA rating.' Anyone who gets given a \$3 billion gift is going to balance their books—and I make that point, Mr Speaker.

The third point I want to make about this Labor budget is the true debt position. The Treasurer got up at the media lock-up and told people that the government's debt was \$3.1 billion. That's it—we are ratcheting up debt to \$3.1 billion—

The Hon. K.O. Foley: Budget sector debt.

Mr HAMILTON-SMITH: Oh, a little qualifier. What was it?

An honourable member: Budget sector debt.

Mr HAMILTON-SMITH: Oh, the budget sector debt—right. He conveniently forgot to mention to the media that there is this other little bit of public sector debt called the public non-financial corporation sector. These are all the other things that he is responsible for; he just forgot to tell them—things like SA Water, which is going to borrow hundreds and hundreds of millions to build a desalination plant; TransAdelaide has plans to build as well; the South Australian Housing Trust; and ForestrySA. He just forgot to mention that, when you include their debt, the true figure is just short of \$6.7 billion. He just forgot to mention that. We won't.

The Treasurer might argue—as I think he just attempted to by interjection—that that does not matter. He says, 'That bit of the debt doesn't matter; it's all right, it's only \$3.1 billion.' Well, I am not surprised to hear the Treasurer say that, because he would remember, along with the Premier—

The Hon. K.O. FOLEY: Point of order, Mr Speaker.

Members interjecting:

The SPEAKER: Order! The leader will take his seat.

The Hon. K.O. FOLEY: He's a very excitable young man today, isn't he—red-faced? Sir, I ask the member to withdraw. He actually said that I said something when I did not.

Mr Hamilton-Smith: What standing order?

The SPEAKER: Order!

The Hon. K.O. FOLEY: It's about something you have a track record for. It's about misleading people—

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: He can't accuse me of one thing, sir, and then—

The SPEAKER: Order! There is no point of order. If the Leader of the Opposition has said something that the Deputy Premier believes is incorrect, the Deputy Premier can either correct the record in the course of his reply or by way of personal explanation. The Leader of the Opposition.

Mr HAMILTON-SMITH: Thank you, Mr Speaker. You see, we have a government that is accustomed to having a house where they can get up and say whatever they like and then rely on standing orders to contain the contributions of the opposition. When we get up and have a go, they get all hurt, they get all frisky—

The Hon. K.O. Foley: Dodgy documents.

Mr HAMILTON-SMITH: You know what, Treasurer, not a single member of the opposition, or their staff, has been charged by the police with corruption like you—not like your government has with Randall Ashbourne.

The Hon. K.O. FOLEY: Point of order.

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: I ask that he withdraw immediately that I have been charged with corruption. That is a misleading statement.

The SPEAKER: Order! The Deputy Premier will take his seat. The Leader of the Opposition will withdraw that statement.

Mr HAMILTON-SMITH: Well, I was referring to the government, sir. I was referring to the Ashbourne matter.

The Hon. K.O. Foley: No, you didn't; you said me.

Mr HAMILTON-SMITH: No, I said, 'like your government'.

The Hon. K.O. Foley: No, you didn't; you said me.

Mr HAMILTON-SMITH: Well, you, your government—all right?

The SPEAKER: Order!

The Hon. K.O. Foley: Check the *Hansard*.

The SPEAKER: Order! The words I heard were, 'At least none of us have been charged with corruption, like you.' I ask the Leader of the Opposition to withdraw that statement.

Mr HAMILTON-SMITH: Let me make it very clear, Mr Speaker. I was referring to the government and not the Treasurer.

The Hon. K.O. FOLEY: Mr Speaker, no member of government has been charged with corruption—no member of government. No member of the elected government has been charged with corruption. I ask the leader to withdraw that accusation. It is unparliamentary and untrue.

Members interjecting:

The SPEAKER: Order! I think the allegation that a member of the government was charged, or has been charged, with corruption would generally be understood to be a minister. So, I think it is best if the Leader of the Opposition withdraws the remark, and that will enable him to get on with his speech.

Mr HAMILTON-SMITH: Mr Speaker, if there is any suggestion that I was referring to a member of parliament, I am happy to withdraw that. I was referring to the Ashbourne matter—I think that is very clear—and only in response to interjections from the Deputy Premier.

The Hon. K.O. FOLEY: Point of order, sir.

Mr HAMILTON-SMITH: If you are going to let him interject, he is going to get something back.

The Hon. K.O. FOLEY: Point of order, sir. I asked that he withdraw and apologise for accusing members of government of being charged with corruption. It is black and white. I demand that he apologise.

The SPEAKER: I understand that the Leader of the Opposition has withdrawn the allegation of corruption against the minister, and I think it best that we now just proceed. The Leader of the Opposition.

Mr HAMILTON-SMITH: The third point I want to make about Labor's budget is the true debt position, and I have been emphasising that point. This state needs nothing more in terms of demonstrating how important it is to consider the non-financial corporations sector than the fact of the State Bank collapse. In that instance an entity outside of government itself collapsed, resulting in a very significant debt to the people of South Australia. That position must be included in the total debt figure, and it brings the figure to just short of \$6.7 billion—and that is without considering the \$1.7 billion worth of debt linked to the rail yards hospital.

The rail yards hospital proposal is conceived, at present, as a public-private partnership, but the Treasurer has conceded that it may eventuate that the project needs to be partly or fully debt funded. He is hopeful that it will proceed as a PPP, but recognises that it may be necessary for that to become debt. That is not due to be completed until 2016. If debt is needed to fund it then, presumably, a significant element of the debt would need to come onto the books before that time so that the hospital could be built. So, there is an additional risk that \$1.7 billion, or part thereof, could be added to the \$6.7 billion, bringing it to about \$8.4 billion.

On top of that, the budget papers confirm that unfunded superannuation liabilities—and this should be of concern to every public servant—have risen from about \$4 billion in 2002 to almost \$10 billion in this budget. Members should also not forget WorkCover unfunded liabilities,

increasing from \$56 million to \$1.3 billion under Labor, and rising. That is close to \$20 billion of debt in unfunded liabilities. One day we will need to pay the bill—\$24,000 for every working South Australian. Unfunded liability is a future debt which sooner or later will have to be paid.

I turn now to the fourth point I want to make about Labor's budget. This government does not deliver on its promises; it makes policy on the run. Consider the number of projects promised in one budget and cancelled in the next. We were promised a Mount Bold reservoir expansion. Remember that one? It was in the 2007-08 budget. There was great fanfare. It was in the budget; it was on the front pages and prominent in TV news. Mount Bold was out there in the headlines but, in the next budget, it had vanished. Where is the money? It is nowhere to be seen. Are we to get a Mount Bold reservoir extension? We are not.

Members will recall the Upper Spencer Gulf desalination plant, promised in the 2007-08 budget. It was front-page stuff and led the evening news bulletins. We were going to build the biggest desalination plant ever known to man, and it was all going to happen in the Upper Spencer Gulf. Last Friday, in response to the budget, when I made this point the government had to concede that the project had been cancelled. Remember the tramlines to West Lakes, Port Adelaide and Semaphore that were promised last year? There was great fanfare—on the front pages and heading the news bulletins—but where is the money for that in this budget? It is nowhere to be seen.

We were promised an underpass along South Road beneath Port Road and Grange Road. Does anybody remember that? It was front page, leading the bulletins, promised in the 2005-06 budget. Where is the money for that? Action now for the future! Last year—almost exactly a year ago—the Treasurer and Premier were down at AAMI Stadium with their cheque book saying, 'We're going to give \$100 million to AAMI Stadium; this will be the future for the World Cup; this will be where it all happens.' Where is the money this year? It was delayed in the Mid-Year Budget Review, and now it has gone completely. I say to the SANFL, 'If it isn't in the budget, it ain't in the budget. The idea that we will dust it off if you need it, if you haven't got it, you haven't got it! It isn't there—it ain't happening!'

Now we have the Mobilong prison. Last year South Australians were told that we would have a new prison system, which included developments at Cavan and Magill. This year that promise was thrown out the window. There is a pattern here. We go out there, we promise the world, we get the headline and in the next budget or subsequently we bin it—and that is not just the prison. This is a repeat performance, an ongoing scene in some sort of Greek tragedy, and the curtain just keeps going up and down.

The implication is this: we are now promised a whole stack of things in this budget, including electrification of the rail system, doubling the size of the desalination plant. There are all sorts of promises in this budget using borrowed money from the Australian people, courtesy of Mr Rudd. I would ask: what will be there next year? Will the rail yards hospital be there next year, or will it be the first decision of the razor gang, formed to cut and slice the budget B, to either scrap the rail yards hospital or considerably wind back on our plans for electrification of the rail system or push back the time frames on the basis that, 'Well, now the election is over and we have had a look at the budget and things are a bit tight, I have an idea: we will scrap the rail yards hospital and, guess what? We'll build the new hospital right where it is, at the Royal Adelaide!'

South Australians cannot trust this government to deliver on any of the promises in this budget. It has broken promises in the past and will break them again. This is a budget full of promises. I predict today that, if this government cons the South Australian people into a third term, those promises will not be delivered, as the razor will be out.

Let us talk for a moment about the delivery of infrastructure by this government. It has a poor track record of getting results. I remember the catch phrase at the last election: 'Rann gets results'. Let us look at some of the results Rann gets. There was the Northern Expressway: I recall a nice glossy brochure—the government's infrastructure plan. It would cost \$300 million to do the Northern Expressway, all the way from Gawler to the Port River Expressway. The sums had been done and everything was done and dusted: 'Don't you worry about that. Action now for the future!'

The only problem is that it cost \$600 million and not \$300 million and it has blown over in budget and time frame, and that does not include the fact that they just forgot that another section is required from the Salisbury Highway out west through Penrice Salts down to the Port River Expressway—another \$200 to \$300 million. It will finish up costing nearly \$1 billion, but they costed

it at \$300 million. They are pretty good at costing and developing a project. Just look at the Northern Expressway!

Then there was the Anzac Highway underpass. That was costed but is still not finished yet. Anyone who wants to drive through it at 40 km/h is welcome. It was going to cost \$65 million, but then, lo and behold, when they went away and did their sums they got it wrong: it is almost double that at \$118 million. They forgot that when you come out of the tunnel you hit a tramline, so it is another \$32 million to build an overpass for the tram—a good one there, too.

Of course there was Techport, a very worthwhile development that we fully support. It was costed at \$120 million, but they then realised that they had really messed it up and that it would cost \$260 million, actually. So, they came here and said, 'We've decided to rescope the project.' This is great: you muck it up and then come in here and say, 'We've rescope the project. We've had a second think about it; it will cost more than twice what we said it would.' Do not be surprised to find a few of the promises in this budget rescope a little bit if this lot gets a third term. Their track record on delivering infrastructure is less than inspiring.

I want to make some additional points about how things could have been different, because things could have been done better. If the Liberals had been in government over the last eight years, I can tell you quite a number of things would have been done very differently indeed. Let me start with a few.

We would have kept the costs of government under control, in particular the uncontrolled growth in the size and cost of the Public Service. We are not advocates for trying to turn back the clock and slashing and burning as this government is now attempting to do. There is a better way—do not let the problem evolve in the first place. The government has gone out and offered some wonderful people (16,400 of them) work. It did that because it had windfall revenue flooding in and it rushed out and spent it. Now that it has been caught out by the downturn, it is in the position of having to turn around to those good people and say, 'Now we want to get rid of you.'

My point is simple: if the government had kept its belt tight instead of opening it out as quickly as it swallowed the cash, it would not have put those people in that position. It would not have built up their hopes for a career in the Public Service only to tell them later that the government wants to get rid of them. You have to manage your affairs stringently and properly.

We would have used buoyant surpluses in that up cycle to make structural changes to state taxation so as to make us more competitive. This current state government—and this is a point that has largely been missed—and this Treasurer, in particular, have turned South Australia into the highest taxed state in the commonwealth. It was not that way when they came to government. It is now official. It is in the budget papers. The government has even recycled in the budget papers the Commonwealth Grants Commission table that proves it to be so.

It is not me making the claim: it is the Commonwealth Grants Commission, which is the independent auditor. Property tax is up by 95 per cent; taxes on insurance are up by 52 per cent; and taxes on motor vehicles are up by 37 per cent. It is now more expensive to buy and register a car in Mount Gambier and the Riverland than it is in Victoria or New South Wales. Payroll tax is up 52 per cent, with thousands of employers paying more. Land tax has increased by 292 per cent since the Rann Labor government came to office. Back in 2002, 69,000 people paid land tax. Today, the figure is 188,000.

One of the first actions I took as opposition leader was to hold a tax summit. We have been hard at work looking at the options for reform and talking to stakeholders about them. Everyone in the country agrees that root and branch reform of taxes is needed, even prime minister Kevin Rudd—but not the Premier, and the Treasurer and Deputy Premier. Reform must be comprehensive, long-term and strategic, and must take South Australia into a more competitive space. We do not need piecemeal offerings.

In recent months I have been out, along with all opposition members, talking to businesses, and I can give three examples of where this comes home to roost. I was at a child care centre and they were explaining to me that they pay the highest land taxes in the country. They explained that those costs are passed on to mums and dads through their child care fees, and they were appealing to us to look at ways to help them out.

Then I went to the Pooraka food and produce market and I met with food and vegetable producers—Italians, Greeks, and Australians of all backgrounds—who are trying to make ends meet. They told me that our food and produce market is the highest taxed in the country and that,

again, those high land taxes are being passed on to mums and dads in the supermarkets when they buy their fruit and vegetables. They are in a considerably disadvantaged position—and they do export interstate—compared to their competitors in other states.

Then I went to an earthmoving business, and this is particularly interesting. Here was an earthmoving business with a lot of items of plant in their yard and employing a lot of people. It is paying the highest land tax in the country; it has the most difficult payroll tax threshold in the country and it is facing a raft of other government taxes and charges inflicted by the Rann Labor government—

Mr Williams: WorkCover.

Mr HAMILTON-SMITH: —that are the highest in the country. In particular, as my friend the member for Mackillop points out, the highest WorkCover levies in the nation. They are finding that their costs of business have been pushed to a point where they are bidding for work and getting knocked off for that work by interstate companies which are coming over here and using lower costs and winning business for South Australian contracts from our own people. We are not opposed to interstate trade: it is a wonderful thing. Our companies are doing business over there, too, but it irks these businesses when they find, as in the case of the northern expressway, for example, and as I have been told by stakeholders, that three out of every four items of plant and machinery on that project are from interstate.

Where is the justice in that? It would not be so bad if it was a level playing field, but those Victorian, New South Wales and Queensland businesses are coming over here, they are paying lower WorkCover fees, lower land taxes, lower taxes and charges, and lower payroll taxes. Of course, they can bid more cheaply for the work because they are more competitive than our businesses—

The Hon. K.O. Foley interjecting:

Mr HAMILTON-SMITH: Well, go and talk to them. I will take you out there. Come with me; I will introduce you to the business. Talk to them yourself. Ask them, and they will tell you the facts. The same stakeholders tell me that the picture is looking very similar for the desal plant. This is a problem, and it is a problem of this government's design. Another thing a state Liberal government would have been doing is building infrastructure during the up cycle and using surpluses for that task, not leaving it for promises in our eighth term of government.

Desalination infrastructure would have already been in place and supplying water to ease water restrictions to secure Adelaide's future. Western Australia was building its desalination plant years ago. It has been up and running for years. They are building a second one. Every other state has left us behind. Under a Liberal government, the state would already be drinking desalinated water and the River Murray would be much better off for it, and so would our food producers.

Stormwater infrastructure is a glaring shortcoming in Labor's whole approach to waterproofing South Australia. A state Liberal government has been calling for years for a \$400 million investment to capture stormwater in 13 sites throughout the west of the city. It is green and it is clean. It would save Gulf St Vincent and balance our water resources. We would have had world-class expertise in the state. We have it here. Our experts in stormwater harvesting and re-use are the envy of the world. We will back them, we will support them and we will deliver a diversified water capture and re-use capability to South Australians. Building it will be one of the first decisions we make. I think it is a decision this government should have made and considered more carefully before it decided to double the desalination plant, but that is the decision it has made. It is an important point of difference.

On roads, the budget and previous budgets have failed. The backlog of road maintenance is well above \$200 million. There is no plan to develop major regional roads to build bypasses around places like Port Wakefield and to duplicate major highways like the Princes Highway and the Dukes Highway. There seem to be no long-term planning structures in place. We have a State Strategic Plan and we have an infrastructure plan, yet we keep getting decisions from this government that bear no resemblance to the plan. We must eventually be able to drive nonstop from Wingfield to the south—and the north-south access through the city is a glaring deficiency in this budget. It is important for workers, it is important for businesses and it is important for families. We need a plan on roads, and we need execution of that plan and delivery.

I have mentioned in the past the need for our state to develop emerging technologies in energy. From solar thermal to wave-powered energy and wind-powered regional desalination

plants, there is a new horizon on energy delivery, and we must embrace it more fully. Federal Liberal government MRET funding has already been used in this state to build wind power, and we fully supported that. We will work further with green, renewable energy developers to lock in such capabilities in this state further, and we will deliver more than a mini wind turbine on the Premier's office building.

Government policy on land use and availability must be reformed. This is another area where it would have been different had it been a Liberal government. On behalf of this government, LMC is operating as a profit centre instead of a land use manager. Small businesses and home owners are paying the price with spectacular increases in South Australia over recent years, making home loan affordability even more difficult. There simply needs to be a 20-year infrastructure plan addressing all these issues.

All we have been offered are a few projects with no overarching vision. The state Liberals would have been making sure that we got what we deserved, that we got what we needed. The key to transforming South Australia's economy is to fully embrace innovation venture capital and entrepreneurship. Manufacturing has been suffering under Labor. Mitsubishi is gone along with a host of other well-known names—South Australian businesses, gone. Labor needs to understand that we will not be able to compete with China, India and other emerging economies on the cost factors of production. We have to be smart; we have to be innovative.

Linked to innovation is the need for venture capital and greater encouragement of entrepreneurship. Government needs to facilitate the coming together of business entrepreneurs and financiers with our creative centres of excellence across the state. The state Liberals will have a lot more to say about this later, but we are not doing enough as a state to encourage entrepreneurship and risk taking within our business community or to protect intellectual property and to establish frameworks for cooperation. The budget is mainly silent on these initiatives.

Most importantly of all, a state Liberal government would have delivered a budget which provided a long-term vision. We needed a budget in this eighth year of Labor which pointed to the government's long-term vision looking out 20 to 30 years. Instead, we have been given a budget—like its predecessors—that looks out to the next election. The Liberals have released a master plan for Adelaide which sets out a vision for a new hospital at its present site (why on earth would you move our major hospital away from its teaching university?) and a vision which provides a City West precinct beside the Torrens, including plans to be part of a World Cup soccer bid and a Commonwealth Games using first-class sports and entertainment facilities as a catalyst to enliven the city, to create jobs and to create economic activity.

It is a plan for recovery from the financial downturn. It is about jobs. It is a vision which builds ring roads around the city and which enhances public transport. It is a vision which brings alive and preserves the Parklands by staking out a greater role for state government in planning decisions in the city and in the Parklands, and a vision which points to a city of seaside villages—a unique and beautiful city which stands out from other Australian destinations.

We have exciting plans for regional South Australia, which has also been forgotten in this budget. A Liberal budget would have been moulded to inspire our children and our grandchildren so that they want to stay here and not leave. It would have aimed to support Adelaide's vibrant business community. We would back our teachers and build on our heritage of excellence in education. We believe in the excellence of our doctors and nurses; we believe in preventing our young offenders from becoming adult criminals rather than the 'rack 'em, stack 'em and pack 'em' approach adopted by the Treasurer and the Premier. We would have done things differently.

In summary, South Australia has missed a great opportunity over the last eight years of economic growth. The Premier ignores this and spends much needed taxpayer funds promoting the notion that he is a good economic manager. Endless millions have been spent on government funded advertising. I remind him once again of his now famous words on 19 June 2001 in this place, when he said: 'We all know that when we see a politician in taxpayer-funded ads it's just a cheap way of doing party political ads.'

Last week, I challenged the Premier to engage in three debates during the coming election campaign: one on water, another on tax reform and jobs and another on a vision for the state's future. I repeat that challenge here in the house: let us get the debate out there for the public to consider. The reason for this challenge is simple. The government has failed to deliver a comprehensive and diverse answer to the challenges of our state's water security. It has failed to deliver on tax reform—in fact, it has turned us into the highest taxed state in the country, and jobs

have been lost as a result. It has no vision for South Australia's future. Glossy brochures and slick TV ads are no substitute for a genuine framework for the future.

This government will go to the next election with a poor record of expense control and budget discipline, but it will plan to get out the \$750 million worth of cuts the day after the election.

The Hon. K.O. Foley interjecting:

Mr HAMILTON-SMITH: Well, I can tell you, anyone who was gifted \$3 billion would look pretty good to the ratings agency. This government will go to the next election having failed to build infrastructure and reform outdated and unfair taxes. It has just delivered a budget that gives no direction, no assurance and no vision to South Australia, but it is full of promises for the future. In the good times it is very easy to govern, but in the tough times citizens look to their government for strength, stability and security.

The budget shows that, in these difficult economic times, the Rann government has failed its toughest test. It has had to be bailed out hook, line and sinker. It is a government with no vision, no detail and no idea, and that government must change.

Mr GRIFFITHS (Goyder) (12:37): It is my pleasure to follow the Leader of the Opposition and also contribute to this debate. I commend the leader on his contribution. There is no doubt that in the last hour he has identified many issues about which South Australians should be very concerned. Members on this side of the house will continue to raise points of interest to us within our particular portfolio areas or, indeed, within our electorates, as part of the grievance debate. However, there are some contributions that I also wish to make.

I am a glass half-full type of person. I try to look at things reasonably to identify where there is a strength or a weakness. I must admit that, when I provided some commentary to my local newspaper about the budget this year, I sent it through and on the bottom I put a personal comment that this time I am a lot more political in my responses because I am angry about this budget. I think there are more people in South Australia who should be angry about this budget, because I do not believe that it delivers upon the needs of South Australians, be they metropolitan-based or regionally-based, and what they need for the next four years that the budget projects, or certainly even for the next 12 months over which the government currently has control.

There are some issues that I want to target straight away. We heard incessantly and constantly from the Treasurer about the financial pressures that the budget would be under: the global financial crisis, the surplus last year and the anticipated deficit of \$265 million this financial year. That is why it really surprised me when the first figure that I looked at showed that the budget income this year had increased by \$1 billion. We have gone from \$13.4 billion to \$14.4 billion, thereby creating an enormous additional capacity to undertake works, to support people and to provide the necessary infrastructure and services that people need.

However, again, we have a lot of frustrations. It appears to us, from our quite diligent review of the budget papers, that it is not delivering on what the real needs of South Australians are. This figure of \$14.4 billion is an enormous sum. It has grown from slightly over \$8 billion in the 2002 year, when the budget was last presented by the Liberal Party, to \$14.4 billion. Imagine what capacity that creates to undertake work. It is an opportunity that we feel has been lost.

Vital infrastructure has not been recognised and funded and put into programs to ensure their delivery. Our continuing frustration is the fact that, where commitments have been given to infrastructure areas, in particular, within two years they seemingly drop off the radar completely. Mount Bold, as highlighted by the leader, was one of those. Two years ago, the Treasurer talked in his budget speech about the vision for Mount Bold: increasing its storage capacity to provide for Adelaide's water needs for two years. The year after that it suddenly became the Mount Lofty Ranges, and now it has gone completely.

Water is the absolute critical issue facing our state. I have no doubt that the member for Hammond and other members in their contributions will highlight this particular area, but I also want to make some comments. I am a believer in desal technology. All of us within this chamber recognise that for the future of South Australia we need to have some level of desal to ensure a constant water supply, and that is why in January 2007 we supported the provision of a 45 gegalitre desal plant, similar to what was constructed south of Perth.

At that time the government said that it was not interested, that a desal plant was not necessary and that it had other plans in place. It has since been proven that there were no other plans in place. We have relied upon a continual drawdown of the River Murray. There is no more

capacity in there. Funds have been allocated to buy water for critical human needs. It is important that South Australia provides as much as it possibly can for its water needs and that is why desal is part of the solution. We support the 50 gigalitre plant. We recognise that the \$1.5 billion allocated for the 50 gigalitre plant is necessary—it will ensure that we have water supplies available to us.

We have great concern about the intention to double the size of the plant to 100 gigalitres at a cost of some \$330 million, of which the federal government is contributing just over \$220 million. As we have said constantly to the South Australian public, our solution is that there needs to be a combination of technologies. In this case we feel that stormwater harvesting on the Adelaide Plains—there is the potential to capture and reuse some 89 gigalitres at a cost of approximately \$400 million—has to be part of the answer.

Salisbury council has done magnificent work—and no member in this chamber would refute that. I am advised that within the next 12 months it will have available around 18 gigalitres per year to supply to its consumers. Why do we as a state not recognise that good work and improve upon it in order to ensure that we have a larger amount of stormwater? Adelaide's water needs fall upon Adelaide each year. We should make sure we use it.

I also want to comment on budget restraint, which is a particular issue for me and which will remain so as long as I have the opportunity to serve in this chamber. My great frustration is that whenever the Treasurer presents a budget there is an opportunity for a far greater level of revenue than he anticipated. Over the eight years of the budgets he has presented, the cumulative additional revenue that has been received is some \$3.8 billion. He also has the capacity, seemingly—not always as part of policy announcements—to incur significant additional overruns and costs.

Since the 2002-03 financial year, the additional costs the South Australian public has had to fund have amounted to \$2.742 billion. That demonstrates a real incapacity of ministers in government to control expenses and revenues. Revenues come from the pockets of hardworking South Australians. Expenses are the area where government has to ensure it controls costs—and that is where I have the greatest frustration.

There is a direct ministerial responsibility for departmental budgets. It appears to me that that direct responsibility and control has been very lax. I know many members talk about the increase in Public Service numbers, but my comments when I talk about that are never a criticism of the fine people who work for the Public Service: it is more about the inability of ministers and departmental CEOs to ensure that the people they hire are funded as part of the budget process.

There is a reality attached to the fact that services are important in our state. Services are provided by public servants, so we need a good level of public service to ensure that all South Australians—irrespective of their social standing, financial capacity or residential location—get the greatest range of services possible. I am serious about the fact that government controls have been terribly slack in this area. It is something that needs to change and I assure you, Mr Speaker, that from 21 March 2010, with members of the Liberal Party in government, there will be a very different focus on that.

Tax increases hit every person, every family and every business in our community in some way. It is easy to level the accusation that tax increases are only for the richer people in our community who as a result of what they do are up for more dollars. In reality, it affects everybody, and I want to take the opportunity to demonstrate this in a few ways.

Land tax has been a very emotive issue in the past 12 months, probably longer. A constant stream of callers to talkback radio have spoken about their particular case and how land tax has gone up to enormous levels. The leader has already commented on the fact that, in the seven years of budgets presented by the Treasurer, we have had a 292 per cent increase in land tax alone. But for me, the drastic impact of that knowledge came about in the 2008-09 financial year. In the previous financial year, the state government collected from private property owners some \$220 million in land tax. As part of the preparation for 2008-09, it budgeted for a 37 per cent increase in that land tax. That is a disgraceful amount. That was the position I tried to get out to the media very early on: that this is an area where you need to ask questions. It has become evident that it is an issue.

It is amazing that, when we got the budget papers for 2009-10 and looked at the estimated result for 2008-09, we found that land tax has increased by more than 37 per cent; it has gone up by 49.8 per cent. So, we have had a situation where, in the previous financial year, \$220 million in land tax has come in from private property owners, yet in the 2008-09 financial year the anticipated

result is \$330 million—an increase of 50 per cent. This is a cost that each South Australian bears. It is not just the fact that it is the very vast number of 188,000 people who have paid land tax who are responsible for this, because you have to consider the properties to which this land tax applies and how that impacts on people.

In the past 10 years there has been a growing trend for people to plan for their own retirement, to invest and to ensure that they have a revenue stream that will fund the level of lifestyle they want. For many of those people that has been based around property investment, and they must now be seriously considering whether they want to continue with this philosophy, because they are suddenly faced with the holding costs of those properties that they purchased at the time. It might have been many years ago when there was a very different taxation structure in place and a reasonable level of tax was being levied, but now they suddenly find that it is near impossible to be able to afford to retain those properties.

I have had people come to me who have quoted examples in the North Adelaide area of land tax bill increases from \$14,000 to \$124,000. That is one extreme end of the spectrum. I know that a lot of holiday home owners in coastal areas, including the Yorke Peninsula, face land tax that is now in the range of \$7,000-odd, and that makes it very difficult to hold on to those properties.

