

HOUSE OF ASSEMBLY

Tuesday 28 September 2010

The **SPEAKER (Hon. L.R. Breuer)** took the chair at 11:00 and read prayers.

The SPEAKER: Honourable members, I respectfully acknowledge the traditional owners of this land upon which this parliament is assembled and the custodians of the sacred lands of our state.

APPROPRIATION BILL

Adjourned debate on second reading.

(Continued from 16 September 2010.)

Mrs REDMOND (Heysen—Leader of the Opposition) (11:02): It is my pleasure to rise and indicate to the house that I will be the lead speaker on this bill. It is a sad day for us, indeed, that we have this bill before us. This is not a budget about weathering the storm of a global financial crisis but about mismanagement, lies and deceit from a government that wants to do nothing more than stay in power. Sadly, after we went to an election in March, some people thought we could still trust this government. The election was fought mostly on trust, but sadly some people felt that they could still trust the government and they voted for this government in March, only to find out with this budget just how deceitful and how treacherous it could be. It has treated the people of this state in an absolutely shameful way, both in the budget and in the way it dealt with them before the election, misleading them as to what it was going to do and what it has truly done.

I want to go back and look at the budget process and go through this in some sort of orderly manner, although it is hard when members opposite have so shamelessly behaved in the way that they have. This budget, of course, was delayed until September, conveniently after both the state election in March and the federal election in August. Every year that this government has been in power, except in 2006 when we had an election, it has brought down its budget reasonably on time, but this year we had to wait until September, for no good reason. If we look at Tasmania, they went to an election on the same day we did. They indeed had somewhat more trouble forming a government in that state than we had here, yet they brought down their budget on 17 June.

In the UK, after 13 years of a Labour government, David Cameron brought down his budget within 50 days of that government taking power, and that was a budget of \$1.2 trillion. They were able to bring down their budget within 50 days. This government had no excuse, and no explanation was ever given as to why it was not going to bring down its budget on time. Instead, in order to avoid the situation and to avoid the real truth of what the situation was in this state, what it did was set up the Sustainable Budget Commission. It did not even put a funding for that Sustainable Budget Commission into its budget last year when it formed the Sustainable Budget Commission on 4 June. There was no funding for it; so, in fact, its original spending was completely without any budget line.

Ultimately, at the halfway point, when it brought down the mid-year review, it put in \$2.5 million; and, in due course, I will be interested to see how much it actually cost. It set up a Sustainable Budget Commission, and it asked that commission to find \$750 million in savings, beginning with this year's budget. The government planned all along to disclose those cuts only after the election. The election was on 20 March. It knew that it was going to make massive cuts, and it planned to disclose them only after the election.

In my view, this was just a government trying to avoid the scrutiny that it deserved going into the election because it was so desperate to hang onto power in this state. The commission it set up consisted of Geoff Carmody, the founder of Access Economics (and, in the past, he has been engaged by both federal Liberal and Labor oppositions) and Bruce Carter. Now, Bruce is on a number of government boards, and he and his company have received over \$1 million in consulting fees paid by the Rann government.

The commission also consists of David Cappo (this government's favourite person; he would know a lot about balancing billions of dollars in a budget), the social inclusion commissioner; Jennifer Westacott from KPMG, previously a career public servant in Victoria and New South Wales; Chris Eccles, the CEO of the Department of the Premier and Cabinet (cabinet got an increase, strangely) who has previously worked in other state public services; and Jim

Wright, the Under Treasurer, who has, of course, since the establishment of the Sustainable Budget Commission, announced his retirement.

So, what did they do? From what I have read, I could have done what they did. They took a completely economic rationalist basis and said, 'If you close this, you'll save that much money. If you stop providing that service, you'll save that much money. If you withdraw this, you'll save that much money,' with no thought at all about what the consequences might be of doing each of those things.

If you close a hospital, there are still patients who need to be dealt with; if you close a school, there are still students who need to be taught; and if you withdraw services that does not make the need for the service go away; all it does is move the problem. But, surely, the fundamental thing that the Department of Treasury and Finance is here to do is to provide advice to the government on how to manage the economy and, if they are to be made, where savings should be made.

But not this government. This government appointed this Sustainable Budget Commission, who took all those extra months to come to some conclusions which were never going to be viable. Then we had the interesting situation in the week before the budget was released of the inexplicable release of the Sustainable Budget Commission's early report. We will never know the truth of whether that was put out by the Labor Party or whether it was a complete stuff-up.

Whichever way it was, the Labor Party—and I have to give it credit—used it to its best advantage, because by saying the day before the budget, 'Oh, look at how terrible this could be,' it was then able to make this appalling budget look a little better than it might otherwise have in the eyes of the people who were then about to hear the bad news. It is a disgraceful budget.

How have we got to the position where we even need to think about making the savings that we need to make, and how have we got to the position where a government needs to appoint a Sustainable Budget Commission to keep running its economy? When I came into this place in 2002 the budget was roughly \$8 billion. It is now roughly \$16 billion. It has doubled in that time. Every year the government spends more than it has budgeted.

The person preparing even the most basic household budget knows that you cannot keep spending more than you have budgeted. The result is that, this year, we not only have a \$389 million deficit but we also have this massively increasing debt position.

So we have had windfall revenues, and then we have had a government that, nevertheless, has insisted on spending more and more money, to the point where the Auditor-General warned that it was relying on money coming in that it could not rely on. I refer to the 2008-09 Auditor-General's Report, which states:

Over the past six years, the state has received large amounts of unbudgeted revenues that enabled net operating surpluses.

So they had all this extra money flowing in, enabling them to have net operating surpluses. The Auditor-General states further:

Last year [that is, 2007-08], I commented that a possible risk attaching to the consistent record of net operating balance surpluses was that the state may have developed a culture of expecting growing revenues to continue to support increasing expenses.

He goes on to say:

Essentially, within 12 months there is more pressure on how to control expenses than has existed for many years. This is likely to test the public sector's commitment and/or ability to control expenses.

We will come shortly to what the government has done to the public sector, but suffice to say that this government, for all the years it has been in power, has had these unbudgeted streams of revenue coming in, largely because of the taxes it has imposed on the people of this state.

This state remains the highest taxing state in Australia. That has been confirmed by two independent authorities. Tax revenue has increased by 76 per cent since this government came into office. Land tax has gone up by over 300 per cent, so it has increased fourfold. The GST revenue has almost doubled in the last nine years and it now approaches \$5 billion per annum. This government, that did not want the GST, opposed the GST, has become reliant on that stream of income. I would not mind all of this so much if we actually had something to show for it. What have we got? We have a tram that goes to the Entertainment Centre. That is brilliant.

In passing, I note that that never appeared in the Strategic Plan. It is strange how the government had a strategic plan but it never mentioned trams, it never mentioned putting in a new hospital, and it never mentioned extending the O-Bahn; yet, it requires public servants to spend hours and hours on everything it puts forward to make sure that every tiny point fits within the Strategic Plan.

Instead of having something to show for it, what we have to show for it is a great big debt. It is a bit like a great big tax from my friend Tony Abbott. In this state, we have a great big debt. This year, our true debt position will increase from \$4.9 billion. We only have a \$16 billion income for the whole budget, but we will have a debt of \$4.9 billion this year. It gets worse: we are going out to \$7.5 billion within the forward estimates. It will soon represent about 8 per cent of the state economy. This government is blowing out the debt to a point where we will be back where we were after the State Bank disaster, where the people of this state will be paying \$2 million a day in interest, or near enough thereto.

I always invite people to think about what this state would look like if you could take that \$2 million every day and put it somewhere—for instance, into the Parks Community Centre. Two million dollars would be a good start for them. You could put it into the Repat hospital; you could put it into a small school in Morialta; you could put it anywhere. You could have \$2 million not just once but every single day, and not just for one year but on an ongoing basis. That is the position this government has got us into, despite the fact that it has had rivers of money flowing into this state for the whole time it has been in power. It is a disgrace.

Ms Chapman: And we have got pensioners' rent going up.

Mrs REDMOND: Yes, I will come to that. It gets worse. It is not just the \$7.5 billion in debt. That is just the government debt. When you add on our unfunded superannuation and our workers compensation liability, that adds another \$9.5 billion and \$1.4 billion. Remember we had workers compensation unfunded liability down to about \$59 million when we were last in power. Not only has this Labor government stripped workers' entitlements—and they all voted for it—but they have blown out the unfunded liability (under their excellent management model) from \$59 million to over \$1 billion; and when you add on the public sector, it is \$1.4 billion in unfunded liability. And when you add that on to the superannuation unfunded liability, we are near enough to \$20 billion of unfunded liability and debt facing this state—and that is about \$11,000 for every man, woman and child in the state.

How could you have got us to this? How could you have got us to the position where we have to spend time and money employing people on a Sustainable Budget Commission to help you hide the fact that you are going to have to have a slash and burn budget and you are not going to tell anyone about it until after the state election. And that is where we get to real the deceit and treachery of this government.

This government has done unthinkable things before, but when it comes to their statements, remember Kevin Foley? Do you remember back in 2002, coming into the election, they gave a written promise about not increasing a certain tax. They wrote a letter saying, 'We are not going to increase a tax.' I have here a copy of what Kevin Foley said to this parliament on 15 June 2002. He said, 'You do not have the moral fibre to go back on your promise; I have.' What sort of person holds themselves up, puffs out their chest and boasts about having the moral fibre to go back on their promise?

It is extraordinary that not only did he do that but that people lapsed into a sense of faithfulness to this Labor government (which should hang itself in shame at calling itself a Labor government) and allowed it to deceive them again, because, once again, in this budget, this government went into an election in March promising that there would be no forced redundancies. They provided a letter on 1 February; well after we had provided a letter, by the way. In fact, I suspect it was only because we had provided a letter that they felt they were compelled to give that letter, but they knew all along that it was never going to be true.

They knew the whole time that there were going to be these drastic cuts all the while they were negotiating, the Public Service Association thought in good faith. The teachers were going through arbitration. They all thought they were going through this process in good faith, entering into new enterprise bargain agreements which said that there would be no cut to the current situation they were under, their current entitlements would be maintained. They thought that until this budget was delivered earlier this month.

Mr Williams: The cold, hard truth.

Mrs REDMOND: Yes, as my deputy says, the cold, hard truth emerged when the Treasurer said:

Madam Speaker, following the introduction of separation packages, if the required reduction in employee numbers is not achieved in 12 months through redeployment and voluntary separation packages—

'Redeployment'—it is not even just voluntary separation packages but redeployment and voluntary separation packages—

the government will reconsider its 'no forced redundancy' policy.

An honourable member: A broken promise.

Mrs REDMOND: Yes. Yet Mike Rann had the audacity to tweet (as his favourite medium, he tweets) that he had met all his election promises. Well, that is a pretty fundamental breach of a promise. That is a pretty fundamental breach to give a letter saying, 'No forced redundancies', and then, a few months later, to say, 'Well, we're going to revisit that.' I put it to you, Madam Speaker that for this to appear in the budget speech means to me that absolutely there will be some forced redundancies, because if the government thought for one moment that they were going to be able to get away with managing this economy without forced redundancies, they would not have put that in the budget speech. They would have let it slide under and then, if they were eventually forced to do that in year 2 or 3 of this next term, they might have done it. They have put it in the budget now because they know it is going to happen.

How do they face the people who supported them into government? All those unions and all those public sector employees who relied on this government, and negotiated in good faith with it, believing that the enterprise bargaining agreements and the arbitrations they were going through guaranteed that they would keep their existing entitlements, would then find that the government breached it, in three main ways: firstly, by saying, 'Oh yes, we are going to have no forced redundancies,' and then completely reversing that position in their very first budget, so soon after the election, and next, by cutting their 17½ per cent leaving loading. Mind you, the government says, 'We'll give you two days in lieu.'

I met with the Public Service Association yesterday, which is apparently something that the Premier has not done for years, and the Public Service Association told me that they have done their calculations. This government says, 'We are going to be very reasonable. We are going to take away your 17½ per cent loading, but we are going to give you two days leave in lieu,' which sounds fine, but when the calculation is done it equates to about 3½ or four days. So, in fact, they are cutting the conditions.

Furthermore, they are going to stop long service leave accumulating at the current rate of 15 days to nine days. I am not here to argue about the rightness or wrongness of those levels of accruals. What I am here to argue about is the fact that this government was so deceitful, in fact the word 'treachery' was used yesterday—not by me—in the meeting with the PSA and Unions SA. That is how they see it, and rightly so.

All of those people on the Labor side of the house should hang their heads in shame. They sat there through the debate on the WorkCover changes, and behind the scenes they were coming begging us to do something about this dreadful proposal by the government to reduce workers' entitlements, and voted for the changes, and you watch, they will vote for these changes as well.

Members interjecting:

The SPEAKER: Order!

Mrs REDMOND: It does not matter to them that this government intends to find 3,740 public servants to get rid of. It does not matter to them, even though going into the election their government, their Premier, signed a letter saying, 'We promise there won't be any forced redundancies,' and coming out of the election it says, 'Well, we will reconsider that.' It does not matter to them and they will vote for this legislation.

Mr Williams: Outrageous! Every one of you should hang your heads in shame.

Mrs REDMOND: They should. It is appalling. They kept it hidden until after the election. In the meantime, this government still proceeds with the wondrous shared services plan. Now, isn't that a ripper! Amongst other things, the Auditor-General's Report reveals that up to June 2009, and his report of that year indicates as much, they had paid \$2.2 million in dead rent, renting accommodation for shared services facilities that are not even in existence.

Mr Williams: They do that all the time.

Mrs REDMOND: They do it on more than that, but referring just to Shared Services, I have mentioned before on previous occasions in this house the number of jobs that are being taken out of rural and regional South Australia to facilitate this Shared Services. Let me give you some figures on it. In 2006-07, that is when they decided to start on this, they estimated that the Shared Services program would make ongoing savings of \$60 million per annum from 2009-10. The program has now cost \$113 million—this is all in the name of rationalising.

If there are any public servants in the audience today I am sure they are well aware of the effect of rationalising all those human resources and IT services. I have some examples. I know people in the medical sphere, for instance, dentists and so on, who do work for the public sector, who are threatening to withdraw their services from the public sector and walk away. They can earn their money in private enterprise and they can earn a lot more, but when they do not get paid that is when it really hurts.

Last night I was at the Bus and Coach Association and, after I had spoken, I was approached by some people who said, 'We have trouble getting paid.' Of course, they are running a business and they need to get paid; they do government work and they need to get paid.

They gave me a document about the customer payments from the government. This goes through quite a period of time but, from last year, the longest they had to wait was 395 days on one invoice. That is over a year. Then they decided, 'We'll have a meeting and see if we can sort it out,' so they went to see the people and in December they got an agreement that from now on it would only be 30 days that they would have to wait. Their accounts would be paid in 30 days.

These people are running a private business, needing to get the money in because they in turn have salaries to pay, rent and whatever other expenses. People who are running businesses know what it is like. Since they got the agreement to have their invoices paid within 60 days—

Mr Williams: Thirty days.

Mrs REDMOND: Thirty days. Well, I read '60' because that refers to the next several: 60 days, 60 days, 60 days. On it goes, with rarely one even getting down to 30, with the result that thus far only 37 per cent of their invoices have been paid within the agreed time after they have had their meeting. That is Shared Services.

Shared Services was supposedly going to make annual savings of \$60 million. It has now cost \$113 million, and there is another \$8.3 million for it in this budget. When it will all be fully implemented, we do not know, but the Auditor-General has already identified a savings shortfall of \$125 million over these forward estimates. In other words, the savings target is \$60 million per year, but over the forward estimates we have a shortfall of \$125 million, so more than half of that forward estimate.

These figures are all quite large, so it is quite difficult for the ordinary person in the street to translate the budget into what it means for them, but let's have a look at what it means for them. If you catch a bus, drive a car, consume water (most of us might do that), pay insurance, are looking to buy your first home or work in the public sector, or any number of other things, you are worse off as a result of this budget.

The government increased the per kilolitre water charges by 32 per cent from 1 July 2010. The average household will pay \$84 more for water next year, making the average about \$500, but that is before sewerage charges come in: that is just for the water. In 2008, the Treasurer informed us that water prices would need to be doubled to pay for the 50 gicalitre desalination plant. Remember, we actually proposed a 50 gicalitre desalination plant. For 18 months, we could have built it for something like \$700 million, was it, originally?

The Hon. I.F. Evans interjecting:

Mrs REDMOND: \$400 million, originally. When we went over to Perth and had a look at it, the people over there who had built it said, 'You could build this today for \$400 million.' We came back and we formed a policy of having a 50 gicalitre plant for \$400 million. What has this government done about it? For 18 months it denied that we needed a desalination plant and then—typical of this government—it did a double backflip pike reverse somersault, and we get to, 'Oh, we need one now and, what's more, we need one double the size. We need 100 gicalitres.' You know what? The \$400 million will only (if it is lucky) pay for connecting the north and the south once it is

built. The \$400 million could have built the whole thing: instead of that, it is now \$1.8 billion to build this desalination plant.

Mr Williams: Plus \$400 million.

Mrs REDMOND: Plus \$400 million to connect the south to the north. Of course, through that whole process the government has been so good at being consensual and consultative as we all know, especially through electorates like Norwood, Adelaide, Morialta and so on.

An honourable member interjecting:

Mrs REDMOND: Yes. Of course, do not forget the Premier's promise that every tiny bit of power going into that desalination plant is going to be green power. The Premier does not seem to understand that the only way to guarantee that is to build a separate power plant to supply the green power, because once you put it into the grid it comes out as power; it does not matter where it came from to go into the grid, what you are purchasing is power. We do not yet know how much our water prices are going to go up by, but we have heard suggestions that, having already doubled, they will double again: if doubling once is good, doubling again must be twice as good. In fact, since 2002-03 the price of water in South Australia has already trebled, and we face more increases.

Property tax revenues have more than doubled. Land tax, as I said earlier, has gone up fourfold. In fact, aside from Victoria, we pay the highest stamp duty in the nation. Is it any wonder that our young people leave to go somewhere else? In this budget, the \$4,000 first homebuyer subsidy on existing purchases has been cut. So, if you decided to buy an existing house because it was where you needed to live and it happened to be an existing house, 'Sorry, no, only subsidies on newly-constructed homes.' That is the way they go. They just make arbitrary decisions. They do not actually stop to think, 'What is the impact of this on the people we are meant to be serving?'

On land tax revenue, the backbench sits there quietly. We all heard what the member for Newland said on election night. Do you know what? He was exactly right.

Mr Williams: He was right.

Mrs REDMOND: He was exactly right.

Members interjecting:

The SPEAKER: Order! I am trying to listen to the Leader of the Opposition, and I cannot hear for all the background noise.

Mrs REDMOND: Thank you, Madam Speaker, I am glad you are trying to listen to me. I am just reminding the member for Newland how right he was on election night. It was just that none of us on this side realised he was talking about what they had done to the people of this state.

Land tax is up by 309 per cent since this government came to power. I remember Kevin Foley saying, 'Well, that's just something that affects rich people.' He does not recognise that land tax actually affects everybody, but nearly all the businesses in this state—

Mr Williams: That is why he invests in Sydney.

Mrs REDMOND: Yes, he invests elsewhere.

Mr Pederick: He was never game to run his own business.

Mrs REDMOND: That is right—he never ran his own business. However, the Treasurer does not seem to realise that nearly all the businesses in this state are small to medium enterprises and nearly all of them run out of rented premises. If they run out of rented premises, someone is paying land tax, and that land tax is being passed onto that business, and they are passing it onto every person who uses that business.

Furthermore, people who invest in houses rent them out, and the people who are the most vulnerable are probably the ones in rental accommodation. Their rents go up because of land tax going up, and land tax is going up by huge amounts, but this government did not care. This government refused to recognise that there was even a problem with land tax until it was eventually forced into some sort of reduction as an announcement at the election.

As to stamp duty on motor vehicles, we are among the least competitive of all states, and guess what happens? Businesses that have the opportunity register their vehicles in another state—surprise, surprise! However, for ordinary people, stamp duty on motor vehicles is going to

go up. We have CTP insurance premiums going up by 7.2 per cent, motor vehicle registration fees up by 3.5 per cent and driver's licence renewals up by 3.7 per cent. They are all above inflation. We should not need to go above inflation for these increases, but they all have.

This is just wondrous: they have decided they can make money by charging commercial rates for the parking at hospitals. With their economic rationalist approach, that will give them a good reason to keep people waiting longer in hospitals, because then they can be charging more while the people are parking their cars. Every individual will be affected by it, but let us look at what they are doing to communities. The government is cutting small schools grants by \$12.1 million.

Mr Venning: They're not going to close them.

Mrs REDMOND: They say they will not close them. The government says that it will not do any of that; it will not amalgamate or close them. It is death by a thousand cuts with this government; they will leave them to wither on the vine. Every time the government does that, another vote changes, I can guarantee it. The government builds so-called super schools, which cost a lot of money. Education is about teachers and students; it is not about having flash new buildings. My view is that you can actually have a good education sitting under a gum tree, provided you have good teachers. How do you have good teachers? You pay them appropriately.

The government does not care about teachers. It just went through arbitration with teachers and it did not happen to tell them, 'By the way, we're going to remove all your conditions.' Communities function because of things like schools. That is what keeps communities alive, things like the Parks Community Centre. They are the glue that holds communities together. Governments cannot do that job. It is the people in the communities who hold communities together, and what this government is doing is a wholesale wrecking job across the community.

I love the item in today's paper pointing out that this Premier promised to bulldoze bikie fortresses but, instead, is going to bulldoze the community centre across the road. This government promised to be more consultative. It has redefined the term 'consultation'. For as long as I have been in this place, the government has redefined what it means by consultation. In my mind, it used to mean two-way dialogue where you actually listened to the people who came to the meeting. What it means now is that the government sends out a public servant to say, 'We're going to have a public meeting'—

Ms Chapman: They make the decision first.

Mrs REDMOND: That's right; they have already decided. They have already made their decision, and anyone fool enough to turn up at a public meeting is told what the decision will mean. That way the government can then cross the box that says, 'Consulted with the public.' It tried to do the same with us. It sent a public servant to arrange a meeting with us, so then it can tick the box that says, 'Consulted with local member.' It does not matter what you say at those meetings, the government actually says that it has consulted. It has redefined the very concept of consultation.

This government, which said that it was going to be more consultative, is now proposing, without any consultation or discussion, to collocate all sorts of schools. That is just another word for, 'We're going to close some schools.' That's another word for, 'We're going to close schools; we are going to rationalise.' Economic rationalism gone mad. Why? Because you are bad economic managers.

The government is going to discontinue adult re-entry programs into public schools. Adult age students will now have to pay to go to TAFE, and that threatens programs in schools such as Hamilton, Marden, Thebarton and Fremont-Elizabeth—all of those programs just going. Does anyone remember at the end of last year when we asked the then minister about the potential closure of Panorama TAFE? Boy, did he dance around that topic. He did not want us to go near that, because he was trying to say, 'No, we're not going to close it,' but, all along, the government knew it was going to close it. In fact, it is not just Panorama; O'Halloran Hill and Marlestone are set to close as well.

How about the removal of the money from private hospitals? This is a really paltry amount. It is a saving of \$1.2 million per year, and the government is going to take away the money from little country private hospitals, such as Keith, Ardrossan, Moonta and Glenelg.

Ms Chapman: It's a miserable, mean thing to do.

Mrs REDMOND: It is not just miserable and mean; it does not actually solve the problem. Those hospitals provide a service in their communities. Often, they have boards of unpaid people

who are there for the good of their communities and, with a very small amount of input from the government, they are able to keep those hospitals running to provide a service to those communities. The government seems so shortsighted that it does not even seem to consider the effect of closing a hospital. There are still patients; where will they go? 'We are going to centralise everything. We centralised disability, we're going to centralise the Royal Adelaide Hospital; we're going to centralise it all into Adelaide.'

You are constantly depriving the people of the regions around South Australia of the most meagre and locally supported things that they run in their communities. To take away that paltry amount of funding from those hospitals may well spell the death knell for them when, in fact, they are doing you a favour. They are saving you millions of dollars and yet, for \$1.2 million a year, you are prepared to just rip them away.

You have already made one attempt on country health and now you are turning around and trying, via a different way, to take the heart out of country health. Regional and rural people of this state—who, by the way, provide most of the income in terms of our agriculture, fisheries, mining and so on and are the ones who provide a lot of the wealth of this state—are just as entitled to equity in the provision of health, education and all other services but you, for the paltry price of \$1.2 million a year, are prepared to sell them out entirely.

What is more, you are even going to cut the tourism budget. Did anyone notice—maybe you did notice—that Oprah is coming, but not to South Australia? Oprah is coming to Australia. I have to say that we had an excellent operator in Tourism SA in Andrew McEvoy as we did previously with Bill Spurr. Andrew has gone off to the national scene and he came up with this brainwave and I think it is a good one. It is an excellent idea but I have a sneaking suspicion that South Australia might be the state that misses out on Oprah.

Mr Williams: Again!

Mrs REDMOND: Again.

Ms Bedford: She's never been before!

Mrs REDMOND: Why would she miss out?

Members interjecting:

Mrs REDMOND: Why would you cut tourism? The tourism budget is being cut by \$12.5 million—that is \$12.5 million out of tourism. It is one of our growth areas, in case you haven't noticed. There are other things that one might do to help tourism, like road maintenance, signage and things like that. However, they are going to cut the number of programs and that has the capacity to seriously damage our tourism potential in this state. Then what are they going to do on mining? They are going to increase the royalties. We are putting our mining royalties up.

Mr Williams: Did you see the *Financial Review* this morning?

Mrs REDMOND: Yes, I saw the *Financial Review* this morning. The government—although, again, it did not tell anyone before the election—would not upset the miners before the election by saying, 'Oh, by the way, folks, we're planning to increase mining royalties from 3.5 to 5 per cent.' However, the reality is that for eight years I have sat on this side of the chamber listening to Mike Rann talk about a mining boom in this state. We did have, for a while, a mining exploration boom. We did have it for a while but, in fact, in the mining sector now our jobs are down to a six-year low of 6,200 in the whole sector. They have gone down by half over the past three years for jobs in that sector.

Mr Williams: There are no more than we had in 1985.

Mrs REDMOND: There were more mining jobs in 1985 than we have in 2010. We do not yet know what will be the impact of the combined increase in their royalties and, of course, the Gillard plan for mines. As the deputy reminded me, in this morning's paper there was already an item overnight whereby the *Financial Review* reported that BHP is looking to substantially reduce the scope of the Olympic Dam expansion and, indeed, concentrate its efforts on copper rather than uranium because of a bit of slump in world prices.

We, on this side, have always supported Olympic Dam—unlike the Premier who wrote a pamphlet about the 'mirage in the desert'; the Premier who was the president of a Labor Party that opposed uranium mining altogether. We have always recognised the value of that to this state. We

want it to happen but this government is doing nothing to ensure that it will happen. Every step they take is another nail in the coffin, it seems.

Let us look at another little promise they broke and, in fact, the member for Bragg mentioned it earlier: the promise not to absorb the one-off pension increase. The government now, in this budget, has cancelled the public housing rent assistance for pensioners and it is going to save \$28 million over three years.

Can I just bring to your attention some of the funny things that I have found in the budget? It seems that in the budget there is a note that the budget for the cabinet office is going up, from \$7.1 million to \$8.431 million. The strategic policy initiatives—now there is an important thing to have, maybe like how to fool the people most of the time—are going up from \$26.459 million to \$41.699 million. So, this government that is prepared to rip away \$28 million over three years from pensioners after promising not to is nevertheless prepared to break that promise but still increase what it is paying elsewhere.

Of course, we all know about the Parks Community Centre. In fact, this morning I was watching—I was not home for the news last night—and managed to see a rather dark-haired and young looking Mike Rann, standing there with Don Dunstan, while they talked about the social crime of thinking that a Liberal government would destroy the Parks Community Centre.

An honourable member: Hypocrite!

Mrs REDMOND: We are not allowed to use the term hypocrite in this chamber, but they might be referred to as whited sepulchres. We might consider it deceitful that a government that plans to slash and burn in electorates where it thinks it is invincible might learn a lesson eventually. Of course, it has also cut agriculture, fishing services and all that research and development. In fact, I am sure that a number of the research facilities around the state—

Mr van Holst Pellekaan: Jamestown.

Mrs REDMOND: Jamestown and Lenswood, I think, and Flaxley—a lot of those places are under threat because of the cuts of this government. We have, until this government, been able to pride ourselves on the level of agricultural research and development in this state and the level of aquaculture. It should be one of the shining stars of this state, but no, this government in its wasteful ways has got us to a point where they are cutting those important things in favour of increases to things like the cabinet office.

An honourable member: They have got their priorities all wrong—completely wrong.

Mrs REDMOND: Exactly. Their priorities are wrong. After eight years of Rann Labor government, our living standards, service levels, infrastructure and economic position relative to other states have all declined under this government. Our share of the national economy has declined. Our share of the national population has declined. If we had kept pace with the national growth, we would now have 34,000 more people employed in this state than those we have. We have failed to keep pace with what the rest of the country is doing. We used to be the third largest state. We are now trailing along at the bottom because of this management by this government.

When Mr Rann came to office, we had a 7 per cent share of national business investment. We now have only 5.4 per cent of national business investment. Our exports: does everyone remember the wonderful strategic plan? We were going to treble exports. They started out at \$9.1 billion per annum when we left office. I think members opposite are a bit confused about what they mean by trebling, because so far we have got down to \$7.9 billion. I think it is a bit like the bulldozer direction that they have got wrong. They have got the idea of trebling exports wrong. You are meant to be increasing them, not having them go down to one-third. Our exports declined by 14.5 per cent last year.

We are falling behind the other states. We have the lowest proportion of exporting businesses of all the mainland states. We continue to lose residents to other states, with three times more people migrating to other states than when we were last in government. So, our share of the national population, as I said, has even gone down under this government. We used to be roughly about 8 per cent; we are now down to about 7.37 per cent. People often say to me, 'Now, what would you do differently? How would you manage the economy?' Well, we would not have got it into this mess in the first place.

The Hon. S.W. Key interjecting:

Mrs REDMOND: We would not have got it into this mess in the first place, and may I remind you that this is somewhat cyclical. We went through the State Bank. You got us into awful debt. We came in and got you out of it. You come back in and you get us back into this awful debt. It is cyclical and, if you look at the federal government, it is exactly the same. I remind those sitting opposite that we took an entirely different plan to the election. We opposed building the rail yards hospital because we said that it was actually better for a whole lot of reasons and magnificently cheaper to build it where it is.

We went to the election with a plan to build a completely new stadium—and it was costed—not patch up the Adelaide Oval. We went to the election with a plan to cancel the tram extension. Why would you build a tram extension when it is not in your own Strategic Plan and when it costs so much money simply to provide the service that is already provided by buses? It makes no sense. We were going to cancel the \$520 million tram extensions to Footy Park and western suburbs.

We were going to reduce departmental spending on consultants and contractors, saving \$63 million. I have already mentioned the figures for the cabinet office and places like the Strategic Policy Initiative. We were going to reduce the number of government boards and committees, saving some \$8 million.

We were going to abolish the Thinkers in Residence program. We all know, don't we, the importance of why we have to have thinkers in residence? I will not say anything more about our most recent Thinker in Residence, who is not taking up her appointment after all. We would have abolished that.

In fact, I have actually said, somewhat jokingly, that it is my aim in life, my aspiration, to become a Thinker in Residence. I reckon that is the job. I want to go to Paris and be paid a lot of money to sit and think and then tell the Parisians what I think. I reckon that is a good gig, and then do you reckon president Sarkozy might say to me, 'Isobel, why don't you come and live here and be paid a fortune to stay here and think some more?'

We had committed to something recommended by the famous Sustainable Budget Commission, that is, to have 12 ministers. This government, of course, introduced an extra minister, then an extra minister, then an extra minister. We now have many more ministers than we need because this government needed them to stay in power at first. There is no excuse for still keeping them. Your own paid appointed Sustainable Budget Commission recommended reducing your ministers to 12. That is what we would have had in government. That is what it recommended. Have you done anything about it? No.

You go out to the Parks and ask the people there whether they think it is more important to keep their community centre or to have three extra ministers. Go out and ask them. The reality is that a Liberal government will always be in favour of smaller government and of putting money out into communities. That is how you make your money work effectively—\$2,000 to the local cricket club is worth a lot more than \$23 million spent on advertising in the first six months of last year by this government. You know how to waste money, not how to build infrastructure and not how to do things that the state of South Australia needs done and that the people of this state deserve. We actually believe in putting money out into the community, not in building bigger infrastructure.

Look at Disability SA, which is a favourite example of mine because I am passionate about the way we have mistreated the disability sector in this state. This government closed and sold off the Julia Farr Centre, shut down the Intellectual Disability Services Council, defunded the Independent Living Centre and a range of other things, such as Deaf SA, the multiple sclerosis organisation and the Brain Injury Network. They said, 'We can do this better as a government. We will build Disability SA, and we will do it all.'

What has happened? Those poor organisations sink into the mire, lost without a trace, and all the expertise they have built up is lost. You have a dysfunctional department where, even before they made that decision, their own people writing the report said, 'This department is so dysfunctional that we can never do the report you have commissioned us to do.' Yet they still spend more and more money into that sector, creating a bigger and bigger problem instead of putting the money out into the community where it belongs. In closing I say, one of the whispers I have been hearing around the halls is that Kevin Foley has a new spring in his step because he thinks he is about to become the premier.

Members interjecting:

Mrs REDMOND: You never know. You never know. It might explain a lot. We know that the Premier is disengaged and disinterested and we know that the left has the talent and the right has the numbers, so we know there is a lot of internal squabbling on that side of the house as to how they are going to manage their renewal. We know that they want renewal, but we know they cannot figure out a way, so I suspect that there could be some truth in the rumour that Mr Foley might actually think, 'Now is my chance. Now is my chance to be the premier.'

So in closing, can I invite Mr Foley, if indeed he does become the premier, rather than going down the path outlined by this budget, to rethink his priorities, and take a fresh look at the priorities we took to the election, which, after all, more than half the people voted for. From an environmental, from a social and from an economic perspective (and he as the Treasurer should appreciate that last one) those priorities represent a better outcome for South Australia.

If he would but reconsider the placing of the Royal Adelaide Hospital on the old rail yards—we have heard that there are figures well in excess of \$2 billion for his original \$1.7 billion hospital, and that is without all the likely increases in cost—we can actually keep the Royal Adelaide Hospital where it belongs, where the vast majority of people want it, where it is next to its medical school and dental school. Why would you bulldoze a billion dollars worth of state-of-the-art infrastructure just because one day a few years ago the Premier decided that they needed a big-ticket item for the budget: 'Let's build a new hospital; everyone will love that.'

So I want to give the premier-in-waiting, the Treasurer, my assurance that, were he to do that, were he to rethink the Adelaide Oval and not waste the \$700 million that that is now going to cost, not waste the over \$2 billion that his proposed hospital is going to cost and look at the priorities we took to the election—we know it might not all be able to be done at once; we recognise that—I would actually thank him. I would welcome it.

An honourable member: So would the people of the state.

Mrs REDMOND: The people of the state would welcome him, and it would do a lot to save the economic disaster that this government has created and in which this government has now been found out. My last comment is: it is your sewer, you swim in it.

Honourable members: Hear, hear!

The SPEAKER: Order!

The Hon. I.F. EVANS (Davenport) (11:58): Madam Speaker, this is a Labor budget. How do we know it is a Labor budget? Let me walk you through it. When there are cuts to small schools, it is a Labor budget. When there are cuts to community hospitals, it is a Labor budget. When nearly 4,000 public servants get the axe, it is a Labor budget. When public service entitlements are cut, it is a Labor budget. When there are cuts to adult education, it is a Labor budget. When there are cuts to business assistance, it is a Labor budget. When taxes are set to increase by \$1 billion over the next four years, it is a Labor budget. When the debt increases to \$7 billion, it is a Labor budget. If you have any doubt, when South Australian regional communities are absolutely savaged, it is a Labor budget.

This budget attacks pensioners, it attacks the primary industries sector, it attacks the fishing industry sector, it attacks the aquaculture sector, it closes the Parks Community Centre—this is a Labor budget. This budget delivers to South Australia higher debt, fewer services, higher taxes, job cuts—this is a Labor budget.

This is the budget for which the Labor MPs applauded the Treasurer when he gave the caucus a briefing. The Labor Party members love this budget; they applauded the Treasurer. So, when the Treasurer stood up and said that he was going to increase costs on pensioners, that he was going to close the Parks Community Centre, he was going to increase taxes, cut small schools and cut community hospitals, the Labor Party MPs applauded the Treasurer. They love this budget. So, there will be no crocodile tears from Labor members of parliament going back to their electorates saying, 'We didn't mean to do it. I didn't support that bit.' The Labor Party members applauded the Treasurer for this budget. Some media even reported a standing ovation—but they at least applauded the Treasurer for this budget.

You knew that this budget was in trouble when you had a Premier spending budget day trying to tell people what was not in the budget rather than what is in the budget. Look at the media spin by the Premier: he was out there saying what the government was not going to do because he could not tell them what the government was going to do. He left it to the Treasurer to take the fall

for the bad news. So, with this government—this media spinning government—when the Premier is not out there promoting the budget you know you have problems with your budget.

This budget is a treacherous budget, and this budget will hurt South Australia. The budget is not the budget that was promised prior to the state election, but it was the budget that was designed for the state election, make no mistake about that. This is the budget that was hiding in the Treasurer's office just waiting to pounce on the unsuspecting and trusting public of South Australia if the government was given the chance to win the 2010 election. The Treasurer has used the Sustainable Budget Commission to ambush South Australians, and the Sustainable Budget Commission was nothing but a political shield to give the government a justification for its cuts.

We now know why the budget was delayed and put amongst the football finals: it was delayed and put amongst the football finals because the Treasurer wanted the media to be distracted by other issues and not cuts to the budget. It was a cynical exercise by this government and one that I do not think the public has missed; that is, the cynicism of that decision by this government.

Just as the Treasurer and Labor misled the people about the cost of the blowout of the Adelaide Oval project prior to the state election, this government and this Treasurer hid what they were really going to do if they were re-elected. If the public has learnt anything about this Treasurer and this government as a result of this budget, it is two things: Labor does not tell the truth, and you cannot trust Labor. They are the two lessons out of this budget. South Australia cannot trust this Treasurer, South Australia cannot trust this Premier, South Australians cannot trust this government and South Australians cannot trust Labor.

Why can't we trust them? Well, let me just walk through some of the reasons why you cannot trust this government. Remember before the election, the Treasurer went out and told the public of South Australia that all he needed to do was find \$750 million worth of savings or revenue measures over three years and the budget would be fine: there would be \$150 million in 2010-11, \$250 million in 2011-12, and \$350 million in 2012-13. He then went on to say, on behalf of the Labor Party—on behalf of each and every member of the Labor Party—that there would be no need for wholesale cuts to the Public Service, assuming the Public Service kept its wage outcomes to around 2½ per cent. That is what he said. I will give you the quote. Ian Henschke on *Stateline* during the budget debate asked Kevin Foley this question:

Now if you're going to have a savings target of \$150 million in the first year, \$250 million in the second year and \$350 million in the third year, doesn't that mean thousands of jobs will go?

Treasurer Foley, in response:

Not at all. What it means is that of the \$350 million per year required in the fourth year of our budget cycle, \$290 million of that, so the vast bulk of that, can come if the public sector unions choose to respond positively to our request that wages be held in this round of enterprise bargaining at 2.5 per cent.

So there was the great lie of the campaign. The Public Service went in and negotiated on the basis that their jobs would be protected, there would not be wholesale cuts to the public sector if they took a lower wage outcome. That is what the Treasurer told the public sector on behalf of all of the Labor members of parliament.

What do we find straight after the election? Well, surprise surprise, Labor say they do not need to find \$750 million worth of savings and revenue measures; Labor say they need to find \$1.5 billion in savings, they need to raise an extra billion dollars in taxes, making a total of \$2.5 billion of taxes and saving measures over that four-year period—over three times the target. That is just a great piece of deceit by this government that they have put in play over the South Australian Public Service and indeed the people of South Australia. That \$2.5 billion includes \$500 million of previous savings that this government have yet to deliver. If they have not delivered the savings previously, you would have to wonder about the capacity of the government to deliver them in the future.

The Hon. M.J. Atkinson interjecting:

The Hon. I.F. EVANS: I must admit that the capacity of the cabinet has increased since the former attorney left. What did they say? Did the government say before the election they were going to axe 4,000 public servants? Did the government say before the election they were going to attack public servants' entitlements? Did they say they were going to close small schools, cut community hospitals, increase tax by \$1 billion? All of that was hidden by a treasurer who misled

the people of South Australia and sat in his office and planned the ambush after the election if they happened to win.

Why are we debating this budget? Why is the budget in these circumstances? Why are we here? There is only one reason we are in this position: Labor mismanagement. That is the reason we are here. It is not so much about the global financial crisis, as the Treasurer will try to spin; it is simply about Labor mismanagement. Remember that this is not a Labor government being elected after a Liberal government saying, 'Shock, horror! The budget is in a mess. We have to make all these changes we had not thought of because the budget is in a mess.' This is actually treasurer Foley following eight years of treasurer Foley and treasurer Foley saying, 'Holy smoke! The budget is in a mess. I have to make all these changes.' What has he been doing for eight years? That becomes the question.

Eight years of treasurer Foley has been eight years of folly because he has wasted the revenue, he has wasted the rivers of gold that have come in to the budget. He has no-one to blame but himself. Essentially, for virtually all of the eight years, the government has had rivers of gold coming in that have been mismanaged. Let me talk about the extra revenue. In the eight years of this government, this government has received \$5 billion of unbudgeted revenue—\$5 billion of revenue over and above what was in the budget. What has happened to it? That is what the public is asking. That is \$625 million a year on average in extra revenue. What have we got for it? I think here is the story of this government.

What we have got is an increase in the Public Service of 18,105. Of those 18,105 public servants over that eight year period, the actual number that was budgeted to be employed was 2,554. The unbudgeted number of public servants was 15,551 or, put another way, 85 per cent of the public servants employed by this government over the last eight years were not budgeted.

Let us give the government a slight bit of slack; let us give it just one bit of slack in my contribution. The government will say, 'Hang on; we've employed more nurses and doctors and police.'

The Hon. M.J. Atkinson: We have.

The Hon. I.F. EVANS: The former attorney says, 'We have.' Well, I cannot work out why the government did not budget for them if it intended to employ them, but the member for Croydon can explain that in his contribution. However, let us give the government that credit; let us say that there are 6,000 more people in those positions that we would call core jobs. That leaves 12,000 people unbudgeted who have been employed. Now at a total employment cost of \$75,000 a year, that becomes a \$900 million a year cost.

I put to the house that this government and this Treasurer have been lazy over the eight years, because the real tough budget measure is not coming in after an election and cutting the Public Service; the real tough measure of government is day-in, day-out, week-in, week-out, month-in, month-out managing the public sector over the whole term of government. That is actually the tougher job for a government.

The question becomes: how can a government employ 15,551 people it never budgeted for? How can it actually do that? But relax, Madam Speaker because, having paid to employ them for the last eight years, we are now going to pay to get rid of them. This is a generous government, because it is going to pay them the highest voluntary separation packages in Australia. It is the highest package to get rid of the public servants, the ones who were not budgeted for in the first place, because these ministers were too lazy to manage their departments over eight years.

Now we are going to pay the most generous voluntary separation packages to get rid of those public servants. Remember, this is a government that went into the 2006 election saying that there would be no reduction in the Public Service. Then, in that four-year period it went and offered 3,200 TVSPs, then it went into this election saying that there would not be any wholesale cuts in the Public Service, and now we find that nearly 4,000 are on the way out.

In one sense, this budget is a historic budget. The Rann government, and every single member of the Rann government, will go down in history as the only Labor government to legislate to reduce public sector entitlements and workers' entitlements. They applauded it in the party room; make no mistake about that. It is the two-faced nature of this government; it attacked the Howard government over WorkChoices and then brought in legislation that took away the public sector entitlements and claims it is a great reform. The two-faced nature of this government is not lost on the public or the Public Service.

Then we come to the question of redundancies. The Premier put in writing that this government would not support forced redundancies. It would not support them; there would be no forced redundancies. Well, the Treasurer is now out there saying, 'Gee, we might have to bring in forced redundancies.' So the question becomes: of what value is the Premier's word? It is quite clear that, even when the Premier puts something in writing, it has no value. It is as simple as that.

The Premier is out there trying to soften the blow, saying, 'Don't worry; it's not serious.' Of course it is not serious; it was in the budget speech. That is how not serious it is. The Treasurer has always put things they are not serious about in the budget speech; it happens every year. The Premier is trying to walk two sides of the street.

There are broken promises about the Public Service, there are broken promises about pensioners' rents, there are broken promises about the level of savings, there are broken promises about small schools, and there are broken promises about hospitals. This is a budget that attacks the community. But, don't worry about it, though, because this government, like the Treasurer said, has the moral fibre to go back and break its promises.

The Hon. M.J. Atkinson interjecting:

The Hon. I.F. EVANS: Let me just talk about the Treasurer's claim—and this will interest the member for Croydon—of \$1.4 billion in lost revenue. It would be a surprise to the house that the Treasurer is claiming that he lost \$1.4 billion in revenue between 2008-09 and 2012-13. In actual fact, in 2008-09 the unbudgeted revenue received was \$276 million, and in 2009-10, the year just finished, the unbudgeted revenue received was \$1.087 billion. If you add those together, the Treasurer has actually received \$1.363 billion in the first two years of a period when he says he is losing \$1.4 billion. I think the Treasurer may well be spinning a line, and we will test that in due course.

It is hard to believe that, given that the 2008-09 and 2009-10 years have finished, we are not convinced that you need to have tax cuts in years 2011 to 2014 to cover lost revenue in years 2008 to 2010 when they are finished. That is a stretch.

The tax increases in this budget will hurt families and businesses. There are \$1 billion of extra taxes in this budget. In the broad, inflation in this budget is tipped to be 2½ per cent over each year for the forward estimates, but taxes are increasing at 8 per cent in this year and then at 6.7 per cent in each and every year after that. So, we have taxes increasing at 2½ times the rate of inflation. So, a doubling of water prices, and the cost of recovery for the fishing, hotel, farming, agriculture, and real estate industries, will all ultimately hurt South Australia in the long term.

This, of course, is the reconnection budget. This is the budget where Labor was sent out to doorknock to reconnect with the community. What do we get after this reconnection process? We get 4,000 public servants axed, we get Public Service entitlements axed, we get water prices doubling again, we get increased taxes by \$1 billion, TAFE fees up 20 per cent, car costs up, small schools cut, hospitals cut, adult education cut, and the closure of the Parks Community Centre. Madam Speaker, you have to ask what they would have done if they were out of touch.

The leader set out an alternative agenda, and let me speak quickly about that in my last minute. The leader set out the framework of the debate of the last election—and it is still occurring in this budget—and it centres around two key projects: the Royal Adelaide Hospital project, which has nothing in the budget for the \$1.7 billion hospital, and the Adelaide Oval project, the blowout in that project. Those two projects are not yet signed off. So, we on this side of the house will continue to argue the case until those projects are signed off, as outlined in the leader's address.

This is a Labor budget: it delivers more debt, it delivers higher taxes, it delivers fewer services, and it delivers job cuts. This budget was eight years in the making, eight years of lazy economic management, all under the one Treasurer. This is a Labor budget, and we do not support it.

Mr WILLIAMS (MacKillop—Deputy Leader of the Opposition) (12:19): It is interesting that normally when we debate issues in the house the flow goes from one side of the house to the other. We have a small number of government members sitting in the chamber, and at this point they have had two opportunities to stand up and speak in favour of this budget; none of them has taken that opportunity. Not one government member—and, as my colleagues have been saying, these are the people who reportedly gave the Treasurer a standing ovation in the party room—has taken an opportunity this morning to stand up here and defend this budget that they apparently

applauded—not one of them. I wonder whether they were actually listening when the Treasurer briefed them. I wonder if they actually listened.

They have sat through eight of his budgets; they should by now have some understanding of the deceit that flows every time a budget is handed down by this government. They should have known where to look for the pitfalls. When will any of them stand up here, including the former attorney-general who always has plenty to say? When will he take his turn in the house and say what a wonderful budget it is and put his thoughts about the closure of the Parks Community Centre? Does he applaud that? Do you applaud the closing of the Parks Community Centre, just like you applauded what happened at Cheltenham?

The Hon. M.J. Atkinson: I am all in favour of it.

Mr WILLIAMS: Taking away open spaces and services from the western suburbs, yet you lot will have the gall to come in here and rail against Liberal governments and say that we have no feeling and no empathy for the people of the western suburbs and for working men and women. It is an absolutely disgraceful budget, brought down by an absolutely disgraceful government full of disgraceful members who would applaud the Treasurer for the sorts of measures that attack the working and living standards of South Australians. That is the budget we are discussing here today and that is the budget that no member of the government has seen fit to support. I actually agree with them; I agree with everybody in the government, apart from the Treasurer: it is not worth supporting.

What is a budget about? A budget is about setting an outline of how you are going to control your revenues and expenses. It is setting forward a plan of your priorities so that you can meet your commitments. We heard the Leader of the Opposition talk about how good this government is at meeting its commitments: not paying bills for over a year. A budget is about managing your state of affairs so that you do not do that sort of thing. It is about managing your state of affairs so that you do not employ people, by the thousands, only to then turn around and take away their jobs from them and/or reduce the conditions of their employment. It is about managing a plan, about managing your priorities. This Treasurer claims to be a good economic manager. I will spend a little time this morning explaining why he cannot lay claim to that title.

This is the highest taxed state in the nation. We were not always in that position, but we have landed in that position because of this government. This government has very little flexibility with regard to taxation, but that has not stopped this Treasurer. He has managed to find another billion dollars worth of taxation in this budget through the forward estimates. We were already before that measure the highest taxed community in this nation. They are addicted to spending.

I will spend more time talking about the expenses because that is where the problem is. This government has lost control of its expenses. The Treasurer would have us and the people of South Australia believe that his budgetary problems have been caused by the global financial crisis. He lays claim to that excuse at every opportunity, but I want to go through a table published in the budget—Budget Paper 3, appendix B, page B.1. I draw members' attention to it. I seek leave to insert a table in *Hansard*.

Leave granted.

	Revenue					Expenses				
	Budgeted Revenue	Unbudgeted Revenue	\$m	% real growth	% GSP	Budget Expenses	Unbudgeted Expenditure	\$m	% real growth	% GSP
98/99			7290		16.2			7505		16.7
99/00			7644	2.3	16.1			7974	3.7	16.8
00/01			8108	3	15.9			8406	2.4	16.5
01/02			8538	2	15.6			8713	0.5	15.9
02/03	8818	528	9346	5.2	16.2	8714	184	8898	-1.8	15.4
03/04	9206	749	9955	3.4	16.2	9103	467	9570	4.4	15.6
04/05	9997	595	10592	4	16.7	9881	487	10368	5.9	16.3
05/06	10721	521	11242	2.9	16.8	10670	370	11040	3.2	16.5
06/07	11264	493	11757	1.9	16.4	11173	374	11547	2	16.1
07/08	12158	739	12897	6.1	16.7	12110	304	12414	4.1	16.1
08/09	13255	276	13531	1.8	17.1	13094	670	13764	7.4	17.4
09/10	14444	1087	15531	12.3	19.1	14748	616	15364	9.2	18.9
10/11			15086	-5.4	17.6			15475	-1.9	18
11/12			15527	0.2	17.1			15472	-2.7	17
12/13			16005	0.5	16.7			15789	-0.5	16.5
13/14			16294	-0.07	16.1			15924	-1.6	15.8
Average				2.6753333	16.7				2.2866667	16.59

The Hon. M.J. Atkinson: Is it purely statistical?

Mr WILLIAMS: It is purely statistical. What I have done is that I have taken the table that is on that Budget Paper 3, page B.1, and I have added some numbers. The table shows the revenues and expenses of the government sector over the years 1998 through to the end of the budget period. I have added next to the 'revenue' column another column, which is the budgeted revenue for each of those years and the unbudgeted revenue. Add those figures together and you get what is in the column published in the budget paper; and the same on the 'expenses' side.

This is quite revealing, because it shows that, over the period that Kevin Foley has been handing down budgets, just over \$5 billion in revenues have been received, and something like \$3.4 billion extra in expenses has been spent. The really telling numbers come in the years from 2007-08 to the current year, 2010-11—that period where the Treasurer has claimed that there has been a decline in revenues and that has caused his problems.

In reality, when you analyse the figures you can see that there has been an additional \$2.189 billion in revenue in that period, and that equates to a 16.97 per cent growth in revenue over that four-year period. My best analysis from the ABS website is that the inflation in Australia has been, at best, 12.1 per cent during that period. I have to extrapolate out to the end of the current year, but I will be surprised if it goes over 12.5 per cent; I think that it will be closer to 12.1 per cent. We have seen a 16.9 per cent growth in revenue in that time.

The Treasurer might understand his problem if he looked at the other side of the table and did some calculations, because at that same time, that same four-year period, his expenses have grown by 24.6 per cent—

Mr Goldsworthy: Basic bookkeeping.

Mr WILLIAMS: That is 24.6 per cent. My colleague, the member for Kavel, says that it is basic bookkeeping. It is simple arithmetic. It is the sort of arithmetic most people learn at primary school, and this Treasurer still cannot grasp it.

Mr Marshall: He's not the brightest tool.

Mr WILLIAMS: He is not the brightest tool, and we are the sufferers. In the financial years 2009-10 and 2010-11, we have seen a cumulative growth in revenues of 6.9 per cent, which equates to 3.45 per cent per year. The average growth in revenues from the years 1999-2000 through to 2013-14 is merely 2.6 per cent; nearly a full 1 per cent lower.

So, the Treasurer cannot lay the claim that his problems have been caused by the global financial crisis. His problems have been caused, clearly, by a blowout in expenses; clearly his expenses are out of control. The shadow treasurer talked about the blowout in public sector numbers, something like 10,000. I cannot recall the exact number. He told the house a few minutes ago, but it is something like—

The Hon. I.F. Evans: It is 15,500.

Mr WILLIAMS: It is 15,500 unbudgeted, but if we allowed for those in front-line services (doctors, nurses and school teachers) we still come to a figure of 12,000 additional public servants doing what, we might ask, because the people of South Australia are not receiving a higher level of services. They are certainly not in my constituency or any other constituency in the country, and I doubt whether they are in the city, either. It is rampant wastage. But that is not the whole story.

The other problem this government has is that it is deceitful. It continually says one thing when it knows that something else is going to transpire. It continues to do it, and it is not something which has just happened in recent times; it is not something that has happened in the last six months since the March election; and it is not something that has happened in the last 12 months. It has been ongoing, it is a culture of this government.

I hark back to a few years ago when the government announced that it was going to rebuild the prison at Mobilong. That was in the September 2006 budget. I think it was something like a \$700 million PPP project to build a new prison at Mobilong to replace Yatala Labour Prison. It was going to be the cornerstone of our correctional services in the years to come. It also included the replacement of the Magill Training Centre with a new centre at Cavan. Three years later, in the 2009 budget, that whole project was cancelled.

Why was it cancelled? Because the budget was already in trouble. It was cancelled because the Treasurer, as he does, had gone and consulted the ratings agencies—Standard & Poor's and Moody's—and they had told him quite firmly that his AAA credit rating was going to be lost. He came back to look at what he could cut, and he cut that project. He still prances around today claiming he has continued to save the AAA credit rating. A project that was essential, and remains essential to South Australia, was cancelled because this Treasurer, and this government, fail at every turn to manage the finances.

Just after the budget in 2007, the very next year, the government claimed that it would rebuild the Mount Bold reservoir and increase its capacity from 50 gigalitres to 250 gigalitres and double the storage in the Adelaide Hills to save us from the drought and ongoing droughts. That is another headline and another project that has simply disappeared. The minister for water might update us, when he stands up to lay claim to how fantastic this budget is, on where the Mount Bold project is. I think it has gone forever.

The PR spin that the people of South Australia keep being fed is that this is not caused by endemic mismanagement but by the global financial crisis. That is just patently false. The evidence is now irrefutable. The budget, read in conjunction with the leaked Sustainable Budget Commission report, proves that this state has been incredibly mismanaged and continues to be incredibly mismanaged. It saddens me to draw parallels between this state and New South Wales. We saw a few years ago an election in New South Wales where, unfortunately, the people were conned into returning a dysfunctional and failing Labor government, and that state has continued to spiral downwards.

We have the exact same scenario here in South Australia. This government—not just the Premier, the Treasurer and a couple of senior ministers but every member of this government—is responsible for what they took to the people as recently as March. Every member of this government is responsible for the decisions that are taken. They approve those decisions in caucus. Those who are in cabinet approve those decisions in cabinet. Every member of this government is responsible. We do not hear one of them speak out against what this government does, so every one of them is responsible. In this case, I think the more appropriate word is 'culpable'. Every member is responsible for the economic demise of this state.

I will not go through the intimate detail that my leader and the shadow treasurer have already put on the public record, but we have deception on deception. It is inconceivable that, as recently as March, the Treasurer, the cabinet ministers and the backbenchers were not aware of the budget's perilous state. It is inconceivable that the Treasurer went to the election referring to our Adelaide Oval proposal versus their proposal and saying, 'We have fully costed plans,' but then saying, 'We need to recover, through the Sustainable Budget Commission process, \$750 million in the forward estimates.'

It is inconceivable that he did not know at that time that the real figure was well over \$2 billion, in fact \$2.5 billion. It is totally inconceivable. That is the very reason we went through the charade with the Premier and the Treasurer who said that we cannot bring down the budget at the end of May when it is normally brought down, we have to push it out to September—and the

shadow treasurer has already talked about this. However, is it now patently obvious why we went through that charade—because the government needed to distance itself from what it said prior to 20 March and what it presented in this most recent budget.

We have seen the deception in the Adelaide Oval debacle, but that has been compounded by the measures that are now revealed in this budget. Let me just highlight one issue that came to my attention when I was reading through the Sustainable Budget Commission leaked report. There has been a change to the arrangements in the police force where the number of motorcycle police officers are going to be halved and they are going to be put on to other duties. When questioned, the Minister for Police said, 'Oh, no, that's an operational matter.' Interestingly, when you read the Sustainable Budget Commission report, the exact move was outlined in that report. It was a budgetary matter, not an operational matter. It was a decision taken by this government, not by the Commissioner of Police. The members of this government are culpable for these decisions and they cannot lay them off to other people administering the state: they are making the decisions.

The Parks Community Centre, what a debacle. We have already talked about it. In relation to pensioners' rent increases, we have a Premier who promised and who stood shoulder to shoulder with his federal counterparts and said, 'We will not gouge from the increases in pensioners' income extra rental or extra revenue for Housing Trust tenants.' That was only a few months ago. What is he doing today? He is gouging. The problem is that the Premier and his senior ministers, this government, have lost credibility. Nothing they say can be believed, because the evidence shows that they will say one thing one day and then it is very quickly revealed that they knew it was not possible to deliver. That is what is really sad about this government and this budget: we have a government which is not credible and which cannot be believed.

Small schools grants, \$12 million being ripped out of small schools. Most of those small schools will be in rural and regional communities. It does not matter that we cut the fuel subsidy rebate to rural communities and we also cut their small schools and force them to close, and then force the parents of those students to drive their children extra miles to go to school. That does not matter, they are country people, they do not vote for us, but as long as they pay their taxes. Then there are the small, country community-run hospitals. There are not many of them, but for a miserable \$1.2 million we are going to cut services—and I will talk about this later at another opportunity.

Why do you lot hate country people? Why do you lot believe that country people do not deserve the sort of services that you expect in your electorates in the city and urban communities? You have a real bent against country people and I do not understand it. The leader talked about the cuts to PIRSA. This state was built on its primary sector and continues to reap huge benefits from its primary sector, which only survives because it can stay at the cutting edge of new technologies. A lot of that has been delivered through having a viable primary industries department and that has now been cut to the bone. One of the reasons why our exports continue to fall in this state is that a lot of our exports are derived from our primary sectors. Unfortunately, I have run out of time but there is plenty more that I would like to say about royalties, water and first homebuyers, but I conclude my remarks there.

Mr PISONI (Unley) (12:39): In speaking to the bill, I think it is important that we go back to the architect of the budget, and he is certainly the man who runs the state here in South Australia, the Premier of South Australia, who has told us time and time again that he is a student of Don Dunstan. It was fortuitous that we saw on the ABC news last night some footage of Don Dunstan. What Don Dunstan said in that footage was, and this is back in 1996, 'to close the centre of activities in these facilities is obscene socially'. I think that sums up the budget of the student of Don Dunstan, premier Mike Rann, and Kevin Foley. The words of Don Dunstan have been used to describe this budget beautifully. I bet he would be crushing his safari suit, rolling in his grave, if he saw what his student, Mike Rann, was doing to social services here in South Australia.

I am looking forward to hearing the contribution from the member for Mitchell, a new member in the chamber, but maybe he will be a little bit shy in getting up and defending this budget because we are still waiting on the outcome of the Court of Disputed Returns to see whether there has been a roting of the electoral system in the seat of Mitchell and whether we will need a by-election, because if he was proud of this budget this would be the perfect opportunity for him to speak in favour of it and about the benefits for the people that he claims to represent.

Let us look at some of the cuts in my portfolio. The first thing I want to start with is this mythical boast that the government has made about the amount of funding per student in the education system. During this election, I think the figure was quoted at \$13,547. Let us break that

down a little bit. If you get a school resource entitlement statement, you will see that, certainly, the schools in my electorate, and the schools in the member for Davenport's electorate, the member for Waite's electorate, and a number of inner suburban electorates—and it is fair to say that you would not call them struggling constituencies—are receiving less than \$7,500 per student.

So, you are seeing an enormous amount of money being allocated to students—according to the budget, it is \$13,457—but the schools are seeing only a fraction of that money. Around 40 per cent of that money is being held by central office in that situation, and of that \$13,457 per student, or the biggest education budget ever, I think, was some of the language used to describe the budget by the education minister, only \$8.18 million is for new spending on capital expenditure this year.

Do you remember the big announcement the Premier made in the dying days of the election campaign, in response to our very popular and well-researched plan to build a second campus of Adelaide High School, to expand Adelaide's most prestigious public school? That work will not be completed until after the next election, according to these budget papers. They are only spending \$50,000 on that project this year, so one would question whether this is another commitment that we will not see met by this government, with a very small investment of \$50,000, which I suspect would not even cover the paper, staples and envelopes at the beginning of the design process, for this budget.

There is \$12 million in the budget that should have been spent one or two budgets ago. They are overruns, cost overruns and time overruns of capital projects. This is the one I like: \$200 million is allocated as an accounting measure for the PPP super school programs—an accounting measure—but that is counted in the education budget as part of the government's education spend here in South Australia in this budget.

We have cuts in the small schools grants of \$12.1 million and this will result, of course, in many schools effectively withering on the vine. It is interesting that I should use that term because there are a number of schools in regional South Australia that will be affected by this 'withering on the vine' policy.

We know what that will do: that will stop schools being able to bring in extra resources to give some additional diversity to students in small schools of fewer than 70 students. They will not be able to bring in perhaps somebody to teach them an art lesson or a music lesson. They will not be able to bring in an extra SSO to help somebody who is having difficulty with reading or something like that. That will start the end of parents choosing to send their kids to government schools in regional South Australia because the facilities simply will not be as diverse as they are now.

It is only a small amount of money—\$30,000 for each school. This is how mean-spirited this government has become after windfall budget growth and windfall budget earnings. Over and above what the Treasurer expected to bring in over the last eight years, \$5 billion has come in unexpectedly and, every time, instead of putting money away for a rainy day, it has got him out of a difficult situation.

What is interesting is that we have the cuts to small schools and we are told that there is a 15 per cent cut to the minister's office, but the education minister's office has an extra staff member this year. Jane Lomax-Smith could get by with 12 staff; Jay Weatherill, the Minister for Education, needs 13 staff and an extra \$108,000 allocated to his budget.

We are also seeing now collocated schools amalgamated and controlled by a single administration. This is a process that this government, when it was in opposition, used very effectively politically against the government, which came to office to get the state out of debt, to get the state out of bankruptcy. When it came to office in 1993, when South Australians decided they wanted some responsible economic management of the state and they voted for Dean Brown and 36 other Liberal members of parliament into the House of Assembly, they wanted the finances fixed with a budget of only \$5.2 billion.

That was the size of the budget when they came to office and they had to make some pretty tough decisions, but instead of agreeing that these decisions were tough and conceding that they made the mess, the Labor Party made extreme political capital. This sums the Labor Party up: it is all about political capital, all about saying one thing in opposition or supporting one thing in opposition and telling the people what they want to hear during an election campaign but then doing what they want to do when they are in office.