I refer to those people at the lower end of the socioeconomic scale who will always be reliant on private rental accommodation because of the crisis within public housing with not enough accommodation available to them. Those people are renting properties upon which land tax is paid, and the owners of those properties may have managed to accumulate two or three homes as part of their investment strategy. In addition to the added effect of the accumulation of the values in question, the effect of having a threshold of \$110,000 on site value is a very significant land tax bill that eventually has to be passed on to the consumer—in this case, the tenant.

This is forcing rents to increase dramatically, making it very difficult for families with even average means to be able to afford to rent homes. It is hurting communities in South Australia. Sadly, the response from the government has been that, yes, the Treasurer has recognised the fact that a few people are talking about it, but it appears as though he believes that the political issues involved are that the property owners—those 188,000 people who pay land tax—in the main are conservative voters and, therefore, seemingly the Treasurer does not have a great deal of concern or even a response to that, and he just lets it slide.

The leader has quoted three examples of where businesses are under pressure, including the produce market at Pooraka. That market has an enormous level of land tax liability, which in turn has to flow on to the cost of the produce sold through that facility. That cost is outlaid into the fruit and vegetable stalls everywhere around the state and, in turn, it has to be paid by the consumer. So, the consumers are paying, the tenants are paying and the property owners are paying—it is the whole cycle of payment that goes into the government coffers. Land tax is a burden that is hurting a great number of people.

We need to be better about this. The opposition is focused on developing policy that is fairer because I know that the people I speak to recognise that when you own property, run a business and employ people, there is society's expectation of a reasonable level of tax being paid. They understand that but they just want to ensure that that level of taxation still allows businesses and people to be profitable. That is not happening, and that is where the real concerns are.

Water prices, too, are a big concern for me. Last year we had significant increases in water costs across all levels. The figures I saw for the lower end users showed an increase of some 42 per cent. This year, in the budget announced by the Treasurer, there is a reduction in the supply charge, but there is an increase of between 36 and 37 per cent in water per kilolitre that will be charged to every consumer for every kilolitre that goes through SA Water's mains network this year. This is affecting real people; this is affecting families who are already struggling to pay the mountains of bills that a difficult economic environment creates. It is a grab for cash.

I would love for the Treasurer to come into this place and indicate that, yes, funds have to go into SA Water to pay off the desal plant, which is coming from borrowings. Many members have spoken about the fact the dividend taken into Treasury from SA Water should be able to fund that, but it has not been used appropriately. Let us ensure that we do not make it impossible for people to have the level of water they need.

Again, the focus is on debt, and this is an issue that I want to talk about for a little while. Debt in 1992 was terrible for the state. It slowed us down and made things economically difficult for us for a decade. It was slowly overcome. Difficult decisions had to be made on our side of the

chamber, when in government, to improve the financial position of the state. Through the treasurer's efforts to repay debt, in the 2007-08 financial year we reduced the liability to zero for government sector debt.

Now, though, we find that the forward estimates project an enormous increase out to some \$3.1 billion in direct government sector debt; and that is in four years. It is an enormous level of borrowing that has to be paid by the taxpayer in South Australia. On top of that, we also have non-public sector debt, where instrumentalities, such as SA Water, SA Housing Trust, and TransAdelaide, all increase the liability for South Australians out to \$6.7 billion. All of this should be a concern, because our children and our grandchildren will be liable for that.

We have recognised for some time the liability on public sector superannuation. There is a plan in place, formulated by the Liberals, I might say, to repay that debt. That plan was formulated in the early 1990s, when the economics of the state were somewhat difficult, to fully fund by 2034. That period has not changed, with the Treasurer in power in a far more advantageous financial position. I note that he has to make an interest payment of, I think, \$430 million in this year's budget to the unfunded superannuation liability to keep up with the repayment schedule, but it presents an enormous challenge for our state.

In closing, I want to comment on the Sustainable Budget Commission. I am truly amazed that, after reviews by this government in 2002 and 2006, from which recommendations on savings opportunities were created—and the Treasurer himself has talked about \$1.5 billion—we now find that, as part of an announcement one year out from an election, it was intended to put in place a Sustainable Budget Commission, the first job of which was to make recommendations on when the state budget for 2010-11 should be presented. I was flabbergasted.

Subject to the terms of reference the Treasurer provides to them, supposedly after 20 March 2010, if, in fact, the Treasurer is returned to power—and we and people we talk to in South Australia do not believe that will be the case—the challenge is a recurrent saving cost of \$150 million in the first financial year and then an extra \$150 million to create \$250 million in the second year and then an extra \$100 million to create \$350 million in the third financial year. Those savings are on top of savings previously announced over the last three budgets, and they create a current saving in 2012-13 of \$545 million.

My real concern is that, when the Treasurer presents this budget, he factors in wages costs; there is no doubt about that. He must have taken a reasonably prudent level, one would presume, of wage increases across the forward estimates. However, as part of the budgetary commentary and as part of the Treasurer's media statements, of that eventual \$350 million in savings in 2012-13, he is talking about \$290 million being achieved by keeping public sector wage increases to a maximum of 2.5 per cent, basically from 2009-10 out to that period.

If the Treasurer is saying that that is an opportunity to save \$290 million, what is he actually factoring in as wage increases from 2009-10 out to that period? I am really concerned. I would love the Treasurer to clarify this with me if I am wrong, but is there some level of duplication there? Surely, the Treasurer has factored in reasonable increases, given the state of our economy and the national economy. I know that other states have talked about restraint in public sector wage increases—in Tasmania, I think it is in the range of 1 per cent for the next two years.

If the Treasurer has factored that in but is then talking about \$290 million in savings in public sector wages on top of that across that forward period, what does he have in the budget, as it is presented in its raw form, for wages growth? That is something the Treasurer needs to respond to because it is an important issue. It is also an important issue in relation to the AAA credit rating.

Prior to the government bringing down its budget, I was criticised for saying that the loss of the AAA credit rating could cost this state in the range of \$50 million to \$60 million, but that statement is actually correct. New South Wales, as part of its mini-budget presented several months ago, talked about the loss of that state's AAA credit rating having the effect of adding between 20 and 25 basis points to the cost of that state's borrowings.

We have done our sums and, based on the liability out across the forward estimates of \$3.1 billion, an increase of 23 basis points will give you that figure. We have brought to the attention of the South Australian community a concern of which they need to be aware. There are a lot of concerns within this budget. I know that members on this side of the chamber will talk about the worries they have with many different areas of this budget.

South Australians deserve far better. This state deserves a budget that not only has vision but, importantly, encourages business, and that is where my concern lies. It is a difficult time for business. Business has been hit with the cost of regulation responsibilities, and it has been hit with payroll tax, which is payable after you get to \$600,000, which is a rate of 4.95. It is very difficult to see that we can be competitive when compared with other states across Australia. That is why the leader constantly quotes the example of major infrastructure projects, where interstate companies are working in South Australia. These companies do have a competitive advantage because they have a cost structure. Until we get our cost structure right and until we can ensure that business opportunities exist, that business is encouraged and that the opportunity will constantly be there for employment, this budget concerns me.

Debate adjourned on motion of Dr McFetridge.

[Sitting suspended from 12:57 to 14:00]

MOTOR VEHICLES (MISCELLANEOUS) AMENDMENT BILL

His Excellency the Governor assented to the bill.

SOUTHERN STATE SUPERANNUATION BILL

His Excellency the Governor assented to the bill.

MENTAL HEALTH BILL

His Excellency the Governor assented to the bill.

EYRE PENINSULA WATER SUPPLY

Mrs PENFOLD (Flinders): Presented a petition signed by 730 residents of Eyre Peninsula and greater South Australia requesting the house to urge the government to immediately investigate measures to improve the quality of water on Eyre Peninsula, including a desalination plant near Ceduna.

NATIONAL HEALTH REGULATION SCHEME

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (14:03): I give notice that on Thursday 16 July 2009, I will move:

That this house

1. Notes that the federal government is planning a national regulation scheme for 10 different and varied health professions: chiropractors, dentists, medical practitioners, nurses and midwives, optometrists, osteopaths, pharmacists, physiotherapists, podiatrists and psychologists.

2. Notes that the current national scheme proposed has raised many concerns in all of these health professional areas and in health consumer forums and will provide a bureaucratic and expansive regime, the cost of which will inevitably be passed on to South Australians visiting these proposals.

The Hon. J.D. Hill: This is Tony Abbott and John Howard's idea, of course.

Ms CHAPMAN: You butchered it. That's what happened.

The Hon. J.D. Hill: It was John Howard's idea.

Ms CHAPMAN: You butchered it.

3. Notes that while the national scheme purports to—

this is a Labor government quote of course—

'provide greater safeguards to the public', many key stakeholders such as the Australian Medical Association and the Australian Society of Anaesthetists and the Australian Association of Surgeons believe that patient safety and standards will actually be compromised if the states press ahead with uniform legislation.

4. Requests the Minister for Health to make a ministerial statement detailing South Australia's position on a national health regulation scheme as a matter of urgency, including what consultation has occurred with local representatives of the 10 professions involved and with consumer and other interest groups.

5. Declares that this house will never agree to any national scheme which has the effect of centralising more power in Canberra and which undermines the current operation of South Australia's registration bodies comprising local profession representatives and input from members of the South Australian community.

You dropped the ball, Kevin; you missed it.

ANSWERS TO QUESTIONS

The SPEAKER: I direct that the following written answers to questions be distributed and printed in *Hansard*.

CONSULTANTS AND CONTRACTORS

226 Dr McFETRIDGE (Morphett) (21 October 2008). For each department and agency reporting to the minister, what is the detailed breakdown of the expenditure on consultants and contractors in 2007-08 including, the name of the consultant or contractor, cost, work undertaken and method of appointment?

The Hon. J.W. WEATHERILL (Cheltenham—Minister for Environment and Conservation, Minister for Early Childhood Development, Minister for Aboriginal Affairs and Reconciliation, Minister Assisting the Premier in Cabinet Business and Public Sector Management): I have been advised that:

Details of Contracts and Consultancies issued during 2007-08 for the Aboriginal Affairs and Reconciliation Division are as follows:

Name of Contractor	Amount of Contract (net)	Description of Contract	Method of Appointment
Key Energy and Resources	23,636	Electricity Retailing Operations for Remote Aboriginal Communities	Selective Tender
Cavill Power Products Pty Ltd	158,557	Generator Maintenance for Remote Area Power Supplies for Aboriginal Communities There are no other viable contractors to do this work. This contract went before the Accredited Purchasing Unit in DPC	Direct Negotiation
Anne Prince Consulting (APC Environmental Management)	144,740	Development of Waste Management Plan for the APY Lands	Selective Tender
ETSA Utilities (Works Contract via DAIS)	715,120	Oak Valley Aboriginal Community Overhead Reticulation System—Electrical Services Upgrade—Trade Contractor	Selective Tender
John Thurtell Consulting Services Pty Ltd	27,273	Independent Review of the Operation of the 2005 Amendments to the Anangu Pitjantjatjara Yankunytjatjara Land Rights Act	Selective Tender

ROAD MAINTENANCE

298 Dr McFETRIDGE (Morphett) (21 October 2008). What roads will be improved and what work will be undertaken as part of the \$8.082 million expenditure for 2008-09?

The Hon. P.F. CONLON (Elder—Minister for Transport, Minister for Infrastructure, Minister for Energy): I provide the following information:

The Rural Road Improvement Program (\$8.082 million in 2008-09) is an investment in a number of roads in the State's outback and rural areas to address particular safety, traffic service level and asset preservation concerns. Proposed works in 2008-09 include:

- ongoing sealing of the unsealed Blinman—Wilpena Road
- ongoing resheeting and sealing problem sections of the Marree—Lyndhurst Road
- completion of the Stone Hut Bridge providing a wider bridge on Main North Road between Stone Hut and Wirrabara; and
- ongoing resheeting problem sections of the unsealed Oodnadatta—Hamilton Road.

TRANSPORT INFRASTRUCTURE

351 Dr McFETRIDGE (Morphett) (21 October 2008). With respect to the 2008-09 budget papers—Program 2: transport infrastructure services, why is there a \$753,000 increase in 'other' expenses for this program?

The Hon. P.F. CONLON (Elder—Minister for Transport, Minister for Infrastructure, Minister for Energy): I provide the following information:

The budget increase to 'other' expenses of \$753,000 is mainly due to the addition of the following projects to the Transport Infrastructure Services Program:

- Remediation works associated with the transfer of former TransAdelaide assets to the Department for Transport, Energy and Infrastructure (\$0.380m); and
- Recognition of donated camera equipment relating to the 'Reaching the Road Safety Target—Speed Enforcement—Red Light and Speed Camera' Program (\$0.368m).

NATURAL RESOURCES MANAGEMENT BOARDS

In reply to **Mr GRIFFITHS (Goyder)** (2 July 2008).

The Hon. J.W. WEATHERILL (Cheltenham—Minister for Environment and Conservation, Minister for Early Childhood Development, Minister for Aboriginal Affairs and Reconciliation, Minister Assisting the Premier in Cabinet Business and Public Sector Management): I am advised that:

In 2007-08 State Government recurrent funding to NRM boards was \$3.668 million. An additional once only amount of \$927,000 was allocated for that year from the state component of the National Action Plan for Salinity and Water Quality (NAP). NAP funding was directed to those NRM regions qualifying under NAP criteria. In 2008-09 the allocation of state recurrent funds to regional NRM boards is \$3.742 million.

For 2008-09, the allocation of State Government recurrent funding for distribution to NRM boards has been guided by a series of principles that were developed by the NRM Council in conjunction with the regional NRM boards. These principles are based on the relative capacity of each NRM Board to access funds to deliver regional NRM activities including the necessary administration of the NRM Act.

The amounts allocated to each NRM board are presented below.

Allocation of State recurrent funds to NRM boards for 2007-08 and 2008-09

NRM Region	2007-08		2008-09
	(\$,000)	NAP (\$,000)	(\$,000)
Adelaide and Mt Lofty Ranges	150	0	0
Alinytjara Wilurara	684	0	700
Eyre Peninsula	424	0	600
Kangaroo Island	383	337	521
Northern and Yorke	560	0	450
South Australian Arid Lands	1,100	0	1000
South Australian Murray Darling	170	422	200
South East	197	168	271
Sub Total	3,668	927	
TOTAL	4,595		3,742

PAPERS

The following papers were laid on the table:

By the Minister for Sustainability and Climate Change (Hon. M.D. Rann)—

2020 Renewable Energy Target—Government Report under the Climate Change and Greenhouse Emissions Reduction Act 2007

Future Prospects for Renewable Energy in South Australia—Report for the Sustainability and Climate Change Division of the Department of Premier and Cabinet of South Australia

Potential for Renewable Energy in South Australia—Report to South Australian Department of the Premier and Cabinet

By the Deputy Premier (Hon. K.O. Foley)—

Regulations under the following Acts—

Mines and Works Inspections—Fees

Mining—Fees

Opal Mining Act—Fees

Petroleum—Fees

By the Treasurer (Hon. K.O. Foley)—

Regulations under the following Acts—

Land Tax—Fees

Petroleum Products Regulations—Fees

By the Minister for Transport (Hon. P.F. Conlon)—

District Council of Cleve—General and Coastal Development Plan Amendment Report by the Council

Regulations under the following Acts—

Development—Fees

Harbors and Navigation—Fees

Motor Vehicles—

Accident Towing Roster Scheme—Fees

Fees

Schedule 5—Fees

Schedule 6—Fees

Passenger Transport—General—Fees

Road Traffic—

Miscellaneous—

Inspection—Fees

Offences—Fees

By the Minister for Infrastructure (Hon. P.F. Conlon)—

Regulations under the following Acts—

Roads (Opening and Closing)—Fees

Valuation of Land—Fees

By the Attorney-General (Hon. M.J. Atkinson)—

Regulations under the following Acts—

Association Incorporation—Fee Increases

Bills of Sale—Fees

Births, Deaths and Marriages Registration—Fees

Business Names—Fees

Community Titles—Fees

Co-operatives—Fees

Coroners—Fees

Cremation—Fees

Criminal Law (Clamping, Impounding and Forfeiture of Vehicles)—Fees

Criminal Law (Sentencing)—Fee Increases

District Court—Fee Increases

Environment, Resources and Development Court—Fee Increases

Fees Regulation—Public Trustee Administration Fees—Fees

Magistrates Court—Fee Increases

Partnership—Fees

Public Trustee—Fees

Real Property—Fees

Registration of Deeds—Fees
Security and Investigation Agents—Fees
Sexual Reassignment—Fees
Sherriff's—Fees
Strata Titles—Fee Increases
Summary Offences—Dangerous Articles and Prohibited Weapons—Fees
Supreme Court—Fee Increases
Worker's Liens—Fees
Youth Court—Fee Increases

By the Minister for Health (Hon. J.D. Hill)—

Regulations under the following Acts—
Dental Practice—General
Public and Environmental Health—Waste Control—Fees

By the Minister for Police (Hon. M.J. Wright)—

Regulations under the following Acts—
Firearms—Fees

By the Minister for Emergency Services (Hon. M.J. Wright)—

Regulations under the following Acts—
Fire and Emergency Services—Fees

By the Minister for Mental Health and Substance Abuse (Hon. J.D. Lomax-Smith)—

Regulations under the following Acts—
Controlled Substances—
Pesticides—Fees
Poisons—Fees
Mental Health—Ministerial Agreement
Tobacco Products Regulation—Fees

By the Minister for Environment and Conservation (Hon. J.W. Weatherill)—

State of the Environment Report 2008 Errata
Regulations under the following Acts—
Animal Welfare—Fees
Botanic Gardens and State Herbarium – Fees
Crown Lands—Fees
Environment Protection—
Beverage Container—Fees
Fees and Levy—Fees
Site Contamination—Fees
Heritage Places—Fees
Historic Shipwrecks—Fees
National Parks and Wildlife—
Hunting—Fees
Wildlife—Fees
Native Vegetation—Fees
Natural Resources Management—
Financial Provisions—
Fees
2008-09 Levy Exemption
Water Licences
General—
Fees
Water Licences and Water Register
Pastoral Land Management and Conservation—Fees
Radiation Protection and Control—
Ionising Radiation—Fees
Non-Ionising Radiation—Fees

By the Minister Assisting the Premier in Cabinet Business and Public Sector Management
(Hon. J.W. Weatherill)—

Regulations under the following Acts—
Freedom of Information—Fees and Charges
State Records—Fees

By the Minister for Water Security (Hon. K.A. Maywald)—

Regulations under the following Acts—
Fees Regulation—Assessment of Requirements Water and Sewerage—Fees
Sewerage—Fees
Waterworks—Fees

By the Minister for Families and Communities (Hon. J.M. Rankine)—

Regulations under the following Acts—
Adoption—Fees
Building Work Contractors—Fees
Conveyancers—Fees
Land Agents—Fees
Liquor Licensing—General—Fees
Local Government—General—Fees
Plumbers, Gas Fitters and Electricians—Fees
Private Parking Areas—Fees
Residential Parks—Rented Property
Second-hand Vehicle Dealers—Fees
Trade Measurement Administration—Fees
Travel Agents—Fees

By the Minister for Housing (Hon. J.M. Rankine)—

Regulations under the following Acts—
Housing Improvement—Section 60 statements—Fees

By the Minister for Agriculture, Food and Fisheries (Hon. P. Caica)—

Regulations under the following Acts—
Branding of Pigs—Fees
Brands—Fees
Chicken Meat Industry—Fees
Fisheries Management—
Demerit Points
Fees
Livestock—Fees
Primary Produce (Food Safety Schemes)—
Citrus Industry—Fees
Meat Industry—Fees

By the Minister for Industrial Relations (Hon. P. Caica)—

Regulations under the following Acts—
Dangerous Substances—
Dangerous Goods Transport—Fees
Schedule 2—Fees
Employment Agents Registration—Fees
Explosives—
Fireworks—Fees
Schedule V—Fees
Security Sensitive Substances—Fees
Fair Work—Representation—Fees
Occupational Health, Safety and Welfare—Fees

By the Minister for Gambling (Hon. A. Koutsantonis)—

Regulations under the following Acts—
Authorised Betting Operations—Fees
Gaming Machines—Fees
Lottery and Gaming—Fees

RETRACTION AND APOLOGY

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (14:06): I seek leave to make a ministerial statement.

Leave granted.

The Hon. M.D. RANN: On 28 April 2009, in and outside this house, the Leader of the Opposition made the gravest allegations against me, and others. I have now received a personally signed letter from the Leader of the Opposition that I will now read into *Hansard*, plus another letter from his solicitor that I will quote from and table. The letter reads:

Dear Mike,

Retraction and apology.

In a media release issued by me on 28 April, I accused you and others of serious criminal misconduct and I also released documents that I claimed supported my allegations.

My allegations were untrue and the documents I released were forgeries.

I accept that the allegations I made against you in the media release and in subsequent media interviews were false and unfairly and improperly questioned your honesty and integrity.

I accept that you did not in any way act dishonestly or corruptly.

I unreservedly apologise to you for the hurt and embarrassment I have caused you, your office and your family.

The substance of this apology and retraction was read by me in parliament on 3 June 2009. It is in addition to the earlier apologies made by me on 29 April and 8 May.

I have given the forged documents to the police and requested that they investigate who created them.

Martin Hamilton-Smith MP.

Member for Waite.

And duly signed. I table that retraction and apology.

When the Leader of the Opposition first made the allegations against me and others, he told parliament:

Sources from within the Labor Party have advised the opposition that the 'man called Tom' is the Minister for Correctional Services.

Later that day in a press release headlined 'Rann-raid on Hubbard's cupboard', the Leader of the Opposition stated that this series of emails were 'leaked from within the ALP's state headquarters'.

That release said that the emails reveal the meeting followed discussions between two ALP identities, 'Tom' and 'Nick', which, and I quote again from the Leader of the Opposition, 'ALP insiders have told the opposition are Tom Koutsantonis and Nick Bolkus.' The Leader of the Opposition said receipts 'also leaked from within the ALP' show the invoices were paid.

The next day, on Wednesday 29 April, the Leader of the Opposition called a news conference and said—and I want to quote this exactly:

Now, I make no apology whatsoever, for asking questions in parliament about these matters. And if I receive documents, we had a very good look at these, we had very thorough diligence done on them, and we will ask the questions.

He added:

...we've received this information, we had a good look at it for 24 hours. I had lawyers look over it.

The Leader of the Opposition and his staff were leaving nobody in any doubt that he had not only received this information from inside ALP headquarters, and that he had sources inside the ALP, but that he had also given these documents thorough due diligence. He had the lawyers crawl all

over them. He had applied the utmost diligence before releasing such potentially damaging material. His people had spoken to ALP insiders. He had made a huge effort to test them and, at the end of all of this, he said, 'Yes, they are genuine.' Not even the Adelaide postcode on the Sydney address of Applied Scholastics had rung alarm bells.

Added to this, the Leader of the Opposition's own press release pointed out that Applied Scholastics' principal place of business could no longer be found and it had not lodged an annual return since 2003. Not even that rang any alarm bells. As far as the Leader of the Opposition was concerned, that only added to the intrigue.

However, the leader's claims of ALP sources and due diligence are completely refuted in a letter I have received from the Leader of the Opposition's own solicitor, which accompanied his written apology. The letter from Mr A. Rossi of Moody Rossi and Co., which accompanied the apology, which I have just tabled, states:

In response to the invitation that our client reveal how the documents came into his possession, we advise that, as has been widely reported, the documents were sent to the member for Unley at Parliament House.

His solicitor goes on to say:

Neither the member nor our client knows who sent them or have they claimed to have known the identity of the person who sent them.

He goes on to say again—and I quote directly from the Leader of the Opposition's own solicitor:

True it is that our client initially claimed that the documents came from 'inside' ALP headquarters. That is because he believed them to be genuine and, from their content and context, it was reasonable to conclude that is where they came from.

It was clear by his lawyer's own admission that the Leader of the Opposition had not done the due diligence he publicly claimed to have done—and that should have been afforded these documents, given the seriousness and damaging nature of the allegations being made. It is also easy to draw the inference that the Leader of the Opposition had no 'ALP sources' and that he had no idea of the origins of the documents.

The discrepancy between the Leader of the Opposition's account and his solicitor's own admissions on his behalf raise important questions about his recklessness, truthfulness and character, but I will leave that for the public to judge in March next year.

I am prepared to accept the Leader of the Opposition's retraction and his fulsome apology. I will speak to my solicitors this afternoon and, if undertakings offered by the Leader of the Opposition through his lawyers are fully complied with, I will instruct them not to proceed. I understand others may be seeking legal redress for the Leader of the Opposition's publicly made allegations of criminality, but that is a matter for them.

As we have seen again today in this house, the Leader of the Opposition does not seem to have learned from his experience. This morning he once again made false allegations of criminality against another MP—this time the Deputy Premier—and, again, under the cover of parliamentary privilege.

Being elected to parliament affords certain privileges. We have the privilege in this house of having the protected freedom of saying what we want about any subject matter, with the proviso that the information we bring into this place is, to the best of our knowledge, factually correct. This is the responsibility that every one of us elected to this parliament must uphold to the highest standards. My sincere hope is that every member of this place, and of the Legislative Council, has learned a lesson from this sorry affair: that with privileges come responsibilities. You cannot use this place to slur people's reputations unfairly and dishonestly.

The SPEAKER: I warn the cameraman in the gallery that he must film only members on their feet.

SWINE FLU

The Hon. J.D. HILL (Kaurua—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (14:19): I seek leave to make a ministerial statement.

Leave granted.

The Hon. J.D. HILL: Influenza A H1N1, also known as swine flu, continues to have an impact on our nation and, indeed, our state. As of 10.30am, South Australia had recorded a total of

86 cases of swine flu. Up to 70 per cent of these cases are in people under the age of 30 years. Nationally, there have been 1,919 cases, with Victoria having more than 1,200 of those cases. In South Australia, two people with swine flu are currently hospitalised.

Virus experts tell us that, so far, swine flu seems to have similar characteristics to a normal seasonal flu and does not appear to be a highly virulent version, with just a handful of hospitalisations required generally in people with underlying health conditions. As the number of cases grows across Australia, we will inevitably transition to the next pandemic alert phase. Ministers of health will be meeting by phone this evening to consider this matter.

Under the current protocols, as directed by the commonwealth under its pandemic plan, the aim for public health officials has been to stop the spread of swine flu as much as possible ahead of a vaccination being ready. For the three months since the first cases of swine flu were detected in Mexico triggering the global spread, Australia has successfully slowed the spread of swine flu. Nonetheless, it appears that the virus has become well and truly established across our nation, with 86 cases in our state. It is only a matter of time before the prevalence of the virus climbs to the level now experienced in Victoria.

The containment measures have included closing of schools for seven days when a student is diagnosed, and tracing of all their contacts and the application of Tamiflu to close contacts. Those measures are now becoming impractical and difficult to manage, and the impact on school communities in particular and, of course, parents is enormous. We must now acknowledge that swine flu is present in our community.

For most people this will be a mild illness, just as it is with seasonal flu, which is also circulating in our community as it usually does through the winter months. The focus of the health system in South Australia must now shift from contact tracing of confirmed cases. Many people have a mild illness and will not even present to a doctor. We must now direct our health efforts to the protection of those with conditions that may make them more susceptible to more severe illnesses. As well as that, the role of Tamiflu in this outbreak will be altered so that the most vulnerable people receive it to protect them from the impact of swine flu. It will no longer be generally used as a prophylactic.

As the public health approach to H1N1 is refined in the light of increasing understanding of the virus, SA Health continues to send regular updates and public health alerts to GPs and hospitals. SA Health continues to offer support for GPs through its hotline. Meanwhile, SA Health is preparing for more cases across our state, and the impact that this will have on our hospital system. Already, flu clinics have been established at key hospitals across the metropolitan area and in country hospitals, and all are ready with supplies of antivirals.

Planning is continuing for additional flu clinics. As well, SA Health is preparing for the possibility that some elective surgery might have to be postponed if demand for hospital beds increases, and SA Health is talking to private hospitals to determine their extra capacity in case of increased demand.

Today, legislation has been passed by parliament that will provide the state with increased powers in the case of a more dangerous pandemic. The legislation includes new powers for senior health officials, including directing a person to remain in isolation to stop the spread of a disease or obliging them to undergo medical observation, examination or treatment. These powers would be used only in the event of a serious health emergency and could help to contain the outbreak of a disease that could pose a serious threat to our wider population. We do not expect to invoke these powers for swine flu.

The strongest message to our community will be that people suffering flu-like symptoms are urged to stay home from school and work and stop the spread of the disease, whether it be the normal seasonal flu or, indeed, swine flu. I also urge people to stay calm. Evidence from across the world suggests that swine flu is no more virulent than the normal seasonal flu.