So we have a situation where the then shadow education minister (Hon. Trish White, as she is now known) brought a private member's bill to the parliament that prohibited the government from closing down schools without going through a fairly lengthy consultation and review process. But what do we see from this budget? From this budget we see that that is all out the window.

I would like the education minister to explain telling schools—over the phone, mind you; nothing in writing, we don't want anything in writing that might come back through the FOI process to show that we are intending to break our own legislation—that they are going to close but, by the way they have to go through the movements of the legislation that the government set up when they were in opposition which basically says that we cannot close or amalgamate a school.

The act is quite specific: section 14A tells you that you cannot close or amalgamate a school without the majority agreement of the parents or, if it is an adult school, of the adults attending that school.

That brings us, of course, to the defunding of adult entry programs into public schools. This is a program that survived because of how important it is for giving people a second chance. This program survived the savage cuts that this state had to go through after the State Bank collapse here in South Australia. It is a 20 year old program introduced in 1990. It survived the 1993 budget, the 1994 budget, the 1995 budget—I could go on. It survived every budget since, until this budget. After the government's revenue has grown from \$8 billion to \$16 billion, this second-chance program, saving about \$20 million for the government, has been stopped.

I think the government has confused the role of teachers and the role of lecturers. No disrespect to TAFE lecturers, but teachers teach kids to learn. These are adults that have had difficulty for whatever reason—it is none of our business what the difficulty was when they were adolescents or when they were at school, but they want a second go, they want to re-enter. I was told a story just recently by a teacher at one of these schools that 47 of their students—these are students that dropped out aged 13 and 14 in high school in some of our most difficult suburbs—have gone on to get university degrees after starting back at school in an adult re-entry program.

The government says, 'Well, they can go to TAFE.' There are a couple of problems with that. The \$20 million has to come from somewhere, and we know if they go to TAFE it is going to come in the form of TAFE fees to those students; they will be billed. The difficulty you have there, of course, is that these are people that really are on the bones of their bum. One of the things that we believe in, on this side of the house, is giving someone a fair go and encouraging people to be independent, taking responsibility for themselves and making a contribution to society as an individual.

What we see here is a government that has said, 'No, we would rather that you don't help yourself. We would rather that you rely on us, because we know that if you rely on us you're left with no choice other than to keep voting for us, because we will keep throwing you a few scraps every now and then, but we won't encourage you to improve your own lot and take responsibility for yourself and actually give you the skills so you can be a member of society who is enjoying life, who has something to give back, who has something to wake up for every morning, and somebody who wants to be part of the community, rather than somebody who is angry and feels as though they haven't been given an opportunity,' and they are right. If they look at this, their opportunity for that second chance has been taken away. The second chance and a fair go is a fundamental Australian thing, isn't it?

It is interesting that we see the minister for green spin, the Premier, in this budget rip out \$4 million over four years for ceasing the school grants program. However, let us go back a bit to what the school grants program was all about. In 2006 school budgets for electricity were cut. They were cut to 80 per cent of the size of the budget in 2003. In other words, 'Whatever your cost for electricity was in 2003, we are going to give you 80 per cent of that to cover your electricity bills from 2006. But don't worry about it, because we are going to give you green grants so that you can do an audit, you can put in more cost-effective light bulbs, we can tell you to turn the lights off when you're not in the room, we can tell you that if you buy a particular toasted sandwich maker that will use less electricity than another brand. All of this will happen in the green grant program. There might even be some leftover money for some energy saving devices. And we are going to give you a single-cell solar panel, that on a sunny day will be able to power one of your computers and, in case it is not sunny, there is a small wind turbine that you will get. With any capital works that happen on your school, you will be guaranteed a wind turbine.' This was in the press release.

There were the education minister and the Premier telling us that we have these great green grants, we have these wind turbines and solar panels for schools. Here we are in 2010 and a couple of weekends ago they have pulled the wind turbine down from the State Administration Centre building because it does not work. So, the wind turbine has been pulled down but the spin keeps happening. The spin continues.

Back in 2008, we were told in the Public Works Committee that the wind turbine program was discontinued because there was a problem with the contract. The real problem was that the things did not work, but that did not stop the Premier spending \$330,000 of taxpayers' money buying a stockpile of these things so that he could pull them out whenever a camera was around.

Another important thing to remember is that we are going through a so-called digital education revolution. Three years after that program started, the state government allocated about \$12 billion to help install those computers, and we know that only a handful of schools actually have those computers up and running. In this budget, ICT learning technology efficiencies have been cut to the tune of \$1.198 million and \$8.8 million over the forward estimates—\$8.8 million pulled out of ICT training for teachers.

Teachers are going to have these new computers, and students are actually going to know more about them than they will. That is not being derogatory to teachers, because teachers have told me that they need ICT training so they can get the full benefit, but this government does not see that. This government thinks that it is something visual, that they can stand in front of the camera and say, 'I am doing something for education because there is a computer,' but no-one knows how to use it. The government is happy with that because it makes for good photographs and occasionally you get to cut a ribbon. Finally, I will talk about—

The Hon. M.J. Atkinson interjecting:

Mr PISONI: Well, there are plenty of cuts here to talk about, member for Croydon, and I am looking forward to your contribution a bit later on, particularly after the promise you made in opposition to open the Millswood station but did not make any effort whatsoever to do it while you were in cabinet. Did you raise it in cabinet? You promised the people of Unley to open that station. You said that, when the Labor government was returned, you would open the Millswood station. But then again, that is Labor's form. That is the Hawker Britton model: say whatever you like when in opposition, tell them what they want to hear during an election campaign, but do what you like.

The Hon. M.J. Atkinson interjecting:

Mr PISONI: He says, 'Where are we now?' Yes, they are in government, and that is all they care about. That is why they are cutting funds for the most basic social services here in South Australia. They are in government and that is all that matters to the ALP.

The Hon. M.J. Atkinson: How old are you going to be in 2014?

Mr PISONI: The member for Croydon is very proud to boast that he is in government. He does not care that there are people in his electorate who will no longer be able to use the services that Don Dunstan claimed as being necessary.

The Hon. M.J. Atkinson: The Parks is nowhere near my electorate.

Mr PISONI: Nobody in your electorate of Croydon uses the Parks? Is that what you are saying: nobody in the seat of Croydon uses the Parks?

The Hon. M.J. Atkinson interjecting:

Mr PISONI: Well, perhaps it does not matter. Well then, that does not matter for the member for Croydon. That is a very narrow view of politics: 'Anything it takes to get into government and then I don't care once I am a backbencher if it doesn't affect my electorate.' It is an extraordinary admission by the member for Croydon.

In summing up, there is a lot to be concerned about in education for South Australia under this budget. Lots of promises were made by the so-called education Premier, but they have not been delivered. As a matter of fact, here in South Australia, we have gone backwards. This is an education minister who has said that he is happy with fourth place in the education system here in Australia.

Debate adjourned on motion of Mr Pederick.

[Sitting suspended from 13:00 to 14:00]

TRUSTEE (CHARITABLE TRUSTS) AMENDMENT BILL

His Excellency the Governor assented to the bill.

MOTOR VEHICLES (MISCELLANEOUS) AMENDMENT BILL

His Excellency the Governor assented to the bill.

PAPERS

The following papers were laid on the table:

By the Speaker—

Joint Parliamentary Service—The Administration of Annual Report 2009-10
Members, House of Assembly—
Register of Members' Interests—Registrar's Statement June 2010
Travel Entitlements Annual Report 2009-10

By the Premier (Hon. M.D. Rann)—

Capital City Committee—Annual Report 2009-10

By the Treasurer (Hon. K.O. Foley), and moved that it be printed—

Budget Paper 4—Financial Statements for the Administered Items for the Department of
Treasury and Finance—Corrigendum

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

Development Plan Amendment—Mixed Use (Islington) Zone
Regulations made under the following Act—
Development—Miscellaneous

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

Witness Protection Act 1996—Annual Report 2009-10

By the Attorney-General (Hon. J.R. Rau)—

Legal Practitioners Disciplinary Tribunal—Annual Report 2009-10
Regulations made under the following Act—
Criminal Law (Sentencing)—Sentencing
Rules made under the following Acts—
District Court—Civil Rules—Amendment 14
Supreme Court—Civil Rules—Amendment 13

ANSWERS TO QUESTIONS

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

TOMORROW STUDIO

2 Ms CHAPMAN (Bragg) (18 May 2010). What was the capital cost of establishing the 'Tomorrow Studio', located at Level 1, 193 Wakefield Street, Adelaide and what is the operating budget for 2009-10?

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Industry and Trade, Minister for Small Business, Minister for Correctional Services, Minister for Gambling): I have been advised the following:

The Tomorrow Studio is a critical project within the *Investing in a Digital Tomorrow* initiative that was approved by Cabinet to commence in 2008-09 for a four-year period. The objective of the initiative is to encourage the development of start-up companies in the fast growing digital media sector.

The Tomorrow Studio operates as a business incubator where start-up companies are provided support and guidance in their early growth stages. It currently has 20 start-up business tenants. The capital cost of establishing the Tomorrow Studio was \$60,829 and its operating budget for 2009-10 was \$179,000.

The Economic Development Board has identified the Knowledge Intensive Services (KIS) sector, which includes digital technology, as a high growth sector with the potential to make a significant contribution to the economic development of South Australia.

There continues to be significant growth in this sector both domestically and internationally. This trend is likely to continue with services exports contributing an estimated \$1.9 billion a year to the State's economy.

COOBER PEDY AREA SCHOOL PRINCIPAL

In reply to **Mr PISONI (Unley)** (20 July 2010).

The Hon. J.W. WEATHERILL (Cheltenham—Minister for Education, Minister for Early Childhood Development): The former principal has not breached any mandated DECS guidelines with respect to enforcing discipline and attendance at the school. She was reprimanded for conduct unrelated to student discipline and attendance.

WATER PRICING

In reply to **Mr WILLIAMS (MacKillop—Deputy Leader of the Opposition)** (22 July 2010).

The Hon. P. CAICA (Colton—Minister for Environment and Conservation, Minister for the River Murray, Minister for Water): I am advised that:

The Adelaide desalination plant operating costs were transparently declared by SA Water in the Parliamentary Public Works Submissions (November 2008 and June 2009 respectively) and comprised:

1. Gross \$91.8 million per annum (or a net of \$81 million/a after discounting the River Murray pumping saving of \$10.8 million/a) for the 50 GL/a plant.
2. Gross \$129.9 million per annum (or a net of \$119.1 million/a after discounting the River Murray pumping saving of \$10.8 million/a) for the 100 GL/a plant.

The above operating costs were based on Financial Year 2015-16 and based on plant operating at full capacity every year.

In response to the specific matter of annual escalation of the operating costs, SA Water's Parliamentary Public Works Submissions were based on an annual escalation (increasing year on year due to inflation) of 2.5 per cent per annum.

For the financial year 2015-16 extending to next financial year 2016-17, this increase would be approximately \$3.87 million. This is much lower than the figure of \$25 million per year quoted above.

The current SA Water forward pricing estimates (2010-11) incorporate the dollars as previously declared for the 100 GL/a plant. There is no increase in the operating costs reported to Parliament in June 2009.

McGEE, MR EUGENE

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 two ministerial statements.

Leave granted.

The Hon. M.D. RANN: On 30 November 2003, Eugene Norman McGee was the driver of a vehicle which was involved in a collision in the Barossa Valley with a cyclist, Mr Ian Humphrey. Tragically, Mr Humphrey was killed as a result of that collision.

It is a matter of record that Eugene McGee failed to stop or render any assistance to Mr Humphrey. Mr McGee had been to lunch with his mother and brother and had consumed alcohol during the course of that afternoon.

The trial judge found that Mr McGee failed to contact police for some time. He concealed his vehicle at the Barossa Valley and sought assistance from his brother to return to Adelaide. The judge also found that, in the course of his flight, he passed through a police checkpoint. The trial judge also concluded that Mr McGee and his brother agreed they would do whatever was required to avoid police making contact with Eugene McGee before they returned to Adelaide to see a lawyer. That is the trial judge.

Mr McGee was at the time, and still remains, a legal practitioner. His practice includes significant criminal work, and he was plainly aware of his obligation to stop and render assistance. Moreover, he would have been acutely aware that his failure to stop or report immediately to police could compromise the police investigation into his culpability for the collision.

McGee was subsequently acquitted of causing death by dangerous driving. He was convicted, on his plea of guilty, for failing to stop and render assistance and fined a mere \$3,100. At the time, the maximum penalty for the offence was one year's imprisonment. Since then, the government has amended the law to provide for a maximum penalty of 15 years' imprisonment, where a person flees the scene when a death or serious injury has been caused through careless driving.

Mr Humphrey's wife, Di Gilchrist-Humphrey, has campaigned tirelessly for justice for her late husband and for her family. Ms Gilchrist-Humphrey's representations, together with the government's deep concern about the circumstances of the case, led to a royal commission into the incident. Ms Gilchrist-Humphrey was given standing and was represented by counsel at the royal commission. The royal commissioner, in his report, made recommendations for changes to the law which the government has adopted. The changes will ensure trials for these offences are fairer, particularly through the disclosure by defence of expert evidence.

Ms Gilchrist-Humphrey has made a complaint against McGee to the Legal Practitioners Conduct Board. The former attorney-general also made a complaint to the board. In this respect, I note that the Legal Practitioners Act provides that misconduct or unprofessional conduct by a practitioner includes, and I want to quote this exactly:

...any offence of a dishonest or infamous nature committed by the legal practitioner in respect of which punishment by imprisonment is prescribed or authorised by law.

Ms Gilchrist-Humphrey has asked to be heard to make submissions personally or through her representative to the conduct board prior to the board's determination. Ms Gilchrist-Humphrey, since her husband's tragic and senseless death, has given voice to her family's search for justice, to the community's search for answers and, of course, to justice for her late husband.

I am pleased to note that the board has sought further submissions from all complainants prior to making any decision. I believe that this will include Ms Gilchrist-Humphrey. I recognise the board is an independent body and I do not intend by my support to influence the outcome of its deliberations. I have no doubt the decision by the board to allow Ms Gilchrist-Humphrey the opportunity to make submissions will receive strong and widespread public support.

YUENDUMU FAMILIES

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) (14:11): I seek leave to make a ministerial statement.

Leave granted.

The Hon. M.D. RANN: On Tuesday 21 September, a group of 100 people from the remote Aboriginal community of Yuendumu in the Northern Territory left Alice Springs on two buses and in a number of cars travelling to Adelaide. At that time they were, I am told, fleeing an outbreak of violence in the Yuendumu community which had followed the death of a young man. I understand the violence arose from a form of 'payback' for the man's death.

The group affected by the violence had made a decision to travel to Adelaide to stay with family members who were living here. As to who organised the buses and paid for them has yet to be clearly established. Late in the morning of that Tuesday, I am told that the office of the Minister for Families and Communities first became aware of the arrival of this group of people from an ABC radio journalist. It was obvious they would need support when they arrived, and their exact destination at that point was unclear.

In preparation, state government agencies and non-government organisations worked collaboratively and urgently to ensure that when the group arrived they were safe, had somewhere to stay, and had food and supplies available to them. Housing SA and Families SA liaised with potential short-term accommodation providers and, in the short term, Anglicare at Elizabeth was able to house the group in a community centre where the majority of them remain for now.

It was only after their arrival in Elizabeth in the late morning of Wednesday 22 September that the government was able to establish that the group included around 30 children and two people who required regular dialysis treatment. I am informed that the latter are now receiving their treatment at the Lyell McEwin Hospital. Other medical checks are continuing and are being addressed as they arise. The Anglicare accommodation has been supported with beds, bedding, meals, portable toilets, showers, and other essential items from a variety of sources including local community groups, Families SA, the Metropolitan Fire Service and the State Emergency Service.

The government has been in contact with agencies in the Northern Territory to discuss the return of the group peacefully and safely back into their home community. I am informed that a number of outstanding legal matters will be dealt with by the Northern Territory courts during the course of this week, which will be closely monitored here in South Australia. I am advised that the majority of the group will be staying in Adelaide for between three and six weeks, depending on the outcome of court proceedings and associated steps to establish a resettlement strategy in the Yuendumu community.

Last Friday, the Minister for Families and Communities and I met with the leaders of the group in Elizabeth and assured them that we would do whatever is needed to ensure they and their children were safe and that they continue to receive the care and support they need. This will require many moving into alternative accommodation, which is now being sought by government agencies, until their return to the Territory.

During my visit to the leaders, I made it absolutely clear that any suggestion of retaliatory 'payback' was unacceptable to this government and that the process of mediation and healing must now begin. I was very concerned to hear repeated stories to and fro about the need for 'payback'. The fact remains that information regarding the movement of this large number of vulnerable Australians was not communicated to the South Australian government in a timely manner. This government will always do what it can for people who come to this state who are in need and facing a crisis situation.

In this instance, the government and many non-government organisations made a tremendous effort to ensure that safety, shelter, health and social supports are in place for these families, but there is no doubt that this work could have been achieved far more effectively if there had been notice received by us as soon as these people were known to be heading to South Australia.

I will be writing to the federal Minister for Families, Housing, Community Services and Indigenous Affairs, Jenny Macklin, seeking her assurance that if similar situations arise in the future our government officials are notified immediately. This is not just a matter of courtesy; it is a matter of safety and preparedness.

For now, this government, the commonwealth government and community organisations are meeting regularly to coordinate service efforts and broader assistance that can be provided to the people from Yuendumu. This work will continue for as long as necessary. Who will pay for the accommodation and expenses of the group will be determined later by negotiation between agencies. The issue of payment is not our priority.

I understand that Centrelink staff in Alice Springs provided emergency payments to the 60 to 70 adults in the group and helped to ensure that they would be able to access their benefits under the Basic Card in South Australian stores. I wish to acknowledge the cooperation and offers of practical support from commonwealth officials since the arrival of the group in South Australia.

On the whole, I am pleased by the overwhelmingly positive response of the South Australian community regarding the safety and wellbeing of the group. In the group's own words, in a statement prepared for the media, they had this to say:

We have come for peace away from the Northern Territory on the request of family members who gave instructions to leave and all we want to do is settle down for some time until we will be able to negotiate with members from the other family groups. We would like the media to respect our privacy on all levels. We do not want people sneaking around to take photos of us. It is disrespectful to take photos of us. Leave our kids alone. We want to be safe. We are worried especially about our women and kids. We want them to be safe.

We would like to thank the South Australian government for what they have done for us already and Anglicare for putting us up and all the government agencies.

This initial response provided by government agencies and community organisations was timely, appropriate and, I am told, well received by the people from Yuendumu. I would like to thank all those employees and volunteers who have been contributing their time, energy and goods to assist those in need.

CORRECTIONAL SERVICES

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Industry and Trade, Minister for Small Business, Minister for Correctional Services, Minister for Gambling) (14:20): I seek leave to make a ministerial statement.

Leave granted.

Members interjecting:

The SPEAKER: Order!

The Hon. A. KOUTSANTONIS: As many members of this house are aware, the Correctional Services Act has been in operation since 1982. Whilst a series of amendments has been made to the legislation since that time the act in parts no longer complements contemporary best practice in correctional management.

In society we are increasingly dealing with more dangerous and determined criminals in our criminal justice system and serious and organised crime gangs. It is important that the appropriate proportionate legislative measures are available to manage the inherent risk that serious and violent offenders present.

I am pleased to inform the house today that cabinet has approved the drafting of amendments for the Correctional Services Act 1982 and the Correctional Services Regulations 2001. The proposed amendments are designed to increase public protection and increase safety and security in the prison system. The proposed changes reflect a particular focus on parolees. These proposed reforms are the most significant in the area of parole in nearly 30 years. The proposed laws will:

- give police more information about parolees on their release;
- give police power to arrest a parolee, whom they suspect to have breached parole, without a warrant and hold them for up to 12 hours;
- give the chief executive of the Department for Correctional Services the authority to issue a warrant in addition to the Parole Board if a parolee has breached their conditions; and
- compel departments to share information to ensure a rapid response when dealing with parolees and prevent parolees interacting with prisoners.

We want to speed up the process of issuing warrants and enable departments to share information. We want to make it quicker and easier to get criminals, who breach their parole, off our streets. This is all about improving public safety by giving authorities the ability to act at the first sign of trouble. It is not appropriate to wait while an offender breaches their parole conditions, reoffends, and, in some cases, puts members of the public in danger.

Parole is a privilege, not a right. Community safety should always be the paramount concern, and these proposed changes reflect that principle. We need to ensure that we have the mechanisms in place for a rapid and coordinated response to deal with offenders who breach their parole conditions. I want police to have all the information they need to do their job quickly and safely. As part of these sweeping reforms I intend to consider other changes in the drafting process, such as:

- providing for the introduction of illicit drugs into a prison to be deemed an aggravated offence;
- expanding the powers of correctional officers to be allowed to search visitors outside the prison walls, including in visitor car parks in the gazetted prison reserve;
- preventing a person released from prison from visiting a prisoner within 12 months of their release without the consent of the chief executive;

- requiring parolees convicted of child sex offences to automatically disclose their offending to prospective employers;
- enabling the Parole Board to include electronic monitoring by the department as a condition of parole;
- allowing the department's chief executive to release information on prisoners or offenders without their permission if they pose a serious risk or threat to public safety; and
- preventing a parolee from depositing money into another prisoner's trust account for a period of time.

This is a difficult and controversial area. It is imperative that we get it right. That is why throughout the drafting process I will undertake extensive consultation with all concerned parties, including the Attorney-General, the Parole Board, police, relevant unions and the Victims' Rights Commissioner.

The Rann government's priority has and always will be the protection of the innocent. I look forward to bringing in laws which reflect that priority.

QUESTION TIME

PUBLIC SECTOR EMPLOYMENT

Mrs REDMOND (Heysen—Leader of the Opposition) (14:24): My question is to the Premier. Why did the Premier sign a letter dated 1 February 2010 guaranteeing no public sector forced redundancies, and will the Premier and his government stand by his written word?

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) (14:25): Well, on the issue of forced redundancies, let us compare the words that are given in election campaigns. In 2002 we announced no privatisation, no forced redundancies—

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

The SPEAKER: Order! Premier, there is a point of order.

Mr WILLIAMS: Madam Speaker, the question is very specific: why did the Premier sign a letter dated 1 February, and will he stand by his written word?

The SPEAKER: I will listen carefully to the Premier's response, but he has hardly got into it yet.

The Hon. M.D. RANN: Yes. We are dealing with letters sent to the Public Service Association in relation to no forced redundancies: 2002, no forced redundancies, no privatisation, and we stuck to it; and 2006, no forced redundancies, no privatisation, no tolls on roads (the Liberals' solution), and we stuck to it, and we want to be able to honour the commitment this time.

In fact, as I have said before in the media and elsewhere, I do not believe that we will have to have forced redundancies because we have put forward—

Members interjecting:

The Hon. M.D. RANN: Love to.

The SPEAKER: The member for Mawson.

LOCUST PLAGUE

Mr BIGNELL (Mawson) (14:26): My question is to the Premier. Can the Premier inform the house about the state's readiness to combat the looming locust plague?

Members interjecting:

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) (14:26): It is interesting that the city slickers on that side of the house do not want to know about pestilence. At the Liberal Party conference (with that other wrecker, Tony Abbott), the Leader of the Opposition—

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: —described members here—in fact me, the deputy, the Minister for Infrastructure, and, indeed, the former attorney-general—as the Four Horsemen of the Apocalypse. Now, the first horseman of the apocalypse, riding a white horse (the Antichrist) was supposed to bring pestilence; the second one, riding a red horse, famine; the third one, riding a black horse, war; and then the fourth one, on a pale horse, bringing death.

Apparently, her prediction was that the Four Horsemen of the Apocalypse would be gone from the ministry. Apparently, she did not know that the former attorney-general was in fact the former attorney-general. Clearly, even though they do not care about agricultural communities, they should care about pestilence. Madam Speaker—

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: —this is very important.

Mrs Redmond interjecting:

The Hon. M.D. RANN: Yes, that's right. She calls me the Antichrist, but no-one who saw her on Sunday night at the Montevergine celebrations would see her as Moses leading them back from the desert of opposition.

I can inform the house that the first shots have been fired in South Australia's war on locusts. Chemical spraying of the first locust hatchings began this morning in the Flinders Ranges. The first targets were in the Parachilna/Motpena Station area, while targets at Moralana Station (west of Leigh Creek Road) and Edeowie Station (near Brachina Gorge) have also been identified for treatment. This event marks the opening of hostilities in what is shaping to be the worst locust plague in 40 years. It is a battle that the government is determined to win in partnership with our farming communities.

Last Thursday I travelled to Orroroo with the minister for agriculture to officially open the locust control centre. The control centre at Orroroo and another at Loxton are command headquarters for what is very much like a military operation. As the weather warms (albeit later than expected), South Australia will be invaded by trillions of locusts. If left unchecked, this pestilence could wipe out much of the state's agricultural production.

After years of drought, it was an absolute pleasure to see excellent crops growing in the Mid North, as well as, of course, as far up as the Flinders Ranges. The grain harvest this year could potentially be worth in the order of \$2 billion. It is vital that we protect this crop, our pastures and vineyards, which are also important to the economic and social wellbeing of South Australia.

Members interjecting:

The Hon. M.D. RANN: Members opposite might find the locust plague funny, but none of the farmers that I met thought so. Locusts pose a threat to parks and gardens, sporting grounds, golf courses and regional aviation. To defend South Australia against the locust assault, the government has committed \$12.8 million, and will spend more if necessary. Strategic spraying operations will occur over an estimated 450,000 hectares of the state, from the air and on the ground. We have seven aircraft ready to be deployed and 130 front-line troops in the field. These personnel will be working collaboratively with landholders, local government and natural resource management boards.

Our collective aim is to hit the locusts on the ground before they take to the wing. We want to destroy the enemy before it becomes airborne. To provide intelligence to this mission, survey teams have been mapping the locust egg laying and are on the lookout for hatchings. For the first time, GPS technology is being used to make the response incredibly precise and targeted.

The government has taken the lead in coordinating the campaign because it is vital to our state's economy that we do so. I want to acknowledge the dedication of PIRSA officers in preparing for the locust threat in a professional manner.

Members interjecting:

The Hon. M.D. RANN: They are now attacking PIRSA. I also commend the community reference groups for their advice and assistance, in particular the group chairmen, Mr Ken Kaye in the Riverland and Mr Malcolm Byerlee in the Flinders Ranges. I visited Mr Byerlee's property on Thursday and saw his 'handy crop', as he modestly described it, gaining an appreciation of what is at stake and why we must be vigilant. I went there some years ago—I think back in September

2002, from recollection, during the drought. It was terrific to have the minister for agriculture there as well.

This presents new management challenges because we cannot undertake large-scale aerial spraying along waterways, in terms of the River Murray. For the first time, we are facing a major locust invasion in parts of the Riverland and along the Murray. That is why the government has provided a rebate scheme for landholders to spray their own properties. We also want farmers and irrigators in the Riverland to be vigilant in watching out for hatchings and to report these to the Loxton Control Centre.

We are aware that chemical spraying creates a range of issues, including possible contamination of grain and wool, potential harm to human health and threat to native wildlife. PIRSA is working with landholders and also with DENR and SA Health to minimise the risk, and open communication is occurring with stakeholders. A special fungal spray called Green Guard has been developed for use in environmentally sensitive areas and by organic farmers. It has the benefits of no withholding periods and no residues.

Members interjecting:

The Hon. M.D. RANN: The government—but apparently not the opposition—is determined to fight a good fight to minimise the damage caused by locusts. We want to protect our state's agricultural industries, and we are going to work very hard to do so.

STATE FINANCES

The Hon. I.F. EVANS (Davenport) (14:33): My question is to the Treasurer. After an election fought on trust, how can the people of South Australia trust this government when it told the public prior to the March 2010 state election that its policy was that savings and revenue measures of only \$750 million were required, but it now has a policy of savings and revenue measures of \$2.5 billion?

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Federal/State Relations, Minister for Defence Industries) (14:34): What a weak treasurer Iain Evans would make. He would be incapable of making a hard decision. We have delivered nine budgets as a government, we have reclaimed the AAA credit rating, and we have ensured that this state's finances are of the highest order.

Mr WILLIAMS: Madam Speaker, I rise on a point of order. The point of order is one of relevance. The question was about trustworthiness and the lack thereof.

The SPEAKER: There is no point of order.

The Hon. K.O. FOLEY: As I said, the revenue loss—it was not a magical number—caused by the global financial crisis, \$1.4 billion.

Members interjecting:

The Hon. K.O. FOLEY: Madam Speaker, can I have some help over here, please?

The SPEAKER: Order! Treasurer, I do not think you need protection.

Members interjecting:

The SPEAKER: Order! I am trying to listen to the Treasurer; he is asking me a question. I am not sure that he needs a lot of protection.

The Hon. K.O. FOLEY: The net loss, after taking into account improved revenue flows, is a net loss of \$1.4 billion. That is not a made-up number; that is fact. In fact, the commonwealth government, to put this into context—

Mrs Redmond interjecting:

The Hon. K.O. FOLEY: Will you just listen—has lost \$50 billion. The reality is that governments, when it comes to budgeting, must always be able to revise and to deal with the circumstances they are presented with. Members opposite can laugh, but you know what, Madam Speaker, if the Liberal Party had had the courage of a Jeff Kennett when they came to office in 1993, done the hard work, the starting point for this government would have been much stronger, because I laughed with—

The Hon. I.F. Evans: You're going back 17 years!

The SPEAKER: Order! The Treasurer is answering the question, not the member for Davenport.

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

The Hon. K.O. FOLEY: He interjected.

Mr WILLIAMS: No, the Speaker said that you were answering the question and I want to remind the Speaker that, in fact, you were not answering the question. The question was: why before the election was a Sustainable Budget Commission seeking a \$750 million cut or turnaround and now it is \$2.5 million? It is about trust.

The SPEAKER: Order! The Treasurer is answering the question as he sees fit.

The Hon. K.O. FOLEY: The would-be leader says, 'Don't go back 17 years.' What have they all been banging on about for the last two weeks—the State Bank. That was actually about 20 years ago. Get your story consistent, shadow treasurer.

Mr Williams interjecting:

The SPEAKER: The Treasurer will answer the question.

The Hon. K.O. FOLEY: I will let the opposition be the defenders of working conditions that are way out of step with the private sector. I will let members opposite support tenure. I will let members opposite enable our public servants to have the best long service leave by a country mile in all Australia, because you are a soft lot. You are incapable of making the hard decisions the government requires. We have maintained our AAA credit rating. We have delivered good budget outcomes. I have never walked away from a hard budget, because we have had to control the budget outlays of this state year in, year out—

Mr Marshall interjecting:

The Hon. K.O. FOLEY: So, you wouldn't have spent the extra—

Mr Marshall interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: The member for Norwood would not have expended the extra \$200 million in health, is that what you are saying?

Mr Marshall interjecting:

The Hon. K.O. FOLEY: The member for Norwood says they would not fund the overrun in health. I can say today, since the budget has come out, opposition shadow spokespeople have been on the airwaves critical of this government and wanting this government to overturn \$400 million plus of recurrent saving per year, each and every year, but not once have they come out and put up an alternative.

Members interjecting:

The Hon. K.O. FOLEY: You are a soft lot and God help us if you ever got into government with your weak approach to budget management. This government stands proud because we were able to do something you could not do—and that is to get the AAA credit rating back. We got the triple AAA—

Members interjecting:

The SPEAKER: Order!

An honourable member interjecting:

The Hon. K.O. FOLEY: Sorry? You are going back 15 years now, are you? You are going back 15 years, right. He can go back 15 years when it suits his argument but if I attempt to put some historical perspective—I saw Stephen Baker on the TV having a crack at me. My good colleague over there I did frame as the weakest shadow treasurer I had confronted, but Stephen Baker would have to be the most lacklustre, weakest treasurer this state has ever seen, because had he had the courage—

An honourable member interjecting:

The Hon. K.O. FOLEY: You can laugh about it—with then premier Dean Brown to tackle what was the horrendous financial position we were in, then successive governments—

Members interjecting:

The Hon. K.O. FOLEY: I have never denied it. What it showed was that you were incapable of dealing with it then and you are incapable of dealing with it now. You are a bunch of populists who could not make a hard decision if your life depended on it.

Members interjecting:

The SPEAKER: Order!

DEFENCE INDUSTRY

Mrs GERAGHTY (Torrens) (14:41): My question is to the Minister for Employment, Training and Further Education. Can the minister inform the house what the government is doing to improve the standing of South Australia as the nation's defence hub?

The Hon. J.J. SNELLING (Playford—Minister for Employment, Training and Further Education, Minister for Science and Information Economy, Minister for Road Safety, Minister for Veterans' Affairs) (14:42): As a matter of fact, I can. I would like to thank the honourable member for her question. Nearly 1,200 new training places will soon be available in South Australia's growing defence industry through a \$1.7 million combined federal/state funding allocation.

These 1,185 training places will enhance South Australia standing as the nation's defence hub. The training places have become available after the Defence Teaming Centre was successful in the latest round of the Productivity Places Program for Existing Workers. The training places will benefit workers from seven large defence companies and 23 small to medium enterprises working in the defence sector.

As the Premier has told this place before, South Australia has secured about \$44 billion worth of defence projects to be rolled out over the next two decades, which will generate sustainable and meaningful jobs and careers, and \$8 billion worth of the Royal Australian Navy's new air warfare destroyers will be produced and launched at the Techport Australia site which was opened in February. The 12 next-generation submarines—the largest conventional submarines of their type in the world—will also be constructed at the site. The air warfare destroyer project alone is estimated to deliver more than 3,000 direct and indirect jobs and an estimated \$1.4 billion to our state over the next 10 years.

Eighteen registered training organisations will deliver the Productivity Places Program training to existing industry workers in several areas including electronics and communications engineering, manufacturing, aviation, project management, business skills and electrical engineering.

The Defence Teaming Centre has been successful in each round of Productivity Places Program to date, with just under a total of 2,000 allocated industry places. The PPP round is worth \$32 million, the largest government and industry investment in training committed since the program began. Almost \$28 million of the funding has now been allocated for training across the state, with the remainder to be distributed later in the year.

The PPP for Existing Workers is worth about \$117 million over four years and will provide 39,000 training places for existing workers across the state by the middle of 2012. The government is investing, as we all know, \$194 million over the next six years, which will create 62,000 additional training places which, combined with the PPP delivering 38,000 training places, will bring the total to 100,000 extra training places over the next six years. We have also recently announced a 10 point Skills for All reform agenda, which sets out a blueprint for modernising and renewing the VET system, aimed at significantly increasing the state's skill levels to lift workforce participation and to increase productivity.

PARKS COMMUNITY CENTRE

Mrs REDMOND (Heysen—Leader of the Opposition) (14:45): My question is to the Premier. When the Premier was out 'reconnecting with the community' after the March 2010 election, did the users of the Parks Community Centre ask him to close the centre?

Members interjecting:

The SPEAKER: Order! The Premier was asked the question.

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) (14:45): I remember when the Liberal government moved to close the Parks High School, with 70 students with disabilities.

Mr Pisoni: What did Don Dunstan say?

The SPEAKER: Order, member for Unley!

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: We have heard about their word before, like their word before the 1997 election that they would never, ever, ever sell ETSA, full stop—that is what they said.

The SPEAKER: Point of order, the deputy leader.

Mr WILLIAMS: The point of order is relevance. The question was very, very succinct, and it was very pointed: it is about the decision to close the Parks Community Centre.

Members interjecting:

Mr WILLIAMS: The question was whether that policy came from the 'reconnection', or whether you knew about it before the election—that is what it was about.

Members interjecting:

The SPEAKER: Order, there will be no quarrels across the floor! Premier, could you answer the question.

The Hon. M.D. RANN: Thank you. The Minister for Families and Communities and her department have had ongoing discussions with the Port Adelaide Enfield council. I know that in the past a generous offer was made to the council that would see much of the facility retained. That was rejected by the council, but if they wish to put an alternative proposal to the government, the minister's door is open.

Community facilities, like swimming pools, are a responsibility of local government in South Australia. The government wants better facilities for the people of the west than the rundown buildings that are currently in use. That is why we are investing in a new customer centre, new housing developments and new school facilities.

The Parks Community Centre comprises some 14 buildings, built between 28 and 32 years ago. The Parks centre was set up in the 1970s as an integrated education, health and recreational facility in one of the most disadvantaged communities. In 1996, the Brown Liberal government moved to close the Parks High School. I said at the time—

Members interjecting:

The SPEAKER: Order, there will be no quarrels across the floor!

Members interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: Point of order: I would like to hear the answer to their question, even if they wouldn't. Interjections are out of order.

An honourable member interjecting:

The Hon. P.F. CONLON: Including that one!

An honourable member interjecting:

The Hon. P.F. CONLON: And that one!

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: The Brown Liberal government closed the Parks High School and I said at the time that this would rip the heart out of the Parks and this has proven correct. Under this government—

Members interjecting:

The Hon. M.D. RANN: Do you want to hear an answer, or not?

The SPEAKER: Order!

The Hon. M.D. RANN: Under this government, the Parks area has changed significantly in recent years. The Westwood Urban Regeneration and Community Development Project has seen the ratio of public housing in the area reduced from as much as 80 per cent in 1996 to just 25 per cent.

More than half a billion dollars has been spent to lift the lives of people in these suburbs, but during this time, the buildings at the Parks have deteriorated significantly. The Department for Families and Communities estimates that \$16 million will be required over the next 10 years to maintain and replace buildings, plant and equipment. This is \$16 million of taxpayers' money, just to keep old outdated buildings open. We want this money to be spent on services. Among the needs are the capital works on the stadium floor, pool filtration system and roof.

The state budget allocates \$10 million to build a new service centre for Families SA, Disability SA and Housing SA staff in the western suburbs. The Department for Families and Communities will be consulting about possible locations. The new facility will be used to provide state government—

Members interjecting:

The SPEAKER: Order! Listen to the Premier.

The Hon. M.D. RANN: —services to the people of the western suburbs. The Department for Families and Communities is in discussions with SA Health and the Department of Education and Children's Services about the continued provision of these services in the western suburbs. This decision means the Parks centre would close in about two years, and local NGOs have been given this notice.

The Port Adelaide Enfield council operates the Parks Community Centre with funding of \$1.8 million per annum from the state government for library and other services. The state government has budgeted to cease this funding. The Port Adelaide Enfield council used the funding to provide community services that are generally the province of local government, not state government.

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: It is the state facility. The minister has spoken to the Mayor about council's desire for a new library facility and possible sports ground.

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: The council has long held the view that they do not—

The SPEAKER: Order! I am trying to hear the answer to this. If I counted every question that has come from that side this afternoon, we would be up to about 64 questions by now. If you want to hear the answer to the original question, yes; if you don't, the Premier can sit down and we will go on with the next question.

Mrs REDMOND: Point of order, Madam Speaker. I do want to hear the answer to the original question, but the original question was: did the people who use the Parks Community Centre ask the Premier when he was reconnecting with them after the election to close the centre? That was the question.

The SPEAKER: I understand your point but I do not uphold that point of order because the Premier is getting to the answer. I have been listening very carefully to what he is saying. This side is behaving as badly as the other side.

The Hon. M.D. RANN: As I pointed out, the minister has been in discussions with the council. The minister has spoken to the mayor about council's desire for a new library facility and, possibly, sports grounds. The council has long held the view that they do not want to operate the pool but, again, we are open to hear from them or any private person who wants to retain the pool. It is as simple as that. The state government will work with the council to assist them with the new library and an offer will be made of existing library stock and furniture to make the move easier. Similarly, the state government is happy to talk with council about sporting grounds and equipment if they want to take some facilities over.

The council has advised that they will work with the council sponsored organisations that make use of the facilities currently to find suitable centres to continue their activities. The other government and non-government services that are tenants of the Parks will have two years to relocate to alternative accommodation. DFC will work closely with the non-government tenants to assist them with their relocation.

We expect the sale of the Parks will raise \$17 million. I can announce today that there is a \$5 million contingency to offer council. The Adelaide Aquatic Centre is closed from March for renovations for about 20 weeks. Council sponsored NGOs, such as woodwork classes, etc., will be asked to vacate in six months because these areas will be closed. That is what we are doing. We are talking to the council who are the representatives of the people there in terms of facilities which in other areas of the state are offered and run by local government.

The SPEAKER: I will refer members to standing order—

Members interjecting:

The SPEAKER: Order! Standing order 98 says that the member replies to the substance of the question, and I truly believe that is what the Premier was doing then. It was long, longwinded, but he was replying to the substance of the question. I take objection to the members of the opposition saying he was not. Just keep that in mind, that it replies to the substance of the question; they may not debate that they can do a full and comprehensive answer. I think that is what the Premier did in that case.

PARKS COMMUNITY CENTRE

Mrs REDMOND (Heysen—Leader of the Opposition) (14:54): My question is again to the Premier. Why didn't the Premier and the government tell the people who use the Parks Community Centre before the 2010 election of their plans to close the centre?

The Hon. J.M. RANKINE (Wright—Minister for Families and Communities, Minister for Housing, Minister for Ageing, Minister for Disability) (14:54): We were faced with the task of making sure we get best value for money for the South Australian taxpayers. Is it best use of taxpayers' money to spend \$16 million over the next 10 years maintaining what are currently barely adequate facilities for people of the western suburbs? This is an opportunity for us to provide improved services—

Mr Williams interjecting:

The SPEAKER: Order! I warn the deputy leader.

The Hon. J.M. RANKINE: —and facilities for the people of the western suburbs. We have already seen a \$600 million commitment to that area, lifting the lives of those people—

Mrs REDMOND: Point of order, Madam Speaker: you just read out the relevant standing order about the need to answer the substance of the question. The question was about why the government did not tell the people who used the Parks Community Centre, before the election, that it intended to close it. That is the substance of the question.

The SPEAKER: No, I still think the minister is getting to the answer; I will give her the benefit of the doubt at this stage.

The Hon. J.M. RANKINE: Let me also make the point that when the Parks was established in the 1970s the western suburbs were very different to what they are now. We had something like an 80 per cent Housing Trust concentration in some of those suburbs; it is now below 25 per cent.

Members interjecting:

The SPEAKER: Order!

The Hon. J.M. RANKINE: The decision in relation to the Parks was a proposal that was put to government by the Sustainable Budget Commission after the election.

Members interjecting:

The Hon. P.F. CONLON: I have a point of order. The sticklers for the standing orders on the other side are shrieking interjections at a quietly-spoken, courteous woman. It is out of order.

HOUSING SA RENTAL INCREASES

Mrs REDMOND (Heysen—Leader of the Opposition) (14:56): My question is again to the Premier. How can the people of South Australia trust the government when it promised, prior to the March 2010 election, that it would not increase Housing Trust rents for pensioners?

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Federal/State Relations, Minister for Defence Industries) (14:56): The government has made no secret—

Mr Williams: Yes, you did; you promised.

The SPEAKER: Order! Do you want the question answered or not?

The Hon. K.O. FOLEY: It is no secret that this government faced an incredibly difficult budgetary position—

Mr Williams: It is no secret that you made a mess of it for eight years.

The SPEAKER: Deputy leader!

The Hon. K.O. FOLEY: AAA; I would not suggest it is a mess.

Mr Williams interjecting:

The Hon. K.O. FOLEY: Not by 'finches' he said. It's Fitch's, not finches; they are colourful little birdies. How can I ever take you lot seriously?

Mr Williams: Fitch's.

The Hon. K.O. FOLEY: Oh, you're now saying Fitch's.

The SPEAKER: Treasurer, get back to the question and stop responding to interjections.

The Hon. K.O. FOLEY: Madam Speaker, Fitch's is not a rating agency that is considered in the same league as Standard and Poor's and Moody's. That is why, to the best of my understanding, the last Liberal treasurer, Rob Lucas, did not subscribe to them either—although they are in Barcelona, so it has been tempting.

As we know, this government put in place a Sustainable Budget Commission process. The detailed work of that commission in identifying savings did not start until after the state election.

Members interjecting:

The Hon. K.O. FOLEY: We were up-front about it.

Members interjecting:

The Hon. K.O. FOLEY: Do you think I can get an answer in, Madam Speaker? Honestly, this lot—

Mr Williams: Come on; bring it on.

The Hon. K.O. FOLEY: Just be quiet and I will give you an answer.

Mr Williams interjecting:

The SPEAKER: Order! Deputy leader, it is time you were quiet.

The Hon. K.O. FOLEY: Madam Speaker, the deputy leader is impugning that I am telling the parliament a lie. I ask him to apologise and withdraw.

The SPEAKER: I can understand where the Treasurer is coming from, but I cannot say that I interpret it in that way. However, I will listen very carefully to what the deputy leader says—and in fact he can shut up, because I have heard enough of him this afternoon.

The Hon. K.O. FOLEY: What I said—

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: —was that the substantive work of identifying savings measures did not start until after the election.

Mr Marshall: Why's that? Why didn't you start earlier?

The SPEAKER: Order, the member for Norwood!

Mr Marshall interjecting:

The SPEAKER: The member for Norwood!

The Hon. K.O. FOLEY: I was up-front, and I said that—

Mrs Redmond: After the election.

The SPEAKER: There seems very little point in your answering this, Treasurer; the other side doesn't seem to be listening.

The Hon. K.O. FOLEY: Maybe a couple of them should go for a walk. The work done prior to the election, as I said, was work that identified and advised the government on the appropriate timing for this budget, the amount of time they believed would be necessary to undertake the identification of savings and a number of other process matters that we needed to take into account.

The identification of savings was work that was undertaken post the election, so any suggestion that we either knew of these savings or had a plan for these savings before the election is absolutely untrue. We only had a plan when we received the information in a considered form from the Sustainable Budget Commission in the lead-up to the budget. It was only then that we were made aware of what savings they had identified. But, Madam Speaker—

Ms Chapman: Too gutless to tell the people.

The SPEAKER: Order!

The Hon. K.O. FOLEY: Too gutless to tell the people.

Ms Chapman interjecting:

The SPEAKER: Order, the member for Bragg!

The Hon. K.O. FOLEY: Well, is the member for Bragg saying that we should not build the Marion pool?

Ms Chapman interjecting:

The Hon. K.O. FOLEY: Are you saying we shouldn't build the Marion pool?

Members interjecting:

The SPEAKER: Order!

Ms Chapman interjecting:

The Hon. K.O. FOLEY: I tell you what, Vickie—

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: —you have made such a success of your political career, I stand in awe of you. You have gone down the totem pole. You have just been sliding, sliding, sliding, getting further and further away from your ambition to be the first female premier of this state. You really are a sad case. I feel sorry for you.

The SPEAKER: Order!

The Hon. K.O. FOLEY: I feel pity for you.

The SPEAKER: The Treasurer will get back to answering the question.

The Hon. K.O. FOLEY: As I have said repeatedly, we are a government that can govern for the good of South Australia because we are able to make the hard decisions to keep our

AAA credit rating—something the Liberal Party failed to do in eight long years of incompetent government.

The SPEAKER: It is always the sign of a poor question time when the media disappear, and I hope you are taking note of that. The member for Davenport.

PUBLIC SECTOR REDUNDANCIES

The Hon. I.F. EVANS (Davenport) (15:02): We might want to watch the media tonight, Madam Speaker. My question is—

Members interjecting:

The SPEAKER: Order! I can't hear the member.

The Hon. I.F. EVANS: My question is to the Premier. How can the people of South Australia trust this government when it promised, prior to the March 2010 election, no public sector forced redundancies but is now threatening to break that promise?

Members interjecting:

The SPEAKER: Order!

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) (15:03): I can remember when the honourable member—and I do think that either he or the member for Waite will end up being the Leader of the Opposition before the next election—

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: —but can I say this: the honourable member was a steadfast supporter of those in cabinet in the 1990s who were absolutely adamant that they would never ever sell ETSA and straight after the election changed their mind. We have kept our promise on privatisation, we have kept our promise on having no tolls on roads, and I expect that we will achieve the redundancies through generous voluntary separation packages so that we can keep our pledge here. But we have a responsibility to govern for all of the people of this state and in a way that reinforces our credentials on fiscal rectitude, as opposed to fiscal wrecking by members opposite.

MOUNT BARKER DEVELOPMENT PLAN AMENDMENT

Mr KENYON (Newland) (15:04): My question is to the Premier.

Members interjecting:

The SPEAKER: Order!

Mr KENYON: Can the Premier update the house on the proposed Mount Barker Urban Growth Development Plan Amendment?

Members interjecting:

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) (15:04): The question was hard to hear because of the screaming from members opposite. The question was: can the Premier update the house on the proposed Mount Barker Urban Growth Development Plan Amendment? Is that right; have I got that down accurately? Okay. The 30-Year Plan for Greater Adelaide anticipates that 560,000 new residents will need to be accommodated in the Greater Adelaide region over the next 30 years.

Up to 70 per cent of new dwellings will be within the city's existing footprint and along proposed transit corridors.

An honourable member interjecting:

The Hon. M.D. RANN: Of course, this differs from when they were in office, because the projections were population decline. We were heading towards Tasmania—not geographically, because, in fact, Australia is moving some centimetres towards East Timor every year. But the fact is that we were going backwards under the Liberals. Up to 70 per cent of new dwellings will be within the city's existing footprint and along proposed transit corridors.

The plan envisages that only 13,000 new dwellings will be needed in the entire Adelaide Hills and Murray Bridge region to house an additional 29,000 residents. That is an additional growth rate in the Adelaide Hills and Murray Bridge region of fewer than 1,000 residents a year for the next few decades.

We need to remember that Mount Barker is already one of the fastest growing regional centres in South Australia. It therefore requires specific structural planning to cater for the expected increase in demand for health, education, transport and services (such as power, water and sewerage). This is exactly what the DPA will deliver.

The Mount Barker Urban Growth Development Plan Amendment is currently the subject of an extensive public consultation process. Local government, community groups, business operators and—

Members interjecting:

The SPEAKER: Order! I am going to start warning people and I will throw someone out by the end of the day if this continues. The Premier.

The Hon. M.D. RANN: Local government, community groups, business operators and private citizens all have an opportunity through this process to put their views forward and be heard. The Mount Barker council, as well as many members of the community, have already provided submissions in response to the DPA during the public consultation period.

In addition, the planning minister, the Hon. Paul Holloway, has met with mayor Ann Ferguson to discuss the Mount Barker Urban Growth DPA, and staff from the Department of Planning and Local Government regularly met with council staff and councillors before the public release of the DPA.

The final DPA and the supporting documentation will address many of the important issues raised in the council phone survey, such as physical and social infrastructure, education services, public transport, water, sewerage and stormwater.

The Mayor of Mount Barker, Ann Ferguson, has also written to me requesting a meeting to discuss the DPA. However, the public consultation process has not concluded. As such, it would neither be appropriate nor productive to meet before the process has run its course.

At the conclusion of the consultation process, the Development Policy Advisory Committee will consider the DPA and all the submissions received and provide recommendations to minister Holloway before a final decision is made. I have written to mayor Ferguson to let her know that, at that point—

Ms Chapman interjecting:

The SPEAKER: Order! I warn the member for Bragg.

The Hon. M.D. RANN: —I would be happy to meet with her to discuss her concerns, which I am confident will be addressed by the ongoing consultation process. In addition to the Mount Barker Urban Growth DPA, other public consultation processes being undertaken by the state government include:

- the Social Inclusion Disability blueprint;
- the draft South Australian Waste Strategy Consultation Paper;
- the Education and Early Childhood Development Legislation Reform Consultation Paper;
- the Education Discussion Paper;
- the Ageing and Disability Service Improvement Consultation Paper;
- South Australian Strategic Plan update forums;
- marine parks local advisory groups meetings;
- Criminal Law (Sentencing Considerations) Bill consultation process; and many others.

Yes, I am happy to talk with the mayor once the statutory consultation period has been completed.

Members interjecting:

The SPEAKER: Order! The member for Morphett.

COMMUNITY HOSPITAL FUNDING

Dr McFETRIDGE (Morphett) (15:09): Thank you, Madam Speaker. My question is to the Minister for Health. Why did the government not tell community hospitals prior to the March 2010 election that their funding would be cut, threatening their existence?

The Hon. J.D. HILL (Kaurua—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (15:09): I thank the member for his question. It is the same question, I guess, that has been asked of other members about why things were not given before they were decided. Well, they were not given that information until it was decided and, when it was decided, which was part of the budget—

Mr Marshall interjecting:

The SPEAKER: Order, the Member for Norwood!

The Hon. J.D. HILL: We have a budget process every year, and every year we make decisions. Some are applauded by the community and some attacked by the community, but they do not come out prior to the budget because that is the process we go through, which is called the budget process. There are a lot of things in the budget, too, that parts of the rural community are very happy about but they were not necessarily given all that information prior to the budget coming out, either. So, that it is just the way it is.

As it happens, of course, I did speak to one of the rural hospitals that came to me arguing that they should get even more money to prop up their hospital, and I told them times were tough and I suggested they might contemplate creating a service that concentrated on the emergency department as well as nursing home beds, but they said they were not interested in doing that. However, I raised that when I spoke to them.

SCHOOLS, FUNDING

Mr PISONI (Unley) (15:10): My question is to the Minister for Education. Why did the government not tell small schools prior to the March election that their local grants could be cut, threatening their existence?

The Hon. J.W. WEATHERILL (Cheltenham—Minister for Education, Minister for Early Childhood Development) (15:11): The context for any discussion about the education savings has to be the extra \$203 million that we are putting into education. An extra \$203 million per annum in recurrent expenditure is going into the education budget, and that is after savings. That is net of the savings task.

What that means for some of our small schools is that they will receive additional money through that mechanism. So, once the additional funding that is going into schools—extra teachers and extra SSOs through that extra funding—is applied, I would anticipate that a number of those small schools will be no worse off at all.

Mrs Redmond interjecting:

The SPEAKER: Order, the Leader of the Opposition! I warn the Leader of the Opposition.

The Hon. J.W. WEATHERILL: In the next few weeks, the student-centred funding model will provide that information to schools. That is a very substantial achievement that we have been able to win as a consequence of the Industrial Relations Commission decision. That model will provide a base of funding for small schools.

Incidentally, small schools, under the formula that we are adopting, will be advantaged vis-a-vis other schools. They will have a bias in their favour and, in addition, this budget provides an extra \$203 million. So, there are some offsetting factors there.

The truth is that this was an initiative that emerged out of the Sustainable Budget Commission and, of course, that occurred after the last state election, not before the state election. Just as the Minister for Health has clarified, these things are revealed in the budget for health as in the education budget.

EARLY CHILDHOOD SERVICES

Mr ODENWALDER (Little Para) (15:13): My question is to the Minister for Early Childhood Development.

Mr Pengilly: You won't get an answer.

Mr ODENWALDER: I will try. Can the minister inform the house about the latest developments in the provision of early childhood services in the northern suburbs?

Ms Chapman: The northern suburbs?

The Hon. J.W. WEATHERILL (Cheltenham—Minister for Education, Minister for Early Childhood Development) (15:13): The member for Bragg probably has not experienced the northern suburbs. As the name suggests, they are to the north of the city, and we would invite her to drive through them from time to time—

Members interjecting:

The SPEAKER: Order!

The Hon. J.W. WEATHERILL: —and acquaint herself—

Mr Gardner interjecting:

The SPEAKER: Order, the member for Morialta!

Members interjecting:

The SPEAKER: Order!

The Hon. J.W. WEATHERILL: —with the constituents of the northern suburbs. I certainly spend a lot of time there, and I thank the honourable member for his question because what he is concerned about and understands is that the key to unlocking opportunities for our citizens is the investments that we make in the early years. We know the importance of the early years in terms of the development of our children. In particular, the first few years of life have a major effect on not only the learning but also the health trajectory of all our young people.

Things such as health and safety, their family's health, the environment they live in and the opportunities they have for learning and play are all part of this mosaic that makes up a child's development. Importantly, experiences in these early years have a profound effect not only on the individual child but the prosperity of our community and the productivity of our community is profoundly affected by our investments in the early years. That is why the investments that we are making, in particular to help families with young children get the best possible start, are receiving such broad support.

I was very proud to open the Early Years Learning Centre at Elizabeth North Primary School last Tuesday morning. For members who do not know, Elizabeth North is a fantastic school, with a vibrant community of interested parents and teachers. It recently was redeveloped as part of the successful Education Works program. An extra \$1.8 million of investment was provided to create an early years learning centre which was built at the new site. The Early Years Learning Centre brings together preschool and childcare onto the one site, which is great for parents. Obviously it means that they do not have to drop children off at different sites. It also means that the transition a young person experiences between child care, preschool and school is so much easier, which is good for the young person as they seek to navigate their world.

I would also like to take this opportunity to thank the Elizabeth North community for inviting me into their community and sharing with me their incredible enthusiasm for these new facilities. It was great to see the number of young parents who were there and who have made this early learning centre something of a community hub. I am pleased to see that the budget has provided for another 10 additional children centres, which will continue this important work and investment in the early years.

PUBLIC SECTOR EMPLOYMENT

The Hon. I.F. EVANS (Davenport) (15:16): My question is to the Minister for Education. Will the government stand by his letters of 2 March and 9 March to the Public Service Association guaranteeing no forced redundancies in the public sector?

The Hon. J.W. WEATHERILL (Cheltenham—Minister for Education, Minister for Early Childhood Development) (15:16): I think the Premier and the Deputy Premier have made it clear that our primary responsibility is to deliver to this community a sustainable budget. We have brought down that budget. In that budget, we have made it clear that the election commitment that we made in relation to no forced redundancies will stand, but we have also made it clear that, if we

are unable to achieve the savings task that we have set ourselves, we will revisit that commitment. That is completely consistent with our election promise.

SCHOOL CLOSURES

Mr PISONI (Unley) (15:17): My question is to the Minister for Education for the pagans of Semaphore. Is the policy of closing or amalgamating small schools an 'announce and defend' policy or a 'consult and consider' policy?

The Hon. J.W. WEATHERILL (Cheltenham—Minister for Education, Minister for Early Childhood Development) (15:18): It is very hard to follow the member for Unley. In particular, this morning, when we were—

The Hon. P.F. Conlon interjecting:

The SPEAKER: Order! The Minister for Transport.

The Hon. J.W. WEATHERILL: Just to clarify for those opposite so that they do not get too carried away with this idea of forced amalgamations, no school will close under this policy. No piece of land will be sold under this policy. It simply applies to those schools that are collocated. There is this anomaly at the moment. Some schools are resourced as if they are two separate schools and other schools are resourced as if they are one school. So, it is an anomaly, and when you are looking for ways to make economies and savings, it is rational for you to do that.

I was very interested to hear the member for Unley's comments today on radio when he was criticising this number, which I have just mentioned, when talking about the \$203 million extra resources into education. He suggested that a large sum of that was comprised of capital works spending. I have to say—

Mr Pisoni interjecting:

The Hon. J.W. WEATHERILL: I read it carefully. You were seeking to suggest that I was spinning it by saying that there is an extra \$203 million in the budget on a recurrent basis for education by suggesting the lion's share of that was comprised of capital expenditure. I have to say that, on the day when the Leader of the Opposition is seeking to respond to the budget, to have one of her frontbenchers not understand the basic distinction between 'operating' and 'investing' within the budget is a complete joke. All other members who are interested in the member for Unley's career, I would advise them to look at this piece of transcript—a complete inability to come to terms with the basic issue of the distinction between recurrent and capital expenditure. There is an additional \$203 million of recurrent expenditure in this budget for education. That is a Labor budget and we are proud of it.

TOURISM

The Hon. S.W. KEY (Ashford) (15:20): My question is to the Minister for Tourism. Minister, last sitting week you informed the house about international visitors to South Australia. Can you now inform the house how South Australia is tracking when it comes to attracting domestic visitors.

The Hon. J.R. RAU (Enfield—Attorney-General, Minister for Justice, Minister for Tourism) (15:20): I thank the honourable member for her question. With new data released we can see that domestic tourism in South Australia is improving along with international tourism and is, in fact, hitting the mark. I know everyone here is very excited about this—I certainly am and I know the Hon. Mr Stephens in the other place is also very excited about this.

In the 12 months to June 2010, expenditure by intrastate and interstate tourists in South Australia rose by 17 per cent—that is a one and a seven—against a national increase in holiday expenditure of just 6 per cent. The difference is 11 per cent which is an excellent result here in South Australia. The number of interstate holiday visitors to South Australia rose by a stunning 19 per cent and the number of interstate holiday visitors nights increased by 23 per cent.

It just gets better and better. Not only are we watching more visitors come to South Australia but we are encouraging them to stay longer. They are not only coming more often but they are staying longer. Over the same 12-month period 4.7 million—that is a four and a seven and lots of zeroes after it—overall domestic travellers, including holiday tourists, visiting friends and relatives and business travellers, spent an average of 3.8 nights in South Australia. That is 4.7 times 3.8—that is an even bigger number.

The total domestic overnight expenditure rose 4 per cent to \$2.9 billion. Including day trips, total domestic expenditure was up \$3.8 million which was up 2 per cent—some of them even went to Kangaroo Island. Including international, total tourism expenditure was up \$4.5 million, which is up 4 per cent. Our campaign to make South Australia an attractive choice for domestic holiday visitors—

Mr Pengilly interjecting:

The SPEAKER: Order, member for Finniss! There are three minutes left in question time so there is still time to throw someone out—you might be the first.

The Hon. J.R. RAU: Thank you for your help, Madam Speaker. I would have thought the member for Finniss in particular would be interested in this because one of his communities on Kangaroo Island considered that its future might lie with tourism. These things that I am talking about might be of assistance to him and his constituents. I know the member for Bragg is also very interested in Kangaroo Island, as am I. Not only that, the Minister for Infrastructure is interested in Kangaroo Island as is the minister for primary industries. There is unanimity in the chamber about interest in Kangaroo Island and I am trying to tell you some of the good news about Kangaroo Island. If you would just let me finish—

Mr Pengilly: Oprah is coming!

The Hon. J.R. RAU: I had not heard that but if she knew about Kangaroo Island I am sure she would be there. Our campaign to make South Australia an attractive choice for domestic holiday visitors is having a positive impact and has helped us edge closer to our South Australian Tourism Plan 2009-14 goal of \$6.3 billion in visitor expenditure by the year 2014. I congratulate the industry on its efforts and I look forward to even greater improvements, with Kangaroo Island featuring as an aspect high up there as a jewel in the crown.

COMMUNITY CENTRE CLOSURES

Mrs REDMOND (Heysen—Leader of the Opposition) (15:24): My question is to the Premier. Why has the government chosen to close more community centres than it has bulldozed bikie fortresses?

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) (15:24): This is really tragic. Do you remember what we did—

Mr Williams interjecting:

The SPEAKER: Order! I warn the deputy leader.

The Hon. M.D. RANN: —with bikie fortresses? We passed a law which allows the Police Commissioner to take a court order for the removal of fortifications if there is evidence of a crime being conducted within. You know exactly what the legislation was because you were here.

GRIEVANCE DEBATE

GALAPAGOS ISLANDS

Ms CHAPMAN (Bragg) (15:25): Today I wish to congratulate and acknowledge the people of the Galapagos Islands, who as from 29 July this year are no longer on the UNESCO List of World Heritage in Danger. This is important, given that they were added to the list in 2007 for three principal reasons: uncontrolled human population growth, unregulated tourism and insufficient measures to stop invasive species from entering the islands. So, I congratulate the people of the Galapagos for this extraordinary effort and achievement.

I had the pleasure of visiting the Galapagos Islands just over a month ago, a visit which was not only memorable but also certainly informed and educated me about aspects that could assist our own state, in particular the development of precious parts of South Australia, including Kangaroo Island, some of which it already shares with the Galapagos Islands.

Essentially, what the people of the Galapagos have done is improve a number of aspects; one is to deal with the illegal immigrants and, in particular, their deportation. The immigration control has increased. The tourist sector is better regulated with the influx of a high number of tourists each year, and several projects have been underway to minimise the transportation of invasive species on cargo and tourist boats. There are other sanctions and aspects they have explored.

For the benefit of members, can I say that the Galapagos Islands consist of six main islands and a number of small islands and inlets. They were born of volcanic eruptions tens of thousands of years ago that came up through the ocean floor. Some of the islands still have active volcanoes today.

This group of islands has been a province of the Ecuadorian government since 1973 under its own provincial administration, and it is situated some thousand kilometres west of Ecuador, traversing the equator. The Galapagos is famous for the visits in the 1800s of a young Charles Darwin and his identification of a variety of species of finch, which was a forerunner to the research he did for subsequent evolution theories, in particular the first publication of his book, *The Origin of Species*. Today, it has an extraordinary population of interest in tourism from around the world, and, as I indicated, I had the pleasure of visiting.