Finally, I pay tribute to the Communicable Disease Control Branch of SA Health who have been working 24 hours a day, seven days a week on combating this virus for the past month. I also pay tribute to SA Pathology and IMVS staff. I also thank hospital staff for their strong commitment to helping our state put up with this virus; and GPs, of course, who are at the front line of this outbreak.

PUBLIC WORKS COMMITTEE

Ms CICCARELLO (Norwood) (14:30): I bring up the 334th report of the committee on the Conservatory Office accommodation fit-out.

Report received and ordered to be published.

SOCIAL DEVELOPMENT COMMITTEE

The Hon. P.L. WHITE (Taylor) (14:31): I bring up the 30th report of the committee on the inquiry into bogus unregistered and deregistered health practitioners.

Report received.

VISITORS

The SPEAKER: I draw to honourable members' attention the presence in the chamber today of students from Mary MacKillop College, who are guests of the member for Norwood, and students from Highgate Primary School, who are guests of the member for Unley.

QUESTION TIME**SUSTAINABLE BUDGET COMMISSION**

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (14:32): My question is to the Treasurer. When will the Sustainable Budget Commission be formed? When will it commence its work? When will it make its first recommendations to government on tax increases or budget cuts?

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (14:32): This gives me an opportunity to reprise what we announced last week. We have taken the quite extraordinary decision for a government in office, but a government that knows that it has to put in place mechanisms that receive a tick of approval and demonstrate an ability and a willingness to make hard decisions.

As much as members opposite may try to play political games with this, the reality is that the Moody's rating agency, in New York, together with Standard and Poor's have demonstrated that they have confidence in this government. As they say themselves, we have a proven track record of achievement, and they are confident going forward that we will achieve the savings.

Members interjecting:

The Hon. K.O. FOLEY: Are you going to accuse me of corruption again over there? I would have thought that, after the Leader of the Opposition's behaviour in his address in reply speech on the budget, the last thing they would be doing is slinging mud.

Ms CHAPMAN: On a point of order, the address in reply speech has nothing to do with the fact that the Treasurer is avoiding giving an answer.

Members interjecting:

The SPEAKER: Order! I thank the Deputy Leader of the Opposition for giving me the opportunity to remind members about interjecting and not being disruptive while the Deputy Premier is answering a question they have asked.

The Hon. K.O. FOLEY: On that, I am happy not to refer to the embarrassment of the Leader of the Opposition during his address in reply if they do not keep interjecting.

Ms CHAPMAN: On a point of order, Mr Speaker, you have just dealt with this matter, and he is repeating it again.

The SPEAKER: And again I ask members of the opposition not to interject.

The Hon. K.O. FOLEY: But, of course, the deputy leader would not know what the Leader of the Opposition did because she was the only member not in here, although there were a couple of others. I wonder why she was not here. She did not want to be filmed next to the Leader of the Opposition.

Ms CHAPMAN: That has nothing to do with the issue.

The SPEAKER: Order! The deputy leader will take her seat. The Deputy Premier will return to the substance of the question.

The Hon. K.O. FOLEY: We have appointed the budget sustainability commission, and we have asked Mr Geoff Carmody, a former partner of Access Economics. He is highly regarded and undertook a similar exercise for the former Liberal prime minister, John Howard, in 1996. He is a person who will accept no pressure from government and will not be afraid to tell government what it needs to hear.

We have made a commitment to Mr Carmody that all his report to government will be made public at the point of its conclusion. We may, of course, not agree with everything, and I would be surprised if we did not disagree. I have already said, and I will say ad nauseam, that the government does not believe tax increases are the answer to the budget woes; not at all. Had we felt that tax increases were an option we would have considered them in this budget. They are not. Budget cuts are the way forward, public sector savings are the way to balance the budget, and public sector efficiency is the way to bring the budget back into structural reform.

I have already said publicly that the committee will begin its work in the near future. I have asked Mr Carmody to come to Adelaide to meet the other members of the commission. I would expect that over the next few months they will have a look at the internal government budgeting procedure. I have asked them, or will ask them formally, to consider the way in which we frame budgets internally within government, whether there are best practices we can adopt that we are not currently adopting, whether there are better ways to forecast and whether there are ways in which we can make improvements.

I am not afraid as Treasurer to say, 'Do a full review of the way I have been conducting my position as Treasurer in forming the budget, and is there a better way to do it?' That work will be undertaken over the next few months. They will also be asked to consider how much time they will need to undertake this exercise and, in doing so, be in a position to inform the government of a suitable time frame to bring down the post-election budget which, given the election at the end of March, will have to be delayed from its normal period of late May or early June.

The ultimate exercise is about good budget management and good outcomes for government. I would invite the Leader of the Opposition to sign up to the budget sustainability commission and utilise that vehicle, should he or whoever might be leading the Liberal Party at the time be successful in winning office. It is a good vehicle. It is not a Labor Party appointed machine: it is a committee of independent, robust—

Mr Williams: It is! By definition, it is.

The Hon. K.O. FOLEY: By definition?

Mr Williams: It is a Labor Party appointment: you're appointing it.

The Hon. K.O. FOLEY: The point I am making is very clear. This is not a commission that has Labor Party mates or people who will just tell the government what it wants to hear. These are people who will be more than prepared to be robust and direct in their advice. You can hardly say that Geoff Carmody would not tell the government what he thinks.

An honourable member: They might tell you next year's budget should have been this year's.

The Hon. K.O. FOLEY: They could do that, but ultimately I am confident that the suite of savings that can be achieved from the public sector will put the budget structurally back into surplus.

As I said, one of the easiest things to do is, as some people are saying, 'You're leaving all these savings options off until post-election.' That is not correct. We can achieve a large part of the savings options. I would argue that at least half of the savings can be locked down before the election if we can get a very good wage outcome with the Public Service union in its round of enterprise bargaining.

If we can get wage outcomes at 2.5 per cent or lower, we can save at least \$150 million or thereabouts in the ongoing wages bill for government. In the current environment, that is still a very real increase in wages. Job security is still intact, and the government can achieve the vast bulk— or certainly 50 per cent—of the savings we need. That will be done in the lead-up to December. So, I say to those opposite or other commentators who say we are leaving the hard decisions to post election that we are not. We are saying to the Public Service union that 2.5 per cent is all we can afford.

Ms Chapman interjecting:

The SPEAKER: Order, deputy leader!

The Hon. K.O. FOLEY: Do members opposite support 2.5 per cent?

Ms Chapman interjecting:

The Hon. K.O. FOLEY: The deputy leader supports 2.5 per cent. We now have the Liberal Party accepting 2.5 per cent. Thank you for that interjection. So, with bipartisan support now—

Ms Chapman interjecting:

The Hon. K.O. FOLEY: So you don't support it?

Ms Chapman: I didn't say that at all.

The Hon. K.O. FOLEY: Do you support it or not?

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: That's the problem with the Liberal Party opposite. They say they'd do things differently but they never say how. They say that everything we do is wrong or bad, but they never say how. You are nothing—

Mr Hamilton-Smith interjecting:

The Hon. K.O. FOLEY: I listened to the budget reply, and you did it again. You accused me of corruption; you had to withdraw, you had to apologise.

Members interjecting:

The SPEAKER: Order!

Members interjecting:

The SPEAKER: Order! The house will come to order! The Treasurer is now debating.

The Hon. K.O. FOLEY: It is quite clear to all observers that Martin Hamilton-Smith is unfit to be a leader of a political party and premier of this state.

The SPEAKER: Order! The Deputy Premier is now debating.

SUSTAINABLE BUDGET COMMISSION

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (14:41): I have a supplementary question. If, as we have just heard the commission has been appointed and will start its work in the near future, why can't the Sustainable Budget Commission make recommendations on tax increases or budget cuts before March 2010 and why can't the Treasurer take action sooner to rectify his government's finances?

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (14:41): I mean, this is an embarrassing set of questions.

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: We have maintained our AAA credit rating: mission accomplished. We set out to save that credit rating, and we have done it. The rating agencies are pleased with our work. I have been upfront and said that the commission's work will start post 2010 in time for the 2010-11 budget. To do an exercise in savings before an election, when we may not be in government, when we do not know what the economic environment will be next year, and we are at least if not in a recession we will be in a very serious period of economic downturn over the next 12 months—it is not the right time to be downsizing.

That question that he just asked really should have been the substance of his speech to the parliament today in criticising and putting forward an alternative vision. All it was today was bluster and invective and accusations of corruption.

Members interjecting:

The SPEAKER: Order!

Ms CHAPMAN: We have heard several times already in question time about how it is not sticking to the point of what the question is about.

The SPEAKER: The Deputy Premier must avoid debate and stick to the substance of the question. The Deputy Premier.

The Hon. K.O. FOLEY: I just say again that this government, through its eight budgets, has demonstrated a fiscal discipline that no government has been able to provide this state with for the last 20 or 30 budgets. I had a bit of a laugh when I heard Stephen Baker on the radio the other morning—Stephen Baker, who survived for years and then hopped on a plane and went to the Philippines. That was the robust nature of Stephen Baker.

The Hon. P.F. Conlon: They sacked him.

The Hon. K.O. FOLEY: Well, they did. They sacked him. They thought so much of him, they sacked him as deputy leader.

The Hon. P.F. Conlon: With Ingo.

The Hon. K.O. FOLEY: Yes, then Ingo went by the bye.

An honourable member interjecting:

The Hon. K.O. FOLEY: Exactly; you could always rely on Ingo to help us out, as he did last Friday. The leader has not had much fun with his addresses in reply. He gave a speech to a business audience last Friday and was upstaged by—

Members interjecting:

The SPEAKER: Order! The Deputy Premier must stick to the substance of the question. I think the Deputy Premier has finished. The member for Mawson.

SANTOS STADIUM

Mr BIGNELL (Mawson) (14:44): My question is to the Minister for Recreation, Sport and Racing. Can the minister inform the house about what the government is doing to assist athletics in South Australia?

The Hon. M.J. WRIGHT (Lee—Minister for Police, Minister for Emergency Services, Minister for Recreation, Sport and Racing) (14:44): I thank the member for Mawson, and I acknowledge his keen interest in athletics. I am pleased to advise the house that athletics in South Australia has received a very important funding injection. Funds to the amount of \$1.7 million have been allocated for the total revamp of the synthetic running track at Santos Stadium, incorporating the complete replacement of the track pavement and surface. This new track will provide the year-round training facility needed to continue South Australia's proud history of producing great athletes.

Santos Stadium is home to the only synthetic running track in South Australia, making it a vital piece of sporting infrastructure. Last year, about 120,000 people passed through the gates for training, competition and spectator purposes. This included some 4,500 Little Athletics participants and 10,000 interclub and state championship competitors. However, just as importantly, the stadium is also utilised by around 55,000 students competing in local school carnivals every year.

The provision of this funding will ensure that these schoolchildren continue to have access to the quality athletic facilities found at Santos Stadium. The government strongly encourages participation in physical activity and this funding will help ensure that athletes of all levels have a state-of-the-art track on which to carry out their training and competitions.

This track upgrade is a fantastic result for South Australia. The government will continue to work with all key stakeholders to make Santos Stadium a world class athletics environment that all South Australians can enjoy. I am sure that the allocated funding to totally revamp the track will be welcomed by athletes and sports enthusiasts alike.

SUSTAINABLE BUDGET COMMISSION

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (14:46): My question is again to the Treasurer. Why, after eight years and eight budgets, does the Treasurer need to appoint a

commission to examine and diagnose the state's finances so as to tell him what new tax or revenue measures or cuts should be made?

In 2002, the government commissioned the Fahey report into the Public Service and also the Economic Development Board review. In 2003, it commissioned the Menadue report into the health system; in 2004, the Speakman Payze report into the Public Service; and in 2006, the Smith report into public sector finance and expenditure arrangements and the Goss commission to overhaul and modernise the public sector. Is that not enough?

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (14:47): Yet again another inaccuracy from the Leader of the Opposition. My understanding, and I stand to be corrected, is that the Fahey commission was appointed by the Liberal government when the leader was in cabinet, so he cannot even get that right. We inherited the Fahey commission, and he was in the cabinet when they appointed it. Don't you remember that?

This goes to the level of competence of the alternate premier of this state. He has accused us of signing up to a review that was signed up by his government, by him, when he was in cabinet. If the Leader of the Opposition cannot get a story straight about his time in government, what faith can South Australians have in Martin Hamilton-Smith to be honest, sincere and to tell the truth? He cannot. Time and time again he says untruths, he says things that are wrong, he makes mistakes. Shame on you, Martin Hamilton-Smith, shame on you. As I said, the Fahey commission was—

Members interjecting:

The Hon. K.O. FOLEY: What, we would have come into government and appointed John Fahey? It is a bit like what the Premier was saying before, that you would think something would give it away, like the Scientology having an Adelaide postcode. Duh! You would have thought, 'The Fahey commission, gee, maybe that was us. John Fahey was a former Liberal federal minister for finance and premier of New South Wales.'

The Hon. P.F. Conlon interjecting:

The Hon. K.O. FOLEY: That's true. I have said repeatedly that the way I operate, unlike the Leader of the Opposition who thinks he knows everything, I stand on my modesty and know that I do not. I like to bring in outside expertise from time to time to put me under pressure. The opposition certainly does not. I do not get any pressure from the Liberals, so I have to get some pressure from the people that I bring in.

We did that with the Smith review when we were re-elected in 2006. We have implemented, I think, around 93 per cent to 95 per cent of all the savings that Mr Smith put to government. That is where the rating agencies have confidence and faith in us. I just happen to think that, if we get re-elected—and that, of course, is not a foregone conclusion; it will be a very difficult election for Labor to win—should we be lucky to be re-elected (and that is an unknown outcome), I actually think that, after eight years in government, the right thing to do is to have a damn good hard look at where you are spending money, what can be adjusted, what can be finetuned and what should be cut. I am not afraid to put myself under that pressure.

I can stand on the record of this government in delivering quality budgets each and every year that we have been in office. What higher praise can you have than what the Leader of the Opposition said last week: the last seven years have been the best seven years the state has ever had, and we are in government. Thank you very much. That is one of the rare occasions when he has said something that is absolutely true. But it just shows you that he is down on his luck when the best cheering squad we've got for our seven years in government is the Leader of the Opposition. He has had a hard, tough couple of weeks.

I just say again, as I have said from the outset: it goes to the credibility of someone who purports to be a future premier of this state. If he can't get it right, honest and truthful in this place, what will he be like under pressure as a premier? What will he be like in a crisis? What will he be like when things are difficult?

Members interjecting:

The SPEAKER: Order! The member for Hartley.

SWINE FLU

Ms PORTOLESI (Hartley) (14:51): My question is to the Minister for Health. What is the minister's response to recent comments about the management of a swine flu case at Flinders Medical Centre?

The Hon. J.D. HILL (Kaurana—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (14:52): As I informed the house earlier today, we now have a total of 86 people who have tested positive for Influenza H1N1, known as swine flu. Yesterday, the opposition's deputy leader emerged to make a series of what can only be described as irrational and plainly incorrect claims. First, the deputy leader claimed that SA Health and I were engaged in a cover-up in relation to a pregnant woman who was briefly hospitalised and then later tested positive for swine flu. I will quote from the deputy leader's press release. She said:

A female patient tested positive for swine flu at Flinders Medical Centre last Friday after first testing negative to the illness.

She also said:

The Rann government has engaged in a swine flu cover-up with a victim slipping through the screening process.

Let's look at the facts.

The Hon. K.O. Foley: There's a pattern emerging here.

The Hon. J.D. HILL: There is a pattern emerging. These are the facts. Last Tuesday, a pregnant woman presented to the Flinders Medical Centre with symptoms of vomiting and nausea. The patient did not have respiratory symptoms, she did not have a fever, she had no known contact with any swine flu case, nor did she have a travel history to regions where swine flu is a problem. There was nothing to indicate to the medical staff—the doctors and nurses—that there was a flu risk, swine or otherwise.

As the patient was pregnant, she was admitted, surprisingly, to the obstetrics department and, on Wednesday last week—after having been admitted—she developed respiratory symptoms. Taking appropriate precautions, the clinical staff—that is, the doctors and the nurses—recognised that she now had flulike symptoms, so she was removed from the shared ward and placed in a single room.

Members interjecting:

The Hon. J.D. HILL: Just listen to this. She was admitted to the hospital with non-flulike symptoms—that is, she had vomiting and nausea, which would be symptomatic of some other illness—and she was put in the obstetrics department. She then developed flulike symptoms. The doctors and nurses recognised this and immediately put her into a single room and then took swab tests to see whether or not she had swine flu.

Late on Thursday afternoon, the tests returned positive for swine flu. She had two swabs taken, one of her nose and one of her throat. One of the swab tests was positive and one was negative, but they took it to be that she had swine flu.

Ms Chapman interjecting:

The Hon. J.D. HILL: I would welcome the Deputy Leader of the Opposition's questions on this subject as, indeed, I would on any other subject. Unfortunately, she does not seem to get opportunities in question time so she has to ask her questions when someone else is talking.

Late on Thursday afternoon—that is, a day after the test was taken—the patient's test was returned, and it proved to be positive. The pregnant woman was advised, but by that time she had already recovered from her illness and had been discharged. So, she was no longer in hospital. The Department of Health and I were informed of that positive test on Thursday, and we were also informed that the woman had been discharged. The patient was, of course, then included in the Friday 12 June daily update of swine flu cases (every day—I think it is around 1.30 or 2pm—the Chief Medical Officer comes out and tells the public how many cases there are). However, as the woman was no longer in hospital, and had tested positive after she had been discharged, she was not included in the number of hospitalised swine flu cases. If she had been included we would have been misleading people about the number of patients hospitalised.

As a precaution, patients with whom the woman had originally shared a room were offered courses of Tamiflu; none of those patients has contracted swine flu. In addition, more than 10 staff

who were in contact with the woman were given Tamiflu and released from work for 72 hours; all are now back at work and none of those people has developed swine flu.

As the respected and veteran journalist Ray Martin once said about the deputy leader, 'How could a politician get it so wrong?' Just eight weeks after she got it so spectacularly wrong by incorrectly claiming that a patient in Mount Gambier had missed out on a kidney transplant, with the organ going to waste, the deputy leader has again rushed out to comment on something without checking the facts. Yesterday she also told radio that SA Health was 'ducking for cover' in regard to swine flu in this state. That is an incredible allegation, given that the state's Chief Medical Officer, Professor Paddy Phillips, has updated the media on swine flu on a daily basis over the past three weeks, and given that I, as minister, have made a number of statements both in the media and to this house, as the situation has evolved.

The deputy leader's behaviour is nothing short of irresponsible. She should stop knocking the very good work of our doctors, nurses and public servants as they manage this outbreak. I urge South Australians, if they want more information on swine flu, to contact the commonwealth government hotline on 180 2007 or go to SA Health's dedicated flu website at www.flu.sa.gov.au.

STATE BUDGET

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (14:57): My question is again to the Treasurer. Can the Treasurer provide details of the savings recommendations from the Smith review of 2006 that have not been implemented, and advise why they were not supported? In recent statements the Treasurer has referred to savings initiatives required to bring the state budget back into surplus, and has confirmed that 96 per cent of all savings recommended from the 2006 Smith review have been implemented.

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (14:58): I have to give the Leader of the Opposition credit for this question, and perhaps be somewhat critical of my colleagues. I get better Dorothy Dixers from the opposition than I get from them. I am sorry, I do.

The Smith review included a series of detailed savings of which we have implemented, I think, 96 per cent—as the leader has acknowledged and for which he has thanked me. I will have a look at which ones were not implemented, and I am more than happy to come back to the house. We did not implement them because we did not want to do them, so there is nothing in it for me not to be upfront with those savings initiatives.

However, it does demonstrate the weakness of the leader's questions, because he now accepts, he has put it on the public record, that 96 per cent of the Smith review of 2006 has been implemented. He is endorsing my political strategy. So, yet again I have the Leader of the Opposition, this poor hapless Leader of the Opposition, stumbling into this place and giving me fantastic Dorothy Dixers. I thank him for acknowledging the very point that the Smith review worked. It gave us savings, of which we have implemented 96 per cent. That is why both I and the rating agencies are confident that we can do it with the Carmody review.

PUBLIC SECTOR EMPLOYMENT

Mr GRIFFITHS (Goyder) (15:00): My question is to the Treasurer. Can he guarantee that the 1,600 Public Service cuts already announced as part of the Mid-Year Budget Review will result in a net decrease in public sector numbers? In the 2006-07 budget, the government announced that it would impose a cap on Public Service numbers but, over the last year alone, the number of public servants has increased by 1,308. Meanwhile, the Treasurer has announced that 1,200 jobs will be cut in 2009-10 as the first round of the 1,600 job cuts announced in the midyear budget.

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (15:00): Thank you. He gives a good Dorothy Dix, too. I have to be a little informative for the shadow minister. I think about 70 per cent of what we spend is spent on wages. It depends on the function and it depends on the government. So, if you increase health funding by, let us say, \$100 million, there is a reasonable chance a lot of that will be accounted for by wages. It will be because there are more nurses, more doctors, more administrative support staff, perhaps more cleaners in a hospital, and maybe more hours by existing staff. It is no different in other areas of government expenditure. If we expend more money in disability services or child welfare areas, that largely means more public servants.

Therefore, I cannot give a guarantee that Public Service numbers will be 1,600 fewer at the end of this exercise. I doubt they will be, because we program going forward, as we have done in

the past, some substantial improvement in outlays to keep delivering better services. I would hope that the increase would be minimal and that we will see some form of plateauing. However, I cannot predict what will happen past the Carmody review, because the number of further cuts and potential job losses will be a factor of the wage restraint the public sector has shown. So, more wage restraint will equal fewer cuts that we will need to make elsewhere in government. Less wage restraint will make more cuts in government inevitable.

The fact of life in government is that when you spend more money, by definition, you hire more people, because government services are, in the main, not delivered by robots or magic: they are delivered by people who care. That is the point. If you improve services, you will employ more people to deliver services with care and compassion, which is the hallmark of the Rann Labor government.

TEACHERS DISPUTE

Mr GRIFFITHS (Goyder) (15:02): My question is to the Premier. How will the government's 2.5 per cent public sector wage growth policy impact on his commitment to accept the decision of the Industrial Relations Commission in the enterprise bargaining dispute between the government, the Australian Education Union and the 20,000 public school teachers and TAFE employees?

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (15:03): Mr Speaker, I will answer that question, although the employment minister could do so. It is outside. We have made an offer in good faith. The teachers, I would hope, would be mindful that it might not be a bad deal to accept, but that is going through arbitration. These questions were asked by media at the budget press conference. The opposition is awfully slow on the uptake. From memory, I said in a number of interviews that the teachers' EB is not included in this exercise: it is going forward. We have accepted a provision that we have in the budget (and I am not going to reveal that publicly). We have made a public offer, so the member can calculate that, of what we think the outcome of that enterprise bargaining negotiation will be, but our future savings going forward are not reliant upon the outcome of the teachers' dispute.

LEVEL CROSSINGS

Mr RAU (Enfield) (15:04): My question is to the Minister for Road Safety. Can the minister advise the house what the state government is doing to improve safety at level crossings?

The Hon. M.F. O'BRIEN (Napier—Minister for Employment, Training and Further Education, Minister for Road Safety, Minister for Science and Information Economy) (15:04): South Australia's Strategic Plan has set a target to reduce road fatalities to fewer than 90 persons per year and serious injuries to fewer than 1,000 per year by the year 2010. Over the past five years, there have been 26 collisions between vehicles and trains on local roads. In the 2009-10 budget, \$3.2 million has been allocated to improving level crossing safety, including the introduction of a new level crossing black spot program. This program aims to improve driver behaviour through an education campaign and enhanced level crossing safety through infrastructure improvements.

Funding for the level crossing black spot program involves a 50-50 funding split between state and local government, with the state government allocating half a million dollars into the program each year. The state government will contribute \$2 million to this program over a four year period. A total of 11 council nominations encompassing 33 projects was received and assessed against predetermined criteria. A total of 32 projects across 10 councils has been approved. The total state government contribution for this project is \$337,240.

Safer level crossings play an important role in achieving South Australia's road safety target. The implementation of cost-effective road improvements to address site distance deficiencies, pedestrian issues, traffic queuing and lighting issues will go a long way to reducing the risk at level crossings. Nominations were assessed by the panel in line with the level crossing black spot criteria to ensure that only those projects with the greatest benefit to the community were funded. As members have probably noted, the total contribution from the state government falls below the budgeted half million dollars and, because of this fact, further calls for council applications will go out to local government.

The level crossing black spot program is a positive step forward by the Department for Transport, Energy and Infrastructure in reaching the targets of the State Strategic Plan. In

partnership with local councils, the program aims to provide a safe travel environment for all road and rail users where the two modes of travel intersect.

PUBLIC SECTOR EMPLOYMENT

Mr GRIFFITHS (Goyder) (15:07): My question is again for the Treasurer. Why has there been an increase in the number of public sector employees deemed as being excess to requirements? During a March 2009 Budget and Finance Committee meeting, Mr Warren McCann confirmed that 416 employees were deemed excess at a cost of over \$30 million per year, up from 387 at 30 June 2008 and 266 at 30 June 2007.

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (15:08): Clearly, we have a rolling program of efficiencies going through government.

Ms Chapman: Going the wrong way.

The SPEAKER: Order!

The Hon. K.O. FOLEY: I reckon they will be having an efficiency program pretty soon over there. I think there will be a few job cuts over there in the very near future—

Mr WILLIAMS: Mr Speaker, I rise on a point of order.

The Hon. K.O. FOLEY: I think there will be—

Members interjecting:

The SPEAKER: Order! The Treasurer will answer the substance of the question.

Mr Pederick: He doesn't know it.

The SPEAKER: Order!

The Hon. K.O. FOLEY: That was a humiliating apology, wasn't it, Martin?

Mr Hamilton-Smith interjecting:

The SPEAKER: The Leader of the Opposition will come to order! The Treasurer will answer the substance of the question.

The Hon. K.O. FOLEY: I think you should be a bit careful. I think you should just take stock and be happy with where you are at on that case.

The Hon. P.F. Conlon: Quit while you're behind.

The Hon. K.O. FOLEY: Yes, quit whilst you're behind. The increase in people on the unattached list, I assume, is as a result of the fact that we are continually rolling through efficiencies where we are making programs and positions redundant as we continually drive down the cost of doing government.

Mr Venning interjecting:

The SPEAKER: Order, the member for Schubert!

The Hon. K.O. FOLEY: There was an unattached list when the opposition was in office. Do you remember all those bus drivers we used to have? There used to be a few hundred bus drivers sitting in a warehouse playing poker, baccarat, blackjack or whatever they were playing, so I think you lot over there should be the last to talk about people on the unattached list. Our government has a no forced redundancy agreement in our industrial agreement. Tenure, I assume you support that, do you? Do you support tenure?

Members interjecting:

The Hon. K.O. FOLEY: Yet again they will not put a position on the table. We can now say that the Liberal Party is not confirming tenure.

Mr Griffiths interjecting:

The Hon. K.O. FOLEY: So, you would sack them, would you, member for Goyder?

Mr WILLIAMS: On a point of order, Mr Speaker, is the Treasurer attempting to move that standing orders be so far suspended so that we can have a debate, or is he going to answer the question?

Members interjecting:

The SPEAKER: Order! The Treasurer should not incite interjections by the opposition.

The Hon. K.O. FOLEY: Thank you, sir; it is just that it is a nice day for a walk in the park. The increase in the number of people on the unattached list is a function of government efficiencies and, I assume, positions being made redundant. That is a management exercise, and we will manage it. I know who believes that it is part of a package that is manageable by the government: they are called Standard and Poor's and Moody's rating agencies, who are very comfortable with our budget settings. Why are they so? As they say themselves, we have demonstrated before strong financial management, fiscal discipline and even fiscal rectitude. They have every confidence that we will be able to continue that into the future.

INTERNATIONAL STUDENTS

Ms CICCARELLO (Norwood) (15:12): Will the Premier inform the house of what the government is doing to allay concerns about safety for international students in South Australia, given recent events interstate?

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (15:13): I thank the member for Norwood very much for that question. South Australia has a hard-fought reputation as a safe and supportive place to gain a world-class quality education and also as a place that welcomes international students. We take this reputation very seriously.

Attacks of the kind we have seen recently interstate are cowardly, ignorant and unacceptable in our community. We will not tolerate racism or racist violence. As members of the house would be aware, there was an incident in Rundle Mall last Thursday, when an Indian student was attacked. The student suffered some minor injuries and was treated at the Royal Adelaide Hospital. The student provided a statement to detectives at Adelaide CIB, who later arrested a 17 year old and remanded him on bail to appear in the Youth Court. The matter is now subject to an ongoing investigation.