May I acknowledge and thank Alejandro Villa, the guide who gave a number of us on the trip his valued advice, support and supervision. I was also travelling with Rolf and Inge, a couple from Holland; Joan and her brother-in-law, Art, and sons, Noah and Will, from Canada; also Paolo and Laura from Italy; and Jamie and his sons, Fraser and Scott, from Canada—all of whom came from different professional and business backgrounds. I am pleased to say that young Fraser McDonald is someone who has chosen to come and study at Bond University in Queensland. They were a mixed group it was a pleasure to accompany during this trip.

The aspects of dealing with the management of breeding programs, working with the Charles Darwin Research Centre and the foundation, are important initiatives there. Unquestionably, the unique, exquisite and pristine fauna and environment are to be protected and preserved. The development of the management of their pests and control will be the subject of a report, which I will provide to the parliament. I think the happy co-operative working of the parks and tourism objectives of the island, and the residents thereon, is something to behold and from which we could learn.

WOMEN IN LOCAL GOVERNMENT

The Hon. S.W. KEY (Ashford) (15:30): It is sometimes said that Catherine Helen Spence was the first female political candidate and that Susan Grace Benny was the first elected politician. Both of these women are South Australians and both have achieved these milestones in South Australia, but not in the parliamentary sphere. In the history of women's suffrage, voting for local government is generally discounted, making South Australia's 1861 local government legislation irrelevant in many cases, and jurisdictions that subsequently withdrew women's voting rights are not counted either. This enables New Zealand to become generally recognised as the first self-governing jurisdiction to give women unrestricted voting rights.

If the local council elections were included, then the election in 1905 of Susan Grace Benny to South Australia's Brighton council certainly must be noted. It made her South Australia's first female councillor and also Australia's first female politician, but she was not the first outside of Australia. Again, those pesky New Zealanders can claim a first because in 1893 Elizabeth Yates was elected mayor of the New Zealand local council of Onehunga, and the New Zealand dictionary of biography entry claims that this was the first time a woman was elected to a mayoral post anywhere in the British Empire.

Because we have local government elections almost upon us, I thought it was interesting to have a look at the local government sector, and this was also sped up by the fact that I was asked to represent the Hon. Gail Gago of the other place, Minister for the Status of Women, at the South Australian 2010 Year of Women in Local Government conference that was held recently. In looking at the positions in local government, at present—and this is before the election—in South Australia, women hold 17 per cent of the mayoral positions and 24 per cent of elected member positions in local government.

South Australia is obviously below the national average of 27 per cent. These figures have changed little over the last 20 years, sadly. In looking at the 1,273 candidates that have nominated for 714 seats across 67 councils, going through the metropolitan nominations, some 146 women have nominated for positions in the metropolitan councils. The information was not available for the regional councils, but I guess we could even say despite the huge number of nominations it does not look as if the women's percentages are going to increase.

We still manage in Australia to have top world figures for women's representation in local government, however, and we have a great number of high achieving women in South Australia in the local government sphere—for example, the LGA's own President, Felicity-ann Lewis, and

Executive Director, Wendy Campana, of the LGA. Both are very good leaders in the local government area.

As we all know, our workforce in South Australia is ageing and half the workforce are approaching retirement; 19 per cent of local government workers in South Australia are aged over 55 and a further 30 per cent are aged 45 to 54. All these people are approaching retirement age, and the number of people at working age in Australia is expected to fall. Around half of South Australian local government sector employees are women.

Like some other industries and sectors, this participation rate is not reflected—and I bet you will be surprised—in the leadership of local government, with the result of only one-third of senior positions in South Australia's local government being held by women, and only four women in South Australia hold chief executive positions in local government, with one of those leaving in the near future. So men and women enter the local government workforce roughly in equal numbers, yet the local governments select 94 per cent of their chief executive officers from 50 per cent of the gene pool.

Time expired.

MONTEVERGINE FESTA

Mr GARDNER (Morialta) (15:35): It is with great pleasure that I take this opportunity to congratulate the work of the Holy Mary of Montevergine Association on an absolutely fantastic 55th anniversary Festa celebration on the weekend. For those who have not had the opportunity to take part in an Italian Festa—and, of course, Montevergine is the biggest and the best—let me tell you a bit about my day.

On Sunday morning, I was pleased—given that I was ever so slightly late arriving at the St Francis of Assisi Newton church to catch the bus up to Hectorville—that Bartolomeo Baldi, who is one of the excellent volunteer bus drivers with the Montevergine Association, was happy to hold up his bus for me and the member for Norwood so that we could arrive at the start of the procession with all the other pilgrims, worshippers and special invited guests. On that point, I congratulate Mr Baldi and all the other volunteer bus drivers.

It was great to be joined in the procession by the Minister for Employment, Training and Further Education and several of his large brood of children; the Minister for Multicultural Affairs, of course, in whose electorate the procession started; the Hon. Carmel Zollo, who has a longstanding connection with this group; as well as the member for Norwood, Steven Marshall, who, along with me, were very proud to walk in the procession, which attracts a very large number of people every year. They said that last year they had worked out that 10,000 people had come to Newton at some point during the day for the Festa celebrations, and I would be surprised if this year's 55th anniversary celebrations did not match that.

It was great to see people like Teresa Dall'Acqua Leonardi, John Di Fede and Silvio Iadarolla who have given so much to the Italian community over so many years, and, of course, Joseph Scalzi from the Carabinieri Association. I make particular note of Domenico Zollo, who is the President and chairman of the Holy Mary of Montevergine Association's committee and who has been so for 12 years, and his fine secretary, Nicola Porcaro. This was his 12th Festa, and Domenico not only put on a great show of organising a wonderful Festa but also managed to do so on his birthday; so, happy birthday to Domenico.

The mass taken by Father Felice was excellent, as always, and was a great opportunity for those of us who are still working on our Italian. The rest of the day was taken up by the beautiful pasta, pizza, dolce, zeppole, and gelati of the Festa. I mentioned Domenico Zollo before, but his wife, Immacolata Zollo, stood all day, from 10am until about 10pm (when I left) on the souvenir stall, which raises a great deal of money for the work the association conducts in the community. Of course, she is one of many volunteers, but as the leader of that souvenir stall I give credit to her.

The performers throughout the afternoon and evening were excellent, as always, and it was good that the Premier was able to visit Morialta, along with the new Acting Italian Consul, Orietta Borgia. Of course we hope that the Italian government will extend her term, or confirm a new permanent consul for South Australia, because the upheaval in the Italian community at the possibility that we may be without an Italian consul has been very sad. We were grateful for the three years that Dottore Tommaso Coniglio served our community. He is a very good fellow who is now back in Italy and progressing his career through the Italian ministry of foreign affairs; hopefully, Orietta Borgia will become his permanent replacement.

It was great to see Isobel Redmond, Leader of the Opposition, come along to the Montevergine Festa. She learnt how to make zeppole and gave a fantastic speech to those gathered in attendance. She walked around for a good couple of hours with me, my fiancée, Chelsey Potter, and the member for Norwood, Steven Marshall, meeting many of our constituents.

Finally, I should also acknowledge that 10-year-old Georgie Marshall, the daughter of the member for Norwood, was no doubt the youngest who sat on the stage at the Montevergine Festa in the official party before the fireworks ended at 10 o'clock. She put up a magnificent performance of being incredibly disciplined and well behaved. Sometimes the family members of parliamentarians have different lives from those of their peers; so, I congratulate Georgie on being delightful company for us all throughout the evening. I congratulate the festa committee of the Holy Mary of Montevergine Association for a fantastic 55th anniversary.

The DEPUTY SPEAKER: Member for Morialta, thank you. I would like to just interject here. As former language teacher and a non-Italian speaker I am very impressed by your Italian accent and by the clear effort that you are making with that excellent language.

Mr GARDNER: Grazie mille.

The DEPUTY SPEAKER: No—thank you! Oh, what a charmer! Member for Florey.

GENETICALLY MODIFIED CROPS

Ms BEDFORD (Florey) (15:40): Now for something completely different. In January this year Western Australia became the third Australian state, behind Victoria and New South Wales, to allow farmers to grow genetically modified canola. In terms of GM-free farming, we are now an island state under siege.

The state government has listened to the South Australian public and extended its moratorium on genetically modified crops until 2014, yet, sadly, open field trials on GM-modified crops continue. In traditional, conventional farming trait selection occurs within a species, and crossing techniques result in shared plant characteristics. This is what nature has been doing, and farmers have adopted, for years. This has provided us with the amazing range of food crops available today.

On the other hand, genetic modification means the altering of the genetic material of an organism in a way that does not occur naturally by mating, natural recombination, or both. As far as farming is concerned, there are two main traits of genetically modified crops. One is to make a plant resistant or toxic to insects and the other is to make the plant tolerant to herbicide.

With the first type, a toxic bacterium is put into the plant to make it act as a pesticide. This means that if a target pest eats any part of the plant (from root to tip) it will die, because the toxin is produced in every cell of the plant. The second type is a gene inserted that is immune to herbicide, meaning that when a field of GM crops is sprayed with the herbicide everything will die except the GM crop. So, if someone tells you that GM crops are the same as conventionally bred plants and that farmers have been genetically modifying plants for thousands of years, they are not being completely honest.

Unfortunately, 80 per cent of all GM crops are fed to animals, so they are entering our food chain through products such as eggs, milk and meat. Current labelling laws mean that the majority of GM foods do not have to be labelled, such as oils and syrups, as well as products from GM-fed animals. Therefore, to a certain extent, we are all unknowingly eating GM foods, whether we like it or not.

There are three main concerns with GM foods: the potential for increased levels of pesticide in our food; the creation of unexpected proteins, toxins and allergens; and the use of antibiotic resistant genes in GM plants. Besides the health concerns there are the risks posed to the environment.

A three-year UK field study has shown that the commercial use of some genetically modified crops could alter the balance of weed species that thrive on British farmland. Research has found that butterfly numbers were cut by up to two-thirds, and bee populations by half in fields of transgenic winter canola. Bees and butterflies suffer because they prefer the type of weed targeted by the herbicide. Scientists have foreseen a flow on effect on animals higher up the food chain, including birds, and studies are continuing.

Despite the potential dangers, environmental impact assessments of GM crops are not mandatory in the US. To the best of my knowledge, to date, no environmental assessments have

been undertaken in Australia either. Yet, Roundup, the chemical used in conjunction with Roundup-ready crops, such as Roundup-ready canola, has been shown to be a potential endocrine disrupter, which means that it can interfere with our hormones as well as affect the development of wildlife.

GM crops have resulted have resulted in super weeds in the US, where millions of acres have been lost to weeds such as pigweed, which have developed resistance to herbicides despite increased use of chemicals.

The suggestion is that GM crops can be grown alongside non-GM crops without contamination problems seems to contradict evidence that has been collected globally. Over the last 10 years there have been nearly 300 reports of GM contamination incidents, 9 per cent canola related.

Canola is a member of the brassica family, and past research has shown that it is likely that GM canola could cross-pollinate with crops such as broccoli and cabbage, as well as weedy relatives such as wild radish and wild turnip. Once crossed pollinated, the new plants will have inherited the Roundup-ready gene. It now appears that food researchers' worst fears may have been realised with the discovery last month of a mutant brassica in Japan.

On 2 July it was reported in the *Kyodo News International* that a type of wild broccoli, growing near a national highway in the Mie Prefecture, was found to have the genes of genetically modified rapeseed. The discovery was found as part of a survey conducted in mid and late June by collecting 14 samples of cruciferous plants in areas alongside route 23. Of the samples, 13 had genes and proteins of herbicide resistant rapeseeds developed by chemical manufacturers.

There have been cases of interbreeding between genetically-modified rapeseeds and normal rapeseeds for horticultural purposes in the past, but the latest finding of this mutation between a wild plant (*Rorippa indica*), which grows in the South-East Asian regions (including Japan), and a genetically modified one could be the world's first case of intercrossing found in the wild.

A Yokkaichi University lecturer involved in the study, Masaharu Kawata, has expressed concern that, as the possibility has now emerged that modified genes have spread among wildlife, it could have a massive impact not only on farming but also on entire ecosystems. To counter the possibility of a future of Frankenstein crops, we need greater government funding of sustainable and organic farming approaches, including through the provision for education and agricultural extension and research and development.

South Australia accounts for around 20 per cent of Australia's certified organic production. We must support these alternative farming methods and food production, including broadacre crops, horticulture, meat, dairy, aquaculture and value-added products. The importance of the organic industry should not be underestimated, with national retail sales expected to exceed \$1 billion this year, and consumer demand far outstrips supply. We have nearly 12 million hectares (around 29 million acres) of certified organic farmland in this country, the largest of any country in the world.

Time expired.

JACOBSEN, COUNCILLOR J.

Mr PENGILLY (Finniss) (15:45): I note with interest the comments made by the member for Ashford a few minutes ago on women in local government, and I will make some comments shortly which she may indeed support. For 17 years before I was elected to this place, I served my community in local government. I did then and I do now recognise the strong contribution of the men and women who serve their community in this way.

Very shortly, local government elections will be held. New councils will be formed in November this year. In a democracy, it is most important that people stand for election and serve their community. Successful candidates obtain little financial benefit for a job well done and rely on the gratitude of their ratepayers.

I want to turn now to the situation in the Burnside council, and I point out to the house that the remarks that follow are of a personal nature. Minister Gago has dismally failed—or been manipulated—in a pathetically inadequate response to the Burnside council issues, resulting in a mess.

The investigation into Burnside council has not yet been completed. Apparently, the report has already cost \$1 million, it has gone on for 10 months over the allocated time and is increasingly looking unlikely to be released before the forthcoming local government elections. Why hold elections in Burnside council? That is a concern in itself and, frankly, I think that if the minister had appointed an investigator from local government a lot more time and money could have been saved, but that is quite beside the point.

The problem in Burnside is the same now as it was 10 or more years ago, and it should not take \$1 million and months of investigation by a highly-skilled former auditor-general to work out what it is. The problem is and always has been largely councillor Jim Jacobsen. Councillor Jacobsen is well known in local government circles for his farcical behaviour and his mean-spirited and disruptive bullying tactics. He is particularly fond of heckling councillors and council staff until he gets his own way in and out of the council chamber.

When sanctioned, he refuses to leave the chamber and compromises the power of the Chair. If he does not get his own way, he usually throws a very public tantrum and labels his opposition 'corrupt' until they are forced to back down. When the development assessment panel regime was established by statute in this place, it was known colloquially as the 'Burnside act', and it has provided councillor Jacobsen with a forum for throwing very public dummy spits.

Councillor Jacobsen says that decisions made without his input are corrupt. Councillor Jacobsen says that Burnside DAP members themselves are corrupt. When these aggrieved people seek legal protection, he harangues the council repeatedly to have ratepayers fund his legal costs. He cannot even stand by his own accusations.

What has minister Gago done? Absolutely nothing. Indeed, his most recent public tantrum saw him facilitate the invasion of the council floor by Chelsea protestors, who proceeded to act in a very undignified, disruptive and totally inappropriate manner. It was appalling. It was all on TV, yet the irony is that most of the protestors probably had no idea that 10 years ago it was councillor Jacobsen himself who wanted to sell off Chelsea Theatre.

The council has gone so far as to install CCTV because of complaints from independent council staff about councillor Jacobsen's bullying tactics. He vigorously fought this measure at every meeting, knowing that his foul behaviour would be exposed to the voters who put him there, or perhaps he was worried that the CCTV would reveal him doing things that he should not have been doing.

What has minister Gago done? Nothing. That is not half of the boorish and improper behaviour so regularly engaged in by councillor Jacobsen as reported. He does not even deny leaking confidential documents at regular intervals, compromising his fellow councillors and hardworking staff at the council. It is no wonder that he spent his days creating problems for the people of Burnside for he appears not to have anything better to do.

However, the most distasteful aspect (and I reflect on the member for Ashford's comments) of councillor Jacobsen is the special dislike he appears to reserve for women. I am informed (reliably, of course) that he has consistently unleashed regular tirades against female members of the Burnside Council over a period of several years.

No: it should not take \$1 million and inquiries lasting a year or more to establish that councillor Jacobsen is the primary impediment to good government being achieved in Burnside. What has the minister done? Absolutely nothing!

Local government is a great and noble institution, sullied by people such as councillor Jacobsen. If minister Gago was worth a pinch of salt, she should be able to remove such puerile people from councils under her jurisdiction. Minister Gago has failed absolutely dismally to ensure local government in Burnside has been able to run as it should be and act in the best interests of the people of Burnside. I am appalled at the behaviour.

CHRISTIE DOWNS COMMUNITY HOUSE

Ms THOMPSON (Reynell) (15:50): I am somewhat taken aback to speak after that tirade and innuendo. I know nothing about the situation in Burnside, but I know that that tirade of innuendo was disappointing.

I want to speak about happy things, and that is the Christie Downs Community House and the fact that it has developed a new website and taken on a new logo to reflect the contribution it makes to the community and the role it plays in the life of Christie Downs.

Last Friday, I was very privileged to chair the annual general meeting, and I extend my congratulations to Karen Christensen, the ongoing chair, and all other members of the board on their election; and to Allison Angus, the community development officer, for the excellent work that she does in maintaining a strong and vibrant community centre, working with well over 50 volunteers to make the community centre somewhere that is important to that neighbourhood.

I also draw people's attention to the important discussion paper issued by the minister for employment and training entitled 'Skills for All', in which a new role for community and neighbourhood centres is canvassed. I fully support the notion of extending the role that community centres can play in our community in breaking down social isolation and improving health outcomes; but, particularly, in engaging people in recognising the skills that they have and assisting people to rectify some of their most basic skills problems in an area that is very supportive and encouraging.

Like all the community centres in my area, Christie Downs offers literacy and numeracy programs, both for English-first-language people and English-as-a-second-language speakers. These cost \$2 per class and, while supervised by someone with expertise in the area, are conducted by volunteers who have training to support people's learning. In particular, they support people's confidence, their sense of wellbeing and their sense of having the capacity to learn and improve skills that they have often been embarrassed about not really having.

Another important program is the learner driver program, which assists particularly young people who have reading difficulties and who are not really confident or easy learners to take on the important social skill of passing their learner's test. The isolation people in our community experience when they are not able to drive is really quite sad. It applies to older people who lose their licences or feel uncomfortable with their ability to drive, but it also applies to younger people who need extra support to be confident and capable drivers. The community centres, while only taking it as far as people successfully completing the learner's permit, offer young people in particular a good grounding in road knowledge, road courtesy and the skills that it takes to be a good driver in our community.

Computing is another area again offered by most community centres that introduces people to the important world of the internet and being able to communicate with their grandchildren often through email and sometimes Facebook, etc., and for them to be able to research more and more information. People who do not have access to the web these days are often severely information deficient and community centres play a really important role both in allowing people access to the training, as well as the computers. Surprisingly, in a community that does not have many people from a non-English speaking background, an Italian conversation group also operates at the Christie Downs Community House.

STATUTES AMENDMENT (MEMBERS' BENEFITS) BILL

The Legislative Council agreed to the bill without any amendment.

APPROPRIATION BILL

Adjourned debate on second reading (resumed on motion).

Dr McFETRIDGE (Morphett) (15:57): The first time I spoke about the budget in this place in 2002, I described it as the height of prestidigitation (sleight of hand), and I made a few other comments which I had to go and do penance for at the Bureau of Meteorology, so I will not repeat those. Once again, this budget really is an economist's dream. You have one document that can be read in about 10 different ways and you can come up with 20 different answers. I am no economist, but the people assisting me who have gone through this document know far more about the way budgets are framed than I, and they are telling me that they are absolutely amazed at the lack of detail in this budget, the scant detail.

The parliamentary library put out a research paper the other day on the state poll and a few other things, and I facetiously asked them whether they had any documents on interpreting state budgets. They came back to me and said no, but, within 10 minutes, they had emailed me copies of a reader's guide to the state budget from Western Australia for the 2010-11 budget and a reader's guide to the budget from the Queensland parliament for the 2010-11 budget. Perhaps if the government is to be true to its statement in the 2002-03 budget papers about budget honesty and openness, then perhaps it might want to put out a budget paper that contains a lot more detail or at least put out a reader's guide to it so you can interpret the prestidigitation.

This budget is so disappointing. What could have been? We hear about the rivers of gold, all the money that has come in over the years—and it is true, it is all sadly true. But what have we got? We have a budget that could have been so much but is delivering so little. Estimates have been described by various people in this place as everything from a waste of time to a near-death experience. I am really looking forward to the estimates process this year because I will, hopefully, get some answers when looking at some of the detail in this budget. I am extremely disappointed, though, that the health estimates—which is one-third of the total state budget; \$4.45 billion is the health budget this year—is a matter of hours. I will get three or four hours.

By the time the minister has made the opening statement and there are Dorothy Dixers, where is the opportunity for the opposition to really ask the minister questions and provide answers? He is there with all his advisers, but what do we get? A third of the budget jammed down to a matter of a couple of hours. Once again, they are hiding behind the process, whether it is the budget documents or the estimates process. The government should not be doing that. Go back and read the 2002-03 budget documents where they talk about budget honesty and openness. That is what they really need to go back to.

We were all getting ready for this budget, and we were hearing about the 'horror' budget, and what happened? The USB was leaked, and of course, that had some absolutely atrocious suggestions. I am concerned about the section on health, and I have pages 193 to 205 of the leaked USB document that was sent around all of a sudden, and I copied it. There are a number of items in here that talk about possible changes, removals and abolitions in the health budget.

They all have a CE priority next to them. For example, review of the South Australian Ambulance Service management structure is measure IDE5715 and has a CE priority of 18 next to it; the corporate services reform has a CE priority of 1; Adelaide health services, single metropolitan health service, has a CE priority of 2; and the closure of the Repatriation and General Hospital has a CE priority of 7. It varies through the various suggestions, and many of the items in here ended up appearing in the budget, and I will go through them in a moment.

The one that really sent alarms bells ringing and shock waves through the community, through many in the veteran community particularly—the vulnerable veterans—was the closure of the Repatriation General Hospital. That was measure IDE5721, and it has a CE (and I assume that is Chief Executive) priority of 7, so I assume that Dr Sherbon, the chief executive of health, had actually signed off on this as a potential target with a priority of 7. If Dr Sherbon signed off on this, you would have to assume that the minister was aware of it as well so that minister Hill had given this a level of priority.

What did we get? The USB leak, and then it really hit the fan with the announced inclusion of the closure of the Repatriation and General Hospital in the Sustainable Budget Commission's considerations. That was not dismissed straightaway. When minister Hill was asked why he did not dismiss it straightaway he said, 'Well, if we tell you what's not in the budget, then we might have to tell you what's in the budget.' That was a ridiculous thing to say—absolutely ridiculous.

We do not expect people to tell us what is in the budget. We always get some of the good announcements, obviously, but everyone in this place knows you are not going to find out what is in the budget until it is released—unless it is really good news or unless there is a leak, like the leak about the Royal Adelaide Hospital rail yards, which was a great leak.

It could have come out straightaway. The Premier and the minister could have done it on the Wednesday it came out instead of having to wait until the Saturday afternoon—after the budget—to go down to the Repat to say that it was not closing. They could have done it that same day. The angst that was caused to the veteran community in this state was unforgiveable. It should never have happened.

I would like to know why the Repat was in there in the first place at CE priority 7. Why was it in there in the first place? You did not have all the other hospitals in there—and they should not have been either, they should never have been in there—but the closure of the Repat was at a CE priority 7. Then, not to come out and denounce it, to scotch it straight away, I think was a pretty low thing to do.

As I said, I think the total budget is \$4.45 billion. It includes capital works and recurrent funding—I do know the difference between those—in this budget. While this is a significant amount of money and there have been significant increases in the total health budget over the years, so there should be. There should have been a significant increase, and if there was not, the first thing

I would be saying is, 'You are underspending, underspending, underspending on health in South Australia.'

As we know, the national government are using a health inflator of about 9 to 9.3 per cent. We hear everything between 8 per cent and—we heard the Treasurer say on radio FIVEaa on 29 January that health inflation was 12 per cent. So, if you are generous and trying to be fair, you can average those out at about the federal government's level of 9.3 per cent. If you were using that inflator back in 2002 and then compounding it up to now, I would be very surprised if you did not come at somewhere near the \$4.5 billion total budget.

The thing that the government has thought, in this year's budget, is another \$360 million in savings over the next few years. After years of unfunded cost pressures, it is not clear to me, and I hope to find out in estimates, how the government expects their savings to be met. We have had the Paxton Report, the KPMG reports, reports of staff being moved into different departments and amalgamations of the regions—the Central Northern Adelaide Health and Southern Adelaide Health services have amalgamated into the Adelaide Health Service. I want to see where their savings are going to come from—\$316 million in savings over the next few years. It is going to be very interesting to see the answers I am given.

There is only \$12 million in this budget for the new Royal Adelaide Hospital at the rail yards. If you actually look at the projected spend last year and what was actually spent across health, there is a lot of slippage. There is certainly a lot of slippage in the new Royal Adelaide Hospital there, but there is \$12 million in this new budget.

We wait with bated breath to see what the results are of the consortia tendering process, and to actually see who wins the tender and what the price is. It will be very, very interesting to see. My information is that it is up around the \$3 billion mark. The actual hospital design of one of the consortia was described to me by somebody who would have inside information on this as 'out of this world'. What that meant, I can only imagine, but the cost of \$1.7 billion is not the cost of this hospital.

We know for a fact that in 2004 in Western Australia, the Western Australian government started with the Fiona Stanley Hospital at \$460 million. We know that in 2004, \$460 million was a lot of money, but even inflating at the health inflator, or the cost of building inflator that they have, that still does not equate to the \$1.7 billion that the Auditor-General came down with just a few months ago.

We also know that the nonclinical support contract for 20 years for the Fiona Stanley Hospital in Western Australia is \$2.5 billion. Ours is for 30 years, it is a bigger hospital, so you are probably looking at anything between \$5 billion and \$5.5 billion for the nonclinical support contract for this hospital. It is a significant cost for this new hospital, and as the Leader for the Opposition, Isobel Redmond, said this morning, it is a cost that we would not have incurred because we would not be down there spending it. We would be putting that money into rebuilding the already fine world-class hospital down at Frome Road at the Frome Road precinct.

The capital works funding for hospital upgrades that are in the budget for Modbury, Queen Elizabeth, Flinders and Lyell McEwin are all good. The problem is that most of those are re-announcements. It is like an announcement yesterday for the breast cancer screening mobile units—fantastic, good to see, but, minister, it should have been done two years ago. You have not just been here for the last five minutes, minister, you have been here for years and years now. To come out and re-announce these things is not fair.

You raise expectations all the time, but you fail to deliver. You fail to deliver all the time. This is the hallmark of this government. They raise expectations about being fair and honest, and what happens? You cannot even believe the paper that has the Premier's signature on it. You cannot believe anything they say. You cannot believe anything they put down in writing. It is an absolute tragedy that we have to put up with them for another three years.

Most of the \$86 million that is in the budget for extra elective surgery, which is something like 260,000 extra procedures over four years, if I understand it right—and I am sure the minister will correct me—is federal money. I would like to know, minister, where that capacity is in the system for those extra procedures. I wish there was. I wish there were the doctors, nurses, surgeons, anaesthetists and the theatres to do those extra procedures, because I do not believe they are there. The need to shorten elective surgery waiting lists is paramount, and you do not do that by just recategorising people or juggling them around on various waiting lists, reclassifying them and raising their expectations but not delivering.

The millions of dollars that have been spent on trying to reduce waiting times in emergency departments has been phenomenal—millions and millions over the years. We see in this budget the government plans to spend another \$111 million over four years to try to reach 95 per cent of ED presentations: seeing, being treated, being admitted or discharged within four hours. I am happy to put a bottle of Grange on the fact that it will not occur.

You just need to look at what has happened overseas. The Poms have just pulled that because they know it was not working without the use of the fiddle factor. We are already seeing the opportunity for the fiddle factor to play a part in South Australia with the acute medical units (AMUs) being set up. What happened in England was that they went from the ED where patients came in and went on the ED computer and, at three hours and 59 minutes, they got flicked across to the AMU computer. So the target was met but the reality was that the patient had not been seen, had not been treated, had not been discharged. The fiddle factor was there. I want to know what safeguards are going to be in there to make sure that the patients are going to be seen.

If you look at the facilities and the staffing in EDs nowadays, there is room for improvement but it is not too bad. What the real issue is here is bed block. You cannot get patients out of the EDs. You might be able to put them in an AMU with some extra beds but then getting them into hospital is the big issue. Bed block is the real issue. What is one of the ways of getting rid of bed block? You either have great discharge plans where people go home and they go on to hospital support services at home or something like RDNS, or they get stepped down to Glenelg Community Hospital or Moonta Community Hospital where really good negotiations have gone on and, instead of paying the \$1,200 a day for an acute bed (and that is what it would cost in Flinders or other major hospitals), you are stepping down to \$100 or \$200 a day—a massive saving. You are not subsidising these hospitals.

Glenelg Community Hospital is not going to shut because John Hill wants to pull that contract where the Recovery at the Bay, as it was called, is no longer there. The day surgery that goes on at Glenelg Community Hospital is fantastic. The staff down there, the whole of that facility, will continue on.

So why pick on Glenelg? I am glad the member for Mawson is here because let's have a look at McLaren Vale Community Hospital. It is a great hospital, but one of the ironies of this whole process of picking on Moonta, Ardrossan, Keith and Glenelg is that at McLaren Vale people are having an above-average service. The member for Mawson, congratulations! I do not know how you have managed to swing this, mate, but a lot of people say it is a political thing. What is happening there is that they are getting a \$1.3 million subsidy every year at that hospital for step downs of mums and babies going from Flinders Medical Centre down to a community hospital at McLaren Vale. I do not know where that happens anywhere else.

You also have local doctors opting to have surgery done at McLaren Vale Community Hospital—a good hospital—when, in the minister's own words, it could be done within 20 minutes or so of a public hospital. They should be done at a public hospital because McLaren Vale is about 15 minutes from the Noarlunga health service and about 25 minutes from Flinders; perhaps it should be done there. I want the minister to explain why it is great for the member for Mawson and the people of McLaren Vale but it is not good for the member for Morphett and the people of Glenelg. It seems a silly thing, particularly when the Glenelg Community Hospital is saving this government money, reducing bed block, reducing the waiting times in EDs and helping the government achieve their targets. It is just one of those things that I just do not understand.

On top of all of this silliness about the four hours and then not doing something about reducing bed block, you have an outpatients saving of \$77 million over four years. It does not sound much but when you work out what that is in reduced outpatient appointments—and I will talk a bit more about this in a moment—it is 560,000 outpatient appointments. The minister thinks he is going to shift those from the waiting lists, where the referrals have gone to the public hospitals and are waiting to be referred to the public outpatients units, to specialists in their own rooms. I do not know where the specialists are who do not charge a gap, who bulk bill. I do not know where they are, but I hope the minister does. I do not think they are out there, and I know that the AMA totally agrees that this is just not going to work.

There is no room out there for shifting away from outpatient units, particularly when most of the outpatient appointments here are seen by resident medical officers—in other words, publicly employed specialists and trainee medical officers who are employed by the government in public hospitals. They cannot go to private rooms. They do have the right to see private patients in public hospitals and then charge it to Medicare, so that is saving the government money, the same way

as the supposed arrangements that will be in place where patients go to see private specialists in private rooms and, once the patient has paid the gap (if they can afford the gap, which can be up to \$120), that gets billed out to Medicare. So it cost-shifts from the state to the feds—so much for ending the blame game between the states and the feds.

I want to know how this will actually work, because I cannot see it working. I would like to know what is the unmet demand in South Australia for these waiting lists; Dr Katsaros was in the *Sunday Mail* a few months ago with a 'hidden waiting list' (as they were being called) that the minister denied was there. We now know that the minister admits they are there, because rather than these referrals sitting in a drawer waiting to go through the public system he wants to send them off to the private system. How many are there in the drawers? How many are on this hidden waiting list that we now know exists?

In question time the Premier said that there would be no privatisations. In the Sustainable Budget Review and the budget papers it talks about privatising hospital car parks; the government was going to privatise them. Most of them are running at commercial rates anyway. Modbury and the Repat are free at the moment, and it will be the volunteers, the veterans and the visitors who will be paying at the Repat; \$13 a day. The staff there will be paying more. Will the government allow the staff to continue to salary sacrifice their car parking? Will it buy back spaces from the private operators after it has privatised the car parks?

I look forward to another 20 minutes in my Supply Bill contribution and my 10-minute griever, because there is a lot more to say on health.

The DEPUTY SPEAKER: Which you can have then. Thank you, member for Morphet.

The Hon. I.F. EVANS: I have a point of order, and I seek your guidance Madam Deputy Speaker. Just prior to question time the Treasurer tabled some corrections to the state budget to the tune of about \$330 million, but no explanation was given to the house on the matter. When the budget is tabled there is a budget speech that goes with it by way of basic explanation, but we have a document that has been tabled that illustrates a \$333 million error to the budget—basically, a \$179 million difference in grants and subsidies and \$154 million difference in other expenses—with no explanation given to the house. I wonder whether you would approach the Treasurer and seek that he comes back to give an explanation to the house regarding the reasons for the error.

The DEPUTY SPEAKER: If the Treasurer feels that there is a need to answer further questions he will do so; it is not up to me to direct the Treasurer. However, you do have the opportunity, in question time, to ask him for those details, perhaps tomorrow.

The Hon. I.F. Evans interjecting:

The DEPUTY SPEAKER: You cannot ask him any questions at all—

The Hon. I.F. Evans interjecting:

The DEPUTY SPEAKER: Two points: obviously you can ask the Treasurer about this matter during the estimates process, as that is what it is there for. I have no doubt that the Treasurer will be glued to his microphone device in his office as we speak and he will hear you asking this question of me. I cannot direct him to answer the question you are asking me now. However, should he choose to do so, should he choose to make a ministerial statement on the fact, should he feel that there is a need to do so, I am sure that he will do so.

Mr VENNING (Schubert) (16:21): Before I start, I would just like to congratulate my wonderful wife on her 42 years of marriage today. I am sorry—

The DEPUTY SPEAKER: She should be given a medal!

Mr VENNING: I agree—I couldn't agree more.

The DEPUTY SPEAKER: Perhaps an expensive diamond medal.

Mr VENNING: She's getting flowers instead, Madam. I am just sorry that I am not with her today. Again, I thank her very much—

The DEPUTY SPEAKER: Remember, member for Schubert, that diamonds are a lady's best friend.

Mr VENNING: Okay, we already know that. Also, I want to congratulate my leader on her wonderful address this morning. It was quite inspiring, and it certainly gives a lot of confidence in the alternative premier in South Australia.

Here we are, the last week in September, and only now are we getting to debate the Appropriation Bill. What a disgrace! Tasmania went to the polls on the same day as we did and they managed to hand down their budget on 17 June—that is over three months ago. It was put amongst the football finals to hide the bad news. I feel it was a deliberate time lapse to enable the government more time between their promises and the time when they were out to break them, because I am sure they knew in the first instance, and they were hoping that people would forget.

It is clear that the Treasurer needed more time to try to figure out how to hide eight years of Labor's financial mismanagement. Not only did he need more time, but he could not even figure out how to get out of the mess he created, so the Rann Labor government had to spend more money to fund the Sustainable Budget Commission to provide recommendations, some of which the Treasurer labelled as radical.

We saw the SBC leak. The question is: who leaked it? Was it a deliberate act to put the people of our state into a state of shock so that, when the budget did come, it did not feel quite so bad with all the after-pain? It was bad enough. The question needs to be answered: who did leak this? Was it a member of the SBC, and are they under suspicion? What is happening?

The Treasurer and the Labor Party misled the South Australian people for the whole of the state campaign. They went to the state campaign saying that all they needed was \$750 million in savings and they could do everything they wanted to do. Now we have \$1 billion of increased taxes and officially South Australia really is now the highest taxed state in the country.

In this budget there has been a huge amount of increases, including rises in water rates, stamp duty, drivers licence fees, vehicle registration, bus tickets, fuel subsidies for country residents, and the abolition of the first homebuyer grants on existing homes. So, you can see from that lot that country people have certainly taken an unfair burden.

Public debt is \$7.1 billion. That rings true to me because I was here during the State Bank debt. It is \$7.1 billion, and South Australia will be paying nearly \$2 million per day interest every day. Imagine all the projects that we could undertake with that sort of money! You do not need to be much of a mathematician to work out that three weeks' interest would build a new Barossa hospital—less than three weeks' interest. This is the price that we are now paying for financial mismanagement. For country people the budget contains no good news at all.

The problem of the shared services continues with jobs being lost in country South Australia as a result of this rationalisation that we were told about. How embarrassing is it when you see \$2.5 billion being spent on rent on unused city offices? We are supposed to save \$113 million; well, so far, it has cost us \$113 million to go through this exercise, and what is the result? The loss of country jobs and all this money lost.

I am absolutely appalled about the cuts to primary industries—they have been absolutely stripped out. Agriculture, as we know, is worth \$12.5 billion to the South Australian economy. There is scant regard for that in the Rann Labor government's budget. In 2009-10 the budget slashed \$1.7 million from Primary Industries and Research South Australia (PIRSA), cutting 101 jobs over the next three years.

This year's budget slashed a further \$80 million from PIRSA and 180 jobs will go. Well, that will hurt really badly. The Jamestown office, I am sure, is under great threat of closure. The same thing applies at Nuriootpa and right across the state—all these regional offices will battle to exist. Funding has also been reduced from the South Australian Research and Development Institute, (SARDI) to save \$8 million over four years.

Rural Solutions has moved to full cost recovery, which the Rann government says will save \$12 million over four years. The government should be increasing the funding to ensure South Australia's food security. We are alive with diseases. We have got fungus, we have got rust and we have got locusts. More than ever we need unbiased, non-commercial advice because we have a lot of problems. What have you got if you do not have enough food to feed your people? We should never have to rely on other countries for our food, and that is what is happening more and more every day.

We have had excellent people in an advisory capacity in the department of agriculture. This is the lowest ebb I can ever remember, and I can go back a long way. In fact, probably in the history of the department it has never been lower than this. For the first time in over 30 years the state government has cut funding to the Advisory Board of Agriculture. I cannot believe this.

I served on this board for eight years. This group of people get only minimal travel and a sitting fee. That is all they get. The rest of their time is volunteered. The job of these people is, first, to give advice to the minister for agriculture. Can I say that, serving under former ministers Blevins and Arnold, we were a great asset to these Labor ministers because what they did not know they found out from us. A lot of trust went between us, and I still have a lot of time for both those former ministers; and, indeed, Kym Mayes, I worked with him as well. It was with minister Arnold that I first met citizen Foley as an adviser. That is when we first met—a long time ago.

Mr Goldsworthy: What was he like back then?

Mr VENNING: He had a wonderful partner, that's all I can say, I will leave it at that. Over the years that department and the advisors on agriculture have been absolutely fantastic. It is the governing body of the South Australian agriculture bureaux, and these bureaux are the envy of all the states. They are magnificent institutions. This really is a double hit.

They strip the research dollars and they wipe out the extension, killing the ability for research to be extended to the farmers via these wonderful agricultural bureaux. I cannot believe the few dollars that saves. I cannot believe it, and I cannot believe that not more has been said. Where is the South Australian Farmers Federation? Not a peep out of it. I cannot believe it. The silence is so stark on matters such as this.

It is absolutely disgraceful at a time when the state's 2009-10 revenue has increased by \$1.1 billion over budget. Ensuring our food security will be a major challenge for the future, and the Rann Labor government has demonstrated that it does not consider it to be a priority. Will it be happy only when we have to import all our food?

The wine industry has taken a hit, which will impact people within my electorate, the electorate of Schubert. The budget reduces the cap on the cellar door subsidy scheme currently available on the sales of wine at cellar doors. The cap will be reduced from 521,000 per producer to 50,000. This is on top of the payroll tax exporters' rebate, which will also hurt the wine industry.

The Rann Labor government has shown no consideration for an industry battling to stay viable in the years ahead because of the years of oversupply, low prices and drought, and particularly today with the high dollar crawling towards parity. That is making it extremely difficult, as the member for Mawson would know. He would be suffering the same as I am. What is happening is crazy. I want to read now from the South Australian Wine Industry Association newsletter dated today, 28 September 2010, a message from the Chief Executive, Mr Brian Smedley, and I quote:

Last week's state budget provided some bad news for South Australian wine producers that are eligible to claim the cellar door subsidy scheme, with a reduction in the cap from 1 July 2011. This will directly impact the level of business viability and profitability of many wine businesses. This is a baffling decision by government when one considers the wine industry is a significant contributor to exports, an important regional employer and an iconic industry for South Australia. Cellar doors also provide an essential element in the tourism mix of regional visitation. The loss of income will impact business cash flow, and divert money from the ongoing and essential development of wine businesses.

This will have an impact on the wine industry which is already dealing with an oversupply of grapes and production, a rising Australian dollar, increased business costs from a range of other services such as water and trying to just survive with difficult trading conditions. The South Australian wine industry is a world leader, and we need government that backs us rather than undermines our success.

I change to the topic of car parking at hospitals. This will be increased to commercial rates. How callous can that be? Whether you need to go to hospital for treatment for yourself or you are visiting sick relatives or friends, the Rann Labor government has now decided that you will become a source of revenue for them.

Country people residing more than 100 kilometres from Adelaide will have to pay more for their fuel. The loss of the country fuel subsidy will add approximately 3.3¢ litre to the price of fuel for motorists in rural and regional areas. The flow-on effect will impact consumers, businesses and tourism.

Even though the Rann Labor government did not announce any schools or hospital closures, as recommended in the razor gang's leaked report, the abolition of the small schools grant will hurt many schools across the state and lead to school closures in the future. This is a deliberate strategy, and about half a dozen of my schools are a direct target of these grants, particularly in the Barossa Ranges, and I name two—Moculta and Kyneton—as being deliberately targeted.

There is nothing in the budget for a new Barossa hospital. I asked the Minister for Health during question time, just prior to the budget being delivered, when he would release the business case for the Barossa hospital. His response was pathetic. I do not want to use that word, but it was pathetic. He merely said that he did not have it. His department has had it for over a year—for 13 months now, from July 2009—and he said he did not have it. Well, if he does not have it, he should certainly know where it is because it is within his department. So I think that is an embarrassment and a deliberate delaying tactic.

In the current economic situation, one must question the government's decisions regarding the unpopular rail yards hospital plan and the Adelaide Oval upgrade. The government has had its priorities wrong since being elected to government in 2002. It has had seven of the best economic years with high revenue, and what does it have to show for it? Some of the decisions in this budget are so bad and so illthought out that it is obviously a desperate attempt by the government to cover serious inadequacies in its management.

The Treasurer has made a comment that this budget would not be a great one for South Australia due to the \$750 million savings that needed to be found to bring the budget back to surplus following eight years of financial mismanagement, but no cuts were made to the number of ministers, totalling 15. If we had won the election, we would have cut them back to 12. We would have cut the number by three. That was also a recommendation of the Sustainable Budget Commission, so why was it not done? The money saved would have been a huge saving. It would have sent a message to the people who are really being hurt that we are dinkum and prepared to share the pain. But that was not done.

If that is not wastage enough, the alleged 15 per cent cut to ministerial officers was nothing more than a fraud, as top-up staff from the department will be used and the 15 per cent will not be applied to these staff members. So, in other words, it goes on. Heavens above—this is where the cuts should have started! The government is overloaded, fat with extra staff, particularly in the media units of the government, and it should have been stripped out. The amount of money, I believe it all added up to \$23 million per year, all the extras in here. That is where they really should have started.

It is a bit rude to be seeing all government departments stripped like they have been and for this one to remain basically unscathed. That is wrong. Yet two days after the budget was handed down, following comments that the Public Service Association was appalled by the announcement that 3,750 public servants would be cut, the Treasurer said on radio, 'I think government should wear as much pain as possible.' I ask the Treasurer: how are they doing this? I bet their media unit is as big as ever in an attempt to spin themselves out of this horror budget.

How do you spin out of a promise of no forced redundancies before the election and now we see 3,000 jobs to go? This is the Treasurer who said, 'I have the moral fibre to go back on my promises.' How can you support that? How can it be that we also had an increase of 18,105 public servants over the last eight years, when, in fact, only 2,500 were budgeted for? How can that be? All those rational thinking people, give me the answer to this one: how can it be that we had an increase of 18,105 public servants over eight years, when only 2,500 were budgeted for? Where did the 15,551 come from? Did they just appear there?

I note the Treasurer has walked in; he might like to answer this question: 85 per cent of those employed over the last eight years were not budgeted for. No wonder we are going broke. What do we have to show for it? The government and the Treasurer, I believe, have been lazy. In 2002, I was on the Public Works Committee and a lot of the major projects were stopped back then. The Barossa hospital was one of them; just got stopped, didn't happen.

The Hon. K.O. Foley: You left the state broke.

Mr VENNING: We did not. The Treasurer said the state was broke when they took over; beg your pardon. Anyway, I was on the Public Works Committee at the time and there were very few projects. Now you are trying to catch up and you are paying a lot more money to try to catch up, which I think is a shame, indeed. On the day of the election the Premier said:

I recognise we suffered big swings, but I promise to listen and reconnect in a positive way. I want us to commit, win or lose, to go out into the community to reconnect and reinvigorate what we're doing.

This budget shows the government is as arrogant as ever and doing the opposite. Spending blowouts, not falls in revenue, are the main reason the Rann Labor government has had to cut jobs and increase taxes—repeated blowouts to the Adelaide Oval upgrade, blowouts to the desal plant

and one can only shudder with the thought of how much the rail yards hospital will blow out if the Rann Labor government decides to go ahead with the illogical proposal.

This morning I heard the genuine proposal put by my leader that—and I am sure every person on this side would back her in—if the government was to change its mind on the hospital proposal, we would thank you for it and we would forget the politics, because the state cannot afford to go on with that.

The Hon. K.O. Foley: You are in opposition; we are in government.

Mr VENNING: I understand that. We are doing all we can. What can we do in opposition? We are currently in opposition; you are the government.

The Hon. K.O. Foley: It's a dumb idea.

Mr VENNING: Treasurer, I do not believe we can afford it. I would run the state like I run my business. If I want to buy a big new tractor this year and I cannot afford it, I do not buy it. I wait for a few years until I can afford it and then I buy it. With the condition that this state is in—

The Hon. K.O. Foley interjecting:

Mr VENNING: You can't afford it. You need to pull your head in.

The Hon. K.O. Foley interjecting:

The DEPUTY SPEAKER: The interjections are, of course—

Mr VENNING: Out of order.

The DEPUTY SPEAKER: Excuse me, do not presume what I am going to say, thank you. The interjections are most unnecessary and perhaps, as you say, in fact, member for Schubert, out of order. So, let us just carry on with what you were saying because your time is brief.

Mr VENNING: I heard the olive branch go out this morning. It is high time we in this house—all of us—decided what is best for this state.

The Hon. K.O. Foley interjecting:

Mr VENNING: It was a commitment given by my leader and I presume—

The DEPUTY SPEAKER: Order! First of all, the Treasurer should not be interjecting, but, secondly, you, as a gracious person of some years standing in this place, should not even react to him.

Mr VENNING: I will not. Anyway, you are out of order, too, but anyway, it's okay. I support my leader's comments because we cannot afford either of them. The Rann government has proved yet again with this budget that Labor governments are not good financial managers. I was here in this house when the State Bank disaster hit us.

An honourable member interjecting:

Mr VENNING: I was here in this house. Like today Labor, which was in government, denied that there was a problem until it got to the point where it all just came out—and what a train wreck! The people voted them out with very emphatic and decisive action: they rejected the Labor Party and reduced it to 10 seats out of 47.

If people knew the extent of this state's past economic position they would have banished this government in March, even if only 48 per cent, on a two parties preferred basis, actually supported them as they did. They should have gone but, with the deception and broken promises, they fooled the people. The 'win at all costs' attitude was there at the 2010 election and, in two and a half years' time, things will probably be much worse. I wonder if the Treasurer will still be here. He says he will be. I will be here, too, and I hope he is so that we can rub his face in it.

I will be interested to see the next Auditor-General's Report and also the report by Standard and Poor's in relation to how we keep a credit rating with this record, or do they give instructions to Treasurer Foley to rein in the government's out-of-control spending? Is this your budget, Treasurer, or was it one drafted by Standard and Poor's?

The Hon. K.O. Foley: They put a statement out. Didn't you read it?

Mr VENNING: I did.

Debate adjourned on motion of Mr Pederick.

BUDGET PAPERS CORRIGENDUM

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Federal/State Relations, Minister for Defence Industries) (16:42): I seek leave to make a brief ministerial statement.

Leave granted.

The Hon. K.O. FOLEY: I have been made aware of an excitable shadow treasurer who demanded my attendance in the chamber. I was in meetings or preoccupied doing something else and he was very excited by the corrigendum. Corrigenda are a feature, unfortunately, as there are errors from time to time in the printing of budget papers. I have delivered three or four of them over the years and I have no doubt that it has happened many times under the last government. I will read it, though. I am more than relaxed and I think the shadow treasurer is entitled to an explanation, should he so wish.

I am advised that there is an error in the Treasury and Finance Portfolio Statement, Administered Items for Treasury and Finance, relating to the 2010-11 budget for consolidated account items. The error arose following a late adjustment to correct the 2010-11 budget for appropriation, equity contribution and accrual appropriation balance for the Department of Education and Children's Services.

The correct figures are reflected in the DECS portfolio statements, the Appropriation Bill and the Statement of Consolidated Account Receipts and Payments presented in the Budget Statement Appendix C. However, the flow-on changes to the administered items for the Department of Treasury and Finance statements were not made.

There is no impact on the general government sector or the non-financial public sector aggregates. As the adjustment affected the level of equity contributions, operating appropriation and the use of accrual appropriation account, a number of lines in the administered items for Treasury and Finance financial statements are incorrect. The financial statements as presented in the 2010-11 budget papers are provided at attachment 1. The corrected financial statements, with changed numbers highlighted, are provided at attachment 2.

The error was discovered after the relevant budget paper was printed. Accordingly, it is recommended that a corrigendum correcting the error be released on the Department of Treasury and Finance website and tabled in parliament at the earliest opportunity. A minute to cabinet office requesting tabling of the corrigendum is attached (attachment 3) for your consideration. It is signed Jim Wright, Under Treasurer. I am sure somebody can make sense of that.

APPROPRIATION BILL

Adjourned debate on second reading (resumed on motion).

Mr GOLDSWORTHY (Kavel) (16:44): I commence my contribution on this bill by congratulating the leader, the shadow minister, the shadow treasurer, the deputy leader and all the speakers on this side of the house on their outstandingly accurate assessment of this budget. In terms of assessing the budget, let us just look at some of the issues that we need to highlight. As the leader, the shadow treasurer and other speakers have mentioned previously, this state is the highest taxed state in the country. This budget has delivered even more debt—over \$1 billion of increased taxes, public sector job losses and fewer services. It is a slash, burn and tax approach, hurting the hip pockets of South Australians.

I have highlighted this issue before, and I will keep on highlighting it while I am still in this place—and I can assure you that will be for many years to come. It is a hallmark of Labor governments, both state and federal, that they are high taxing and high spending. We witnessed this way back, probably 40 years ago, if not more. It started off in the Whitlam federal government, then the Hawke government, the Keating government. High taxing, high spending governments started in the 1970s, and this government is no different, and it has been a hallmark of the way Labor governments, both state and federal, run the economy and the budget.

We also see public debt of \$7.1 billion, and a \$389 million deficit in 2010-11, which means—as the leader pointed out earlier this morning—that South Australians will soon be paying almost \$2 million a day in interest payments on that debt. By anybody's assessment, we are in trouble. We are in financial trouble here in South Australia as a consequence of this government.

Other key issues that we need to highlight in relation to the budget, in terms of the slash and burn approach, are that almost 4,000 Public Service jobs will be cut and the cuts and increased revenue measures of \$2.5 billion. This is an issue I want to actually spend a couple of minutes talking about. We might remember that it was only a few weeks ago that the shadow treasurer, the member for Davenport, asked a question of the Treasurer about projected savings of about \$2.2 billion—well and truly above the \$750 million savings target that the Treasurer had previously announced. We got some information that came the way of the opposition and showed that the government was in far greater strife with its budget and that, in terms of having to find savings of \$750 million, it actually had to look at savings of \$2.2 billion.

The budget has revealed that that figure is at \$2.5 billion, so there was obviously some real accuracy in the questions we asked; from memory, at the time, the Treasurer refuted it. He said that they were looking at a range of options, that the Sustainable Budget Commission were putting up a suite of alternatives and that they would go through and select the ones they thought were necessary to implement. However, the facts are out there at the moment for everybody to see, and the figure is at \$2.5 billion in terms of cuts and increased revenue measures.

We also see mining royalties up, and this is a significant issue. As previously highlighted by the leader and other speakers, there was no mention of that before the budget or that the Olympic Dam project could be viewed as being in jeopardy.

The hospital costs of the new proposed rail yards hospital are still undisclosed. There is no mention of that in the budget. There was an initial figure of \$1.7 billion put on that in relation to the build. Well, I would be surprised if it does not blow out to well over \$2 billion or higher than that. That was a key plank of the government's policy platform that it took to the election. What do we see? No mention of it in this budget.

Now that poses a question of how they are going to fund the construction of the hospital. Is it going to be a PPP so that it will be off balance sheet or not? We have heard conflicting messages from the government over a number of years since they first announced the construction of the rail yards hospital. The Minister for Health said it was going to be a government build, then they change their mind and now they are still out there in limbo land in terms of how they are going to fund what is a key plank in their policy platform.

Obviously, on this side of the house, we say that it is a waste of money. We can build a new hospital on the current site, saving at least \$1 billion which will then be directed into the critical area of health services in this state. That is where the money should go—into other areas within the health portfolio. We get contacted by constituents on a regular basis in our electorate offices about the demands and the unmet needs currently within the health services.

I also point out the spending blowouts and how that will cause job cuts. We have been saying on this side of the house for a number of years—if memory serves me correctly it goes back to 2006-07, so it is three or four years that we have been highlighting this point—that the government has not had (and does not have) a revenue problem nor does it have an income problem. It has an expenditure problem, and spending blowouts (not falls in revenue) are the main reason the government has cut jobs in order to save its budget. Government spending has blown out by \$616 million in 2009-10 and \$1.2 billion in 2010-11 respectively above those budgeted in the 2009-10 budget for those years.

In each of its eight budgets the Rann government has relied on revenue above budget to balance spending above budget. Despite record revenue growth, spending blowouts have caused the budget to plunge into deficit. As I said, we have been highlighting that point for a number of years now. It is not a revenue problem that the government has: it is an expenditure problem.

Let's have a look at the revenue side of things because, as the deputy leader highlighted in his contribution, we need to look at both sides of the ledger. You need to look at your revenue and obviously your expenditure. It is basic bookkeeping. From 2002-03 to 2009-10 this government will have collected a massive \$5 billion more than they expected, and these revenue windfalls—actual receipts above budgeted receipts—are masking unbudgeted increases in expenses, as noted by the Auditor-General. The Auditor-General's Report for 2008-09 in part C at page 12 states:

Over the past six years the State has received large amounts of unbudgeted revenues that enabled net operating surpluses...

There you have it, Madam Deputy Speaker, in black and white from the Auditor-General. It is proof that we were correct in our claims that the government has an expenditure problem, not a revenue

problem, and it is over budgeted revenue that we receive that has kept the budget in the black. If we had not had that, we would be plunging further into the red with this budget.

In relation to revenue, specifically revenue issues in terms of taxation, over the forward estimates in this budget the government will collect over \$1 billion in additional taxes. It is now official, as I said earlier, that under the Rann Labor government this state has become the highest taxed state in the nation. We have not made this up; it has been confirmed by two independent reports, one from the Commonwealth Grants Commission and the other from the Institute of Public Affairs. Tax revenue has increased by 76 per cent since the Rann government came into office, as demonstrated by some information that we are holding.

I would like to make a point in relation to statements made by the Treasurer concerning the global financial crisis and the effects that has had on the state budget, and I want to contrast those statements with what the federal Treasurer has said in relation to the effects of the GFC. The federal Treasurer has said that the federal government's policy initiatives—its stimulus package and BER and all the economic activity that it has supposedly created—has shielded the country and insulated the nation and the states from the effects of the GFC. It is the federal Labor Treasurer who made those statements, but we have a state Labor Treasurer who says that the GFC has impacted on this budget. You have one Labor Treasurer walking one side of the street and another Labor Treasurer walking the other side of the street. You cannot have it both ways; one is either right or wrong.

I think the public can see through the spin that is perpetuated by this government. The shadow treasurer has highlighted that even though the Treasurer claims that the GFC has supposedly had an impact on this budget, we have actually received more income, more revenue, than was budgeted for, so I think the spin can be 'unspun', if you like; the reality of that is certainly highlighted.

I also want to touch on the issue of our AAA credit rating. The Treasurer continually bangs on about how he has been able to deliver eight or nine budgets, or however many it might be, and preserve the AAA credit rating. It is an interesting point—and it has been highlighted out there in public comments—that the AAA rating was provided by two rating agencies that the government engages and pays. The government pays for that advice, pays for that rating. The agency that it does not engage with, whose services the government does not avail itself of, gives the state a AA+ rating.

Mr Marshall: They don't pay them.

Mr GOLDSWORTHY: That is right. The member for Norwood highlights a very interesting point: they do not pay them. It rates the government at AA+, and the agencies that the government pays give a AAA rating. I just wanted to make that point, and I know those issues have also been highlighted out there in the community as well.

I now want to focus my remarks on how this budget will affect matters within my electorate. The member for Unley, the shadow minister for education, has highlighted this in his contribution, and I will have the opportunity to speak at greater length when we come to the other parts of the contributions we make on the budget. I want to focus my remarks on the announcement made by the Minister for Education and Children's Services in relation to the amalgamation of Birdwood High School with Birdwood Primary School. This announcement is a bolt out of the blue for those two school communities. They had no idea: there was no prior notification, no prior consultation, no indication at all from the government until, I think, the Friday following the budget, that the decision had been made to amalgamate the two schools.

I just want to highlight something in relation to this announcement. I have spoken at length about the extremely poor manner in which this government goes about its community consultation. The minister himself, the Minister for Education, if he was quoted correctly, highlighted the deficiencies that this government has, in an article in a *Saturday Advertiser* about how it goes about its community consultation. He was critical of how the government announces and defends its initiatives.

I do not know what else this could be other than an announce and defend scenario of the Birdwood Primary School having to amalgamate with the Birdwood High School. With the very portfolio responsibilities that the minister has, that he was critical of his own government about, he has done exactly the same thing in announcing that the Birdwood Primary School will have to amalgamate with the Birdwood High School. I had a meeting with representatives of those two

schools' communities, representatives of the governing councils, and I can tell you that they are extremely concerned about the negative outcomes of this amalgamation.

The principal has just been recently appointed to Birdwood High. I have a brochure from the high school, and it concerns an 'Academy of Middle Schooling: a Community of Thinking'. This is a groundbreaking initiative that the principal was looking to introduce to Birdwood High. This is going to take considerable resources, considerable time and energy, to put this in place, and it is groundbreaking stuff. I understand that the principal has briefed some of the chief executives and other senior bureaucrats on the initiative.

However, this initiative will stagnate, because the school communities will be consumed with the amalgamation process. There will be enormous time, effort and energy put into the amalgamation process of the two schools. That will have the effect of stagnating this groundbreaking initiative in relation to implementing this academy of middle schooling. It is new stuff.

It is new—educational initiatives—and I understand from what the governing council representatives tell me that the minister wants to know about it, and there is to be a briefing organised for him. The effect of it is that it will have the potential to stagnate and push to one side these new learning initiatives, because there is a significant amount of work involved in it. In contrast to that, there will be a significant amount of work in amalgamating the two schools, and I will be having more to say about that in the future.

I want to also talk about the real need for a special school at Mt Barker. In closing, this is a bad budget which clearly highlights the fact that this is a bad government.

Ms CHAPMAN (Bragg) (17:05): This year's 2010-11 state budget—delivered four months late—is a clear indication to the people of South Australia that the Rann Labor government has failed all of them. Not only has it spent all the money: it has gone into horrendous debt, we are taxed to the hilt (the highest ever), and just about anything that is not nailed down has been or will be sold.

Members might recall last year that the Treasurer tried to sell things he did not even own, but now we are back here again and there is not much left. We are at the bottom of the barrel—a bitter pill for South Australians, particularly those who have so little. The Treasurer, under the protection of his Sustainable Budget Commission's recommendations, has had the audacity—the cruelty—to continue to harvest from the pensioners, the disabled and those who are living in circumstances which people in this room do not have to face on a daily basis.

He has seen fit to go through and even butcher the services to the most needy in our community. If ever there was an example of how ruthless this budget is, it is the government's decision to close and sell off the Parks Community Centre. The Treasurer shouts from the rooftops the need for him to be fiscally conservative and responsible, but he needs to understand that the people of South Australia will not put up with his plan to spend over \$45 million to rehouse (and create a film hub for) the South Australian Film Corporation from one area of Adelaide to another—which happens to be in the middle of the site of the premier psychiatric hospital in South Australia—when he has the audacity to say to the people in the western suburbs, 'You can't have a Parks Community Centre.'

That is why it is such a bitter pill for the people who use these very services in the western suburbs. Even in an earlier life (allegedly now reincarnated), the Premier described a proposed closure of service in the western suburbs as a 'fundamental attack on the western suburbs'. That is what he described a proposed initiative of a previous government, yet in this budget he has allowed his Treasurer to include in it this cost-saving measure (to use his words).

In 1990, the Premier supported services being kept at the Parks. He made it quite clear that he would act to protect them and now, of course, he is slashing them. Despite the Premier's pathetic attempt today suggesting that this decision is in some way coming to the rescue, the Parks community, having been consulted on this matter, has been ignored.

Some three years ago (I am told by someone who attended a consultation process by the government) meetings were held to discuss the future of the Parks area. The buildings we have been talking about on this site (allegedly so derelict, says the government) were erected in 1976. The local community was invited to attend meetings. They were given paper on which to write down what they wanted to happen with the Parks. It was spelt out that they did not want any of the existing services to be closed.

Further, at that time they did not want a proposed Woolworths supermarket brought in at the expense of other services that were currently provided. They expressly did not wish the pool, and most of the other services that were in constant use, to be closed. He claims, and I quote from his letter:

The bullshit about the buildings being in disrepair is, as far as I can see, a complete distortion of the truth...We were then left alone whilst they deliberated what we wanted. Next they formed a community committee which was one of our board members as a member. I think this idea was placed in the control of one Monsignor Crappo—

that is his description, but I think he is referring to Monsignor Cappelletti—

whom we have all come to love down here because of his social inclusion project which is the greatest social failure in our history.

He goes on to talk about a number of services in the Parks area (which I have visited both as a former shadow housing minister and now as the current shadow housing minister) and his concern about whether the traditional owners of the Kaurna lands, that is, the Kaurna people, have actually been consulted about this at all. He says that for seven years, each time they met at the Parks, they would announce at the commencement of the meeting the recognition of the traditional Kaurna people as the original owners of the land, yet it is his understanding that there has not been consultation with them about the closure of services—which, incidentally, included specific Aboriginal services at the Parks centre. In conclusion he says, 'the Third Reich [he is referring to the Rann government] in their usual clubfooted way' have just progressed ahead.

So, there was consultation but, obviously, they have been completely ignored. The government's nonsense today suggesting that it has been in consultation and listened, both before and after the election, clearly has not translated into any reasonable recognition of what the local people want.

The second aspect I raise about this is that, today, the Premier came in to say that he had some breaking news about how he was going to give them \$5 million back. Let me tell members what the leaked budget submission from the Sustainable Budget Commission, which has been well publicised, said. At page 291 of that report, under the title 'Closure and sale of the Parks Community Centre'—which, indeed, the commission had put as a low priority idea but it seems the government decided it was going to grab it and run with it—the commission said the following:

The bid seeks to create savings through the closure of the Parks Community Centre (Parks). It is proposed that the closure would result in \$4 million recurrent savings and \$17 million investing revenue from the sale of the land.

The bid also seeks to build a new customer service centre using part of the sale proceeds to accommodate the existing 73 FTEs based at the Parks.

The Department for Families and Communities proposes to provide a \$5 million non-recourse grant in 2011-12 to the City of Port Adelaide Enfield in lieu of the approximately \$1.8 million annual grant currently provided for cultural, community and recreational services.

The bid also reflects reduced revenue from canteen operations and rent revenue from commercial tenants who currently occupy the Parks.

It details the amount they are going to save.