The government takes the safety of our international students very seriously and will continue to monitor the situation closely. Prior to this incident last week, we had already implemented a number of initiatives. The minister for further education established a task force to examine how we can provide the best education and lifestyle experience for international students. The terms of reference for minister O'Brien's task force specifically include a focus on student welfare and safety.

Following the incident last week, the Lieutenant-Governor of South Australia, in his role as Chairman of the South Australian Multicultural and Ethnic Affairs Commission, convened a meeting of government and community stakeholders to further discuss the safety of Indian students. After discussions over the weekend with the Lieutenant-Governor, I am delighted that he has established a representative group to develop an action plan that will address issues confronting international students. I will certainly be personally attending at least one of the group's meetings.

Education Adelaide has also recently convened a meeting of key stakeholders to discuss Indian students' safety. I have also been advised that SA Police have been closely monitoring activities interstate. SAPOL holds regular meetings with international students at our universities and TAFEs. I can also inform the house that yesterday I met with the Indian Consul-General, Mr Amit Dasgupta, and at this meeting the Consul-General expressed his appreciation of the efforts of the police, the Lieutenant-Governor and indeed the government and minister O'Brien for their role in this process. I will be meeting again with the Consul-General next month.

We have seen international students go from 6,000 or 8,000 in the year 2000 to about 28,000, and next year maybe up to 32,000, with more than 60,000 anticipated by 2013-14. We welcome them as people, just as we welcome international students to then, if possible, stay on and become migrants and citizens. We are absolutely committed to protecting South Australia's reputation as a great place in which to live, study and visit. The education sector is critically important to the South Australian economy and community, and that is why we have been so determined to attract more international students to South Australia.

When we came to office we were incredibly underdone in terms of a fantastic educational resource. We have three outstanding universities but also a great TAFE sector and great school education sector, so we have been out there marketing in China and India, going to India every year, and we have seen exponential growth. One of the best parts of the feedback from that

experience is that students feel welcome here. They feel embraced by their own communities. For instance, the Indian community, to which I am very close, has played a very positive role in making students feel welcome and at home and also throughout the sector.

Education, we are proud to be able to say, is now our fourth biggest export industry. It employs thousands of South Australians and is worth more than \$740 million annually. We have a Strategic Plan target of doubling our share of overseas students by 2014, so it is important that we work towards making Adelaide the most student-friendly location of all the Australian cities, and we have done this work.

South Australia leads the nation in providing a safe and quality educational experience. We were the first state in Australia to offer all students in South Australia, whether international or local, concession rates for public transport. Lack of access to more affordable public transport is one of the concerns being raised interstate, because students are having to walk home. We have Education Adelaide, the first body of its type in Australia to run a comprehensive student and community support program. The program runs social activities such as visits to the AFL and the annual Lord Mayor's welcome. Then there is the free Adelaide Connector, which the approximately 5,000 students who live in the Adelaide City Council area use regularly, particularly at night, to get home after classes.

Finally, South Australia leads the nation in terms of the quality and standards of our private vocational education and training providers. The vast majority of South Australian private VET providers are members of the peak industry body, the Australian Council for Private Education and Training (ACPET), whereas nationally only 30 to 40 per cent of private education providers are members. Members of ACPET have a greater awareness of the national standards for international education and a greater ability to enforce these standards and support students with safety and welfare matters.

I want to make it very clear to all international students that their safety is of great importance to us and that they are most welcome in our city and our state. Recent events interstate are obviously a reminder to all of us that we must be constantly vigilant about our surroundings and security and to take advantage of the services that we have available here in South Australia. My call to all international students in South Australia is that, if you do become the victim of a crime, please report it to the police and they will take the appropriate action. On behalf of myself, on behalf of the further education minister and, indeed, the entire government, I say that we do not and will not tolerate violence, and nor will we tolerate racism in this state.

MOUNT BOLD RESERVOIR

Mrs REDMOND (Heysen) (15:20): My question is to the Minister for Water Security. Has the government now abandoned its promise to expand Mount Bold reservoir and, if so, will it now release for public scrutiny the review it commissioned into the project? In the 2007-08 budget, the government promised an \$850 million expansion of Mount Bold. The cost of the project was later revised to \$1.1 billion. In December 2007, a review into the project by GHD Pty Ltd was completed. Although the project is no longer included in the budget over the next four years, the government has so far refused to reveal the review.

The Hon. K.A. MAYWALD (Chaffey—Minister for the River Murray, Minister for Water Security) (15:20): The issue of future augmentations to the water supply will be announced with the water security plan to be released in the middle of this year.

MAGILL TRAINING CENTRE

Mr WILLIAMS (MacKillop) (15:21): My question is to the Treasurer.

The Hon. P.F. Conlon: I'll do it.

Mr WILLIAMS: You'll do it? I don't know how you can, actually.

The Hon. P.F. Conlon: I reckon I could answer it at least as good as you ask it.

Mr WILLIAMS: At least as good as he will, because I'm not really expecting an answer. Here he comes.

The Hon. K.O. Foley: I had to go to the men's room; I'm sorry.

Mr WILLIAMS: The boys' room, you mean? The little boys' room. Did the Treasurer seek advice from the social justice commissioner, Monsignor David Cappelletti, prior to taking the decision to

cancel the redevelopment of a replacement facility for the Magill Training Centre and, if not, why not?

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (15:21): I have been asked these questions on radio. No, I did not seek the advice of Monsignor David Cappo.

Ms Chapman: He'll be on your new commission.

The Hon. K.O. FOLEY: Very clever; she's right. He will be on our new commission. It was not a difficult thing to understand or to predict or to be aware of what Monsignor Cappo's view would be. That was a decision taken by cabinet, on recommendation of the Treasurer, as something had to give.

Ms Chapman interjecting:

The SPEAKER: Order, the Deputy Leader of the Opposition!

The Hon. K.O. FOLEY: You cannot lose \$1 billion a year of revenue and still sustain the level of capital expenditure that we had on the books largely committed to prior to the global financial meltdown. In the leader's budget speech today, he has been running around saying these silly statements that we actually have an extra \$3 billion a year from the commonwealth. What the Rudd Labor government and state premiers signed up to earlier in the year was the next five-year rolling program of special purpose payments that were ongoing payments streams.

Yes, we got more in health than we had anticipated, and it all went to activity. It was spent as soon as we got it towards activity. We did get a bit more for education. In some areas, I think you might find we just dipped a little bit. So, they were ongoing programs. It is quite misleading to suggest that that was somehow an untied grant given to the government and could substitute for loss of revenue. That is just nonsensical; it is wrong, wrong, wrong. It just again demonstrates a lack of understanding of the basics of budget reporting. The decision to cancel those programs was a difficult one. It is a difficult decision for the ministers involved; it was a difficult decision for Monsignor David Cappo.

Ms Chapman: You didn't ask him!

The SPEAKER: Order!

Mrs Redmond: You just said you didn't ask him. You did!

The SPEAKER: Order!

The Hon. K.O. FOLEY: I'm missing the joke in all of this.

The Hon. P.F. Conlon: I don't think he enjoyed the decision, whether he was asked or not.

The Hon. K.O. FOLEY: No. It was a decision taken by government that did not please many people but, when you are in government and you are faced with challenges, you either have the capacity to make hard decisions or you wimp out and the state becomes worse off for it. We have demonstrated that we have the political courage, the political will, the financial acumen to deliver on what we promise when it comes to good budget management.

MAGILL TRAINING CENTRE

Mr WILLIAMS (MacKillop) (15:25): My question now is for the Premier. Does he agree with the recommendation of the 2005 Select Committee on the Youth Justice System, or does he agree with the Treasurer that the Magill Training Centre is not a high priority? The parliamentary select committee report of July 2005 on the youth justice system states:

The select committee strongly recommends that the closure of the Magill Training Centre be an immediate priority.

Yet the Treasurer said publicly on 12 June 2009, 'They are in there because they have been a menace to society.' He went on to say, 'I can say this to you, I have higher priorities.'

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (15:25): One of the things that the honourable member does not realise, because he has not been a minister, unlike the Leader of the Opposition during the time of the Fahey Commission

of Inquiry, is that being in government does not mean promising a stadium for anyone who comes in the door or promising them anything that they want to hear; it is about making tough decisions.

The fact that during a global financial crisis we could bring down a budget that got a AAA credit rating out of America and out of Australia is a recognition of competence. Of course we would like to live in this parallel universe that the Leader of the Opposition does where he thinks that he can promise everything to anyone who comes along and that suddenly it will be raining from heaven.

The point is that, just as he gets caught out on statements that he makes and the veracity of those statements, we, meanwhile, have to get on with the tough job of making tough decisions, and that means that you have to establish priorities. Establishing priorities means that sometimes you have to make decisions that you do not want to make. It is called being responsible, and being in government, and putting the general public interest first.

NATURAL RESOURCES MANAGEMENT

Ms BEDFORD (Florey) (15:27): My question is to the Minister for Environment and Conservation. Can he inform the house of any recent government initiatives that are supporting those in the community who help to manage our natural resources?

The Hon. J.W. WEATHERILL (Cheltenham—Minister for Environment and Conservation, Minister for Early Childhood Development, Minister for Aboriginal Affairs and Reconciliation, Minister Assisting the Premier in Cabinet Business and Public Sector Management) (15:27): South Australians are all aware of the environmental challenge that we face. We have the change in climate, the ongoing drought and pressures on our natural resources. If we are to live sustainably, the use of our natural resources in a way that enables future generations also to meet their own needs is one of our greatest challenges. Government plays an important role in this. While we regulate and lead and, hopefully, inspire in some cases, government alone cannot ensure our sustainable future.

Fortunately, we have a proud history of environmental commitment in this state. People of all ages and from all walks of life across South Australia do terrific work for our environment, often in their own time. It is our job as government to support and encourage this, and it is something that Labor governments have always known.

It has been under the stewardship of Labor governments, both federal and state, that the landcare movement as we know it today was nurtured and has flourished. It was in 1989 (20 years ago) that former prime minister Bob Hawke launched the Year of Landcare and established the National Landcare Program to help bridge the gap that had existed between farming and environmentalism.

In South Australia the Year of Landcare was launched at Cobblers Creek by the Hon. Lynn Arnold, with a project involving community volunteers planting trees to help manage soil conservation. Landcare has evolved in many ways since then and has in no small way contributed to the emerging philosophy of land management that aligns environmental outcomes with economic opportunity. That is why it is so important that community engagement principles at the heart of the landcare movement are continued and fostered.

It is accepted that NRM boards have spent considerable time and effort organising and establishing themselves as new entities operating within a new NRM framework that integrated the management of water, land and biodiversity. The traditional ways of interacting with local communities has been disrupted, and this is something that the government is keen to address.

Recently, I was proud to announce that we would provide \$631,000 in funding to community-based environmental projects as part of the state's natural resources management program. I think those opposite suggested that somehow we would have trouble spending that in the limited time before the end of the financial year. We were overwhelmed with high quality applications from community groups. We received many applications from across the whole state, and we will be assisting many community groups with their local landcare, coastcare and water care projects. While small in scale, these are projects that make an enormous contribution to the environment. Often they are run by schools, volunteer groups or by dedicated people who just need some assistance to do the work that they are involved in.

Thebarton Senior College will receive \$10,000 to assist it to harvest stormwater to water street trees in its area. The Athelstone Uniting Church will use its funding to showcase indigenous

plant species and responsible water use in the Athelstone area. More than \$8,000 in funding will also—

An honourable member interjecting:

The Hon. J.W. WEATHERILL: And there are so many more—too many to mention. We hope that they kickstart this new engagement with our local community.

TRAMLINE EXTENSIONS

Dr McFETRIDGE (Morphett) (15:31): My question is to the Minister for Infrastructure. Will the government be delivering on its promise to build tramline extensions to Semaphore and West Lakes and, if so, why has no funding been allocated over the next four years?

The Hon. P.F. CONLON (Elder—Minister for Transport, Minister for Infrastructure, Minister for Energy) (15:31): Yes, we will. The program announced in last year's budget was \$2 billion to be spent over—

Members interjecting:

The Hon. P.F. CONLON: They are having such a good day, aren't they? Mitch is so happy, but I have to say that I love the Leader of the Opposition's approach to hanging on to the job. He has driven the regard for the Liberal Party so low that no-one else wants it—a unique approach, but it seems to be working, because he is still there, despite the odds. You've got to love Mitch—he doesn't know when he is in pain.

Yes, there was \$2 billion in the budget over 10 years to do all of the works. It was added to by the federal government for the first time since Federation. The federal government was convinced to add money to public transport to accelerate that program. If the member for Morphett had taken the trouble to read the original announcement, he would find that those extensions were never in the out years—that is why they do not appear in the budget. The budget deals with the four out years.

The Hon. K.O. Foley: Correct.

The Hon. P.F. CONLON: Correct. This is a unique innovation that has been around for—let me see—forever, like you deal with the out years. They are not in the budget because they are not in the out years, and they never were. Perhaps someone on that side should spend some time learning a little about how budgets work.

Members interjecting:

The SPEAKER: Order!

MEMBER'S TRAVEL REPORT

The SPEAKER (15:34): Just before I call for grievances, on Thursday 4 June during question time, the member for Mount Gambier received the call to ask a question without notice. The member for Mount Gambier addressed his question to the member for Hammond. That in itself is a rare occurrence as the house has allowed questions to members who are not ministers or chairmen of committees of the house only if the question relates to a matter for which the member is responsible to the house. Standing order 96(2) states:

Questions may be put to other members but only if such questions relate to any bill, motion or other public business for which those members, in the opinion of the Speaker, are responsible to the house.

It has been the practice of this house that the practical limitation of this standing order is to allow questions to chairs of committees and to private members relating to matters of business on the *Notice Paper* standing in the name of that member that are not of a nature that would be regarded as anticipating debate on those matters.

The principle underlining the practice is clear. Ministers have an authority derived from the Crown and members appointed to chair committees of this house exercise an authority derived from this parliament. Both are accountable to the house for the exercise of that delegated authority. Members are not responsible within the meaning of standing order 96 to the house for their activities as private members. However, I stress that that is not to say that private members are not responsible to the house in other ways.

I return to the matter of my ruling on the question from the member for Mount Gambier to the member for Hammond to illustrate the last point. First, the chair was in the difficult position of

not being able to rule on the admissibility of the question without hearing the question. The question related to the activities of the member for Hammond while undertaking his parliamentary duties as a private member. The nature of the question meant that the member was not responsible to the house for the purposes of being asked questions concerning public business, given the longstanding application of standing order 96 by this house.

However, in fairness to the member for Hammond, and given that the question was already on the record, I was loath to prevent the member from responding, in the light of its implications. Further, I was not inclined to disallow it and have the house and the public believe that the chair was of the view that the member had no responsibility to the house, and the wider community, for the use of public funds, provided to all members for the purposes of undertaking their parliamentary duties.

Members are provided with access to funds for the purposes of travel to undertake study tours and site inspections, and to attend meetings relating to their parliamentary duties. This is not a parliamentary entitlement, but one of a number of facilities provided by the executive to assist members in their work. The compliance measures in relation to this entitlement are set out in the travel rules and the entitlement, in this case, is administered by the Speaker. The member for Hammond has complied with those measures.

Further, the Speaker has added an increased level of transparency by having the required travel reports, and an annual report on the costs associated with every member's use of the entitlement, published on the parliament's website.

To the extent that the member for Hammond may be administratively accountable to the house in relation to the matters raised in the question asked by the member for Mount Gambier, he has fulfilled those obligations. Issues of substance, such as those raised by the member for Mount Gambier in his question, are more appropriately addressed in debate by way of substantive motion.

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (15:36): Mr Speaker, given your ruling, it is clear that you are going to accept questions only to members of the government and/or chairs of committees, who are, of course, appointed by the parliament and not the government—

Members interjecting:

The SPEAKER: Order!

Ms CHAPMAN: People who are performing committee duties. My question is: do you propose to allow that questions to chairs of committees, appointed by this parliament, in undertaking their business and reporting to the house, can be answered by ministers, as they are appointed by the house?

Members interjecting:

Ms CHAPMAN: I am just asking—because you can ask for each other, and I am asking if the chairs can.

The SPEAKER: Order! First, can I correct the Deputy Leader of the Opposition. The deputy leader could perhaps have another look at the statement, and I am happy to provide her with it or she can read it in *Hansard*, but I am not at all restricting standing order 96 and saying that it applies only to ministers and to chairs of committees. I am simply pointing out what has been the previous practice of the house.

I am not restricting standing order 96; my ruling applies only to the question of the member for Mount Gambier to the member for Hammond. It will be up to a future speaker to look at my ruling and decide how to apply it; they may even decide to disregard it altogether. I am merely ruling on how standing order 96 applies to the question asked by the member for Mount Gambier. The deputy leader has perhaps misunderstood.

Mrs REDMOND (Heysen) (15:38): Mr Speaker, I want to clarify the outcome of your ruling. It seems to me that it could potentially be quite damaging to the processes of this house if, before the Speaker can rule on any individual question (such as that from the member for Mount Gambier to the member for Hammond), they have to hear the question. That creates the same dilemma to which you have referred in your ruling; it seems to create a potential hazard for the house.

I agree absolutely with the intention of your ruling, if I have understood it correctly, but how do you then deal with the problem of, for example, if I stood up tomorrow and said that I wanted to ask a question of a backbencher on the other side? How would you deal with that without me having the opportunity to put it on the record, and thereby create the very same issue about which you have spoken in this ruling?

The SPEAKER: The member for Heysen points out the dilemma. I do not think it can be resolved short of, perhaps, a member coming to ask for my opinion prior to asking the question. I am more than happy to look at any question in confidence and provide a member with an opinion as to whether or not I will rule it in order. It is a problem with questions without notice which are, to be honest, historically speaking for the parliament, a fairly recent thing and somewhat of an innovation. If the house is to deal with questions without notice, this dilemma will occur. As I have said in previous times, when a member asks a question which I consider disorderly, particularly if it contains debate, my practice is, rather than to allow the assertions made in the question to go unchallenged, to allow the minister or other member to respond and be given the appropriate latitude to answer the question. There is no other way, really, of overcoming that particular problem.

Mr VENNING (Schubert) (15:41): Mr Speaker, does precedent have any value in regard to this ruling, because there is a precedent? My father was asked a question as a backbencher, and I am happy to provide details.

The SPEAKER: Members of the table staff have been very good and have tried to find any precedent of any member being asked a question regarding travel they have undertaken: we have not been able to find any precedent of a member being asked such a question. As I understand it, the member for Schubert's father was asked a question with regard to his being a chairman of a committee, I think.

Mr VENNING: No, it was about bulk handling. It was nothing to do with parliament.

The SPEAKER: Well, I would have to look at it. From the top of my head I cannot comment and, indeed, it would be improper for me to reflect on the ruling of a previous occupant of the chair.

Mrs GERAGHTY (Torrens) (15:42): Mr Speaker, I would suggest that perhaps the Standing Orders Committee looks at this issue. I take the point the member for Heysen has made that the question is on the record once it is asked. While it may not be so in the composition of this particular parliament, there may be another parliament in which there is a great deal of animosity between members on opposite sides, and it is very easy to ask a question that is completely misleading and full of innuendo but once it is on the record there is no way of removing it. I suggest that the Standing Orders Committee looks at it.

The SPEAKER: I thank the member for her suggestion.

GRIEVANCE DEBATE

PUBLIC SECTOR BILL

Mr GRIFFITHS (Goyder) (15:43): I wish to take a few moments to reflect upon an article that appears on page 15 of the *Adelaide Advertiser* published today which talks about some issues relating to the public sector and put some comments on the record on behalf of the opposition. The article says that the opposition has formed a view that prevents government department CEs hiring and firing. I think it is important for all of us to understand that the debate that has occurred on this bill in this chamber, and the other house, has been quite robust. No doubt a series of amendments was moved, but we have respected the fact that the previous public sector act has been in place since the early 1990s and there was a need, in some cases, for a review to take place, and this is an opportunity to do so.

I think it is fair to say that, while we have moved amendments, in the majority of cases the legislation proposed has been supported. However, in consultation with the PSA and other persons within South Australia, there are key areas in which we have a divergence of opinion with the government and wish to take a different view. Our view very much is based on the fact that CEs have the ability to hire, and all that sort of thing, and nobody debates that point.

However, in relation to the ability to fire, in the consultation we undertook, concerns were expressed about a CE or a senior person within a department terminating the position of a public sector employee without there being some form of checking in place to ensure the appropriateness

of this decision and that there could be cases of people being dismissed inappropriately. That is why, as part of our consideration, we have been quite diligent in proposing in this chamber and, indeed, in the other place, that there needs to be some form of checking in place.

We recognise that, when a public servant behaves inappropriately, there is a need for some form of action to occur—and no-one would debate that. There is a need for efficiency to ensure that the Public Service acts in the best possible way and, indeed, as part of its culture within a department, that the Public Services is encouraged to provide advice free of persecution in any way and to do so with the interests of the South Australian community at heart.

There is a concern that, in some cases, if a personality clash exists or if a direction is given, a public servant could be deemed to have acted incorrectly and a CE could determine that that person should be fired. We think that by inserting the requirement for the Commissioner for Public Employment to be involved in the process, then the CE of the department has to submit a report to the commissioner. The commissioner then considers the issues contained in the report and the circumstances around which the CE feels that a termination of employment should take place and decides whether or not that is appropriate. It does not remove the ability for a CE to fire a person: it only ensures that a checking mechanism is in place. I think those of us in this chamber who wish to ensure that fairness and equity exist would certainly support this provision being included.

There has been much debate about this. I note that, in an article in *The Advertiser*, the government has written to 300 business leaders in the state about what it sees as our role in preventing necessary legislation from being enacted. It is interesting, though, that when debate has occurred on this in the upper house, both the opposition and the minor parties have all come out very strongly in support of the amendments that have been flagged. These people have ensured that they have had healthy debate with the PSA. The PSA has put a position to the opposition and the minor parties. We have the opportunity to address this concern by having this checking mechanism inserted to ensure that a rash decision cannot be made, but the opportunity still does exist for people to be terminated when circumstances deem it necessary

I find it interesting that the minister is now saying that the opposition needs to reverse its position on this. I can confirm that we have discussed this. We do hold the interests of the public sector very strongly at heart. We recognise that the 83,000 people who work for the public sector do wonderful work for the community of South Australia and we do not feel that the insertion of this requirement prevents chief executives from managing their departments properly.

HAMPSTEAD PRESCHOOL

Mrs GERAGHTY (Torrens) (15:48): Last week, I had the great pleasure to be present at Hampstead Primary School when the Minister for Early Childhood Development (Hon. Jay Weatherill) announced that the trial preschool had been so successful that the preschool would continue on the site. This is a great outcome for our local community where, prior to the establishment of this preschool, nearly half of the four year olds in the area did not attend preschool. They had no preschool experience at all.

It is well-known that preschool plays a vital role in preparing children for school, which is very important. Without this, very young students can find it difficult to adjust to school life. It actually creates problems with regular school attendance. It also reduces the opportunity to access these young students for early intervention programs and it often leads to socialisation and self-confidence issues on the young child's transition to school.

The previous high number of students at Hampstead Primary who had not attended preschool created the need for teachers there to introduce a curriculum more along the lines of a preschool in order to assist these young children to develop the skills required for the beginning of literacy and numeracy learning. Of course, this delayed the students' skills development.

In the past few years, prior to the establishment of the preschool, the school had been active in seeking to redress this issue within its community. At the time, with no external funding, in 2005 the school began a playgroup, which had an average of 10 children in attendance each week. A target group has been Aboriginal families living within the area, with three families attending regularly.

About two years ago, the school council approached me to enlist my support for a preschool at Hampstead Primary. It clearly identified a great need for a centre within the Hampstead Gardens and Greenacres community because of the lack of preschool services in our

immediate area. About a quarter of the families who have children attending the school do not have a car, and this makes accessing early childhood services outside the immediate Greenacres and Hampstead Gardens district very difficult for many families.

The fact is that, over the previous three years, 50 per cent of reception students at Hampstead Primary had not attended a preschool. Hampstead Primary has a broad demographic and provides services to many families from Aboriginal, migrant and refugee backgrounds, and these numbers are growing within the school community, so the preschool will greatly contribute to the school's ability to service the local community.

The establishment of the preschool is a tribute to the persistence and dedication of the school community, the school's staff and, in particular, the school's principal, Angela Falkenburg, who must be praised for her vision and tenacity. Angela is a truly enthusiastic and dedicated educationalist.

Hampstead Primary School is a welcome addition to South Australia's proud history of providing quality early childhood services. I thank the minister for his understanding of the problems we faced at the school and, of course, the government's ongoing commitment to preschool education, particularly in my electorate.

Finally, I congratulate the parents, staff and students of Hampstead Primary because it is through their persistent lobbying that this truly marvellous outcome has been achieved. Having recently visited the school with the minister, and having had the opportunity to talk to the children, some of whom have almost no English at this stage, it is really quite rewarding to know that we now have this service permanently on our site.

SWINE FLU

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (15:53): Today marks the date upon which 86 cases of influenza H1N1, commonly known as swine flu, have been confirmed in the South Australian population. Over the past month or so, the government, through the health department, has kept the public informed on an almost daily basis of the number of confirmed cases of this condition. The exercise of ensuring that the public are kept informed and kept calm and that the virus is contained is important.

Today again the minister provided a ministerial statement and an update on the swine flu situation. As those in the parliament are aware, he confirmed the passing of legislation this morning to enhance powers to deal with the management of a major health incident, disaster or emergency, yet this afternoon he announced that he did not expect that this legislation would need to be invoked for the purposes of the swine flu situation.

I find that absolutely incredible, given that the minister had impressed upon the opposition the need to pass this legislation rapidly. It makes a mockery of the parliamentary process to ask that something be done urgently under the guise of the need to deal with and manage a potential pandemic circumstance which is out of control when, as he identified in his statement today, he has the full knowledge that, in fact, this swine flu produces a mild illness just like seasonal flu and that he did not expect it to be any more serious.

Obviously, there is an issue of ensuring that until a vaccine is developed we have some management by containment of those who are contaminated, as the World Health Organisation tells us to do. Is it not incredible that just yesterday we found that, even though the government was rushing out a week ago to tell us that a 60 year old man had been hospitalised with swine flu having been confirmed in that patient, last week a pregnant woman was in the Flinders Medical Centre for three days—from Tuesday to Thursday—and was diagnosed while she was in there as having swine flu? There were all the issues in relation to potential contamination and, as the minister says, the prompt attention by health professionals to contain the situation once they found out about it, but he did not know about it, he tells us, until the end of the week. He is told about it, he claims, after the woman is released from hospital.

We have had daily reports from the minister and the health department to tell us who has swine flu and what schools have been closed down and that they are checking everyone coming through the airports; recommendations are put to the public travelling to certain destinations in the country or around the world that they should stay at home, be checked, etc.; pamphlets have gone out and there has been an advertising campaign about who not to sneeze on, etc.; yet we have a woman in a public hospital—one of the biggest in the state—for three days, and the minister does not even know about it, he tells us. Then, when he finds out about it, he has the gall to come in to

the parliament today and tell us that when he was informed about it he wanted to compliment those who addressed the management of it at the time.

What gall for the minister to do this! We need to know every day what is the situation and, if people are in hospital identified and confirmed as being swine flu carriers, what region, town or suburb they live in. We do not need to know their names. Even today we have a situation with two suspected swine flu cases at the Mount Gambier hospital. The hospital rings up to say to the government, 'Can you tell us whether we've got this down here?' The answer is, 'No; we're not going to confirm it or deny it.' What a disgrace! The people in the South-East or anywhere else who have swine flu in their district, school, hospital or workplace need to know it, because they need to be sure that if they show signs they can get an assessment themselves and make sure they contain it. We do not have a hope in hell of containing any contagious disease unless we know about it.

Time expired.

ADVANCED MEDICAL INSTITUTE

The Hon. S.W. KEY (Ashford) (15:58): There are two issues I would like to raise today that I think will be of particular interest to the member for Schubert, and one is a general issue that I would like to raise. The first issue is the engagement of the member for Taylor to Joe, and I know everyone in this house will wish the member for Taylor all the best on her engagement. I know the member for Schubert is devastated not only that the member for Taylor is leaving this place after the next election (by choice) but also that she is affianced—

Ms Bedford: Definitely unavailable!

The Hon. S.W. KEY: She is definitely unavailable, as the member for Florey said. The second issue I wanted to raise—and this is something that I know that many members in this house have been concerned about—is the Advanced Medical Institute advertisements. I raised as a grievance some time ago that a number of constituents have come to see me with regard to issues associated with the services—if you can call them that—that are provided by the Advanced Medical Institute and also the pharmaceutical goods that have been prescribed to people who have phoned this so-called service.