But here is the truth of the matter which is disclosed in the rest of this document. It goes on to tell us that, in fact, the \$5 million once-off grant, which is DFC's proposed payment to the City of Port Adelaide and Enfield to compensate for the loss of annual grant funding of approximately \$1.8 million, is already in there—it is recognised. The Premier came in here today and said that he will announce that they will get \$5 million back but, clearly, his own government has decided to pocket the \$17 million from the proceeds of sale. Under the pressure today—guilt money—he has had to come back and say, 'We are going to give them \$5 million,' which is already in here; and, clearly, if he is honest today, he has not provided for it in the budget already, even though that was clearly in the recommendation.

Here is the real aspect which everyone who works for DFC should be aware of, especially the 73 FTEs that are about to be debunked out of the Parks Community Centre. It says:

It is unclear whether the services to be provided in the proposed CSC could be provided from existing service centres at Port Adelaide and Woodville. No business case has been provided to support the new CSC.

Quite clearly, the government is keeping open the option as to whether it is just going to park these people in existing offices. They may not even get a new facility. The other matter I raise is that this document also discloses that:

Proceeds from the sale of the land are projected to be \$17 million; however proceeds could be in the order of \$23 million. Two existing valuations obtained by DFC have differed materially and a second independent valuation has been sought.

Of course, the government has chosen to just give us the \$17 million figure, has it not? All of this is concealed in the budget under 'improving government service delivery'. What utter rot. What has been disclosed is that the government is prepared to do and say anything to strip the most impoverished people in the community of a very basic asset. It has purported to have consulted but that has been completely ignored. It is prepared to continue even in the wake of outcry and protest.

The Premier should have been out there today listening to the Mayor of Port Adelaide who made it quite clear that he was not going to be dumped with part of a property which has been left in a state of disrepair and be expected to pick up the mess as a result of the state government abandoning its responsibility. The government has plenty of money to spend on a state swimming pool at Marion but not \$1 dollar to keep open that facility. It does not even have the decency to say, 'Let us work out how we are going to provide the service in the western districts local area before we close this.' No, flog it off and who cares about the people. I do not know what the local member said, the Attorney-General in this parliament, but we have not heard a squeak out of him about what has happened. It is very concerning.

The second matter I bring to the attention of the house is that it is not bad enough that they are going to strip the most basic assets from the western area, the government has announced that it is going to increase the South Australian Housing Trust rent review for pensioners. That is not only a despicable act when they are prepared to spend tens of millions of dollars for a new home for their pet project at the Film Corporation, but, in this instance, the Premier had committed—and this is even acknowledged in the leaked document—to excluding the commonwealth once-off pension increase in ongoing public house rent assessments.

No time frame for this exemption was prescribed. This is a saving of \$9 million. The government is going to rip off \$9 million from pensioners who are living in Housing Trust homes to help pay for its extravagance. Even the recommendation that they cut down its ministry from 15 to 12 is ignored, but the pensioners have to pay. The Premier made this commitment in his own press release on 20 May 2009. The press release states:

Rann promises to quarantine pension increases. Premier Mike Rann will this week write to Prime Minister Kevin Rudd promising to quarantine the Federal Government's pension increases from State housing rents...It would not be in the spirit of the initiative to see some of the money flow through to the States.

What empty hollow words. Here we are a year later and the Sustainable Budget Commission is saying, 'Look, you did promise this, Premier, but that doesn't matter. You didn't put a time limit on it, so you can say it one year and then break that promise the next year', because they say they are in such desperate financial circumstances and/or have to show some fiscal responsibility.

The Premier cannot have it both ways. He cannot be building his own Taj Mahal (the Rann memorial) in the middle of the Glenside Hospital, and then expect the people who are pensioners to have another \$9 million raped and pillaged from their pockets just to pay for his excesses. That is completely unacceptable and it clearly indicates that, whatever the Premier says, whatever he writes to the Prime Minister, is not worth the paper it is written on.

There are a number of other initiatives in the Sustainable Budget Commission report. The final one was very interesting, because that says that we need to have another review. After spending \$2.5 million, this one cannot actually make final decisions. We have all these leaked initiatives from which the government has cherry-picked a few. Goodness knows when the others are going to come. The Sustainable Budget Commission's final report tabled by the Treasurer in the parliament the other day, along with his budget, says that, in relation to families and communities initiatives, we need to have another review, an independent review. I ask minister Rankine who is she going to appoint? Who is left to do a review in this state? How many reviews do we need to have?

We have had the Layton Report, which was very comprehensive. We have had millions of dollars for the Ted Mullighan inquiry into child sexual abuse. We have had a restructure of the Housing Trust and housing in South Australia. We have had a restructure of the Department for Families and Communities. Every year since I have been here I have picked up a budget and seen

\$3 million, \$4 million, \$5 million dollars being spent to refit new offices when the department changes offices.

How many more reviews do we have to have? What is that going to cost? What about the people who have been not just abandoned but mortally wounded in this budget when the care factor of this government is clearly zero? It is very concerning because the increasing rent payable by pensioners is not the only revenue-raising measure the government has approved. Minister Rankine has now also announced that she will be charging people in public housing, who have children who earn income, extra rent: a revenue-raising measure that is not even in the budget. She was on radio today saying that.

Commissioner Cappo signed the agreement. He picked up his share, in the sense of it being his job to do the Sustainable Budget Commission inquiry. He is the one who has signed up to these recommendations and look at what has happened. When the public went absolutely ballistic about it, Commissioner Cappo came out today and said that he was going to beg the Premier to reverse the decision. How absolutely pathetic!

We pay this man \$120,000 for six months of the year under his contract. He is on all these other advisory boards and is a man of significant opportunity and influence in this state. What happens? He signs up to a Sustainable Budget Commission, he approves these things and, when the public spits the dummy and says, 'We're not putting up with this,' out comes Commissioner Cappo saying, 'I will beg the Premier to reverse this decision.' How absolutely pathetic!

The people will not forget this and the absolute insult they have been delivered by this budget. This is not something that has been confined just to the western suburbs or the Parks; pensioners live in Housing Trust properties all around the state and they are struggling. When the government says, 'We need to tighten our belts because we need to be fiscally responsible and manage,' they know what it is about because they know how tough it is.

However, what they will not tolerate is the government sitting there with its fat ministry and doing nothing about it but, at the same time, expecting them to eat even one less meal, to have one less opportunity for an outing, to pay less on their electricity bill or, for goodness' sake—what will now be a bank loan—to pay their water bill. It is unacceptable, it is unconscionable and it is a circumstance about which the Premier should hang his head in shame.

Mr GRIFFITHS (Goyder) (17:23) There is no doubt that we are going to hear a lot of words over the next few days when it comes to the presentation of the budget by the Treasurer on 16 September. There will be a lot of people who will speak on this side, who are quite angry about aspects of it, and they will vent their spleen in no uncertain way about the frustrations and the feelings in their communities, or about the portfolios that they represent or aspects of interest to them or people in the community who have been disadvantaged in some way by this budget, and no doubt there will be members from the government side who will stand and loudly cheer aspects that they think are fantastic, too, while not necessarily having the courage to say the things they are frustrated about.

However, regrettably—being on the left-hand side of the Speaker—we have the opportunity to look at both. I say 'regrettably' because of the negative aspects of it. I will be magnanimous enough, later in my speech, to recognise a few things that I think are quite reasonable, and I commend the government on the support that it has provided for those. However, there are many areas in this budget which concern me and which I am quite angry about.

I want to, initially, acknowledge the contribution by the Leader of the Opposition. I think she made an excellent speech this morning, for some 55 minutes or so. She certainly defined the difference between the Labor Party and the Liberal Party, when it comes to philosophies, areas of support, and, indeed, her vision. In two key projects, of course, being the Adelaide Oval redevelopment and the Royal Adelaide Hospital rebuild, she defined where the differences are and the philosophies that take place there.

I must admit, the nine months or so that I had the opportunity to be somewhat involved in treasury issues for the opposition allowed me to develop a greater knowledge of the complications involved in the preparation of a budget that is responsible for the expenditure, in this financial year, of a figure approaching \$16 billion. It is true to say that, no matter what level of resource is available to you, there will never be enough dollars to actually provide for every person's need—that is a frustration that governments of all sizes, persuasions and nationalities live with. They represent a large number of people, and they are elected to expend the funds that are received from the taxpayer in the most appropriate way. There will indeed be differences of opinion on

where the priorities should be for that, but there will never truly be enough dollars to provide what the community needs in every person's eye.

However, I do live with some level of frustration about the apathetic relationship that the community has with politics. It frustrates me because people seem to think that politics is only an issue that influences them in the month or so before an election. When they sit at home, they might talk to their partner or their children and consider how they intend to vote. Then, for some vast number of people, something like 20 per cent, it will be the decision they make on the day of the election.

To me that is an absolute disgrace, because people across our state and our nation need to recognise that politics impacts on their lives every day, in some way, through the provision of a service or an infrastructure they make use of. The political process drives the availability of that and allows for the revenue to be received to have built that, or to have built something else that they might consider to be a waste or a folly. So, that is where the community at large need to actually engage themselves in the process.

In the last generation, or two generations, we have seen the complete removal of political involvement. Both major parties have suffered terribly when it comes to membership bases. There is certainly a hard core of people who will never give up the fight for the principles they hold true to, but the majority of people sit in the middle now. They are the ones who determine who will fight, and who will sit on the right hand side of the Speaker and have control of the treasury benches. However, sometimes people make very poor and uninformed decisions. Sadly, I think 20 March this year was one of those, but history will reflect that the government won the majority of the seats.

Since 2002, it has been interesting to me to review the budgets that have been put in place by treasurer Foley, and to recognise that he has had a variety of saving measures put there. He has had the Smith review. He has required efficiency dividends and direct dollar savings. Some of these have been associated with targeted voluntary separation packages. Some of these have been dollar requirements that CEOs of departments have been required to meet.

It has been obvious to me that those requirements are not actually reported in any format, so it is impossible to verify that they have been met. We now know, from the budget presented by the Treasurer a few weeks ago, that there is historically some \$500 million in unmet savings requirements, which are now still demanded of the departments. They will have an enormous challenge to meet that, in addition to meeting the other \$1.5 billion in savings, over the next four years, of structural efficiencies that the Treasurer is demanding. Indeed, there must be a lot of people in senior positions within departments and ministerial staff, who are thinking, 'How the hell can we actually deliver upon this?' It is easy to put the figures down on paper, but how do you actually ensure that it creates and it happens.

Regrettably, in reviewing the budget, I think that some crazy decisions have been made in relation to efficiencies and reduced expenditure, and I intend to go into some detail on a few of those that affect regional South Australia, because that is where my greatest concerns lie. I have looked at it, recognising of course that for some number of years there has been a regional statement prepared as part of the budget process—this year there is not. Our side of the parliament think it is probably out of an embarrassment level, for the fact that there is very little in the budget for the people in the regions, and they found it easier not to report on that in any particular format.

Again, how do we get it right? When the Sustainable Budget Commission was announced by the Treasurer, when he presented his budget in June of last year, it was interesting that, as the shadow treasurer has talked about, there was \$150 million in the first year, \$250 million in the second year and \$350 million in the third, to create efficiencies of \$750 million. However, in questioning, as part of the Auditor-General's Report, it was really identified that if future public sector wage increases could be kept to a reasonable level—and the Treasurer was quoting 2.5 per cent—then that would actually create some \$290 million in savings in that third year. I tried to get the Treasurer to identify, as part of the Auditor-General's Report—indeed, from the enterprise bargaining agreements that were in place at that time—what level of future savings was to be achieved so that there could be some level of reporting against that figure, because it was always going to be a key issue in my eyes as to what the eventual savings target beyond wage restraint was going to be.

All of us now, of course, know that the Treasurer has sold the people of South Australia a pup. There is absolutely no doubt about that. He said out there publicly \$750 million in savings. He

has now delivered a figure that is nearly three times as large as that. If the people of South Australia had any comprehension of what the plan was going to be, I am confident that they would have revolted against it, because in the fullness of time, as programs are cut, as funding agreements finish and there is no renewal of those, there will be an enormous effect upon the people.

There is going to be a lot of pain felt by the people of South Australia over the next few years. The Treasurer will say that it is because he is the one that is prepared to stand up and make the hard decisions. I also think it is because he is the one who is prepared not to be honest with the people of South Australia and to give them some level of knowledge about what his thoughts are. He has to look at himself in the mirror. I was in a radio station one day with him when he talked about abusing himself in front of the mirror, and it was quite interesting when he said that.

The ACTING SPEAKER (Mr Piccolo): Member for Goyder, keep it clean.

Mr GRIFFITHS: It is clean. Others had a different connotation from what he actually meant by that. Mr Bevan, Mr Abraham and the Treasurer saw one side of it; I tried to see another version of it, but we had to go to an ad break very quickly when that comment was made. He has a lot of pressure.

The targeted voluntary separation packages in themselves will be interesting. There is a quantum of money available as part of this budget to fund 3,750 people taking those TVSPs. We know that, as part of the Mid-Year Budget Review in previous years, there has been a requirement of some 1,600 people leaving over a three-year period, 1,200 of those in the first year. They are funded to a certain level. Now you have these variations in packages available, so it will be interesting to see whether the quantum of dollars available at a maximum level for people as part of the first 1,600 is different from what is available for the 3,750, and my understanding is that some component of the 400 who are left over from the 1,600 will be assimilated into the new 4,000, but it is something we have to get right.

I am a person who actually tries to look at the future, but I do review the past, because I think it is important that we understand our history to be informed enough to make decisions for the future. However, I am really concerned about the future of regional South Australia. Simply put, it appears as though there is a perception from far too many influential members of the government that, because it has rained in South Australia—and thank God it has and everybody looks like reaping some wonderful crops this year and there is going to be a return to some economic buoyancy in the regions—it is not necessary to keep funding going into services and infrastructure in regional South Australia.

We, of course, know that the high Australian dollar is going to affect the true value of those commodities. Even Mr Peter White, President of the South Australian Farmers Federation, this morning, when I heard him on radio, talked about the fact that he would love to see a drop in the Australian dollar from the current figure of about \$US0.95 or \$US0.96 to about \$US0.80. I do remember when it was a lot less than that and a farmer in my electorate telling me that every cent increase in the Australia dollar costs them \$4 per tonne in what they got for their crop.

So the impact of that is, yes, commodity prices for the grains are high at the moment, but what happens with the Australian dollar is really going to have an effect on that. I reinforce the fact that there are concerns out there still, and coming out of a drought is as hard as living through it. You want to build up your stock levels again, you want to invest in your property and your business, you want to ensure that you have confidence in the community in which you live and do business, and that is where government support is really critical.

There are a few issues that I want to take up in my remaining 10 minutes or so. I have extreme levels of frustration with the decision made about the community hospitals. It has been mentioned in the chamber already that it affects the Moonta, Ardrossan, Keith and Glenelg community hospitals. I am proud to represent the Moonta and Ardrossan communities in this place, and I have spoken to both of those hospitals. I have visited their CEOs and spoke to several of the board members of the Ardrossan hospital the day after the budget was delivered, and those two facilities are very fearful about the future and what it holds for them. Ardrossan is based primarily around an aged-care service, as is Moonta, but Ardrossan provides a very important accident and emergency facility which helps in ensuring it fills its clinical care beds.

The A&E provision at Ardrossan Hospital does get some level of financial support from the government based on a commitment that the Liberal Party made going into the 2006 election. The Labor Party agreed to provide, in the first instance, some \$110,000 to support that hospital. That

has been increased fractionally, but we now have a situation where the withdrawal of that sum from 30 June 2011 will place the future of the Ardrossan Hospital in grave jeopardy.

They have invested heavily in aged-care facilities; they have significant debt. They look after a hell of a lot of people, good people, who have contributed to the community there for decades and they just want to make sure they have a future. They are really fearful that the withdrawal of this \$130,000 is going to put that future in doubt. It has to be reviewed.

The Moonta Hospital equally must be reviewed. I visited them last Friday. That is a facility that has 14 hospital beds and 60 combination high and low care beds. Their aged-care facility operates quite viably. They do receive some level of financial support, but I believe it is only a small figure of about \$5,000 for the A&E provision they provide even though they have several thousand people per year who visit their facility for A&E treatment.

Of their 14 beds, some eight of those are available to accept people from the public system. This is a case where I think the government has made a disgraceful decision. I am advised that, for each of those beds when occupied, the hospital receives \$120.05 per day. It seems to me that that is a very cheap cost for the high level of care provided and it is far less than it would be in the public hospital system.

Again, in meeting with this hospital last Friday, they told me that the ramifications of this are terrible. Potentially, they have some 20 staff who will have to leave the hospital. These are long-term people who have been dedicated for a long time. Those people have to be paid redundancy payments. While long service leave costs are provisioned, there is no fund to pay for their accrued annual leave or any other entitlements that come from their enterprise bargaining agreement as in years of service and the period of weeks that they get for each year of that service.

It forces the Moonta Hospital into a decision probably at the end of the first quarter of 2011, and that is not fair because the Copper Coast community is a growing one. People who are making lifestyle choices are going to Moonta, Moonta Bay and Port Hughes; it is the classic baby boomer situation of making a sea change. The population projection for those three communities, which are basically now are interlinked, is to go from 4,000 people to 16,000 people by 2020. The provision of a health service with some level of government support and the previous financial year cost, which I believe is \$280,000, depending upon occupancy could go up to close to half a million dollars. To suddenly take that away and put the future viability of that hospital at very grave risk is a disgraceful decision, and it is one that I could never support. It is one that I know the community is going to rally against.

Country Health version mark 1 in 2008 really demonstrated to me that people are passionate about things that are important to them, and health is one of the most basic principles. It has to get better. We have to make sure we get this right. We have to recognise the commitment that the communities in those areas have put into their community-run private hospitals for decades, often working long hours in fundraising events to try to ensure the hospital remained open and that they had the best care available.

I wish to talk also about some of the small schools. Living in a community with a lot of small towns, I have a vast number of primary schools in my electorate. Yes, I have a couple of high schools and some areas schools, but the majority of my kids go to small schools. I am heartened by the comments of the minister when he talks about \$200 million additional and recurrent funding going into small schools, but I am very fearful of the impact the loss of a \$30,000 grant to a small school is going to have.

If anybody in this chamber has been involved in a governing council in schools, they will recognise that there are very few discretionary dollars available for a school to use to ensure that the curriculum opportunities and the support that students need are the best that they possibly can be. This \$30,000 will make an enormous difference. It is closure by stealth. I know the shadow minister for education has told me that there are some 68 targeted schools where there is going to be an effort to bring that back to some 34 schools. My communities all have a distance factor. Young kids are already forced to go on buses. Bussing them a greater distance, if there is an amalgamation or a shared administration, is not going to be a good situation. This is an area where, again, I urge the government to review its position. It is a relatively small number of dollars—\$12 million over four years—and it needs to be fixed.

I wish to talk now a bit about some of the business opportunities that exist in the region and the importance of actually supporting them. I was so frustrated when I read in the budget about the

government support to Regional Development Australia, which involves institutions that were formalised a bit over a year ago from the amalgamation of old regional development board structures. These institutions look like they will lose all their financial support by June 2013, the intention being that they actually become self-sufficient. I do not know how that is practical. I do not know how there is going to be the ability to provide a service that supports small business in the regions without having to increase costs so much that it will make it impossible for small business to be able to afford to use the service.

Again, it identifies the fact that, because it has rained, the government thinks it is not necessary to support the regions any more. You need more support coming out of a drought than you do through it. There will be opportunities here, but we have to make sure that there is support for small businesses and some structure in place with Regional Development Australia, which has wonderful contacts and dedicated people who have worked there for years, in some cases. These people know their communities and they know every key person within that community to speak to about turning an opportunity into reality. If you lose those people because they have to seek other opportunities amid fears of continuing funding, it will be a crisis.

It is a bit similar to what is happening in business enterprise centres. As a matter of fact, today, Mr Ron Watts, who is the general manager of the Business Enterprise Centre of Australia, met with the member for Waite and myself. He told us about the fact that the government has again made a decision to withdraw some \$1.3 million provided to eight business enterprise centres that exist in South Australia. These eight BECs have contact with 70,000 small businesses. If the South Australian economy is driven by opportunities that exist within small business, why take that money away from those groups that really focus on the start-up businesses or those that employ fewer than four or five people? That is where the opportunity exists to grow our economy.

It is even worse when you consider that, by taking away that \$1.3 million per year from July next year, the government puts at risk a further \$2.5 million per year that comes from the federal government. To me, it again demonstrates a complete lack of respect for the regions and for small business in both metropolitan and regional areas. It is a disgrace that the Office of Small Business has itself had a 16 per cent cut. This is a focus area of our economy that needs more support. It needs assistance coming out of the difficulties of the global financial crisis and, unless we get it right very soon, we will see tremendous levels of concern within those businesses.

The 70,000 calls that those businesses make on a regular basis to business enterprise centres will not be answered and their problem will not be solved, and they will suddenly start to think, 'Who is out there to help me? The government that I fund through my taxpayer dollars doesn't do it. I need to make sure that I've got it, otherwise I don't have a future in my business.' It needs to happen, because we are a family business orientated state.

[Sitting extended beyond 18:00 on motion of Hon. J.W. Weatherill]

Mr HAMILTON-SMITH (Waite) (17:43): I rise to lament that this budget strikes firmly at the future in a most negative way and hits at Labor's credibility and trustworthiness for reasons that I will explain. First, let me start with the very budget process itself. I must say that I think we have it wrong in this state. The budget is released on a Thursday of budget week. The parliament immediately adjourns for a week, leaving the government free to foray with the media on the budget detail without any response from the opposition. It leaves the opposition and the Independent members of the house in a very difficult position, trying to get their head above the fence while the government has completely dominated the space.

The opportunity for the Leader of the Opposition to respond formally comes nearly two weeks later—today—on the Tuesday of the next week of sitting. I think this is completely wrong, and it is a disservice to the people of South Australia. A much more preferable model would be that used federally, where the budget is generally delivered on a Tuesday or early in the week, and the opposition leader gets the opportunity to respond on the last day of sitting that week. That means that the budget and its response is kept to the parliament rather than in the media.

In many respects it is quite offensive for MPs to have to go to the media to find out what is in the budget which, essentially, is the situation we have now. The opposition is given a copy of the budget papers perhaps an hour or an hour and a half before the Treasurer rises, and its members have to go upstairs and read them almost while the Treasurer is giving his address. The media have been in a lock-up all day, virtually having a fair go to ask questions and so on, and they come

out of that lock-up ready to report. Frankly, the media reports of what is in the budget are out there for MPs to hear about before they have even heard the Treasurer complete his address. I think that is a disgrace. It is an affront to the house and it needs to be taken up by the house, and I draw it to your attention, Madam Speaker, for that reason. I will certainly encourage members to consider whether or not something should be brought forward on this matter, because I think it is wrong.

The government's response might well be to say that, when the opposition was in government, the Olsen government did it that way. Well, I am not particularly fussed about what happened back in the 1990s; I am more fussed about what is happening now. I think the system needs to change, and I would very much like to see next year's budget given on Tuesday with an opportunity for the opposition to respond on Thursday. I think that is a matter that the parliament, the media and the people of South Australia should pick up and fix.

Let me move on to the substance of the budget. I will not repeat all the detail and fiscal information that the leader so eloquently covered earlier today, along with the Treasurer and my colleagues who have already spoken, but I will highlight what I think are a few main points. First, I note that the budget is in deficit on all three known accounting measures—net lending, cash deficit, and net operating deficit—a shocking state of affairs after eight years of Labor. I also note that the state's 2009-10 revenues increased by \$1.1 billion over budget. That is an unbudgeted revenue windfall, a gift from the sky. Spending also increased by \$660 million—what a commentary on Labor's efforts to make savings.

I also note that, despite the financial downturn, revenues have increased significantly by \$1.6 billion from 2008-09 to 2010-11, largely due to bailouts from the federal Labor government. Talk about having friends in Canberra; if it were not for that, this state would be in the most dire of circumstances, so mismanaged have the accounts been by this Treasurer and Premier.

Importantly, during its eight years in office this government has been unable to control spending, going over budget (as I mentioned) by \$3.5 billion since 2002-03. In eight out of eight budgets so far, actual spending has exceeded budget spending, and that says something in itself. Any business that ran that way would be out of business. Spending blowouts—not falls in revenue—are the main reason that the government's budget has slumped into deficit. This point has been made budget after budget, year after year, by me and others: this government has a spending problem, not an income problem; it has been consistently unable to contain its expenses.

If one looks at the facts one sees a pattern of unbudgeted spending culminating, as I said, in this figure of \$3.472 billion, and this record of unbudgeted revenue to \$5.033 billion—\$1.087 billion last year alone. It is disgraceful.

I will not go on about public sector cuts; I think the dishonesty of those decisions is apparent to all South Australians, and they have been on the steps of parliament demonstrating about it today. I simply say that if the government had managed things correctly since 2002 it would not be in a position where it needed to cut back; it would have managed the workforce more effectively from the outset. I will come back to that point later.

I want to go to taxation revenue because I think this is a matter that affects small business. I can tell you that, as someone who employed 120 people in six businesses in two states, it really hurts small business. First, we have to worry about WorkCover, then we have to worry about superannuation, then we have to worry about all the other red tape imposts—licence fees, registration fees and so on that come at us from state and federal governments—and then you have got the tax take.

Payroll tax is up by 55 per cent in Labor's eight years in office. Taxes on property are up 131 per cent—an absolute disgrace. Small businesses that own properties are carrying this burden. Taxes on gaming are by 32 per cent up; on insurance, 58 per cent; on motor vehicles, 47 per cent (something that really hurts the Motor Trader Association's members); and then there is a raft of other fees and charges from government over hundreds of categories all going up smothering small business. It is a massive impost.

The average South Australian business land tax liability is 69 per cent above the national average and a massive 536 per cent above the land tax liabilities in Western Australia. It is little wonder that companies are coming here, civil engineers and contractors, and bidding for work on the Northern Expressway and other public works with their earthmoving companies, plant and equipment companies, and underbidding South Australia businesses that are struggling to keep their costs down under the regime set in place by the Rann and Foley Labor governments. It is criminal.

I could talk about the windfall in GST revenues that this government has received, the GST that it opposed, but to do so simply underlines my earlier point that the government is awash with cash. It has had income rushing at it but, sadly, as quickly as the cash from Canberra has fallen across the counter and buried them, they have let out their belt. They have swallowed the cash and let their expenses run out of control. It is like Billy Bunter: swallow the cash and get fat, and that is what this Treasurer and this Premier have been doing.

The points have been made by my colleagues on the desalination plant and certain other capital works projects running over, so I will not dwell on those. However, I want to make this important point: apart from the fact that the government's desalination plant, which it did not want, has blown out to a massive \$2.2 billion from the \$400 million that it cost the Western Australians to build, the budget reveals that since 2002-03 the total this government has stripped from the pockets of South Australians in taxes and charges from SA Water—which they call a dividend or a return—is \$2.4 billion. So, 30 to 40 per cent of everybody's water bill is going straight to the government as a dividend. That is more than it is costing to build the desalination plant. If that money had been invested in infrastructure instead of spent into general revenue to fatten up the government, we would not need to lift water charges to pay for a desalination plant. The money would all be there. What the government wants SA Water users to do is to pay twice.

I am particularly glad that the leader-in-waiting for the Labor Party, the Minister for Education, is here listening to my address because he is the bloke who could probably sort this mess out. He is the one, I can tell you on this side of the house, we do not want to be the leader. He is the one we probably worry about—give us Kevin, please, we love Kevin—but we actually do not want him because he might fix some of these problems. The talent is on the left, but the numbers are on the right so it may never occur. I am sure he would privately agree with a lot of what I am pointing out to the house.

I want to get back to the question of the size of government and this observation that the leader and other of my colleagues have made. It is in our formal response to the budget that the size of the Public Service under this government has grown by a massive 18,105 employees in the life of this government, in eight years or thereabouts; of these, only around 5,580 or so are nurses, teachers, doctors and police officers.

Here is the lie that we have been told now for eight years: 'Of course we are growing the size of the government because we are hiring doctors, teachers and nurses.' Well, what a load of waffle! What has been exposed is that 12,000 of those positions are additional public servants not in those key roles, the job descriptions of which remain undetermined and unknown. It is just the fattening up of government at large.

Of course, it is this uncontrolled growth in the size of the public sector that the Treasurer and the Premier now find themselves having to reverse. Had they not fattened themselves up, let out their belt, they would not be needing to try to unscramble the egg, turn the clock back, and cut back on the number of people they hired. That was their mistake: giving hardworking public servants the promise of a job only to find later on that through their own mismanagement they have to go and sack those people because they over-hired. Why build up people's expectations in the first place?

I draw to the attention of the house that, of an average cost of around \$75,000 per full-time equivalent, those 12,000 people are costing \$900 million to the state budget per annum. If you take that back to 2002, arguably somewhere between \$5 billion to \$7.2 billion over the period could have been saved had we not fattened government up from the outset—and I will talk more about that later on—but therein lies the government's problem.

My colleagues and the leader have made good points in regard to Shared Services and the failure of the government to make the cuts it expects, debt blowouts and unfunded superannuation liabilities, not to mention WorkCover. However, I will turn for a moment to matters within my portfolio areas. Can I say that the Minister for Industry and Trade has been a very clever little fellow in some respects. I note that about nine months ago there was talk that the Department of Trade and Economic Development (DTED) would be swallowed into DFEEST, and the department was facing the axe. There were going to be all sorts of terrible things happen; however, he seems to have slithered off the hook a little bit, certainly in year 1.

I note cuts of around \$25 million over the estimates period, but very little in year 1—\$2.5 million, \$11.8 billion, \$18.4 million and \$25.4 million by 2013-14. Of course, a lot of programs are going to be hit very hard. My colleague, the member for Goyder, has talked to the business

enterprise centres. Careers promotions to cease; corporate functions to be reduced, economic and industry policies to be so-called 'refocused' (we will explore that in budget estimates, let me tell you; there are significant amounts of money to be cut); executive employees (well, that is probably a good thing); Innovate SA and Technology Industry Association thrown to the wind; the international marketing development program (streamlined); the Make the Move campaign (refocused); migration programs reduced; overseas offices cut significantly (I will be interested to explore that during budget estimates, because many of them, particularly in China, India, the UK, Europe and the US, perform very valued roles); regional development programs; small business programs; small business support; trade programs; and water industry alliance programs, all suffering the axe. These cuts are going to hurt small businesses, let me tell you, and hurt them in very tragic ways.

As I mentioned, Labor's credibility and trustworthiness, as a result of this budget, is in tatters. One group that I am very concerned about is by BiInnovation SA, which I see has suffered a terrible cut, with implications for the Thebarton Bioscience Precinct and the Centre for Plant Functional Genomics. That is one entity that we really must continue to support, let me say, and I will explore that during estimates. The time for a budget review commission was probably in 2002-03, not after you have been in government for eight years. You should never have got yourself into that position.

I think the government's handling of the media through the budget process has been most skilled. I think the leak of the budget review commission's work was masterful. I am one of those who believes it was quite deliberate. I do not know whether was done by the Treasurer or on a nudge and a wink, but anyone who thinks it was not deliberate is kidding themselves. Yes, there is some interesting information in there, but, boy, did it make the government's budget more consumable? Yes, it did. Put a shock and horror budget out there two days before the budget, and then put your own out there and you have people breathing a sigh of relief. I think it was a masterful bit of fifth column work, for which the government is renowned, and perhaps we will find out who did that. When it comes to dodgy dealings and flipping documents about, this government is expert.

I think that this budget sets the scene for the next four years. The government's mantra for its first five to six years was all about health, police and education. This government was about health, police and education. Everything else was dismissed as being irrelevant.

An honourable member interjecting:

Mr HAMILTON-SMITH: No, it was not about transport. It was not about transport at all. They have changed their entire strategy and approach. That is why the budget signals a significant shift from the Rann government's first eight budgets, as I mentioned, with a focus on health, education, and law and order, to a new agenda of infrastructure and building of a legacy. Services and the Public Service itself have been cut to build a desalination plant, a hospital, a new Adelaide Oval, a Southern Expressway, the electrification of the rail system, a superway above South Road (though some of that is federally funded) and other public works.

This new direction tells us a lot about the Labor government's intentions over the next four years, and speaks equally of its past mistakes and inaction. There are four things which I think the government needs to learn and which it should have done since 2002, and which it could still do over the next four years. The first is to contain the size of government. If 12,000 public servants above and beyond police, teachers, nurses and doctors had not been hired, as I mentioned, \$900 million a year would be saved. Aggregated since 2002, it is many billions of dollars.