The reason I mention the member for Schubert is that he and I had quite a serious discussion about some constituents who had also raised this issue with him and some of the concerns that we had about how you actually, as a local state member, deal with those sorts of concerns. I just want to make it clear that that is the connection that I am making with the member for Schubert on that particular issue because we are really keen, as I know are other members in this house, to find out what we can do about this.

There have also been issues raised with regard to the billboards that I think many people found offensive. I am very sad to say that while negotiating in my local community about doing something about the eyesore called the Millswood underpass—which we are looking at, hopefully in the future, as an arts space in our region—we now have a big billboard that talks about the services that are available from the Advanced Medical Institute and, at night, this big yellow sign is highlighted in lights so it is certainly quite obvious in the electorate of Ashford.

As I said, in my last grievance, I have written to the Minister for Health and Ageing (Hon. Nicola Roxon) regarding the services and treatments associated with the Advanced Medical Institute and I was very pleased on Friday to receive a response from the parliamentary secretary to the minister, a position then filled by Senator Jan Lucas—not on Friday, but certainly when she responded to my letter.

I guess the sad news is that the Advanced Medical Institute is not directly under the control of Therapeutic Goods Administration under the auspices of the Australian government. While Therapeutic Goods Administration is responsible for the regulation of therapeutic goods (including prescription medicines) in Australia, it is a general requirement under the Therapeutic Goods Act 1989 that medical products that are to be imported into, supplied in, or exported from Australia need to be included in the Australian Register of Therapeutic Goods, unless an exemption applies.

There are currently, I am advised, no AMI products included on the Register of Therapeutic Goods. However, AMI products are supplied under a provision of the therapeutic goods legislation which allows that the medicine, if manufactured for an individual, be exempt from the requirement to be included in the ARTG prior to supply in Australia. As such, Therapeutic Goods Administration cannot guarantee the quality, safety or efficacy of the product. This practice is called

extemporaneous compounding. Because I do not have enough time in this grievance to go into this in further detail, I will conclude by saying that it is now coming under state jurisdiction.

Time expired.

TRAMS

Mr VENNING (Schubert) (16:03): I did note the previous member's speech and I will do some research on that. Since my service on the Public Works Committee (which I began in 2002), I was always concerned about the Rann Labor government's intention to purchase the new fleet of trams. I was very concerned (and still am) that the wrong trams were purchased originally, and that they were the wrong type and the wrong width. We are now locked into these narrow trams forever.

Initially, some might have described my concerns as conservative or perhaps nostalgic, since I also questioned the officers present as to why the vehicles could not have been built here in Adelaide and, if not here, at least somewhere else in Australia. The committee was given the usual answers about world markets, economies of scale and general blurb used as a sunscreen to cover the skin of an increasingly sensitive government.

Unfortunately, I did not then have enough specific knowledge to pursue the matter. Then, however, the problems started. First, there was the upgrade of the entire existing system, a matter on which either the public servants had not performed due diligence or which had been deliberately developed to keep this parliament in the dark, tricking it into committing expenditure far beyond that which was originally envisaged.

Then the Bombardier trams arrived. These trams, while well suited to German conditions, lack air conditioning for Australian summers; they are narrow and not in world demand. That is why we got them in time to be installed on the tracks before the state election. The reality is that the government—and this is damning of its decision-making processes—chose the narrow-bodied trams purely because it could get them in time before the election and put them on the rails. They have locked us into these squeeze sweat boxes purely for basic political expediency.

On 5 October last year, I learned that, while we cannot build tram bodies, apparently we have no such difficulty with buses. The Minister for Infrastructure announced the first of 80 brand-new buses to be delivered by the end of the financial year and went on to explain that the Scania chassis are shipped from Sweden to Adelaide where the body—which includes air conditioning, seats and windows—is assembled onto the chassis by Custom Coaches at Royal Park. So, we can build buses but, apparently, we cannot build trams. Why not? We could import the rolling chassis or part thereof and do the rest right here in Adelaide. We could at least have our own design and appearance, and even copy our beloved red heritage Glenelg trams.

It was announced a week ago that the Rann government has secured a \$36 million deal to deliver six European trams to Adelaide. If we were to build our own tram bodies here in South Australia, this \$36 million would go towards supporting local business and jobs, but instead it goes offshore, initially to Spain. I understand that we bought these trams from the Spanish government for \$6 million each. I also understand that Spain allegedly paid France \$2 million each for them—not a bad profit for Spain.

An honourable member interjecting:

Mr VENNING: Sorry, \$3 million. I am corrected. They bought them originally for three, and then sold them to us for six—not a bad deal. I am pleased that at least we have bought much better trams than the first lot. I made speeches on this matter in this house on many occasions in 2004 to 2006. After visiting Bordeaux and Paris in France and then Manchester in England, I came home with the strong opinion that the wide-bodied Alstom tram was by far the best option for us. Alas, there was a three or four year wait so we could not get them. We now have Alstom trams coming; it is a pity that they are the narrow ones.

We used to build our own rolling stock years ago. I cannot understand why we do not do it now. Remember Lawtons, tram builders of Adelaide? On 18 May 1854, South Australia became the first place in Australia to operate a railway run on iron rails. In 1856, we had the first government built and owned steam railway system in the then British Empire. By 1917, South Australia had a rail network of 5,300 kilometres.

Under railway commissioner William Alfred Webb, who was appointed in 1922, the SAR was pre-eminent in Australia. We constructed not only our own carriages and rolling stock, but

some very powerful locomotives at the Islington workshops. In 1951, the *Lady Gowrie*, the first diesel powered locomotive in Australia, was built at Islington. All this under a Liberal government.

We had an equally proud record when it came to trams. Adelaide firm Duncan and Fraser built 70 electric trams for our system in 1908-09.

Time expired.

COMMUNITY GROUPS

Ms CICCARELLO (Norwood) (16:08): I have spoken many times in this place about the many wonderful organisations that make up the rich tapestry of my electorate. From welfare and support groups like Meals on Wheels to recreational and social groups like the Norwood Scrabble Club or the Norwood Cycling Club, and many others, all of these groups have an important and invaluable role to play in the local community.

By offering support, guidance and a helping hand, they can effectively redress disadvantage, reduce social isolation and empower the individual to become an active participant in community affairs. At the very least, they can offer simple fun and enjoyment and a chance to hone individual talents and skills, not to mention a respite from increasingly hectic professional and personal lives.

I have always been keenly aware of the role that community groups play in our society, and it is for this reason that I have, over the years, striven to forge close ties with those in my electorate. I am proud to say that I think I have succeeded pretty well. When you take into account that I have 165 community groups, it is not hard to see why I never get to spend very much time at home.

I am pleased to say that the Rann government also takes local community groups seriously. Unfortunately, I do not think the general public realises just how much. For instance, there are over 70 grants that local community groups can apply for every year, ranging from the arts to community benefits to multicultural and sporting.

In my electorate alone, community groups have successfully received over \$870,000 of state government funding since the last election—more than a quarter of a million dollars every year. That funding has enabled them to employ extra staff, build infrastructure or simply purchase equipment to help them in the administration of their organisation.

I have presented many cheques over the last decade and it is always wonderful to see all the staff, volunteers and members excitedly discussing how the funding will impact upon their organisation. However, funding has to be accessible and easy, and the Rann government has certainly played its part in ensuring that community groups are not burdened by excessive red tape and bureaucratic procedures.

In 2007, we raised from \$200,000 to \$500,000 the gross receipts threshold level at which an association is identified as a prescribed organisation. This ensured that many more organisations did not have extra financial requirements which impacted upon their operations and revenue. Last year we doubled the threshold for detailed accountability for spending grant money from \$5,000 to \$10,000; in other words, simplifying the process for over 80 per cent of small grants.

All these initiatives were consistent with our commitment in the State Strategic Plan to reduce red tape, and our commitment towards making local communities even better. I am delighted that community groups continue to flourish across our state, particularly so when we consider that most of them rely heavily upon volunteer support.

As last Monday (the Queen's Birthday weekend) marked Volunteers Day across South Australia, it is fitting to acknowledge the fantastic record that our state has in this area. South Australia has the highest volunteer participation rate in the country. In 1995, these rates were at 28 per cent and in 2006 they were at 51 per cent. The most recent study conducted last year showed that we are maintaining this terrific trend.

In practical terms, these figures represent more than 600,000 South Australians putting in an average of 1.4 million volunteer hours per week. To those interested in dollars and cents, this represents a contribution of \$5 billion a year, or about 11.5 per cent of the state's gross domestic product.

Above all the statistics, all the reports, all the celebrations, is the face of the person who now feels connected and secure in their local community, and it is the heart of the volunteer who

knows that their good work has made a difference. This is the very essence of local community and I am very blessed to have so many groups in my electorate who strive to do just that—make a difference.

I encourage every group to make sure they contact their local member of parliament for grant applications and letters of support. We are here to help you. Volunteers are the backbone of our community and we thank you.

Ms BREUER: Madam Deputy Speaker, I draw your attention to the state of the house.

A quorum having been formed:

PUBLIC SECTOR BILL

The Legislative Council agreed to the bill with the amendments indicated by the following schedule, to which amendments the Legislative Council desires the concurrence of the House of Assembly:

No. 1. New clause, page 11, after line 2—

After clause 6 insert:

6A—Whistleblowing

Each public sector agency must—

- (a) ensure that a public sector employee (with qualifications determined by the Commissioner) is designated as a responsible officer for the agency for the purposes of the *Whistleblowers Protection Act 1993*; and
- (b) ensure that the Commissioner is informed of any disclosure of public interest information made to such a responsible officer under that Act if the person making the disclosure consents to the Commissioner being so informed; and
- (c) ensure that an investigation of a disclosure of public interest information to such a responsible officer under that Act is completed within 28 days of the disclosure.

No. 2. New clause, page 11, after line 38—

After clause 9 insert:

9A—Consultation with employees and representative organisations

- (1) Before making a decision, or taking action, that will affect a significant number of public sector employees, a public sector agency must, so far as is practicable—
 - (a) give notice of the proposed decision or action—
 - (i) to the employees; and
 - (ii) if a significant number of the members of a public sector representative organisation will be affected by the proposed decision or action—to the organisation; and
 - (b) hear any representations or argument that representatives of the employees or the organisation may wish to present in relation to the proposed decision or action.
- (2) Nothing in this section limits or restricts the carrying out of a function or exercise of a power by the public sector agency under this Act.

No. 3. Clause 11, page 12, after line 34—

After subclause (7) insert:

- (7a) The report must state the number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Whistleblowers Protection Act 1993* during the financial year to which the report relates.

No. 4. Clause 13, page 14, line 6 [clause 13(1)(e)]—

After 'agencies' insert:

or on the Commissioner's own initiative

No. 5. Clause 13, page 14, line 8 [clause 13(1)(f)]—

After 'Minister' insert:

or on the Commissioner's own initiative

No. 6. Clause 13, page 14, line 11 [clause 13(1)(g)]—

After 'agency' insert:

and investigate such matters on the Commissioner's own initiative (including on receipt of public interest information under the *Whistleblowers Protection Act 1993*)

No. 7. Clause 13, page 14, line 13 [clause 13(2)]—

Delete 'or by the Minister'.

No. 8. Clause 14, page 14, lines 20 to 22 [clause 14(2)]—

Delete subclause (2) and substitute:

(2) The code will be taken to allow a public sector employee to engage in a private capacity in conduct intended to influence public opinion on an issue, or promote an outcome in relation to an issue of public interest, except if—

(a) it is reasonably foreseeable that the conduct may seriously prejudice the Government or a public sector agency in the conduct of its policies given the relative seniority of the employee, the extent to which the issue is relevant to the role or a previous role of the employee and the nature and circumstances of the conduct; or

(b) the conduct involves—

(i) disclosure of information in breach of intellectual property rights; or

(ii) disclosure of information contrary to any law or to any lawful instruction or direction relating to a specific matter; or

(iii) disclosure of information with a view to securing a pecuniary or other advantage for the employee or any other person; or

(iv) disclosure of information of commercial value the disclosure of which would diminish its value or unfairly advantage a person in commercial dealings with the Government or a public sector agency; or

(c) the conduct is disgraceful or improper conduct that reflects seriously and adversely on the public sector.

(2a) Subsection (2)(a) does not apply in respect of conduct engaged in by an employee in the employee's capacity as a member of the governing body of a public sector representative organisation.

No. 9. Clause 14, page 14, after line 22—

After subclause (2) insert:

(2a) The code of conduct may not restrict participation by public sector employees in community activities unrelated to their employment except so as to ensure that public sector employees conduct themselves in public in a manner that will not reflect adversely on the public sector.

No. 10. Clause 14, page 14, before line 23—

Before subclause (3) insert:

(2b) The code will be taken to require that an employee of a public sector agency may report actual or suspected maladministration or misconduct in the public sector to the Commissioner or an executive employee of the agency (or both), or participate in an official inquiry into such maladministration or misconduct, without suffering discrimination, disadvantage or adverse treatment in relation to his or her employment.

No. 11. Clause 14, page 14, after line 27—

After subclause (5) insert:

(6) Sections 10 and 10A of the *Subordinate Legislation Act 1978* apply to the code, or a variation of the code, as if it were a regulation within the meaning of that Act.

No. 12. Clause 20, page 16, after line 34 [clause 20(2)]—

After paragraph (b) insert:

(ba) state the number of occasions on which public interest information has been disclosed to the Commissioner under the *Whistleblowers Protection Act 1993*; and

No. 13. Clause 45, page 24, line 40 [clause 45(2)(b)]—

Delete 'in accordance with the regulations'

No. 14. Clause 48, page 25, after line 29—

After subclause (2) insert:

- (3) The remuneration level of an employee of a public sector agency may be reclassified by the agency on the initiative of the agency or on application to the agency by the employee.
- (4) The regulations may not exclude the right of an employee to apply under Part 7 Division 4 to the Public Sector Grievance Review Commission for review of a decision on an application by the employee under subsection (3).

No. 15. Clause 53, page 27, line 5 [clause 53(1)]—

Delete 'A public sector agency may' and substitute:

The Commissioner may, at the request of a public sector agency,

No. 16. Clause 53, page 27, lines 14 and 15 [clause 53(2)]—

Delete 'A public sector agency may not terminate the employment of an employee under subsection (1)(a) or (b) unless the agency' and substitute:

The employment of an employee may not be terminated under subsection (1)(a) or (b) unless the public sector agency

No. 17. Clause 56, page 28, after line 21—

After subclause (1) insert:

- (1a) Subject to subsection (2), a suspension will be with remuneration.

No. 18. Clause 61, page 31, after line 7 [clause 61(8)]—

After paragraph (c) insert:

- (d) a decision to transfer an employee, or to assign an employee to a different place, that reasonably requires the employee to change his or her place of residence.

No. 19. Schedule 2, clause 1, page 41, lines 26 and 27 [Schedule 2, clause 1(2)]—

Delete subclause (2) and substitute:

- (2) The Governor may appoint a presiding commissioner and assistant commissioners to the Commission.
- (2a) Before the Governor makes an appointment under subclause (2), the Minister must invite representations from public sector representative organisations on the proposed appointment.
- (2b) A person appointed as a commissioner must have, in the opinion of the Governor, appropriate knowledge and experience of principles and practices of personnel management in the public sector.

Note—

The heading to clause 1 will be altered to "Establishment of Commission and appointment of commissioners".

No. 20. Schedule 2, clause 2, page 42, lines 5 to 12—

Delete clause 2 and substitute:

2—Panels of nominees

- (1) For the purposes of proceedings before the Commission there is to be—
 - (a) a panel of public sector employees nominated by the Commissioner for Public Sector Employment; and
 - (b) a panel of public sector employees nominated by public sector representative organisations.
- (2) The Minister may, from time to time, invite the public sector representative organisations to nominate employees to constitute a panel.
- (3) If a public sector representative organisation fails to make a nomination in response to an invitation within the time allowed in the invitation, the Minister may choose public sector employees instead of nominees of the organisation and any employees so chosen are to be taken to have been nominated to the relevant panel.
- (4) A person ceases to be a member of a panel if the person—
 - (a) ceases to be a public sector employee; or
 - (b) resigns by notice in writing to the Minister; or

- (c) is removed from the panel by the Minister on the ground of misconduct, neglect of duty, incompetence or mental or physical incapacity to carry out duties of the member satisfactorily; or
- (d) has completed a period of 2 years as a member of the panel since being nominated, or last renominated, as a member of the panel, and is not renominated to the panel.

2A—Proceedings—constitution of Commission and other matters

- (1) The Commission will, for the purposes of hearing and determining proceedings, be constituted of—
 - (a) the presiding commissioner or, at the direction of the presiding commissioner, an assistant commissioner; and
 - (b) a member of the panel of nominees of the Commissioner for Public Sector Employment selected by the presiding commissioner for the purpose of the proceedings; and
 - (c) a member of the panel of nominees of public sector representative organisations selected for the purpose of the proceedings—
 - (i) by the applicant for review; or
 - (ii) if there are 2 or more applicants and they do not agree on the selection of a nominee—by the presiding commissioner.
- (2) The Commission may sit contemporaneously to hear separate proceedings.
- (3) If proceedings are part-heard when a person ceases to hold office as a commissioner, or ceases to hold office as a member of a panel on retirement or resignation from public sector employment, on resignation, or on completion of a period of 2 years as a member of the panel, the person may continue to act in the office for the purpose of completing the hearing and determination of the proceedings.
- (4) The presiding commissioner or assistant commissioner is to preside at the hearing of any proceedings of the Commission.
- (5) A decision in which any 2 or more members of the Commission concur is a decision of the Commission.
- (6) A member of the Commission who is a public sector employee is not subject to direction as an employee in respect of the performance of duties as a member of the Commission.
- (7) The Commission must endeavour to complete any review within 3 months and must, in any event, proceed as quickly as a proper consideration of the matter allows.

PUBLIC SECTOR MANAGEMENT (CONSEQUENTIAL) AMENDMENT BILL

The Legislative Council agreed to the bill without any amendment.

APPROPRIATION BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 3121.)

Dr McFETRIDGE (Morphett) (16:15): Budgets have always been an interesting document for me to look at. I am not an economist, and I do not apologise for that. In fact, I think recently someone said that there are two types of economists: those who don't know and those who don't know they don't know. I am not one of them. I am just a humble veterinarian who has run a small business and knows that turnover is vanity and profit is sanity.

I do know that, if your expenditure is greater than your income, you either have to get an overdraft and manage it, or you have to work harder and make the whole business much more efficient. That is what my wife and I had to do when we first started a practice here in South Australia. We were paying 17 per cent on the mortgage and 23 per cent on the overdraft. We lived in a tin shed for 18 months. We certainly did it tough but, the harder you work, the luckier you get.

The realities of life do not seem to come across to state and federal government budgets. I must admit that that is probably on both sides. This is the eighth budget that I have sat through in this house, and it does seem to become more and more of a feat to work out what is going where.

The state has maintained its AAA credit rating, which is great. It is really good but, unfortunately, when you look at what is in the budget, it is, in my opinion, a DDD budget. There is

disappointment, debt and delay. The disappointment is that the Labor government has had rivers of gold and windfalls in GST, and other taxation, for nearly eight years, and it does not really have a lot to show for it. We have an underpass—

The Hon. M.J. Atkinson: Two underpasses.

Dr McFETRIDGE: We have two underpasses and we have a few other bits of roadwork on the way. What we do have is a debt. We have a large debt. The government claims that the state debt is about \$3 billion. The real figure, when you include the public non-financial operations, is closer to \$6.5 billion.

I remember that, when we had other state non-financial operations (such as the State Bank), they had to be included. The state was in massive debt then. The state government now says that it is only the \$3 billion of government debt that we really need to worry about. Well, debt is debt; you have to repay it at some stage.

The projects that should have started years ago in the good times are at last now being started, but how are they being started? In many cases, they are being started with federal government bailouts.

The best and clearest explanation of what is now happening in South Australia was by George Megalogenis in *The Australian* the day after the budget. I will just read some of that column. It states:

The Treasurer's budget speech predictably blamed tumbling GST in state revenues for the deficit...Labor spinners might wish to believe that a revenue slump is driving the \$660 million turnaround from the black to the red. But the opposite is the case.

Total revenues for 2009-10 are forecast to be \$722 million, or 5.3 per cent, higher than expected this time last year. The deficit is being driven by a much greater jump in spending that will see total expenses \$1.382 billion, or 10.4 per cent, higher.

This is Wayne Swan's magic pudding at work.

South Australia, like every other state, is getting more funding from the Rudd government than it is losing on the GST in the year that matters, 2009-10. Commonwealth grants are counted as revenue in state budgets. That's why revenue is rising, not falling, in the recession.

South Australia's own tax collections have, in fact, been revised down by \$173 million to \$3.526 billion. Federal grants, by contrast, have been increased by \$919 million to \$8.064 billion.

Canberra has borrowed on behalf of South Australians to allow the Rann government to maintain its spending on infrastructure...The other end of the commonwealth's generosity is that the state can pretend to be better economic managers on paper because they have the equivalent of a federal blank cheque to offset the increased spending.

That puts it very clearly. Even I can understand that. This is a case of having Big Brother come in and bail you out. In my business, you did not have Big Brother: you had the bank. You went into overdraft, but you had to pay it back, and you paid it back at a high interest rate—but you had to pay it back. We will have to pay back the debt.

The government expects us to believe that all will be well, that we should trust it and that the economy is in good hands. What the government would have us believe is that we are going to be going through some of the most astronomical growth rates that this country has ever seen.

Again, I refer to *The Australian* on Friday 5 June, because it lists them there. Under 'Economy' in South Australia, the actual figure for GSP in 2007-08 was 3.8 per cent. The estimate for 2008-09 is 1 per cent. The forecast for 2009-10 is -0.5 per cent, but the forecast for 2010-11 is 2.25 per cent. This is the bit that defies most experts' opinions. I am far from an expert, but I believe what some of these people are saying. The projection for 2011-12 is 4.25 per cent and, in 2012-13, it is 4.24 per cent.

These growth rates are unheard of. I hope, for the sake of South Australians and all Australians—because this is what the federal government is using as well—that these growth rates are correct. I think the true growth rates will be far less than that.

The government also expects us to trust it to recover the situation, but how it intends to do this is a question about which we heard some discussion in question time. There certainly were no answers. The government is establishing a sustainable budget commission—a razor gang. According to the Treasurer today, it is making hard decisions. But what happens when you ask how they are going to save the predicted \$750 million? How will they do that? This will be next year,

after the election; do not ask for details or direction, do not ask for where or when or for how long. It is beyond belief that the Treasurer can stand here, when we are to have another inquiry into spending by this government, and say that we have to trust him that it all has to happen in eight or nine months' time. It is something that South Australians will look at very sadly.

This government has let South Australians down very badly. As I said, there have been eight years of boom times, with record income and GST windfalls; \$2.7 billion more than this government expected or budgeted on having. We have had property tax windfalls and state tax windfalls, and today the Premier and Treasurer are still trying to talk this up as if it has all been put to good use. Why then is the picture one of us entering into years of debt?

The sad fact is that South Australia is now the highest taxed state in the commonwealth—and that is not just the opposition's opinion or my opinion, that is the opinion of the Commonwealth Grants Commission. Property taxes are up 95 per cent, taxes on insurance are up 52 per cent, taxes on motor vehicles are up 37 per cent, payroll tax is up 52 per cent—and then, at the top of the pile (and it is a huge pile) is land tax, up 292 per cent. I forget the exact number of people now paying land tax—

Mr Griffiths interjecting:

Dr McFETRIDGE: The member for Goyder informs me that it is 188,000 people now paying land tax—and it has gone up 292 per cent under this government. What do we get from the government now? We get 'Trust us, we've got a razor gang' and overly optimistic economic growth predictions; however, what we have is debt. As I said, the federal government has put a lot of money into this budget, so we have state debt and federal debt. The Rudd federal government's \$300 billion of borrowings has created a debt of nearly \$15,000 per man, woman and child in Australia—that is, \$15,000 for everyone in Australia—and the people of South Australia, their children and their grandchildren, will be paying off this debt year after year.

The Premier and the Treasurer may be over the moon about federal funding, but they are ignoring the reality. In reality there is no such thing as federal money and no such thing as state money, it is all taxpayers' money. If you add up the state and federal debt it is about \$22,000 per man, woman and child. My children and my grandchildren will be paying off this debt. When it was the State Bank it was the Belgian dentists. Now it is the Chinese government and other investors around the world investing in Australian bonds. However, the debt is there, it is real.

Take away the Rudd federal government's four-year bailout and the picture is quite different. Take away the \$1.3 billion for education, the \$477 million for housing, the \$29 million for road transport, the \$294 million for the Gawler rail, the \$291 million for the Seaford rail, the \$200 million for the new medical research centre. If we also take away the \$61 million for the O-Bahn extension the picture is very different from what the Treasurer would have you believe—and in case he does run out of money despite the federal government bailout, the Treasurer has squirreled away in a hollow log a contingency fund of \$467 million. That can be used for contingencies or blow-outs—and we have seen plenty of them in infrastructure projects around the place—or it can be used for election promises, and I will be very surprised if the Treasurer does not use all or most of that money on land tax relief. That issue is out there, but we see nothing from this government.

The Liberal opposition had a complete review of the taxation system, and we are still working through all the options there because there are some pretty tough decisions to be made. Other funding areas causing great concern to South Australians, and certainly causing concern to the opposition, are the blow-outs in unfunded superannuation liability. In 2001 it was \$3.2 billion, a significant sum.

However, in 2009 it was \$9.8 billion. WorkCover liability has blown out as well, from \$56 million in 2001 to \$1.3 billion in 2009—and that does not include the public sector unfunded liability. If that was added it would be another \$400 million or \$500 million, a significant sum. If you add it all up it is not a pretty picture for the South Australian taxpayer. However, this government promised reduced WorkCover levies, and we should not forget that.

WorkCover unfunded liabilities are up to \$1.3 billion. We had a stoush in this place and with the unions about changing WorkCover, the conduct of the corporation, and the way the legislation was organised it was going to bring down the unfunded liability and bring down industry levy rates. However, the new WorkCover levy rates were in the *Government Gazette* last week and we saw page after page of increases.

They did keep the average at about 3 per cent, but there was everything from fruit growing, sheep farming, aquaculture, milk and cream processing, fruit and vegetable processing, house construction, timber dealing, foreign security systems, motor vehicle new parts, dairy wholesaling, footwear, furniture, household equipment repairs, new motor vehicle dealing, used motor vehicle dealing, automotive fuels, tyre retailing, taxis and other road transport, bread and cake retailing—we see the staples of life here—milk vending, supermarkets and grocery stores, technical and further education, secondary education. All those levy rates have gone up. Certainly in some areas they may have come down, but the areas where they have gone up will hit the pockets of the mums and dads very hard.

It is a disgrace that so much was promised by this government but it has failed to deliver on it—and we are now asked to trust it again. Promises, promises: in the out years we do not have to worry about the money, 'Just trust us, we will fix it.' Well, I for one do not trust the government and I think the people of South Australia are getting very tired of what it is saying.

Some areas in the particular portfolios I have, and which I would like to talk about, are bright lights. One of those bright lights is Professor Tanya Monro at Adelaide University with the photonics research facility there. Through her hard work and lobbying Tanya has, for the university, picked up \$5 million for this research facility, a world-leading facility that will advance defence, communications and other areas of light physics not only for South Australians but also for the world. People who do not know Professor Monro should go to see her. She is a very bright young lady and a credit to this state, and the facility deserves all the funding it is getting.

Unfortunately, in the area of information technology, the \$3.5 million for broadband has not been spent. I assume the state government now is relying on the Rudd rollout. We have seen some improvement in industrial relations, and some funding for medical panels. However, today I am told that these new medical panels will have to see 1,500 cases a year (that is 30 a week and six a day). I will be waiting to see what happens there. It puts a whole new slant on the term 'bulk billing'. I think it will be a big job for the WorkCover ombudsman to support workers who feel they have been hard done by under this new legislation, and that position has been given some funding.

In the area of Aboriginal affairs and reconciliation, again, a lot of money is coming in from the commonwealth government. I look forward to the housing issues being progressed, and I understand minister Rankine was in the APY lands last week and was well received up there, and I hope that under her ministerial tutelage things will progress. The APY communities, through their executive, are keen to develop new houses and new economies up there. Just last year, the Minister for Aboriginal Affairs and Reconciliation wrote to the APY chair and executive and congratulated them on what they were doing. He said in a letter to them in December last year:

I understand that AARD officers had a productive meeting with Coffey International. I am pleased that you have indicated a desire to consider development strategies over the short, medium and long term. The South Australian government supports this development, which complements other work that AARD is undertaking in areas such as community governance training.