The second thing that the government needs to learn is it must lead by example. It must streamline its cabinet. The secret is to contain the size of government and therefore the budget, so as to reduce cabinet to 12 ministers and to restructure the Public Service, I believe, into 12 departments, with 12 CEOs reporting to one minister. This would point to efficiencies.

My third point is we also need a broad integrated vision. We need a better master plan for Adelaide and South Australia, and hospital, road, public transport and oval solutions that are cost effective. Prior preparation and planning prevents poor performance. We have seen failure on roads, projects scheduled then cancelled, and infrastructure plans that do not match performance. My fourth point is there must be full engagement with the private sector. Why would you compete with the private sector? There are a range of government services that could be outsourced to the private sector and we could save many, many, many millions of dollars.

These budget observations are the key to reducing the state tax take, delivering infrastructure and better services and reducing the size of government. This budget, like previous budgets, does not deliver enough structural reform, in my view, and until the government takes a more structured approach and a more strategic approach to the way it plans its budget, we will not get the fiscal performance that the taxpayer deserves and expects.

Mr PENGILLY (Finniss) (18:03): I am delighted to get up here today to talk about this bill. I am equally delighted because a couple of good things flowed out of the weekend. I am here speaking and everyone else is speaking, and Collingwood did not win the Grand Final. They blew it. So that is pretty good news as well.

However, let me turn to the state budget. Today I wanted to make an in-depth speech about how this budget relates to my electorate, but typically, as a country member, we got nothing at all, which is a sad reality for country people under this Rann government over the last eight years. Quite frankly, it is a sad and sorry story of how people outside the metropolitan area have been treated.

Just simply, I highlight the absolute arrogance of this government and the total disdain for people who live in the bush by removing the 3.3¢ a litre on fuel alone. It is a measly amount. It may not seem much to members on the other side, but let me tell you, Madam Deputy Speaker, that it means a lot not only to my electorate in particular but also to other country electorates.

We know that we do not have a lot of things in the country, but 3.3¢ a litre means another \$2 or \$3 to fill up the car. If someone wants to go fishing, it is another \$2 or \$3 to fill up the boat. If they want to cut the lawn, it is a bit more to do that; or if they want to go for a drive, it is a bit more to do that. That is where it all adds up, not to mention the fact that it pushes up freight costs in the country, again, for the people who do deliveries, not that a lot of petrol-powered trucks are around. It just adds to the cost burden of living in regional South Australia.

I think to do that is miserable, narrow-minded and done in very poor spirit, and it is done to people who can do the least about it. It is probably worth noting that the constituents of the Speaker (the member for Giles) are probably going to get clobbered by it, quite frankly. Not a lot of Labor politicians live in the bush. I do not know how the Speaker reacted to it, but I just thought that it was a horrible thing to do.

We go on with other aspects of this budget, including its impact on the small schools. I have a couple of small schools in my electorate. I have Rapid Bay with just over 40 students and the Penneshaw Campus of KI Education with around 70 students. What will happen is that they will be put under incredible pressure to survive by the removal of these grants which they will no longer be able to access.

If members think that my margin went up in the last election, it will go up even more at the next one. The Labor Party may have been active in trying to take the seat off me, but people do not forget these sorts of things; and, if the chop happens, and if, through this subtle con by the government, Rapid Bay parents get put in a position where they have to make a decision, I know they will not be happy at all.

Country people have to drive a long way. Ceduna people have to drive in the car eight hours over and eight hours back, so the cost of petrol and everything else just adds up. Starving country schools of resources is closure by the back door. It is a disgusting way to run a state. If you go around regional South Australia now and just see all the little schools that used to be in place, it is an incredible number.

I am not for one moment suggesting that we return to the 1930s and 1940s but, with respect to the school bus issue, last night I attended the annual dinner of the Bus and Coach Association. Many of the people concerned operate school bus routes, and they are at their wit's end—and the leader talked about it this morning—to get a decent line of communication functioning between the department and those operators who do not know whether they are going to live from one month to the next because the contract process is drawn out and not finalised, and it makes it extremely difficult for them to work out where they are going.

They may have to replace stock—buses. Well, they do not know whether they can afford to. These Sir Humphreys within the department have absolutely no respect. I think that members heard the leader this morning talk about some of these Sir Humphreys who have stopped payment—for nearly a year—on accounts. You have to pay your bills in the bush, because people do not like it. It is a hand-to-mouth existence. I do not think that this school bus issue will go away,

and I applaud the fact that the member for Frome is going to move on that matter tomorrow in this place.

I turn to the subject of roads. Many country members in this place have raised the matter of lack of substantial funding for councils to do roadworks and to progress their districts in the best interests of their ratepayers. This applies in my area as well, both on the Fleurieu and also on Kangaroo Island, where a few dollars to help out on roads that are not arterial roads would be of great benefit to the community.

I know that the Yankalilla council gets into bother over having enough money to do their roads; likewise the City of Victor Harbor council. I have had comments from members of that council that they are always seeking additional funding; likewise Alexandrina.

But more particularly, we turn to the issue of the road funding that has not been put in place by this Rann government over the last eight years to assist the Kangaroo Island Council, which is threatening to close roads from about 2013. My personal view is that I do not think that is the way to go. I do not think that closing roads is really the answer, but the council has proposed a traveller's levy, which my side of the house does not support, nor indeed does the government. I believe it is time that the council forgot about trying to put a levy in place because I do not think that is going to happen. If you put a levy in place for one council, you are going to have another 67 wanting to do the same sort of thing, and it becomes unworkable. If you have to have special legislation in place to assist Kangaroo Island Council, the district council of Goyder or the district council of Oodnawoopwoop will all want similar legislation.

I say to the Rann government: while you can find \$535 million to do something with Adelaide Oval and make it into a site which could potentially be used for AFL football—\$535 million of taxpayers' money—you cannot find sweet stuff—all to fund Kangaroo Island Council and other regional councils as well, and I think that is disgusting.

That leads me to the subject of health in the bush. The member for Goyder has raised the issue of the two small private hospitals in his electorate which will be put under additional financial strain by the removal of funding. I know that the funding that assists the medical facilities and doctors, etc. across my electorate is strained to the hilt. The South Coast Health Service is always short of money; and there has been a major issue with the doctors at Yankalilla, through the Southern Fleurieu medical practice. They do not need a lot of money, they just need some small assistance to help them through.

Of course, then we have the *Blue Hills* of them all in South Australian health, the protracted dispute between the government and the Kangaroo Island doctors which, unfortunately, is still ongoing and will not go away. It is simply a matter of the minister actually talking with the doctors and getting some common-sense answers between the two of them, which I urge should happen sooner rather than later. So, the health issues, the road funding issues, the school issues, the petrol issues—it just goes on and on and on.

There are a few other areas. I have actually inherited from the member for Kaurna the township of Sellicks Beach, which is outer metropolitan. I am not so sure they are sure about me, but I am very sure about them. It is a very different area, one that I have found most interesting to get to know. There are a host of issues down there.

As I said to them recently, when I was speaking there—much to their surprise—they are the only area in my electorate that has public transport because the buses go down to Sellicks. They were somewhat flabbergasted by that, because I think they thought the buses went everywhere, but I told them that they did not. They have concerns about the level of service they get from the buses, but at least they have them.

They asked why yet another big development down there. I see in the newspaper today a great slab of land at Sellicks is to be opened up for further residential use and the announcement by the government of major project status for the Buddhist temple development down there, which is going to bring a lot more people down there. Anyone who has been to Wollongong and seen the Buddhist temple there knows that it is absolutely enormous and draws thousands, if not tens of thousands, of visitors per year. As the minister indicated in his release, I think you will find it will probably happen if this Buddhist temple goes ahead—and I say 'if'—at Sellicks Beach.

The residents down that way, through Aldinga and right down to Sellicks Beach, say, 'Why should the train stop at Seaford? Why don't we take it all the way and do the job in one hit?' We probably could if we had not put trams to the Entertainment Centre. It does not matter that you

have buses and trains going to the Entertainment Centre, and now we have trams as well. We have the whole kit and caboodle. But the member for Goyder, how many buses services has he got going in his electorate? Not a lot, I would not have thought.

Mr Griffiths: No.

Mr PENGILLY: And I am sure the member for Flinders would like some sort of transport system out on the West Coast. Actually, with the amount of grain he is producing this year, he could probably put one in himself.

It is an absolute disgrace the way country people are treated by this government, after 8½ years now. It has brought down a budget at the eleventh hour, months and months late—months after the election. It was pointed out once again by the leader this morning that the Tasmanian government had its budget out in next to no time; and the British government put one out about 50 days after the whole government had changed. But, in South Australia, here we are well into September and we finally get a budget. That is wonderful stuff.

The irony of it is that now we will tidy up this budget in the parliament over the next week or three and, meanwhile, the poor old public servants will be bustling away getting ready for next year's budget. That is the irony of it. We have not got this one out of the way but the public servants will be running around doing the budgeting figures for next year. It is ludicrous that, in a state of 1½ million people, it takes so long to put out a budget.

In addition, you only had to be out the front of this place and observe the media in the last few days and the absolute horror over the sneaky decision to close the Parks Community Centre—to sell it off and put in residential housing. I scratch my head and ask, 'If this is the great socialist Utopia, what are they doing that for?' Why upset your heartland? Why upset the PSA on matters pertaining to it?

I simply could not believe it when I heard about the Parks Community Centre. I do not know the area well, but I have been down there on a number of occasions to different events and it certainly is the hub of that community. It is where that community goes. They treat it as their own. That is their place. This miserable Rann government has decided to flog it off and leave them in the lurch.

There have been a few concerned looks on the other side of the house, and I would have thought that especially those who sit on the left in the Labor Party would be hanging their heads in shame over this. Then the member for Croydon said in this place this morning during an interjection that he supports the selling off of the Parks, and I wonder what the world is coming to. I think it really is a sad day for those western suburbs communities.

I really wonder what is going to happen over the next 3½ years. We have this enormous debt build-up—\$2 million a day in interest, back to the good old State Bank days. Where are we going to end up? It worries me that my children, who all live and work in this state, are going to be paying off the debt again for the rest of their working lives. Old fellows, such as the member for Morphett and me, probably will not have to worry about it too much, but those younger people will be paying this for years, and there is not a lot more we can sell off. They have done pretty well. I am seriously worried about the capacity of the state to bounce back. Members here today have alluded to the fall off in numbers employed in the mining industry over the last 12 or 18 months.

Dr McFetridge interjecting:

Mr PENGILLY: If you want to speak, get in your seat. If you want to have a good hard look at mining and see where it will end up, only this morning I heard on the radio coming into this place that, if the China bubble bursts or if the price of commodities drops over the next couple of years over there—I think it was Access Economics—that will have a disastrous effect on the Australian economy, and obviously that will have a disastrous effect on the economy of South Australia. I wonder just how we will look here in a few years.

It is probably worth going back to where I started, in the last you minute or two left to me. This Rann government, after eight and a half years of screwing rural people, is totally discriminating against rural people. It is hurting rural people. It just does not care about rural people. Its heartland has been in the city, but we made a few dents in that in the last state election. If it keeps going and doing things like flogging off the Parks Community Centre, and upsetting the people of Mount Barker over the proposal up there, which is about as popular as a pork chop in Jerusalem, I do not know where it will end up. It may renew its leadership. The Treasurer has been firing on all cylinders today. We know he wants the top job. There is enormous dissent in the Labor

Party. You only have to look across the other side of the chamber when controversial issues are raised here: they want to be anywhere but looking at us. They hang their heads in shame, and well may they.

I thank the house for the opportunity to have a few words to say. The people in my electorate and in rural South Australia are not going to be happy. However, you get what you pay for. We paid for a dud in this government and we will be paying for it for a lot longer. I am appalled at this state budget. Other members will put their spin on things, but I am appalled at it and appalled at what it does not do for the good people of rural South Australia. In particular, I am appalled at what it does not do for the people of my electorate of Finniss, both on the Fleurieu Peninsula and on Kangaroo Island, who should not have to suffer such incompetent governance and putting up with the nonsense that it has to at the moment.

Mr WHETSTONE (Chaffey) (18:24): September 16 was a sad day for regional South Australia, in particular, with the budget impacts on everything that matters in Chaffey: in horticulture, losing payroll support for exporters; in aquaculture, losing research and development funding, which is vital to both horticulture and agriculture; in tourism, reduced funding, again another blow; rural exports, getting less support than the region desperately needs; in the wine industry, losing the expertise and having the levies increased at the cellar doors. It is absolutely ludicrous to think it is belting an industry that is already suffering.

With local schools, in Chaffey I have 28 small local schools. The majority are small schools and are expecting closures and reduced funding. It is absolutely outrageous. The increased costs for regional families in losing the fuel rebate, as many of my colleagues have already noted today, will have an impact all around the board, not only on the cost of food production and on getting to services but also on the general cost of living.

Primary industries: a cut of \$80 million to PIRSA's operating revenue over four years and a cut of 180 jobs. Again, it is just outrageous to think that the government has been gutting PIRSA for so many years. It is a major blow to the regions that rely on horticultural and agricultural research and development. Again, it will substantially impact on all services that these agricultural and horticultural industries rely upon.

The rural industry is already facing a challenge with the new Murray-Darling Basin Plan about to be introduced with reduced allocations, fluctuating markets and increasing overseas competition. How do we do more with less, with research and development being cut to the bone? It is absolutely outrageous. There is an \$8 million cut to research funding. It makes no sense to keep cutting the research funding. That is what keeps the South Australian agricultural and horticultural sectors at leading edge, world-leading technology. It is a major blow.

SARDI makes an important contribution to agricultural and horticultural research. Again, there is an \$8 million cut in research funding. In grains, approximately half of the industry growth is attributed to research and development and improvements to production and efficiency. Again, it is outrageous to think that we could have our future in food production jeopardised.

Horticulture: the Loxton Research Centre is responsible for making the Riverland a world-class horticultural region. Efficiencies in irrigation technology were imported from Israel in the 1970s, and with that research and development expertise it made us one of the world leaders in efficiency with irrigation, salinity management and new horticultural crop varieties. Again, the funding has been cut; the expertise has been cut. More and more job cuts are creating more and more obstacles to remain as a world leader.

Other states such as New South Wales and Victoria continue to fund important agricultural research, including Dareton in New South Wales with its citrus projects and Hamilton with the grains projects. Why not South Australia? Why will this government not support research and development within South Australia?

Horticulture in the Riverland is facing major challenges with the basin plan, as I said. However, it must be assisted with research to make them better producers, to grow more with less. We grow the world's best produce and are regarded as a green, clean food production area. We must have that research and development support.

Agriculture in the Mallee is also facing the prospect of many more dry seasons due to climate change and it must be assisted to manage and adapt to these impacts. We continue to have support cut but expect bigger and better produce for everyone to enjoy at the dinner table. South Australia used to be a global pioneer in agricultural and horticultural research, and it is a

necessity in these difficult conditions. Conditions are becoming more difficult and research must be funded by government to meet the challenges.

Rural Solutions South Australia is moving to a full cost-recovery situation, cutting \$12 million over four years. That poses another additional cost to our farmers. The Rural Solutions' agronomists used to offer vital unbiased—and I say that again, unbiased—free advice to irrigators and broadacre growers to keep us at the forefront of food production. The need for publicly-funded independent advice to balance biased advice from the private sector and to ensure all farmers have access to the latest research outcomes is vital to Australia being at the forefront of world-leading food production.

There are additional cuts to the irrigation sector and more cost recovery. It should be the government's responsibility to keep biosecurity at the forefront of our food production and, in particular, the fruit fly inspection. It has now been touted that that funding is in jeopardy. The fruit fly inspection keeps the Riverland, in particular, at the forefront of export produce. We are world renowned for being fruit fly free and it must remain that way.

In relation to the overall impact on the region, and Chaffey in particular, the increased costs and reduced services increase the pressure on farmers and their communities. Farmers will leave the industry and young people will not even contemplate being a part of the future for the food production industry. Who is going to grow the food that we all expect on our dinner tables?

There are social ramifications, including stress on rural families. We see the increased reduced funding in the rural sector and it continues to put not only added pressure on the farmers but increasing stress on the families. The economic ramifications, including the regional decline, loss of jobs and the drop in state exports, again continue to put pressure on our food production.

There are health ramifications in decreasing the availability of our fresh local food and the increased reliance on imported food. Is this government prepared to import unregulated produce? Is this imported food grown and harvested with slave labour? That is the question that everyone would want to ask.

I refer to an end to the payroll tax rebate for exporters by 2013. Many small export businesses in the Riverland, in particular, employ many local people and by removing that payroll tax rebate it again puts added pressure on the food sector and those people who produce that food that we all expect. We have all worked hard to gain export markets, building South Australia's reputation as a producer of not only world-class food but also green clean food.

The increased cost to exporters will reflect on the cost of not only dinner on the table but also lunch and the breakfast. Every time we go for a drink it is going to have added pressure upwards for the cost. The increased cost to exporters may cause job losses, and it may reduce the prices to farmers, as well as the price of produce for all South Australians.

The regional fuel subsidy to be cut by \$50 million over four years is a major blow to all regional South Australia, in particular areas like Chaffey—in fact, all regional centres in South Australia. We rely totally on the fuel subsidy that has helped keep the price of food down, kept the cost of transport down, and kept down the cost to farmers for their major input. It will also increase costs for regional families across the board due to increased freight, and that spins off. Everything that comes to the regions has to be freighted. It is not just about going to the supermarket. It does not just arrive at the supermarket: it has to be freighted in. Again, the food that does get to the supermarkets will have an increased component for fuel because not only does it cost more for that food to be produced but it costs more to get it to the supermarket. All services will cost more with that higher fuel cost.

There is a \$7 million cut to the cellar door subsidy. The wine industry is suffering terribly at the moment with overproduction and with our markets having overseas competition. We are seeing more cuts to that wine industry support and, as I said, the industry is already struggling. Why, therefore, do we belt an industry that is already struggling? It diminishes the ability to showcase our famous South Australian produce to the domestic Australian market and, more importantly, to the export market all over the globe. It diminishes wine tourism. It puts a slur on the cost of wine. It puts a slur on the wineries and pressure on cellar doors being able to showcase their wines. It also puts added pressure on tourism, a signature feature for South Australia, especially in the wine regions; and it is a major blow to the Riverland, Australia's biggest wine producing region.

There is a \$12 million cut to the small schools grant program; for example, the forced amalgamations in Renmark schools. In the electorate of Chaffey there are 28 schools, the majority

of which are small schools. That is adding pressure to every one of those schools. Many other small schools in the Chaffey region are all holding their breath: what school will have its funding reduced; what school will have its services cut? The government needs to increase funding for regional schools, not decrease it.

Local schools are vital to regional communities. They are part of the fabric that all small communities rely on. It is not just the schools; it is the hospitals; it is the community centres. Those small schools are a vital part of the local communities. They also act as a major community centre. As I have said, the schools are a hub for our future population; they are a meeting place for the parents. That is where children's futures are basically designed in terms of whether they continue on at a small school or move to the cities. Can they continue? Can they go to the city? Can they incur that extra cost to move to the city or to move to another region to attend a school that has been left open?

The region of Chaffey is already suffering economic hardship and, recognised by this government with a sustainable futures fund, the drought recovery funding, it should not be forced to pay for Labor's economic mismanagement. However, I will acknowledge that the Riverland Sustainable Futures Fund is welcomed. The \$20 million over four years that this government has pledged has remained intact, so there is one shining light there for the region of Chaffey. That prospectus is a good start, but more consideration is needed for existing horticulture industries and the future of irrigation water supplies.

In closing, this budget has again targeted the most important link in this state's economic viability. Again we are seeing increased pressure on the horticulture and agriculture sector. We are seeing pressure put on the research and development that those two industries heavily rely on. For us to be viable on a world stage, we must have leading-edge technology. We must have that advantage that we compete with in every other market.

Again, I display my disappointment with the lack of support for regional South Australia, the lack of support for the food production sector. I think this government will one day realise that it has made a huge mistake in underfunding and giving less support to the rural sector. In every budget, the rural sector seems to be targeted. It is a growing trend and it is a sad trend that the rural sector continues to shoulder. Again, it cannot continue to do that year after year.

Mr VAN HOLST PELLEKAAN (Stuart) (18:38): A lot has been said, obviously, about the budget and I will not trawl through too many figures, because my colleagues have already spoken very ably about many aspects of this budget. I have a view with regard to budgets that the principles are pretty simple. I know that running a state budget would be a very large, very difficult task and we have all gone through hundreds of pages of documents. I am not underestimating the effort and work that goes into it that, but some of the principles are simple.

A budget is a plan. A budget is a plan for where you are now, where you want to go, what you are going to spend, what you are not going to spend, what you hope to achieve, what debt you think you can incur and what savings you think you can make. It is no different. The principle is exactly the same for a home household budget (whether it is a single couple or a large family with lots of kids), a small business, a medium business or indeed the state.

The fact that this budget has come so late is absolutely ridiculous. There is no need to beat around the bush with that. A budget for a financial year that comes out on 16 September is a sign of bad management, and there is no avoiding that. Budgets have to be balanced. They absolutely have to be balanced and the way you balance your budget, if you start with a good one, is by following the budget. You balance your budget by following it. You will get wrinkles and creases and little deviations in the road along the way, but if all things are considered, and you keep yourself on track to what you said you would do, your budget will be balanced.

This government swore black and blue after the election that it was going to enter into a new era of transparency, care, love, devotion, consultation and all of that sort of thing with the people of South Australia. I do not really know whether the leak of the Sustainable Budget Commission's report was part of that new era of transparency.

The Treasurer tells us that it was not part of that era of transparency, that it was a genuine mistake. We will never know, and I will never know; only a few people will ever know whether that was a government leak or a malicious inside leak. One way or another, it got out. Essentially, it is another sign of bad management. Information like that does not get out in a well-managed environment. It is just a fact, regardless of how it got out there, that it should not have. I think that really does discredit this government.

In regard to where we are now, and the picture heading into this budget, I will give a bit of a snapshot, and of course the things I say will be largely regionally focused. As we all know, and I have said many times, the electorate of Stuart is my overriding passion, but I do care enormously for regional South Australia more broadly.

Last year, exports fell by 14 per cent. Mining jobs, people employed in mining, were at a six-year low, so there are fewer now than there were six years ago. There is no regional infrastructure to speak of, and this is all after eight years of Labor government. If this state's employment rate had increased in line with national growth, if this state had kept its share of jobs, then we would have 34,000 more people employed in South Australia than we do currently. So, that is the environment that we start with when this government comes to put together this budget.

Let me talk about the AAA credit rating—the highly prized, highly touted AAA credit rating. I agree, it is extremely important. There is no doubt about that we should strive to hold onto that credit rating, but let me tell you that it should not be so hard. It should not be so hard to hold onto that AAA credit rating. The Treasurer would have us believe that he is an extraordinary financial manager to hold onto this AAA credit rating.

The reality is that, every year for eight years since the government came into office, the government has had unexpected surplus income and, simultaneously, has overspent. If they just looked after either one of those things it would not be so hard to keep the AAA credit rating, if they had just had the surplus income and kept spending where it was meant to be, or if they had not had the excess money coming in and kept spending where it was meant to be, everything would have been okay.

This is not, as the Treasurer would have you believe, any crisis to do with the global financial crisis. The global financial crisis is real and has had an impact, but the other things have had a far greater impact on this state's budget than the global financial crisis has ever had. I see the Treasurer telling us day in, day out, what a marvellous manager he is because he has managed somehow to hold onto this AAA credit rating.

The reality is that he is like somebody with a driver's licence living on 11 points, getting speeding tickets and parking tickets, running red lights, doing all sorts of traffic infringements all the time and, at the end of the year, trying to say to people, 'But I have still got my licence. I must be a wonderful, wonderful driver.' It is ridiculous. This is the sort of analogy he is trying to give us with regard to his financial management. He leaves us in this condition where somehow you just have to cut and cut and just grapple to keep the budget together, just like the driver who is perpetually running red lights and getting speeding tickets but then trying to say they are a wonderful driver, because they still have their driver's licence. It is just ridiculous.

I want to identify some spending and service cuts in this budget that are going to seriously hurt regional South Australia. Top of the list for me, not because it involves the greatest amount of money but because it cuts right to the heart of regional communities, is the removal of the small schools grant. For people who do not know, that is a grant that goes to small schools in regional areas. It is \$30,000 per school.

I have 42 schools in the electorate of Stuart and a lot more than half of them are small schools that need this money. There are a lot of schools around with 20 and 30 students. If you take a school with 20 or 30 students and take \$30,000 out of their operating budget, more than \$1,000 per student, that is an enormous amount for a small school in regional South Australia. The issue is that, if you lose the school, the community shrinks.

Our communities are already under enormous pressure, but if you lose the school the community really suffers. As soon as you start taking your kids to school in another town you start shopping in that other town and getting involved in the other town. You might play netball or football, buy your fuel and all sorts of other things in another town. The government refuses to say that it is going to close these schools, but is just pulling the rug out from under them, so that is a dreadful thing.

The cuts to PIRSA: \$80 million in savings, 180 jobs. This has been talked about a lot so I will not go into it in too much detail, but that is disgraceful. That will impact Jamestown, a wonderful town that I represent, probably more than anywhere else, let alone the impact on regional South Australia across the board. That goes directly to the heart of our exports. PIRSA cuts in agriculture will hurt our exports. Just as an aside, grain growing in South Australia, one of the most important exports we have, supports over 100 small towns in regional South Australia—very important. One hundred small towns; please do not forget that—very important.

Thirty two Country Health scholarships were given out last year, and I credit the government for that. I think that is a fantastic thing. I would certainly advocate for more, but there were 32 Country Health scholarships last year. The day after the budget, the Country Health website says, 'This year we have 15.' Thirty-two to 15 scholarships for regional young people to get medical training and then hopefully come back and work in the regions.

I have talked about shared services here many times. The snapshot on shared services is that the government planned to spend \$60 million originally to save \$124 million. What they have actually done is adjusted their savings target. They expect to save more, but the bottom line at the moment is that over the last few years this government has spent about \$73 million to save \$78 million, so right now they are \$5 million ahead. Okay, \$5 million is good, but that \$5 million creates regional devastation. Moving these jobs from regional areas to the city is dreadful. Exactly the same technology that allows the centralisation of services such as IT, human resources and payroll would allow those services to be done in regional centres. We could have payroll in Mount Gambier, human resources in Port Augusta and Port Lincoln looking after IT, etc. They planned to save \$190 million, so right now there is a savings shortfall of \$70 million. This program is just not working.

Other cuts include \$12½ million to tourism. It rolls off the tongue pretty easily, but \$12½ million to tourism is a lot of people working very hard in tourism in Adelaide and all around the 12 regions that Tourism SA is divided up into. That regional income is vital. There are regional towns and businesses and families struggling all over South Australia, and we all know that many of them have turned to tourism to supplement their income. It might be supplementing a farm income or saving a town through tourism jobs, so to cut in that area is another direct attack on regional South Australia.

I also highlight the First Home Owners Grant. Something people may not quite understand is that that is now limited to new homes, and that is going to be devastating for regional South Australia. It is much harder to get a new home built in regional South Australia than it is in Adelaide; it is much harder because it is much harder to get the tradesmen and the builders to do it. It is much easier for a young person, a young couple or a young family to buy an existing home. So that is going to hurt regional South Australia far more than it is going to hurt other areas, and it certainly will hurt other areas as well.

I will touch now on the Parks recreation centre. I saw the member for Croydon today laughing and giggling about this, and he said clearly on the record that he supports that cut. I think that is disgraceful. He said that at exactly the same time hundreds of people from that area were out the front protesting about it. He also laughed and giggled, and the first thing he could say any time anybody would raise it was, 'Well, have you been there?' Guess what? I have been there. I lived in that electorate for a few years and I spent quite a few years going to the Parks recreation centre. It is a fantastic centre. Not only is this budget and the government hurting regional South Australia, it is also hurting people in its heartland. That is in the electorate of Enfield; it is in the suburb of Mansfield Park—good, strong Labor voting territory, no doubt—yet they are prepared to hurt that community as well. Looking after local, small communities clearly is not an objective of this government

Let me say what is good about this. There are some good things in this budget, and I am happy to acknowledge those things. Let me highlight a few. One is \$5 million for the Central Oval precinct upgrade in Port Augusta. That is a fantastic project led by the Port Augusta city council, and \$5 million from this government towards that project is fantastic. Let me also point out \$3 million per year to the Regional Development Infrastructure Fund. That is very important. It is a small increase but a very important thing. There will be extra money for chemotherapy services in regional areas, and Port Augusta Hospital is my highest priority with regard to putting in chemotherapy services. It is a fantastic thing, and I congratulate the government on that.

Let me also highlight that those were Liberal opposition election commitments going into the last election. The government begrudgingly copied those promises. We offered \$5 million for Central Oval. We actually offered in year one a \$40 million increase to the Regional Development Infrastructure Fund, taking it from about \$2.5 million to about a \$42.5 million increase in year one through our royalties for regions; 25 per cent of mining royalties go directly to that fund. We were going to do \$40 million; they have done \$3 million. Thank you for the \$3 million increase; that is very positive but not good enough. Chemotherapy: we promised a chemotherapy service for the Port Augusta Hospital.

Those three things are all fantastic but, guess what, they are all copies of Liberal opposition policy going into the last election. I thank them for the money and am very grateful; I give them full credit for that but, if we had not made those promises heading into the last election, the government would not have copied our promises and they would not be in this budget.

What would we have done differently? It is pretty simple. The budget would always have been difficult, there is no doubt about that. It would always have been difficult to balance the budget, but we would have found it much easier. We would not have been the car running all over the road at high speed, running red lights, and then bragging about somehow holding on to our driver's licence. We would have saved \$1 billion by rebuilding the Royal Adelaide Hospital on-site where there are state-of-the-art facilities in place already. We would have left them and we would have built around them very productively and, compared to the new rail yards hospital, over the life of the projects we would have saved \$1 billion. That is significant.

We would not be spending the hundreds of millions of dollars that the government is going to put towards upgrading the Adelaide Oval. We would have actually done a public-private partnership funded by land sales for a brand-new world-class sporting and entertainment facility on the rail yards site in addition to leaving the Adelaide Oval as it is, the special Adelaide Oval.

We would have saved \$500 million by axing the trams going to West Lakes and Semaphore. So, with those things alone, that is over \$2 billion we would have had that is not in this budget at the moment. We would have saved money on consultants. We would have spent far less on consultants than the current government has. We would have axed the Thinkers in Residence program and we would have reduced the number of ministries, just to name a few things. It does not have to be so hard. It does not have to be so hard to hold on to your AAA credit rating. It is never easy. I am not for a minute underestimating the amount of effort it takes to be a treasurer or to run a treasury department, but it does not have to be as hard as this Treasurer would have us believe—that somehow he just keeps it all together because he is so wonderful.

Where are we heading? In summary, in this budget, we are heading towards \$2.5 billion of new fees and taxes and service cuts. Where are those things? Where are those service cuts? They are going to hit the farming industry, the wine industry and the tourism industry. They are going to hit a lot of industries very important to regional South Australia. They are going to come in the removal of the 3.3¢ a litre fuel rebate for all fuel sold more than 100 kilometres from Adelaide. That is enormous. There is not one thing that we do in the country that does not include transport or freight. They are the sorts of things that are going to be included in that \$2 billion of new fees and taxes. We are heading towards a \$7.5 billion debt. It is an easy number to say, but it is actually quite hard to contemplate. A debt of \$7.5 billion for this state is going to cost \$2 million a day in interest. That is not hard to understand—\$2 million every day of the year in interest. Imagine that. Our leader has said so many times—and I will repeat it, because it is a very valid, clearly understandable point—\$2 million every day just spent away.

Imagine if you could have had half the debt. Imagine if you had done the things that we had suggested and had half the debt in place and it was only going to cost you \$1 million a day. You would have \$365 million left that you would not have to spend or that you could spend somewhere else. As our leader says so often, imagine if you cut your debt and your interest payments in half and you had \$1 million to give away to communities all over South Australia every day, including city communities. Imagine if every country town could have \$1 million, as well as city suburbs. There is nothing wrong with that. I am fighting for regional South Australia, but money needs to be spent and saved in the city as well.

Imagine if you could go to different suburbs of Adelaide and say, 'We've got \$1 million to spend on your suburb today.' How would that be? I reckon that would be pretty fantastic, and I think it is an absolute crime that we are frittering that money away. In closing, I will take you back to my analogy: the Treasurer would have us believe that he is an extraordinary manager; he is just not.

Debate adjourned on motion of Ms Thompson.

At 18:59 the house adjourned until Wednesday 29 September 2010 at 11:00.