He continued:

I note the resolutions in your letter regarding leasing of housing sites and service delivery sites and would like to take the opportunity to thank you for your continued support and swift action in these matters.

I wish there was swift action on behalf of the state government. Even just today the APY executive issued a press release headed New Permit System for APY Lands. The APY communities and executive are keen to move forward and develop their communities. They know that things need to change, and there is a significant change being proposed by the APY executive. After discussion with the various communities, I hope that this comes about because it will open up the lands, not only to public servants and contractors but also to many other South Australians who are missing out on a wonderful part of South Australia. That will help develop economies up there.

As for transport and infrastructure, this is where the really big Rudd bucks kick in. I welcome this money, because I am a tram fan. I love my rail, and I am looking forward to seeing the rollout and electrification of the rail upgrades and the new trams and trains that have been promised. The best thing that this government has done is follow what the Liberal Party said it would do, and that is electrify the rail. The debate has been going since 1927, unfortunately. It has come and gone, and there have been stops and starts (no pun intended) on electrifying and upgrading the rail in South Australia. However, I am concerned at what we heard today, that is, some of the extensions are in the out years so we do not need to worry about funding, only about whether the government does what it said it would do.

The federal government put in \$63 million for some new electric trains for the Seaford line. On my quick calculations, that means we should be looking at \$255 million for the 50 new electric trains that the Premier said the government was ordering when it made its big announcement last year. We are getting four more Bombardier Flexitys which are the same as we have now. That is on top of the six Alstom Citadis that have just been announced. So, if we get the tram trains (and I understand the tram trains may not be coming now), we will have seven different types of rolling stock. We remember what happened to Ansett when it had to cope with trying to maintain all the different types of aircraft it had. It was one of the other big burdens it had to wear.

The question I have is: if you are going to build a new system and spend the money this government is saying it is going to spend, why would you not keep it simple? Why would you not concentrate on one particular type of tram or train that will do the job? They are certainly out there. I have done some research and looked into it, and I have talked to people about it. It is something that is not being handled well by this government.

The north-south corridor is progressing, but I would rather see a plan that is going to do the whole of the corridor, not just underpass by underpass, because the way it is progressing means it will take years. I went and looked at the Northern Expressway the other day, and it is coming along wonderfully. Once again, it is federal government money. The big thing missing is a new northern connector to join the Port River Expressway with the new Northern Expressway. That is not there. It is going to be somewhere in the out years, I understand. We do not know what it will cost. I look forward to the whole thing progressing.

However, the bottom line is this budget is full of promises. We have seen that in the past when we have had promises. Today we have been asked to believe that, although the razor gang will do its job, we should trust the government. We have been asked to believe that the extensions to the rail line, although they are in the out years and there is no funding, will go ahead.

I look forward to getting some answers to my questions during estimates committees. I am looking forward to the estimates committees but I wish the budget position was not one of debt, delays and disappointments, because that is what is in this budget. South Australians deserve better. They could have had better. The money has been there. The rivers of gold have flowed, thanks to the former Liberal government, but this government has failed South Australia.

Time expired.

Mrs REDMOND (Heysen) (16:36): I rise to give a somewhat limited response at this stage to the budget because there simply will not be time for me to traverse all the issues and questions that I have arising from it. I do not want to spend a lot of time going over the ground that has been more than adequately covered by the leader this morning and other speakers since then, except to note a couple of major points. The first is that this budget shows that the government will receive, in total, something of the order of \$1 billion more in income this year than it did in the previous year and, therefore, crying poor seems to me to be a little bit unusual, to say the least.

The second thing I would note in general terms about the budget is the government wants us to agree with it that there can be \$750 million in savings but it can be trusted to specify those after the election. Having got themselves to the position where they want us to simply accept that there will be \$750 million of unspecified savings that they will only tell us about after the election, I trust that will put an end to their asking the opposition for detailed costings on anything that we propose in the lead up to the next election.

The third thing I note in general terms is that parts of this budget seem to bear no relationship to the State Strategic Plan. The most outstanding aspect in that regard is the O-Bahn which has been allocated \$61 million, yet in the State Strategic Plan—it has been going for years; since this government came to power—never a mention of the O-Bahn, but there it is as a major announcement. Before we even got the budget, we found out that we were going to get this extension of the O-Bahn that is not even mentioned in the State Strategic Plan.

The other thing in general terms that I note about this budget is not just the debt and so on but the continued centralisation policies of this government, whether that be schools and the abandoning of so many little schools or whether it be police stations. I know that, in my area of Stirling, we now have a police station that operates basically from 8.30 in the morning until 5.30 in the afternoon. It is likely to even be reduced from that, so it will not even be the six days a week that I think it is at the moment. I know McLaren Vale is facing a similar reduction in its police presence, and Unley, I think—any number of police stations around the place. It indicates that this government is still intent upon centralising everything.

The disability sector (in which I used to be involved quite heavily as the shadow for various portfolios—mostly disability and families and communities) has already faced the closure of the Julia Farr Centre, the Independent Living Centre, the Intellectual Disability Services Council, and numerous other small but specialised bodies that provided an enormous service to the various people within that disability sector. All that has gone in favour of a big centralised bureaucracy. I have an economics book at home written (I think) in the 1950s called *Small is Beautiful*. I actually take a great deal of notice of that book because I think the reality is that the bigger an organisation becomes, generally the less efficient it becomes, and we would do well to learn the lesson that obviously some people had learnt as long ago as the 1950s.

I move especially to the things in the budget that have caught my eye in relation to some of my portfolios—and I doubt that I will have time to even get all the way through my comments in relation to the justice portfolio. However, starting at Budget Paper 3, for instance, the government says:

The budget provides essential resources to maintain the government's focus on law and order and the efficient delivery of justice services.

The first notable thing is that there does not seem to be any money in the budget for the improvement of our general courts' facilities and that strikes me as odd, given that the judges had filed a report indicating that the problems are ongoing—and have been for some time.

I seem to remember discussing them at various estimates committees over the years. For some time, the government has ignored these requests. I can understand that a government might say, 'Well, there are no votes in judges and lawyers.' They certainly take a very antagonistic view of the entire legal profession, and me thinks that the Premier, in particular, and his loyal lieutenant, the Attorney-General, like to attack the legal profession unnecessarily.

But that aside, the fact is that courts are not used just by judges and lawyers. People with many problems, many of them victims, actually go to courts. Many people are in the courts every day and we would do well to listen to the requests of the judges in relation to the need for an improvement in the facilities. In relation to what the government is providing, the government says that it will provide additional resources for DNA testing, but I notice that there is no mention of providing additional resources generally in forensic science so that we could get rid of the long delay that people face in waiting for final death certificates in this state.

I know of this from recent experience with a friend who rang me in absolute shock when his father-in-law died quite suddenly. His father-in-law was out running and he passed away suddenly. Of course, in those circumstances, there has to be an autopsy. However, he was told—and this is very recent, in the last month or so—he would have to expect to wait up to one year to get a final death certificate. That matters to people. I have seen women left financially destitute because they cannot get the final death certificate and, because of that, they cannot proceed with things like probate or getting insurance companies to pay out on insurance that is due to them until there is a final death certificate.

That is something that matters to the community. It matters to the everyday person, yet this government has consistently failed to address the question. Again, the government says it is appointing more special justices of the peace—

The Hon. M.J. Atkinson: You hate that; you opposed it from the start.

Mrs REDMOND: I note that the Attorney keeps insisting that I opposed that. I never did oppose the appointment of special justices of the peace. The people I insulted (as the Attorney says) were people who had no special training to sit on the bench and sat there as justices of the peace without the special training. I absolutely welcome the idea of having special justices who have undertaken the special training to enable them to sit there. Having said that, it is going to appoint those extra people, those special justices—and no doubt the money will be put towards training those people—yet the government only recently announced that it will be reducing the availability of staff in various courts around the country. I seem to remember Ceduna, Kadina and a couple of others.

The registries will only be open on the days that the court is sitting. The Attorney-General never having practised law does not appreciate just how much work a court registry does on non-sitting days and how busy it can be in a registry on a non-sitting day; and how impossible it can be on a sitting day for people to get assistance with the sorts of things that they can attend to on non-sitting days. So, in my view, it is a fundamental mistake of this government to do that.

The government also states that it will provide a new police complex at Yatala in 2010-11, but at the same time it is reducing the police presence in our suburbs, and that is where it matters to people—in your local area.

The Hon. M.J. Atkinson: In Yalata, not Yatala. You must correct yourself.

Mrs REDMOND: Sorry; I will correct that. The government states that it supports the Office of Consumer and Business Affairs to implement reforms aimed at reducing the costs of regulation for business and consumers and enhancing productivity. However, in reality, it has left the Office of Consumer and Business Affairs as a toothless tiger for years. There are many occasions, and I am sure I am not the only member of parliament—

The Hon. M.J. Atkinson: That's because Trevor Griffin made it that way.

Mrs REDMOND: Madam Deputy Speaker, will you call the Attorney-General to order so that I can concentrate on my points? He is welcome to make his own speech in due course.

The DEPUTY SPEAKER: Attorney, I ask you to maintain silence and respect the member's contribution. I refrained from intervening earlier because the member seemed to be soldiering on, for which I commend her.

Mrs REDMOND: Thank you, Madam Deputy Speaker. As I said, the Office of Consumer and Business Affairs has a valuable role to play, but I suspect that it has been significantly under-resourced and possibly lacks even the legislative teeth to do the job it is meant to do. For example, I spoke to a chap who I think had a quite legitimate complaint. He engaged a firm to do termite treatment on an investment property. He paid the firm regularly to do the work, but a couple of years later the place was riddled with termites.

Understandably, as a consumer of this service, he was pretty upset, yet the Office of Consumer and Business Affairs initially even refused to deal with the complaint. When I finally persuaded it to do so, it could not give this man any redress for what cost him, from memory, in excess of \$50,000.

I note that last year's budget was supposed to provide additional resources to update the associations register and ensure compliance with the Associations Incorporations Act; however, in this year's budget we still seem to have the same problems and the same need to address them. So, this is yet another area where the government has said one thing one year but, having done nothing, puts the same thing into the paper the next year. I will talk about other such matters in the arts, if I get there in this contribution. Another issue in this year's budget is the support provided for the early commencement of the operations of the additional courtrooms in Sturt Street. Last year's budget stated:

The budget provides resources for a number of measures to address the backlog and improve efficiency in the court system. These include—

The very first listed is—

reopening the former Sturt Street court facility to provide two additional courtrooms in the District Court and three additional judges with all related operational services.

Last year, that was the very first thing the government said would be done. It has not been done, but this year's budget states that it will support its early commencement.

One of the interesting things I discovered in this budget is the wonderful issue of an increase in services in the Residential Tenancies Tribunal. In particular, the budget document states that there is to be an extension of education, advocacy and financial counselling services for private rental tenants. This initiative is to benefit both tenants and landlords and is to be funded by the introduction of application fees.

The 'introduction of application fees' should be noted. The Treasurer said very carefully in the budget speech that there were no new taxes, but he did not mention 'no new fees'. There is a new fee and, when you look at its detail, from my reading it appears that in 2009-10 these new fees will earn the government \$194,000 (according to its budget), and the cost of these new services for education, financial counselling and so on will cost \$200,000. In other words, the government must contribute \$6,000 to provide this service in the first year.

Guess what? When you move onto the next year, for 2010-11 the budget states that, from the application fees it will impose on our most vulnerable people—those in rental accommodation—the government will earn \$401,000. The cost to the government for providing this service is

\$369,000. In other words, it will make a profit from these poor people in the rental community who need to go to the Residential Tenancies Tribunal for redress. The government will make a profit of \$32,000 next year, having had an input of \$6,000 this year on top of the fees it earns.

However, it gets worse. In 2011-12, there is an income of \$413,000 from the tenants' application fees, with a cost to the government of \$378,000; on my calculation, that increases its profit to \$35,000. So, the government's profit each year is going up and, indeed, in the final year it goes up to \$39,000, with an income from the application fees of \$426,000 and the cost of providing the service a mere \$387,000, which is nearly \$40,000 in excess. As I said, this is money that will come mostly from people who are tenants and who are therefore likely to be some of our most economically vulnerable people.

For years, this organisation operated on the basis that people could go there who had a dispute with their landlord. It is a no costs and no lawyers jurisdiction; there are some exceptions, and I have run cases there. However, most of the time, the tribunal is meant to hear minor disputes between landlords and tenants, with an independent impartial person looking at the evidence, hearing from the people and saying, 'No; you do owe that money. Let's make arrangements for its payment,' or whatever it is.

Now they are going to have to pay a fee to initiate their application to get before the tribunal. It is bad enough that the government, having said there are no new taxes, is going to have new fees; it is bad enough that they are from residents in rental accommodation; but, worst of all, this government is going to make a profit out of them. This government's intention, on its own figures, is to make a profit out of that group of people.

I want to comment quickly on a couple of other things in relation to the justice portfolio before I move onto anything else but, as I said, I doubt I will get much time to move onto other things. There has been a lot of discussion lately about the Magill Training Centre, and the Premier's response today to the question from the member for MacKillop was telling, to say the least, in my view. Members may recall that the member for MacKillop asked whether the Premier agreed with the recommendation of the juvenile justice select committee or with the Treasurer's view, because the Treasurer, of course, on 12 June last week said, 'I have higher priorities.'

The juvenile justice select committee was an independent committee consisting of three Liberal and three eminent, good thinking Labor people, and it was chaired by the Hon. Bob Such. It had three Liberal members and three hard working and good thinking Labor members. The 43 recommendations of that committee were unanimously agreed by the committee, and amongst them was that the committee strongly recommended that the closure of the Magill Training Centre be an immediate priority. Why did we do that? As a committee we went out to that centre and saw what was going on there.

The Hon. M.J. Atkinson interjecting:

The DEPUTY SPEAKER: Order!

Mrs REDMOND: We saw the conditions in that centre and recognised that, no matter what else we did, we had to address those things. This is just one of those 43 recommendations, and the government studiously ignored them until it could no longer ignore them. It then engaged Monsignor David Cappelletti. If you read his report, you will see that the very first thing he says is, 'I am deeply indebted to the juvenile justice select committee for the work that select committee did,' and he acknowledged that a lot of what he had to say was based on the work of that juvenile justice select committee.

In my view, some of the most valuable work that we do in this parliament is indeed with select committees such as that, which actually look impartially on a nonpartisan basis at issues such as juvenile justice and come to some conclusions that would be for the benefit of all South Australians. The frustration is that a committee like that, having made these 43 recommendations, then finds that they are simply ignored by the government of the day, which puts off making any of the rational decisions that would actually help to address our juvenile justice issues.

I will make one other quick comment, and that is in relation to the criminal jurisdiction of the courts, which increased by some 19 per cent but, with only less than 10 per cent increase in its budget, it is therefore going backwards.

Time expired.

Ms BEDFORD (Florey) (16:56): A bit like the member for Goyder, I am a glass half-full person, and I would like to concentrate on the budget that will be good for the electors of Florey. This year's budget reflects the times we have had, where this government's planning in so many areas has put us in a very strong position and ready for the times ahead. We have witnessed in the past few months tumultuous financial times—the worst since the Great Depression. The world has changed, and so too can flexible administrations such as this government to ensure that we can come safely through this current cycle.

I have recently spoken about boom and bust and the impact on working people. We are all working people, from the small business person employing family or a small number of people to medium and large employers who provide employment for a lot of others. South Australia is holding its own in difficult circumstances and defying trends, importantly, in employment, for there is no more important issue for each and every constituent in Florey than the ability to earn an income.

The Rann Labor government has placed enormous importance on retaining the AAA rating and has won it by proving to the harshest of financial agencies that our budget is responsible. This government has invested record sums in key areas such as health, education, transport, police and justice systems and, most crucially, securing water supplies.

In health the plan is to have three major hospitals: the Flinders Medical Centre in the south; the almost totally transformed Lyell McEwin Health Service in the north, now a centre of excellence and serving the people in the north-east; and a brand new, greenfield RAH, a wonderful development that will deliver a great many improvements to the city and health consumers in general. The general hospitals such as Modbury Public Hospital will share in \$140 million over four years for increased levels of health services and \$60.9 million to improve the operation of emergency departments, with a strong case for securing an acute medical unit which is supervised by a physician to improve outcomes and patient flow.

Infrastructure works will continue and, through collaboration with the Lyell McEwin Health Service, deliver benefits of additional nursing and midwifery positions, an increased focus on gerontology and palliative care as our population ages and a greater role in elective surgery. Modbury Public Hospital has a proud history and, through its wonderful and committed staff, has contributed much to our community. Health demands are increasing and as a state we must recognise that change is necessary. Preventive strategies will become more important, and we must do everything possible to reduce preventable illnesses.

In education, through a good deal of impetus from our government here in South Australia, federal initiatives will see a revolution in school infrastructure and a new major building on every school site in my electorate, major investment in early childhood education programs and, locally in Florey, additional funding for The Heights School, pushing to over \$3 million the works that will take place on that site. This has been a great school, which my own children attended, and it will be even greater into the future.

In skills, this budget provides \$19.2 million over four years to improve pathways to learning or earning for young people and to assist disadvantaged workers to gain employment. There will also be \$155 million over four years in partnership with the commonwealth to address skills shortages by improving training opportunities for job seekers and encouraging people in the workforce to further their education levels. Getting a job, keeping a job, and finding interesting jobs is the focus of the planning that is underpinning this budget and will protect the lifestyle and aspirations of workers in this state.

Transport issues affect us all and this budget recognises that by providing record investments for infrastructure—more than \$3 billion over four years. We see a commitment to electrification and extension of public transport infrastructure. Importantly for the north-east, commuters will see \$61 million over three years for improvements to the link of the O-Bahn track to the CBD.

Everyone who uses the O-Bahn knows how great it is. As someone who caught the bus in the late seventies from Modbury Heights—initially taking a long walk to Tea Tree Plaza to catch that bus—and enduring a 45 minute trip to the city, I can attest to the difference. New buses will be coming on line and, although I do not often use the bus now, both my adult children commute daily, one to the city and the other to the Flinders Medical Centre, and they keep me well informed on O-Bahn issues.

An upgrade to Montague Road—something I have lobbied for over many years—will happen with funding from federal, state and local governments. The complexities of the site have

contributed to the difficulties that it has been necessary to work through and around, and I am confident that the result will provide the amenity so sadly lacking for as long as any resident can remember and assist the traffic flow in the evening peak.

Perhaps the most welcome of all announcements in the transport area is the \$42.2 million over four years to fund free travel on public transport during the interpeak period for seniors. In Florey, there is a large number of retirement living housing options and, as the O-Bahn is in the north-east, I know many seniors will be taking advantage of this particular initiative.

The 2009-10 operational budget for SAPOL was around \$661 million, an increase of 5.1 per cent over the 2008-09 budget and an astonishing 79 per cent more than the last Liberal government's budget in the year 2001-02. This year, there is \$59 million support for the Police Academy redevelopment project with a further \$5.4 million in 2009-10. When completed, South Australia's police recruits will have a modern, technically-advanced training facility to see them join the ranks of a police force that has never been better funded or staffed. The benefits of these measures will be seen in every electorate.

In water security, everyone has a concern and interest and, although we have seen some heartening rains lately, we still face ongoing drought conditions and much work is being done to ensure water supply. Desalination is part of a suite of measures being put in place. This budget sees \$833 million towards the \$1.8 billion 100 gigalitre Adelaide desalination plant set to deliver its first water by December 2010 and a further \$164.6 million this year with another \$413.7 million over four years to upgrade and expand wastewater treatment and water recycling infrastructure.

As well, over the next four years, the government will invest more than \$52 million on projects to increase stormwater re-use. This is crucial. A further \$29 million over two years will be made available for rebates to foster rainwater harvesting and reduction of water use in the home. This is where we can all play a part. I know I have changed my water use practices, and I look forward to taking on board ideas about further reducing my dependence on mains water.

This government has many exciting projects on the go and a glance at the State Strategic Plan will show you an overview. I am particularly excited about the measures in objective 4—Fostering Creativity and Innovation—although each of the other objectives will provide an important part of the framework that will, as their titles suggest: Grow Prosperity, Improve Well-Being, Attain Sustainability, Build Communities and Expand Opportunity.

This government is working hard to ensure that all South Australians have a share in the great future that we are all putting our energies into making a reality. Our greatest resource is our people and all our efforts are focused on making sure our people have jobs and the services to ensure the best possible future for our communities.

Mr WILLIAMS (MacKillop) (17:04): I rise to speak on the eighth state budget of this Labor government and of this Treasurer. The Treasurer, even today in the house in question time, is crowing and saying that he has met his objectives. All I can say to that is that the Treasurer has some pretty strange objectives because South Australia has constantly gone backwards under this government and under this Treasurer. Unfortunately, it is, I think, the Treasurer who must bear the majority of the responsibility for the state that we find ourselves in.

According to the Commonwealth Grants Commission—and I accept its figures and the Treasurer has published them in his budget papers—South Australians are taxed more harshly than any other Australians. I will repeat that: South Australian taxpayers are taxed more harshly than any other taxpayers in any other jurisdiction in this nation.

We ask ourselves: why is that? Is that a sign of a government that has its priorities right? Is that a sign of a government that makes the hard decisions? Is that a sign of a government that is doing the right things by the state's economy and making the right investment decisions? Is that a sign that a government whose latest mantra is 'Action now for the future' has been getting that right? Is that a sign of a government that has been putting in the right actions to build for the future?

The answer to every one of those questions is no. Therein lies the problem. We have had over eight years of inefficient government. We have had ad hoc decision making (hopefully I will have time to come to that in a few moments) and we have seen our position relative to the other jurisdictions in this great nation decline.

South Australia's share of the national population, I think, is a good place to start so that we can compare how we have been going and we can get a little understanding of what has been

happening. This is something that is very near and dear to me because I have four children, two of whom, who work as professionals, have never worked in South Australia. Two of my children were educated here in South Australia and got their tertiary qualifications at South Australian tertiary institutions, and both have secured very good professional careers, but neither of my daughters has ever worked in South Australia, much to the chagrin of their mother and the disappointment of their father.

During the term of this government (since 2002) South Australia's share of the nation's population has declined from 7.75 to 7.49 per cent. Again, I pose the question: is that a sign of a state government that is getting things right? The answer to that, obviously, is no.

The Premier talks about us providing educational opportunities. In fact, the Premier used to say that he wanted to be known as the education premier. Well, he has failed miserably in that. I might come back to that later, but the reality is that, even though we are educating people here in South Australia, they get their education and then move to greener pastures, because the other states are doing it better.

The Hon. M.J. Atkinson: I was educated in Canberra and I came back here.

Mr WILLIAMS: Well, how wonderful that has been for South Australia. The reality is that South Australia's share of the national economy has declined from 7 per cent in 2002 to 6.4 per cent today. That is why our young people are moving interstate, because our share of the national economy is declining. Jobs, particularly in the professions and particularly those which require high level skills and highly educated young South Australians, are not in South Australia. That is a failure of this government.

The share of national private capital expenditure in South Australia has declined from 6.9 per cent in 2002 to 5.9 per cent today. This is in spite of the Premier's continuing mantra about the boom that is going to come to South Australia, particularly through the defence industries and the mining sector. The reality is that any boom we saw, particularly in the mining sector, was driven by world commodity prices. The boom was actually in exploration, it was never in mining, and we are yet to see that translation from exploration to mining.

The Hon. M.J. Atkinson: You will be very disappointed, Mitch, if it happens.

Mr WILLIAMS: I will not be; I will be delighted. The reality is that most of the exploration activity that the Premier has been crowing about has been brownfields exploration in the development of the plan to expand the Olympic Dam mine site. The reality is that there has been much less greenfields exploration in South Australia than the Premier would have us believe. That is why our share of the national private capital expenditure is declining. We have been told something which falls well short of the truth.

The Premier keeps crowing about the unemployment rate in South Australia. In 2002, South Australia had 7.5 per cent of national jobs: 7.5 per cent of people employed in Australia were employed in South Australia. Today that is 7.3 per cent. South Australia's share of national exports has declined from 7.42 per cent to 4.36 per cent today.

I find it very difficult when I go through the figures to find a bright spot for South Australia. As I said, that disappoints me greatly because I have a great interest in what is going to happen in the future. I have a great interest in the ability of my children and grandchildren to live, work and enjoy the lifestyle that has been afforded to me in this state.

We have been presented with a budget which purports to have us on track. I could not believe it when I picked up *The Advertiser* the morning after the budget was delivered and saw the headline scream, 'Back in the black'. The reality is that we are a long way from being back in the black, and I do not think that we will ever get back into the black whilst this government is in office.

The Hon. M.J. Atkinson: It's going to be a long time.

Mr WILLIAMS: Well, if that comes to pass, Attorney-General, the reality is that the people of South Australia will suffer much more into the future than they have already. If they continue to re-elect Labor governments in South Australia they will live to rue the day.

The Hon. M.J. Atkinson: Really?

Mr WILLIAMS: They will indeed. One of the reasons the budget claims that we will get back into the black is that it is predicated on getting pretty decent growth rates into the future. It

predicts that by the year 2010-11 we will have a growth rate in gross state product of 2¼ per cent; the year after, 4¼ per cent; and the year after that, 4¼ per cent.

I took the opportunity to have a look at what our state's growth rate has been over recent years, and the reality is that, over the last 10 years, we have never achieved a growth rate of 4¼ per cent. So, here we have the 'Back in the black' banner from *The Advertiser*, claiming that we will get back into the black within a couple of years, predicated on the Treasurer's numbers of having a growth rate which we have never managed to attain in the last 10 years.

As the Leader of the Opposition pointed out, these were years which contained at least five or six of the best economic conditions that this state has enjoyed for many a year—I hasten to point out: in spite of this government but probably more likely because of the Howard federal government. The reality is that we did hit 4.2 per cent growth in 2003-04, but the year before that we had 1.2 per cent and the year after 0.09 per cent.

We have been running along over the last 10 years at 2 per cent, 3.7, 4 (one high year), down to 1.2, up to 4.2, down to 0.09, up to 2.3, down to 0.06, back up again to 3.8, and then down again to the current year for which I think the prediction is 1 per cent, then -0.5 per cent, up to 2¼, then to 4¼ and, again, 4¼. These are figures that we have not seen in the last 10 years. Quite frankly, I do not believe that we will see those growth rates in South Australia within two years. That says to me that the foundations of this budget are seriously flawed. That says to me—

The Hon. M.J. Atkinson: You would say that.

Mr WILLIAMS: As the Attorney-General wants to interject regularly, I invite him to put his case to the house as to why he believes we will enjoy growth rates of 4¼ per cent within a couple of years because, quite frankly, I do not.

The other thing that concerns me is that the budget is underpinned by largess from the commonwealth government—\$3 billion. That is fair enough if that \$3 billion is money that the commonwealth government has, but it is not; it is money that the commonwealth government has to borrow, and it is borrowing it at the expense of not just Australian taxpayers but South Australian taxpayers, because they are one and the same. It is all money that will have to be paid back.

I heard the Treasurer say on radio one day recently, 'This is commonwealth money; we don't have to pay it back.' Certainly, the South Australian government does not have the responsibility of paying it back, but the South Australian taxpayers do, because they have to wear the liability that has been incurred on their behalf by the commonwealth government.

The \$300 billion-odd that the commonwealth government is in the process of borrowing will have to be paid back and, in the meantime, it will impact severely on the ability of the private sector to operate and to expand, because every time the government borrows a dollar that is a dollar that is not available for the private sector to borrow. We have to ask ourselves: would that dollar be better in the hands of government or would it be better in the hands of the private sector? That is an ongoing argument. The reality is that it has been proved time and time again that it generally generates a greater level of economic activity in the hands of the private sector.

The other thing that concerns me about the budget is that not only are the figures not believable but the government's promises are not believable, because the government has form. This government continues to come out at budget time and make grandiose promises—\$850 million to build a new dam at Mount Bold a few years ago. Then it grew; it was going to be even bigger, and it was going to secure our water supply.

I do not know whether the government ever intended to build that, but I do not think that it ever took the proposal seriously. The government is at last now building a desalination plant, but South Australian households and businesses are going to be saddled with the most expensive water they can possibly get because the government cannot get its policy settings right. Instead of building a desalination plant to provide water security, it is building a desalination plant which will provide over half of Adelaide's water needs.

The Hon. M.J. Atkinson: So?

Mr WILLIAMS: So, every kilolitre of water that is delivered into South Australia will cost at least a dollar more than it otherwise would because of that desalination plant. The cost of running that desalination plant—

The Hon. M.J. Atkinson: So, you're against it now?

Mr WILLIAMS: The Attorney-General should listen. He should not just wander off, talk to other people and come back and try to take people's contributions out of context.

Mr Goldsworthy: He doesn't understand much.

Mr WILLIAMS: He doesn't understand much about very much at all. The opposition does support a 50 gigalitre desalination plant, and that would provide water security for South Australia and it would—as we proposed over two years ago—provide a climate independent source of water. However, in South Australia, we have the double problem of lack of water and environmental damage caused by too much water running off our metropolitan roofs and streets and other hard surfaces that has been created on the Adelaide Plains.

We have something like 160 gigalitres of stormwater a year rushing down concrete lined drains into the Sturt Creek system, down the Torrens and out into the sea, out into Gulf St Vincent, causing massive environmental damage. It has been identified by the Adelaide Coastal Waters Study that a significant part of the problem is that we are allowing this stormwater to run into the sea, carrying with it silt, creating turbidity and destroying seagrass beds. The ongoing effect of that is that we have much more activity on our beaches and ongoing costs to ameliorate the damage caused.

This government could have addressed two problems by adopting the second plank of the opposition's water security policy, that is, harvesting stormwater. We can harvest it and we can clean it up, and we have aquifers under the metropolitan area to store it. The technology has been developed here in South Australia. It is a much cheaper option than building the second 50 gigalitre stage of the desal plant.

Instead of creating more environmental risk from brine outfall from the desal plant, it would go a long way towards solving one of the environmental problems that we have. But, yet again, this government cannot get its policy settings right. So, for the next 40 years, South Australians will be stuck with having to purchase the most expensive water possible from SA Water, and we are still going to have to address the environmental problem of stormwater over the next period. So, what are we going to do? Are we just going to ignore the problem of seagrass degradation off our metropolitan beaches for the next 20 or 30 years until our population grows to the point where we can then harvest that stormwater and have a use for it? Alternatively, will we spend lots of money and pipe it well away from the metropolitan coast? I am not quite sure, but I do not believe that the government has thought it through.

However, I can tell the Treasurer one thing: people like Colin Pitman at Salisbury council will continue to do what he does, continue to harvest stormwater. Colin Pitman believes that within 12 months he will be able to harvest 18 gigalitres of stormwater, and he will be in serious competition with SA Water. I was recently down at Onkaparinga council, and that council also believes it can harvest enough stormwater in that area to meet the total water needs of the population of their city—15 gigalitres a year.

We only need two or three councils around the metropolitan area to go down that path and SA Water will find its financial viability severely compromised. This government is putting billions of dollars into building a desalination plant, underpinned by incredible rises in water prices, yet there is a risk that there will not be anyone around to buy the water. That is a huge risk to South Australia. The Treasurer appears not to understand what he is doing, nor does the Premier. By taking ridiculous and very slow options to resolving our water security problems we have placed ourselves in a situation where we will be paying a lot more for water than we need to, as well as facing a significant risk. I would like to talk about a number of other things, but unfortunately time has beaten me.

Time expired.

Mr BIGNELL (Mawson) (17:24): I rise to congratulate the Treasurer on his latest budget, and to commend not only the Treasurer but also the Premier and other cabinet ministers, who have shown great restraint and responsibility in these globally tough economic times. People have realised that not everything on the wish list can be paid for this time around; it is a time for showing fiscal responsibility.

However, this is also a budget that has put money into making sure that South Australia's economy keeps ticking along and, in partnership with our federal colleagues under the Rudd government, we are seeing a lot of investments in infrastructure throughout South Australia in our schools and our transport. However, it is not just in roads but also in our rail infrastructure, and I

would like to commend both governments for their commitment to extending the rail line from Noarlunga to Seaford. That will help a lot of people in the electorate of Mawson. The electrification of our metropolitan railway network, beginning with the Noarlunga line, has also been very much welcomed by people in my electorate.

In addition, I have been receiving a lot of emails and phone calls, and congratulations at public events, about the Rann government's move to offer free public transport to people over 60 during off-peak periods—between 9am and 3pm weekdays and all day on weekends and public holidays. This is a very popular initiative, and there has been almost unprecedented communication to my electorate office congratulating the government on this move. Our transport system is getting better all the time after years of underfunding by governments, of both persuasions, and it is great to see money being poured into our rail, bus and tram networks and, in fact, the extension of those networks to cope with the ever-increasing demands placed on them.

In terms of road infrastructure, work continues to remove the bottlenecks from the north-south corridor along South Road. By the end of this year we will see completion of the South Road underpass beneath Anzac Highway, and there is the tramline overpass which will take the trams above South Road. One by one the obstacles that people face along South Road will be removed to create a much better commute for people who live in the northern suburbs and work in the southern suburbs, or vice versa. Freight will also be assisted; businesses in McLaren Vale that need to get their wine or other commodities up to Port Adelaide will no doubt be singing the praises of the government for its foresight in improving those businesses' ability to get their products to port in a much smoother and faster manner.

The Labor government has proven over the past eight years that it is the government to provide the benefits to the community of South Australia in terms of law and order. This government is tough on crime and tough on the causes of crime. I would also like to congratulate the police, who are using the resources we are providing, the extra police officers, to provide greater security for people in the southern suburbs. In rural areas such as McLaren Vale, Willunga, McLaren Flat and Blewitt Springs we have had one police officer for the past 15 years. Based in McLaren Vale, Grant Pyatt has done a fantastic job in meeting the needs of the local community but as the area has grown, in terms of increased population, the job has become very difficult for one officer, and we are now to have a police officer based in McLaren Vale—either in the station or walking up and down the main street talking to business people—between the hours of 9 and 5, Monday to Friday. As well, we will have an extra four patrols in the McLaren Vale, McLaren Flat, Willunga and Blewitt Springs area out on the road responding to calls and making sure that there is a deterrent to people in those areas who do the wrong thing or break the law, whether it be through traffic offences, graffiti or other such crimes.

Latest figures show that unemployment levels in the south are lower than in the northern, eastern or western suburbs, and I believe that is a tribute not only to government policy but also to the fantastic local businesses in the south. We do not necessarily have the huge multinational employers that the northern suburbs have but we do have a fantastic group of small to medium sized businesses that are producing cutting edge technology and services and employing a great many people who live in the southern suburbs.

Unemployment is probably one of the greatest risks at the moment in the midst of this global economic crisis and, if we can keep people in work while interest rates and petrol prices are low, I think South Australia, and in particular the southern suburbs of Adelaide, will come through this time in pretty good nick.

In terms of water security, of course, we are seeing a doubling in the output of the desalination plant at the Port Stanvac site, and the first water will come out of that plant by the end of next year. One of the other things that probably has not grabbed the headlines much is the 700 megalitre dam that is under construction at the moment just near the Aldinga Aero Club. I have been a very strong supporter of the building of this dam. It probably could have been built a few months earlier but, nevertheless, it will be open in September this year.

At the moment, 50 per cent of the recycled water that comes into the Christies Beach recycling plant goes out to the ocean and it has a detrimental effect on sea grasses and other marine life. From September this year, that water will go into this 700 megalitre dam that is being constructed and will be used (like all of the summer output from the recycling plant now) to water many of the vineyards of McLaren Vale. We are substituting mains water (Murray water) and freeing it up so it can be used elsewhere in the system or, indeed, not be drawn on at all, so that 700 megalitres of water will remain in the Murray.

One of the aims of the McLaren Vale wine region is to become the most sustainable wine region in Australia, if not the world. We have a great crop of grape growers heading towards that goal and, working together with government and the rest of the community in the McLaren Vale region, we will achieve that. People are looking towards using different and lighter bottles and thinking of new ways to make our area the most sustainable wine region in the world.

One of the ways of reducing your carbon footprint is to reduce the amount of carbon emissions when you transport your wine around the world. Indeed, McLaren Vale wine has won many top international awards during the past few years and is becoming more popular on wine lists the world over, from the US to the UK, and throughout Asia and Russia. However, to get those wines to the markets, of course, we need to put them on ships, and our wine industry is looking to use bottles that are 20 to 30 per cent lighter than the traditional heavy glass bottles. I commend the winemakers and wine companies in the McLaren Vale region that are looking at every opportunity to improve their carbon footprint and make our region more sustainable.

I congratulate the Treasurer and the government on achieving our AAA credit rating. When we look around the world and see national and other state economies here in Australia being marked down by the international credit rating agencies, we understand that it is no small task to achieve a AAA credit rating. I know it has become a bit of a holy grail to our Treasurer, and people who sit around the caucus room have heard the Treasurer speak almost ad nauseam about this AAA credit rating. It was something that this Labor government fought hard to achieve and, having achieved it, it is a wonderful effort to have maintained it during these tough economic times. Again, I congratulate the Treasurer and the Premier and the rest of the cabinet for achieving this goal.

Of course, Labor governments are well known for being the great economic managers, the great education governments and the great health governments and, again, health has been boosted in this budget. At a state level, I commend the health minister, the Hon. John Hill, and the rest of the government on driving forward to create a brand new \$1.5 billion hospital for South Australia. This is going to be a great thing for future generations in this state, and more and more people are coming around to the fact that they are going to have a hospital that provides predominantly single bed rooms so that you can be in hospital with some dignity and privacy as you are treated by some of the best doctors in the world right here in Adelaide.

Locally, we are seeing millions more spent on the Flinders Medical Centre and more money being pumped into the Noarlunga Hospital. The Noarlunga health environment does a fantastic job. I was very pleased to see a lot more money in this budget for mental health services at the Noarlunga health facility and Noarlunga Hospital.

To recap, the people of South Australia know that when it comes to jobs, education, health, law and order, and good economic management, no government does it better than a Labor government.

The Hon. I.F. EVANS (Davenport) (17:36): I rise to speak to the Appropriation Bill and the government's most recent budget. I do not intend to hold the house long, but I will make some observations in relation to the financial management of the government over an eight year period.

I note that the member for Mawson has just commented on how hard the Labor Party had to work to return the state budget's AAA credit rating. Out of respect for the member for Mawson, I did not laugh, but history will record, and the Auditor-General's reports record, that the state got back the AAA credit rating for two primary reasons: one was that the former Liberal government had the guts to lease the power assets of the state and put that money into debt reduction; and the other reason was that the federal Liberal government had the guts to introduce a GST and quarantine that money to go to the states, which improved revenue flow to the states.

That meant that this government came to power with an inherited reduced debt and, therefore, a reduced interest rate bill, which, from memory, was about \$700 million a year in 1999 to 2001 dollars. It inherited fewer outflows of interest payments and greater revenue inflows through the GST, and some months after the 2002 election the AAA credit rating was restored.

It is laughable that the Labor Party claims to have worked hard to restore the AAA credit rating, given that it opposed both those measures. If the Labor Party had had its way, of course, the power assets would still be owned by the state and serviced for capital works and others out of the normal state processes, and the GST revenues would not be flowing to the state. You have to ask yourself where the budget would be if those two measures had been won by the Labor Party and not the Liberal Party.

That is the starting point of where we are. The Labor Party wanted higher debt and to continue to pay higher interest payments and did not want the GST revenues. That was its position in 2001-02. As luck would have it, it negotiated its way into government in 2002 and, since then, has delivered eight budgets. I want to talk about the budgets.

I notice that the government has talked about this budget being 'back in the black' in two years as though we should celebrate and that this is some great achievement of financial wizardry by the Treasurer. I make these points. Over the last eight years, as I have mentioned, the government has had the benefit of reduced debt payments and increased revenue flows. The question is: what has it done with that benefit?

The Liberal Party always said—and I remember the question times—that if we could pay off the debt by the leasing of the power assets, that would allow us to invest in more services. *Hansard* would record answer after answer in question time, with various ministers saying, 'If we had \$700 million a year or \$2 million a day, we could employ X more nurses, Y more doctors and Z more police officers.' That was always our argument. Why the Labor Party opposed paying off debt and investing in services was always a mystery to me, but that is what it did.

Having formed government, the Labor Party then set about deciding what its priorities would be. This is why I find this budget, as the leader says, intriguing. The reason I say that is that, during the eight year term of this government, it has employed 16,400 extra public servants above those budgeted. So, not just 16,400 extra public servants, but it has had a budgeted figure of public servants. It has employed all of those—that is, the budgeted number—and then it has employed a further 16,400 public servants whom it never intended to employ, according to the budget. If it had stuck to its budget strategy, we would have 16,400 fewer public servants today.

Clearly, cabinet made the decision that, on the budgeted amount of public servants, they could run the state, otherwise they would have budgeted for more public servants. There has been a lack of discipline within the government over that period to the tune of 16,400 public servants. That is a powerful lot of public servants for whom we are now paying. The government will say—and the Auditor-General's Report supports this—that there has been an improvement in service delivery as a result of 4,400 extra public servants (which is part of that 16,400) into areas such as health—nurses, doctors—and crime fighting—police.

Let us give the government some benefit of the doubt and let us say it deliberately meant to employ those extra 4,400, even though it did not budget for them. Why you would employ them and not budget for them is a mystery to me. If you had meant to employ them, you would have budgeted for them. Let us say it meant to employ those 4,400, that leaves 12,000 public servants who have been employed (although not in the critical areas if you believe the government's numbers) and who were not budgeted for. I understand the total employment cost is somewhere between \$70,000 and \$75,000 per year, according to quotes by the Treasurer in recent years: 12,000 public servants at \$70,000 to \$75,000 per year is a total annual payment of around \$900 million per year. Therefore, we have a yearly payment of \$900 million for 12,000 public servants who were never budgeted for.

You can understand why some on this side of the chamber question the government's capacity to deliver the changes it needs to make the savings post the 2010 election that the government is suggesting it can do. The government is suggesting that, post the 2010 election (if it is re-elected), it can make savings of \$750 million through a commission. Today, the Treasurer indicated that just over 50 per cent of that will be savings through control of public sector wages. You would have to have a great leap of faith to believe the government could actually deliver on that.

I say that for this reason. If we look at what the government has said in relation to the Public Service it is an interesting read. In the 2006 election, when Rob Kerin was the leader, he went out and quite honestly said to the public that he thought we could trim 4,000 public service positions and invest that money in better services. As the result of the election shows, the electorate chose to not go down that path.

However, since the 2006 election, what has the government announced in relation to the Public Service? In the 2006-07 budget the government announced a reduction of 1,571 public servants. Just after that, it announced a freeze; that is, there would be cap on public servants, and there was the big Smith review.

In the 2008-09 budget there were cuts of up to 1,000 public servants, and in the Mid-Year Budget Review there were 1,600 public servants. Over that four year period, if you add up the

1,571, the 1,000, and the 1,600, you get a reduction proposed by this government of around 4,200, which is remarkably similar to the number that Rob Kerin suggested could be taken out of the Public Service over the same period of time. That was opposed by the government. It said it would not happen and that there would be no job cuts. The history of this government is that it says one thing in relation to the Public Service and it does another.

I mentioned in amongst those figures the freeze on Public Service numbers. It seems to me that it is obvious that the government promised a freeze, but the reality is that it could not manage it. The number of public servants continued to increase, as I said, over the eight year period, and certainly over the last four year period, to a point where there were 16,400 more public servants than were budgeted for.

I am not against governments budgeting for improved services, employing the Public Service to deliver those services and sticking to the budget. However, to me it is a nonsense for the government to say, 'Aren't we a good government? Trust us; we could be back in the black within two years. We're going to cut \$750 million out of service delivery and the budget, and we'll tell you about that after the election.'

When you look at the history of the previous eight years, it cannot control the growth in the Public Service, because ministers will not control their departments. So, we end up having an expenditure built into the system of around \$900 million a year above what was budgeted for in relation to Public Service expenses—\$900 million a year!

If you take that \$900 million a year and compare it with the \$750 million over three years that the government wished to cut out of the system, it is pretty obvious to those who have done the most basic accounting courses that, if the government had simply stuck to its budget in relation to Public Service numbers, in actual fact, we would not be going into deficit at all. There would be no great headlines saying, 'We'll be back in the black in two years.' The headline would have been, 'We were good managers and never had to go into deficit.'

This has not been well reported, in my view. The fact that the government has simply taken its eye off the ball in relation to the management of the Public Service has cost the state taxpayer \$900 million a year over and above what was budgeted. Because it could not control its Public Service expenditure, it then has to bring in this you beaut budget commission after the election and, some time down the track it will say, 'Trust us, trust us, voter; we're going to make cuts about which you are not going to know at the election.'

You can imagine what would have happened to Rob Kerin at the last election had he delivered all the programs that he promised without explaining that he was going to reduce the Public Service to do so. There would have been huge criticism of him but, for some reason, there is a view amongst commentators that we simply take the government on trust: 'Oh, well; they're going to cut out \$750 million some time in the future. Gee, that's good. We'll just believe that.'

Let us look at its track record. This government has a terrible track record in managing the growth of the Public Service. As the Treasurer indicated to the house today, growth in the Public Service and growth in services provided tends to mean growth in the numbers employed. It was not the opposition that set those budgets. The government set the budgets that put limits on the Public Service. It estimated what it needed as far as an employment force was concerned to deliver the services for the budget.

Over these eight years, as I say, 12,000 extra (over and above the police, doctors and nurses) have been employed that were not budgeted for. I say that this government, over eight years, has been a terrible budget manager. You can imagine any business going to a board and saying, 'Well, look, we are going to have to go into deficit this year, but don't worry. I will deliver you a \$750 million saving in three years' time.' 'Well, how are you going to do that?' 'Well, we will get some external people to come in and do it.' 'Why didn't you do it the last eight years?' 'Well, we were too busy employing 12,000 extra people that we didn't budget for.' The board would not accept it and neither should South Australians.

It is a nonsense that the ministers have not been able to control their departments and the Public Service's growth to meet the budget. I emphasise that I am not opposed to employing extra public servants to invest in services as long as the ministers hold the government departments to their budget—and they have not done that. I do not have any confidence at all that this government, if re-elected, will be able to deliver the \$750 million worth of savings that they suggest. Maybe there will be some more information during estimates that might float that out or expand that for us.

The other issue that I want to touch on very quickly is this budget commission. I wish to make some comments about Mr Cappelletti's involvement in the budget commission. I have regard for Mr Cappelletti and some of the work he has done. I have not been a great critic of his in his role as the Commissioner for Social Inclusion. I think some of the work that Mr Cappelletti has done has been fine work, but I do think he has a conflict on this particular commission.

I say that for this reason: it is one thing to bring in an external person, such as Mr Carmody, who has no axe to grind as far as policy priority goes, no wish list, if you like, of budget priority, and have that external person look at the budget. Mr Cappelletti, however, has been on a cabinet subcommittee and would have been actively involved in lobbying the government whether that be about more programs for juvenile justice, more programs for crime prevention or more programs for the homeless. Clearly, he comes to the table with an agenda. That is not a direct criticism of him personally; it is a criticism of his appointment because he clearly has a conflict of interest.

That is why there is no minister and no chief executive sitting on the budget commission because they all have priorities that they wish to see implemented. There is no better example than commissioner Cappelletti out there in the last few days criticising the government for the Magill Training Centre decision: that is, not to build a new one but to give the current one a lick of paint and tell them that they are all being kept humanely.

Commissioner Cappelletti has been out there saying that that is the wrong decision and that he is going to lobby to change that policy. So, how can he possibly go to the commission with an open mind? He is clearly going to have an agenda and a bias. If the government wishes to have a commission, then do not put someone on there who has a policy agenda.

That is why there is no minister and no chief executive, and that is why Mr Cappelletti, despite the good work that I think he has done in some areas, should not be there. He should be able to make a presentation to it, like any other chief executive, but it is Caesar judging Caesar. He will come there with his own agenda and other members of the commission will feel pressured into supporting or not supporting his particular view.

I think that Mr Cappelletti actually has a conflict. It is not of his making; it is of the government's making in putting him on that commission. I say again that this is not a personal criticism of Mr Cappelletti; it is a criticism of the appointment of someone who is clearly going to have a conflict.

The minister is here in the chamber today. Why should Monsignor Cappelletti have any more say on the recommendations of government than the minister? The minister would have a wish list, but he does not get to make that the commission's decision. In my view, Monsignor Cappelletti clearly has a conflict, and the government should simply say to Monsignor Cappelletti that it has made a mistake and not appoint him to the commission. If the government needs independent people there, the government should appoint someone who is truly independent. With due respect to Monsignor Cappelletti, he cannot be independent and be the Commissioner for Social Inclusion at the same time: there is a clear conflict.

[Sitting extended beyond 18:00 on motion of Hon. J.W. Weatherill]

The Hon. G.M. GUNN (Stuart) (17:56): I rise to take part in this debate. This will be the last occasion on which I will speak in a budget debate in this place, and I have seen many in my time.

An honourable member interjecting:

The Hon. G.M. GUNN: I'm not quite sure, because we had a couple of extra ones thrown in. On this occasion, I want to outline one or two matters which I think are important to my electorate of Stuart and from which those good people who have continued to support me might benefit. The role of state governments is to provide services. One of the things that has happened over time is that governments have tried to do too much for too many and, in some cases, we have neglected what are the core issues of state governments. In my constituency, there is no doubt that it is desirable to provide health care as close as possible to the people who want it, and that is by maintaining hospital services in those small rural communities. This applies also to the provision of education facilities, whereby people can get the best education possible as close to home as possible; and, of course, have access to transport.

In my constituency, which is about 40 per cent of South Australia, we have many small hospitals and many small schools, all of which play a very important role, and those services must be maintained. My role in the future, when I leave this august place, will be looking at this issue from a distance. However, in the time I have left here, I intend to carefully examine what the government has put before us, and I will continue to be an advocate for the people of my electorate. I am sure that the person who has been endorsed by the Liberal Party to follow me will also be a good, effective and strong advocate for the people of that area.

Looking at the Budget Overview, I see that there are a number of interesting investments. It talks about the O-Bahn, which was originally a Liberal Party initiative. It talks about the Seaford line and the Gawler line (and the people of Kapunda will obviously be using that). I know that the member for Schubert wants to see the train services extended to the Barossa, but I do not think he will be successful. The thing that concerns me greatly is that there has not been any real indication of how much money the government will continue to put into the rural road program. One of the success stories of the Howard government was Roads to Recovery. There are bitumen roads being constructed around rural Australia, which a lot of us never thought would ever happen. Roads to Recovery was an outstanding program, and it is a great pity that the state government has not matched the funds.

On the weekend, I went to Marree for the races to support those communities. There are thousands of people travelling in the north. The tourism industry is providing a huge fillip to the northern economy. People are going to see Lake Eyre, and I sincerely hope they continue to do so. What we have to do is make sure that they have the facilities available to ensure that they can enjoy themselves. In that part of the state, there is a need to have the facilities that will attract people to visit those areas. I think it is a great pity that Diana Laidlaw signed off on sealing the road to Marree, and it is still not completed. There are sections that have been done and that is really good. The road to Blinman will be finished by the end of July, and that is good—Roads to Recovery money doing great things for the tourism industry. We want to see the state government continuing to invest in those projects.

If you go to Marree the airstrip is sealed, thanks to the former Liberal government, but the airstrip at William Creek is not. It is unbelievable, with the number of aeroplanes flying in and out of there and the people who want to fly over Lake Eyre, that it is not sealed. The same applies at Innamincka, and the government ought to have found the money to seal those two airstrips and put in power lighting. There would be nothing worse than flying in a group of people, getting a thunderstorm and not being able to get them out for a couple of days. The damage that would do to our credibility would be horrendous.

When we look at the budget we are spending millions of dollars to put the tramline through to the Entertainment Centre. No-one has said to me that they want the trams back in Adelaide. When I went to school in Adelaide—a day or two ago—they were ripping them up. When I was at secondary technical school in Adelaide we had trams, but now they are putting them back at tremendous cost. Are there more important things in which we can invest? In my judgment there are.

My constituents want to see their hospitals and schools maintained and services improved. They want to see roads updated. The Barrier Highway between Hallett and up to Oodlawirra needs a lot of money spent on it as it is deplorable. The roads from Clare and between Spalding and Jamestown, just to mention two in my electorate, do not have any money allocated to them in this budget. I am pleased to see \$6 million for the Flying Doctor Service to buy another aeroplane—that is excellent. That is ongoing and that is why we need to seal more airstrips: so that it is far better for the Flying Doctor.

In an earlier part of my life I spent a lot of time flying around the north of South Australia and it was a little bit of experience. I will never again get into a Cessna 210, end up at Yulara that night, and do five or six landings and take-offs—that is all behind me. It was an enjoyable experience. I have some affinity with people who fly and there is a need for it in the vast Outback of South Australia. It is the ideal place to fly, but we need a few services there. I hope the government in its mid-year review will look closely, as the role of government has to be to encourage people to invest, to do things. It should not get in their way but encourage them to go forward and create opportunities.

If we look at some of the opportunities people in the north of the state are taking to improve the tourism industry, we ought to be encouraging these people, and by providing those services we are encouraging them and creating jobs. There are eight people working in the shop at Marree

because of people going through, which is really good. The number of four-wheel drives and caravans going north is amazing. I know the Labor Party does not like four-wheel drives for some unknown reason. The trendy lefties want to put extra taxes on them—God knows why. I like four-wheel drives. People are always visiting those communities, and the amount of money they spend in those communities is tremendous and helps the tourism industry there. Services are getting taken.

Only today I received a letter—and I am sure the member for Giles got a copy of the letter—from the Flinders Ranges Council—which is complaining that the bus service has been curtailed. The letter of 10 June, signed by Mayor Max McHugh and the chief executive, states:

The Friday bus service, operated by Yorke Peninsula coaches, commences from Peterborough and travels via Orreroo, Wilmington and Quorn to Port Augusta. Because Quorn is at the end of the run, there are usually around five seats available, which are pre-booked most weeks by clients who have no other method of travel. From Quorn's perspective the service is used every week by one mental and physically handicapped person going to Orana Industries and two regular users from Deakin Court Aged Care Cottages. This bus service is also used by people attending regular medical appointments at Port Augusta Hospital. We should not have to explain to you how important this bus service is to these particular people. The withdrawal of this regular service will no doubt have a devastating effect on their lives.

To withdraw the service for 14 weeks a year (nearly 30 per cent reduction) without any prior warning or consultation is not justifiable.

This letter was sent to the Premier. I agree with their concerns. There is a real need, a real issue, about public transport in the northern parts of the state, because if people do not have a motor car or a family to take them then there are real challenges.

I mentioned earlier about the need for health services. One of the challenging issues is aged care. I think we all agree that aged people, when they have to go into care, want to be in their own community. I received a letter from the Mid North Health Advisory Council. It is dated 19 May and it is a copy of a letter sent to the minister, John Hill. It states:

The Mid North Health Advisory Council was disappointed recently when an application that had been developed by local Country Health SA staff (in consultation with the...executive director aged care), to send to the commonwealth for additional residential...care places at Nalya Lodge—

that is at Peterborough, and it is a great organisation—

was not supported by the chief executive of Country Health SA, and therefore not submitted.

Nalya Lodge is the aged care facility that is next to the Peterborough Hospital, and is operated by CHSA. While it performs a valuable service to the district, it is not able to keep up to demand, and predictions are for this demand to grow. The application sought six additional places, which would not only allow for increased demand, but allow for the enlarged facility to be more viable, and to meet higher standards.

For many years, the previous Peterborough and more recently Mid North Boards were frustrated by the dilemma of running an aged care facility as part of a state entity. It seemed that the federal government did not wish to fund any project as it was a state asset; and the state government did not wish to fund any project as it thought that aged care was the responsibility of the federal government. The HAC was, for a few months, led to believe that there was hope under the new 'whole of country'...approach, and improved federal/state dialogue.

However it seems that little has changed.

The chief executive could not support the application because, despite Nalya Lodge having considerable accrued capital...(over \$1 million) would be needed for the building expansion required for the extra places.

If this is not a bureaucratic nonsense, I have not heard one. Just imagine, if the commonwealth was to take over running our hospitals, what sort of bureaucratic nonsense there would be. It is bad enough with insensitive bureaucrats in Adelaide calling the shots. What would happen? It would be an absolute disaster and it would be a sad day for country health.

I bring this to the attention of the house because I think this particular project, which has been forwarded in good faith, is terribly important and there is a need for it. The community of Peterborough has enthusiastically supported this particular project for years and will continue to do so. For goodness sake, Sir Humphrey, put the application in! I say to Mr Belcher: for God's sake, think about the community first and your boffins up in the Health Commission second.

The other matter I wish to raise relating to correspondence that I have received in relation to matters of concern is that we need to encourage exports. We all know that. We want to see the mining industry and we want to see development go forward. For years in this state we have had a very active live sheep trade, which has greatly assisted the grazing industry.

I received a submission from Johnson's at Kapunda, and I will briefly quote from it. I have drawn this matter to the attention of the minister and I am hoping that Flinders Ports will become a bit more reasonable in its approach to having access. The letter states:

Further to our meeting at your Kapunda office on Wednesday 18th...I would like to further detail our company's concern over the future of live sheep trade in South Australia.

Our company...has been supplying...feed for both pre-feeding and loading on vessels for over 40 years. The live trade represents 30 per cent of our total business and contributes...\$8 million of local revenue annually.

Recently we have been disappointed with the support of Flinders Ports and their willingness to accommodate vessels calling at Port Adelaide. In 2008 Flinders Ports announced that Outer Harbor berth #1 would no longer be available for live trade. The alternative berth of Inner Harbour #29 was allocated and has been used ever since.

The use of the Inner Harbour berth has restricted the vessels that can be received in Adelaide and therefore restricted the trade for South Australia. Live exporters are requesting load berths in Adelaide, however as the larger vessels cannot navigate the Port River they are turned away as the Outer Harbor berths are deemed unsuitable for live sheep trade.

Live exporters will continue to call eastern Australia for stock however if they are unable to call Adelaide then they will go to Portland, Victoria to load. This obviously results in significant revenue loss for many South Australian businesses in both rural and metropolitan regions.

Our request is that Flinders Ports and the Government of SA find a suitable deep water alternative to accommodate the larger vessels in the short term and in the long term take immediate action to establish a permanent live berth at Port Adelaide.

That is a very reasonable request from Johnson's, and I sincerely hope that Flinders Ports will take a more reasonable approach to these matters. That leads me to mention—and as a shareholder of ABB I declare my interests—that I am concerned about the future of the grain industry and the ports if that Canadian company, which is proposing to take down ABB, gets its way. I have grave concerns about the long-term effect that will have. Why should we allow a Canadian firm to take over and have control of our assets which were put there by the rural community?

There was a group of people, and I do not know what their reasoning was, but if they looked at the history they would know that it took government intervention many years ago to stabilise the grain industry, which it did, and now today you have a situation where it wants to turn the clock back decades. I say that if it is successful and if it gets its way I fear for the future of lots of people involved in the grain industry, because they will be dealing with people who do not have an affinity with and an understanding of local involvement. That is a bad thing and governments in the future will probably have to intervene, and that is something I do not like.

In winding up my comments in relation to this budget, I say that the role of government should be to create opportunities; the role of government should be not to have taxes which are unfair or unreasonable, and we have that currently with land tax. I have mentioned on previous occasions the detrimental effect on some of my constituents of the excessive taxes they have to pay. We want to encourage people to invest and to create opportunities. The future of this state is in creating opportunities and encouraging people with enterprise and enthusiasm and not getting in their way. We need to cut out some of the red tape.

The biggest complaint that I get is about bureaucrats getting in the way of ordinary people on a daily basis. What those people should be doing is encouraging and supporting them and saying, 'We want you to invest. We want you to employ people. We want you to create opportunity.' They should not be putting up fees and—

Mr Goldsworthy: That's right, Gunny; that's right.

The Hon. G.M. GUNN: That is what is happening. One successful person creates success around them. If you do not believe me, I say to the member for Giles, just see what Bepi Coro did at Coober Pedy if you want to see a success story. He was someone who went there with virtually nothing, and look what he did for that community and what he did for South Australia. There are other people. That is what we should be doing, not thinking of reasons to let crazy environmentalists get in the way of common sense. We have a situation where they still want to endanger the lives of people with crazy laws to stop them protecting themselves against the ravages of bushfires.

We have money in this budget. We set up committees and they put bureaucrats on them instead of putting practical people with knowledge and experience in these things. The trouble is

that the ministers do not know; they take notice of these people and then wonder why the community gets angry.

We have established these natural resources management committees, and they certainly have not turned out to be what people thought they would be. I think we need to have another look at them. There are lots of reports. I know they do not like the parliamentary committee and they are probably not very keen on me. That's all right. I can wear that. I am not going to lose any sleep over it. We put them through their paces; that is what we are there for: to ask them proper questions. Parliamentary committees are not there to be nice: they are there to make people test their evidence and, when they are not doing the right thing, expose them.

In conclusion, it has been an enjoyable experience to be here and take part in the budgets over the last 40 years. I wish the next lot of people here next year the best of luck when considering the budget. I hope they legislate and design a budget to enhance the community and improve the welfare of the citizens of the state.

Mrs PENFOLD (Flinders) (18:15): The Treasurer in his speech stated that 'over the past 12 months, the global economy has faced unprecedented challenges', which is an undeniable fact that he went on at length to discuss without once acknowledging that the state and federal Labor governments did nothing to prepare for it. The Liberal federal government left money in the bank that was the envy of the world. In its first budget, the new Labor federal government originally estimated an underlying surplus of \$12.8 billion in 2008-09, rising to \$15.3 billion in 2009-10, built on the Liberal government's legacy. The ANZ's report on the May 2008 federal budget noted:

Notwithstanding Treasurer Swan's concerted effort to manage expectations, he, like his immediate predecessor, finds himself in a rather happy position of managing a budget awash with cash.

The federal Labor government has squandered this advantage, leaving a significant budgeted deficit for 2009-10 and no sign of significant new nation-building infrastructure to underpin the future business growth we need. There is no funding for an upgrade of the Thevenard Port or a new port near Port Neill for the mining industries; no Wirrulla to Glendambo Road to open up the north-west for mining and tourism; no assistance for desalination plants outside of Adelaide; and no connection for over 1,000 megawatts of wind energy from Eyre Peninsula into Australia's power grid.

The state Labor government, over seven years, has put no money away for a rainy day, despite unprecedented income from GST distributions; massive hikes in state government fees; taxes including property taxes—an increase of over \$11.4 billion (104 per cent), since 2002; \$2 billion plus from SA Water since 2002; and the recent direct federal funding boost of \$3 billion for schools and hospitals, etc., in the last federal budget. This is taxpayers' money that will have to be repaid by taxpayers. Money has gone into thousands more public servants; populist gimmicks like tiny wind turbines on government buildings; Thinkers in Residence; icons and other non-productive liabilities; consultations; reports; numerous international gestures; plus publications and ongoing very expensive advertisements to sell their spin.

The Auditor-General revealed that the Treasurer had a contingency fund—more commonly called a slush fund—of a whopping \$467 million for 2009-10. This unallocated money pays for things like blow-outs in capital works projects, unfunded public servants and increased ministerial staff. There has been an enormous unbudgeted increase in public sector numbers, which have increased to 16,393 under Labor, with 12,000 of these extra public servants not being in health, education and policing where they are desperately needed, but in general administration. The so-called public servant 'fat cats' that this government vowed to reduce when it came into office in 2002—when only 782 were earning over \$100,000—have, in fact, bred to disproportionate numbers: a massive 421 per cent increase to 4,073 by June 2008.

Apparently, none of the extra jobs are in regional areas where the public servants at the coal face are short staffed and underfunded. They do not even have the funding for the fuel needed to travel huge distances—let alone an allowance given for the extra time needed for travel—to deliver the services. Regional offices are either being closed altogether or are being closed to the public to reduce the need for front office staffing. Inevitably, the public services that they used to provide to the public have gone with them.

The ill-conceived shared services policy is removing much needed (often part-time) jobs filled by women with children in regional towns to the city—women who, in my experience, often work many more volunteer hours on top of the paid ones to ensure that the job is done. The income they received helped with their social needs as well as their family budgets. Without their

jobs, stress builds and families move, sometimes taking much needed professionals back to the cities.

The cost in pain and anxiety experienced by workers and their families in rural areas losing their jobs cannot be measured. The resultant ineffective services to communities is now beginning to come into effect, with businesses and staff not being paid, jobs not being undertaken and convenient methodologies now being inconvenient. Community groups, such as Meals on Wheels, cannot pay their bills because outstanding government accounts have not been paid in a timely manner. A hospital risks having its power cut off because its bill has not been paid, and the list goes on.

The shared services debacle supposedly was implemented to save \$250 million. In May 2008, cabinet approved the lease of office space at 77 Grenfell Street to accommodate an additional 1,000 employees transitioned under shared services. However, the Mid-Year Budget Review stated, 'Shared Services SA will no longer require office accommodation at Grenfell Street.'

They are leaving the jobs in the country, but what is happening to these people? Perhaps they are not shifting to the city and their work is not being done—or is being done by over-stretched volunteers? The costs are being incurred with respect to workers, both financial and in terms of trauma, but the benefits are nowhere to be seen.

The Treasurer keeps pointing to the mining sector and talking up exploration, but within the budget there is nothing that I can see to assist mining exploration to become profitable mining ventures. According to recent ABS figures, exploration has dropped significantly by \$43.3 million to \$36 million in the March quarter of 2009, compared to \$79.3 million in the same quarter of 2008. Even then, of the \$36 million spent on exploration, only \$10.3 million was on new deposits. This is not the makings of the mining boom that this state needs to help pay its debts.

Royalties from existing mines are expected to fall by \$6 million in the coming year to \$144 million, which is a very miserable amount compared to Western Australia and Queensland, which receive over \$3 billion each. The much touted BHP Olympic Dam mine will, I am told, receive more in diesel fuel rebates (estimated to be more than \$350 million over five years) from the federal government than it will pay to the state government in royalties over the same period.

The Premier announced that the state would lead Australia in the green industry. However, to reduce Outback diesel fuel usage by mining companies, pastoral companies and communities, and for the state to lead in the green industry, some support in this budget for companies that want to build over 1,000 megawatts of wind energy on the west coast of Eyre Peninsula to connect into the electricity power grid would have been a good start. This green energy could be sent via undersea DC cable directly from the Port Lincoln substation into Adelaide to provide the green energy for the new 100 giga-litre desalination plant at Port Stanvac.

Wind farm companies have the money, they have the land and one at least has the required approvals, and there are obvious immediate needs for the green energy. Does the Labor government really want to create wealth and green industry jobs or just talk about it?

This budget has dropped the \$125 million government commitment for the BHP Point Lowly desalination plant in favour of the \$1.8 billion for the Port Stanvac desalination plant for Adelaide. However, the River Murray communities and those on Eyre Peninsula, where the aquifers are overdrawn, have not been given any solution to their immediate dire problems.

The \$48.5 million pipeline built by SA Water to supply 1.4 giga-litres of water to Kimba on Eyre Peninsula, pumped all the way from Morgan on the ailing River Murray, was built to justify the desalination plant at Point Lowly, but it will never now carry the promised additional 2.3 giga-litres of desalinated water to the region. The cost of interest alone, at 5.5 per cent, would be just under \$2 per kilolitre. Adding the pumping costs, maintenance and depreciation, plus interest on the compounded losses over the 70 year life of the pipeline, will result in hundreds of millions of dollars of our money being squandered. All this wasted money could have been much better spent buying back water for the River Murray and compensating farmers and businesses that are suffering so badly.

Water charges are to go up by 36 per cent in 2009-10, with the Treasurer saying that, historically, we have paid too little for water. In fact, the water from the River Murray and from underground aquifers was free to SA Water, and I would argue that, historically, we have paid too much. Water is a necessity of life, as important as food, which is supplied by private enterprise.

Other than in wartime, we never suffered from food conservation measures or rationing whereas in all the Labor states water was subject to rationing.

The water on the Upper Eyre Peninsula, as well as being inadequate, is foul. A petition of over 730 signatures has been received from the Ceduna district in the last few weeks imploring the government to investigate measures to improve the quality of water on Eyre Peninsula, including a desalination plant near Ceduna. One constituent wrote on their signed petition, 'We have been having constant grief, frustration and worry...over pipes being blocked.' They go on to say:

The future of grazing looks to be a challenging one. The quantity of water in the region is one thing, but the quality of water is the other. Water is the lifeblood of any region and if it is declining then the sustainability is a concern. Right now the decline is reaching crisis point.

SA Water, being a government-owned monopoly corporation is subject to political interference both in relation to policy and by having 96.5 per cent of its profits—up to \$300 million per year, or over \$2 billion since this government came to power—ripped off into general revenue instead of being available for reinvestment in its water business. With the government's compliance, it is not subject to any competition to provide new water or re-use waste water, and it facilitates none—despite private suppliers being ready, willing and able to supply water at a competitive price.

Of all the products capable of being produced by our economy, water is the cheapest, and as it can be produced using wind or solar power it would have a virtually zero ecological footprint. What else can be produced and reliably delivered to your house through existing pipelines for about \$2 per tonne? The cost and pollution issues of reverse osmosis desalination will be reduced by new nanotechnology membranes being developed in Adelaide; in the meantime, mechanical vapour compression technologies can be used.

Why should it be taxed to reduce consumption? It should be supplied at cost plus a small margin, and that margin used for investment in reliably providing water. It should be remembered that the supply of seawater for desalination is unlimited and the water is totally recycled—unlike almost any other materials we consume. As it has so many benefits, and can be produced with virtually no adverse ecological effects, its use—but not waste—should be encouraged. Water has the least justification for being rationed.

People using a lot of water to maintain the beautiful gardens that are so important to maintain quality of life in a modern community should not be penalised, nor should we be subsidising gimmicks like showerheads to reduce consumption and water tanks to supply very limited quantities of water. Tanks fill only if it rains and the water costs about \$5.40 per kilolitre, according to Water Proofing Adelaide, a government organisation. We do not seek out the service station that supplies fuel at three times the cost of other service stations so why, in the case of new houses, do we force the installation of tanks that provide water at three times the cost?

Tanks are an expensive exercise in cost-shifting from governments to the people, as they have to supply and maintain them, along with the gutters and pumps required. Tanks were removed from Housing Trust homes years ago because they were not cost effective, and also because they were a health hazard due to unmonitored problems including toxic mineral dust, dung and rotting flesh. Not only is the water from tanks less hygienic: unless tanks are maintained they breed mosquitoes that can carry Ross River fever, dengue fever and possibly, in future, malaria into modern homes that no longer have flywire on doors and windows to prevent their access.

It results in children with infected mosquito bites that have been scratched and sleepless nights from the buzzing, unless windows are closed, rooms are sprayed and air conditioning is turned on—which have their own environmental problems. We must have adequate water for business and industry to provide jobs for our communities, households and gardens—and even to prevent houses from cracking.

It is well established that vegetation and green spaces reduce crime rates and increase community mental health and fitness and general feelings of wellbeing. Adequate water must be supplied to all communities throughout the state. It is clear from the performance of SA Water, its board and the government that this will not occur with the present SA Water structure. We must enable private enterprise to compete and to supply water into taxpayer-funded SA Water pipelines, which, I understand, have been valued at \$7 billion.

In spite of agricultural income from Eyre Peninsula and the western region more than doubling—a whopping \$274 million increase, according to figures in the budget—the region is still struggling with drought and facing the threat of climate change. Yet there has been a cut of

\$1.7 million in agriculture research across the state. This is in addition to the loss of more PIRSA staff from the regions.

There is more debt but nothing new for regional areas in the 2009 state budget. I was stunned to read that the 2008-09 NRM funding of \$16 million was reannounced in the 2009-10 budget because this funding was already spent and had disappeared in the new and forward budgets. Regional budget papers show that the reannounced \$16 million was complementary state funding, provided to match the \$19 million once-off funding from the commonwealth for the Caring for our Country program. This was regional funding provided to NRM for local community groups, councils and others to access in 2008-09 only.

There is actually a decrease in real terms of approximately \$35 million, which will have a significant financial impact on regional NRM projects. This comes at a time when the government is clawing back thousands of square kilometres of land from freeholding and coastal protection planning processes. Their initiatives also include huge tracts of land to be included in five proposed nature link corridors across the state, in addition to existing land-based national and conservation parks, but who will manage all the additional conservation land and with what resources?

Marine parks, of which Eyre Peninsula has 10 of the planned 19, have regulations coming in soon to address displaced commercial fishing effort, uses and activities caused by the marine parks, but no funding for compensation for fishers or the policing of the parks can be seen anywhere in this budget or the future estimates.

In Queensland, where the same CEO Chris Thomas oversaw the Great Barrier Reef Marine Park, the compensation bill blew out from an original estimate of \$500,000 to \$2 million (suggested by the Great Barrier Reef Marine Park Authority) to more than \$200 million. I am advised that this Treasurer has intimated that there will be no money for compensation in this budget or any other budget and that there is no money for implementation, either—only an increase in fines for fishers who do not comply (as set out in the press release last Friday, 12 June). The press release is entitled, 'Demerit penalty scheme to further protect SA fisheries' but who is going to protect the fishers?

As Eyre Peninsula has 80 per cent of the state's mineral exploration and a water crisis looming, I would expect a few dollars of infrastructure funding, at least, going towards roads, ports, power and water needs in order for new mines to come to fruition. Green energy is needed to replace diesel use, where possible, and also for the new Port Stanvac desalination plant. However, not a cent can be seen being spent in the region on these nation building infrastructure needs by this city-centric Labor government.

I liken this Labor government to a farmer who only invests his time and money in the house paddock—doing up the house, painting the fence, providing a ride-on mower to trim the grass and paving the drive for his brand new car—while neglecting the business of farming—the fences, plant and equipment, the roads, crops and livestock—needed to pay the bills on the farm and create wealth and jobs for the nation.

We have a wonderful house paddock in the city of Adelaide, but this Labor government does not give a damn about country regions where most of the real export income that is made is churned in the city. Let the serfs toil to produce 40 per cent of the state's grain, 65 per cent of the state's seafood income and bring to fruition 80 per cent of mineral exploration to mines on Eyre Peninsula and in the regions.

Instead, money is spent on gimmicks such as the \$100 million for the tram to the entertainment centre, and handouts. Under its population-based funding policy it has put the money where the most people are—money that, once spent, will leave a compounding debt and interest that are a further drain on the state's economy and all our residents for many years, for no tangible gain. It is a debt that our children and grandchildren will have to bear long after this government has gone, leaving its burdensome legacy for a Liberal government to clean up.

Mr PEDERICK (Hammond) (18:35): I rise to address the 2009-10 budget. It may be no surprise to members that I first want to discuss water, or the lack of it. It is interesting to note that, after many years of posturing and worrying about whether it might rain, the Premier of this state, Mike Rann, suddenly decided to run with a proposal very similar to what the state Liberals had put up in early 2007 for a desalination plant for Adelaide. We put out a policy based on what we had seen in Perth.

Western Australia had been very forward thinking and could see that there were issues with groundwater and seeking a water supply from outside the city, so they took matters into their hands. At that time, Perth built its first desalination plant for \$300 million and then needed \$87 million to augment that with the appropriate piping infrastructure. We note that the Adelaide plant, because of the dithering on the decision, now will be a \$1.4 billion construction and blow out to \$1.8 billion with the expansion to a 100 gegalitre plant.

It is interesting that the Premier seems to be putting all his eggs in one basket as far as water security is concerned. The river is in dire straits, and I will talk more about that shortly, but it is interesting to note that the Mount Bold reservoir was the centrepiece of the budget two budgets ago. It was a bad policy so I am not unhappy to see it go. That was going to be the saviour of the city. I had a meeting with minister Maywald about the expectation that 95 per cent of the water would have to be pumped from the ailing River Murray and she said, 'No, that is not right.' I requested a briefing about why that was not right, and I am still waiting, 15 or 18 months on, if not longer. That project was to expand Mount Bold from 45 gegalitres to 245 gegalitres of storage. Last year it was announced that the project may not be at Mount Bold but may be in the Mount Lofty Ranges. I have nothing against building a dam in a catchment, as long as it has its own water supply. There is no point putting in structures when you need to pump water from an already ailing river system.

I note that the budget has virtually all federal funding with regard to River Murray issues. It is under the infamous Murray Futures program, and I note that the department of environment still has a report under way to be tabled in October. I do not know how much of the river will be left by then. I note that today they were spreading fine lime on Currency Creek to counter the effects of acidification. It is good to note that the government has finally taken note of what the locals and its own commissioned report indicated back as far as December, that is, bio-remediation is a way out of the acidification issues that were looming with lakes Albert and Alexandrina.

In regard to Lake Albert, much money has been spent on building a bund that took three times the amount of earth to construct at the Narrung Narrows between Lake Alexandrina and Lake Albert, pumping about 170 gegalitres of water into that lake from Lake Alexandrina, but it was not until March this year that was there an announcement by the Premier—obviously some bad polling came in for him—that they would actually start purchasing water to substitute for the water they were taking out of Lake Alexandrina. It was just mining and knocking that water out; and, yes, it was a reasonable idea to counter what was happening in Lake Albert but after many tens of millions of dollars has been spent not just by this state but also from the coffers of New South Wales and Victoria, Lake Albert is going to be cut adrift.

I acknowledge that Lake Bonney has been cut adrift as well but Lake Albert, near the end of the river system, will be the first major amputee that this government will preside over in the death of this end of the river. On a recent trip up through the southern Murray-Darling Basin and talking to people up around the Snowy River end and Corryong, I said one night to the group, 'If Lake Albert and Lake Alexandrina were 30 kilometres from Sydney, do you think they would be in the state they are in now?' and the instant reaction from one person was, 'No.' I think that is worth noting, and I think that politically they have just been let go by both the state and federal governments.

In fact, that is exactly what is going to happen with critical water allocation where there is no money allocated in the state budget for essentially permanent plantings. We on this side of the house advocated that there should be money set aside by the government for all irrigators to help them through; in fact, all our water is supposedly high security in South Australia. At least the government came on board finally after many months and said that it would spend \$67 million on purchasing water for critical water allocation.

It is interesting because 64 gegalitres, according to the budget papers, was purchased and that helped many irrigators who were suffering throughout the Riverland. I believe that this relates to the figure of \$24.359 million that was used to purchase that water. However, on country radio yesterday, a caller from the Riverland asked, 'Where is the rest of the money? Where is the rest of the \$67 million?'

The rest of the \$67 million is attributed to the money needed to purchase critical human needs water as well, and I refer also to the need for other environmental water, including the 50 gegalitres that Peter Garrett said the government needed to purchase in connection with his approving the Goolwa and Clayton, Currency Creek and Finniss River bunding arrangements.

This gets me back to the 170 gigalitres per annum that was being pumped through to Lake Albert, involving the Wellington weir issue; and, for a structure that the government keeps telling us it does not want to build, it is going a fair way towards building it. Again, I think the government has read the polling and started to see the mood of the electorate and has realised that, environmentally, it would be a disaster for the bottom end of the Lower Lakes and the river system for which I believe they will pay a very high price.

The roads are being built at a cost of about \$14 million but, looking at the extra material that will be required for those roads, I just hope that the people involved in tendering have some flexibility to obtain more funding from the government. When you talk to the locals down on either side of the river, you suspect that no-one in the government wants to take local advice that some more fill might be needed here or some matting needed there to build these entrance roads. There are about 20 kilometres of access roads as well as a 1.6 kilometre causeway to the 2.6 kilometre weir site.

They seem to be doing everything to build it, but making out they are not. As I said earlier, this gets back to the 170 gigalitres. If the government can find that water for Lake Alexandrina and complement that with the 50 gigalitres that the federal minister Peter Garrett wanted from them, that gives them the magical 220 gigalitres. That will buy them another winter. When I say 'another winter', I mean the winter of 2010. I believe there is a bit of nervousness on the other side of the house about building that structure which signals the death knell for the river. It just goes to show that this state has not stood up for itself on the national stage or even on the local stage.

In relation to water, earlier this year, the minister had a go at me on the radio. She said that there was no water to purchase. It was interesting to learn the other night that 218 gigalitres have been purchased by the government for various needs and about 100 gigalitres have been purchased by private irrigators. I think that is just an example of some of the inaccurate comments made by the minister, and then to purchase quite a significant amount of water I think demonstrates that many issues concerning the Murray-Darling Basin are just out of control and it should be taken over by the federal government.

I note that the Upper Spencer Gulf desalination plant has disappeared in the budget. There will be no water available for communities on the West Coast, so they will have to rely more and more on River Murray water being pumped hundreds of kilometres. It is a fact that \$2.2 billion has been taken out of SA Water and put into general revenue since Labor came to power, yet SA Water's infrastructure is falling apart and it has to go into massive debt to build the desalination plant.

I note that the Langhorne Creek and Currency Creek pipeline project is underway and that most of that is federal funding. It is interesting that, when the parcel of projects was put together in the Murray Futures Plan, Meningie and Narrung managed to get some money for potable pipelines—they were cut off as an irrigation district. However, it looks as though some savings are being made in relation to the big pipeline project—\$14.5 million. I believe that should be put straight towards potable pipelines for Point Sturt and the back of Hindmarsh Island.

We need to remember that the Liberals have a broad plan for water security. We support desalination, wastewater re-use and sewer mining. We have set aside \$400 million for our stormwater re-use plan, which will capture 89 gigalitres of the 160 gigalitres of Adelaide's stormwater run-off per annum. Instead of putting all your money into one basket, that is, into desalination—we support a 50 gigalitre plant—we believe water security could be handled in a far more diverse way and that there was no need to expand the plant to 100 gigalitres.

The budget confirms the government's lack of interest in rural and regional South Australia. The Rann government's eighth budget confirms that it is totally uninterested in rural and regional South Australia. Regional South Australia was only fleetingly mentioned in the Treasurer's 48 minute speech and, having investigated the budget papers, people know why. The budget papers reveal a real problem in regional development, with total investment down, grants and subsidies stripped, but administration and fees paid to consultants skyrocketing.

While the Rann government has slashed grants and subsidies by \$1.7 million—money that makes a difference in regional South Australia—nearly half a million dollars more will be spent on staff costs and consultants in 2009-10. The Rann government will spend 242 per cent more on consultants this year than in 2007-08—more staff to deliver fewer projects. This shows a disappointing and worrying trend—money is being stripped from programs aimed to help regions and redirected to staff costs and consultants.

The Rann government did not even spend all of the Regional Development Infrastructure Fund, with only \$2.5 million being allocated to projects in the regions. The RDIF was established in 1999 by the former Liberal government, and was originally funded at \$4.5 million. A decade later (seven years of that under the Rann Labor government) the RDIF has been raided by \$2 million. In January 2009, Liberal leader Martin Hamilton-Smith pledged an increase in the RDIF to \$7 million per annum—an increase of nearly \$5 million on its current level. This comment was made at the time:

The Rann government's eighth budget confirms it is more interested in extending the tramline and building a monumental hospital on the North Terrace rail yards while forgetting about those beyond the metropolitan area.

These feelings have been expressed by people who have been affected by the ill-conceived country health care plans—they have had to roll out at least two—and then there have been problems with regional road funding.

However, I will acknowledge that some money has been set aside for regional road funding. The Dukes Highway is having a bit of money spent on it, and, as somebody who lives pretty well on the Dukes Highway, I think it is good to see. It is good to see some common sense with some overtaking lanes being extended in places where they should be on straights instead of on corners. I believe that some of this concern was about trimming a bit of native vegetation. I think sensibilities are starting to take place, where people's lives may be worth more than one or two trees. I am not into whole scale clearing, but there needs to be some common sense for people travelling long distances in the country.

In the bigger picture, the Liberals are committed to having dual lanes on the Dukes Highway all the way to the border of Victoria. That would be something great to see in the future. However, there is an issue with a \$200 million deficit in funding, which is still in the budget for state road funding, and that needs to be addressed. I note that there are billions of dollars being spent in city projects, but the country regions seem to miss out again.

With just a few minutes to go I would like to make a few comments about agriculture and the research and development cuts of \$1.715 million per year for the next four years and also the administration and operational efficiency cuts of \$450,000 per annum over the next four years. This comes at a time when agriculture does not need these cuts. They have had some very tough years out there on the land. I know; I live out there, and I talk to people right across the state. Recently, I was on Eyre Peninsula, and I am in constant touch with people around the state.

As far as cropping is concerned, people have not had any decent income since 2001. Their borrowings increase. People's overdrafts have increased fourfold from what they were, and they are under the pump to pay back that money, but here we have a government that is taking money out of a budget that supports programs to develop ways that farmers can farm better in a sustainable way around the state, developing programs such as no-till farming, developing better varieties. Unfortunately, many jobs are being pulled out of the sector and pulled out of the regions. Apart from the jobs and the worth of the work, that money is vital in helping the sustainability of the regions.

I will note that the exceptional circumstances support is ongoing and that the federal government is supporting \$93.6 million of that program, and there is \$10.4 million in state funding. It is good to see that our farmers have not been left completely high and dry. It is extremely tough out there. I hope we have a successful year this year, not just the River Murray and the irrigators on that river. I feel for the people who do not know where they are going, with a 2 per cent water allocation coming up. They can use 60 per cent of their carryover water but, after that, they are in no-man's-land. They are in real strife in the Riverland, and they are probably wondering how they are going to get through. It just seems to be that the government has even cut off the electorate of Chaffey in this budget by not allocating money for critical water allocation.

Debate adjourned on motion of Hon. M.F. O'Brien.

At 18:56 the house adjourned until Wednesday 17 June 2009 at 11:00.