

HOUSE OF ASSEMBLY

Wednesday 28 March 2012

The **SPEAKER (Hon. L.R. Breuer)** took the chair at 11:01 and read prayers.

QUESTION WITHOUT NOTICE REPLY

Ms CHAPMAN (Bragg) (11:02): Madam Speaker, I have a point of order, and I bring to your attention the publication of answers to questions on notice that you provided and directed be published in *Hansard* yesterday, which pursuant to standing order 103 you as Speaker, of course, can do—and I read from the provisions of standing order 103:

After presentation of Petitions the Speaker, if satisfied that the answers are in accordance with Standing Orders, directs that a copy of the answer be supplied to the Member who asked the question and that the question and the answer be printed in *Hansard*.

Yesterday, a number of questions were tabled by you and, accordingly, were published in *Hansard*. At page 830 of the interim publication, the publication of a question and answer was provided. It was titled 'Auditor-General's Report' and was as follows:

In reply to Ms Chapman (Bragg) (8 November 2011) (First Session)

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Business Services and Consumers) I am advised that this information was provided to the Hon. Rob Lucas, MLC on 9 February 2012 as part of a Freedom of Information application.

That is the information that was provided pursuant to the question on correspondence. I have an unmarked copy of what had been provided to me, which is what is consistent with what has been published. The only thing that is in addition to what was published was the word 'correspondence'. I can tell you, Madam Speaker, that I indeed did ask questions on 8 November 2011 asking the Attorney-General about correspondence between the Auditor-General and his department. They will be available in *Hansard* on 8 November 2011, but I confirm I did ask questions about that. Indeed, the Attorney-General took on notice my question as to the provision and tabling of correspondence. That is the answer I have received yesterday, as published; that is, I have given that information to someone else and, presumably, from that, you can go and find it.

I ask you, Madam Speaker, in consideration of whether you should authorise the publication of that answer, whether you are satisfied that it is an adequate answer to any member of parliament, but in this instance me, that we should presumably be expected to track down some other person who is not even a member of this house and not on any public record. If you are not satisfied, I ask that you indicate some ruling as to whether you will direct the Attorney-General to provide that answer to the house and, in particular, to me.

The SPEAKER: Thank you, member for Bragg. I have not had a look at the *Hansard*. I have only just had one put on my desk here. I will go through this and I will get back to you later in the day on this. Thank you.

SUMMARY OFFENCES (WEAPONS) AMENDMENT BILL

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Minister for State Development) (11:06): I move:

That the sitting of the house be continued during the conference with the Legislative Council on the bill.

Motion carried.

PUBLIC WORKS COMMITTEE: OLD PARLIAMENT HOUSE REDEVELOPMENT

Mr ODENWALDER (Little Para) (11:06): I move:

That the 433rd report of the committee, entitled Old Parliament House Redevelopment, be noted.

The committee has been presented with a proposal to upgrade Old Parliament House at a cost of \$13.686 million. Faced with an ageing and progressively dysfunctional facility, in 2009-10, the legislature engaged consultant Swanbury Penglase Architects to investigate the current condition of the building and to propose a scope of works to create a wholly functional, fully accessible building to meet the legislature's long-term requirements. The following works are proposed:

- the installation of a new freestanding external lift which will provide access to multiple levels;

- a new opening through the existing north wall to provide more direct access to the main ground floor level without the need to traverse steps;
- a new link structure at ground floor level to connect with the lower ground level of Parliament House and to provide an entry point from North Terrace;
- the creation of a void through removing slabs at the north end of the former chamber to act as circulation space and to provide a sense of the original volume;
- a new building code and access-compliant stair at the north end of the former Legislative Council chamber;
- a compliant ramp connecting the courtyard level with that of the veranda to the east of the Kingston Room;
- the creation of three additional ministerial or members' offices;
- improved meeting rooms, including the provision of support service space;
- one additional meeting room;
- the replacement of electrical, communication, mechanical, fire, hydraulic and vertical transportation services that will also include specialist audio services to meeting rooms; and
- conservation works, including addressing dampness, roof and timber work issues.

In addition, new toilets will be added at ground and first floor levels, and there will be an accessible toilet at first floor level. The toilets in the courtyard will be refurbished and the plant room will be relocated to a new plant room.

This project aims to undertake upgrade works in Old Parliament House to enable it to be wholly functional and a fully accessible part of the Parliament House facility. In particular, it aims to achieve the upgrade in a manner that is sensitive to the heritage and historical context of the building. The project aims to be completed by October 2013. Given this and pursuant to section 12C of the Parliamentary Committees Act 1991, the Public Works Committee reports to parliament that it recommends the proposed public works.

Mr PENGILLY (Finniss) (11:09): Whilst the opposition ultimately supported this project, it is important to note that they have not been comfortable with the way this project has been progressed or put to the committee, and that it has caused considerable discussion and a great deal of angst with some people over exactly what was proposed, how it was gone about and how long it took to come to Public Works. It is a public building of considerable importance and historical value, there is no question about that, but for a considerable amount of time I was unable to find out exactly what was going on.

My inquiries before it came to the committee were such that it appeared that the minister had no knowledge about it. It was being taken on board by officers of the parliament and pushed through there (who went to Treasury before they went anywhere else), and in my view what was going on was far from publicly accountable, and it made it desperately uncomfortable. It was also suggested that it was a project of the Joint Parliamentary Services Committee. It never was and neither should it be, so these things need putting on the record.

Trying to get to the bottom of some \$14 million worth of expenditure that was taking place without, seemingly, anyone in government having any knowledge of it I do not think is right, I do not think it is proper. In this place (whether in the other place or in this place), we are always open to scrutiny on expenditure of money. I do not doubt that much of this work has to take place. We did an on-site inspection. I am of the view that we are done over on many of these projects by people who put in for working on jobs and that the taxpayers of this state pay inordinately above the amount they should pay to get projects done—and for the life of me I think this is probably one of those projects.

It will come up, it will be a valuable building, and it will provide certain accesses that are not there now. It will help people with disabilities, and it will provide meeting rooms once again. The total disruption that is taking place in this facility at the moment because no-one thought about what was going to happen in their haste to get this project up has caused certain problems for members in having functions and trying to get rooms.

Another fact that needs to be put on the record is that parliamentary officers have been put over the other side of the road in other buildings for months and months, well before anything has happened down there—and hardly anything has happened now, I might add. Parliamentary officers have been over the other side of the road at substantial cost to the taxpayers of this state when they could have still been working in that building.

That was a matter I raised in the hearing; that worries me. There seems to be a bit of an attitude that if you are going to do something you go ahead and spend taxpayers' money and you do not really care about it. Well, I am afraid I do, and I have to say from my inquiries that there are members on the government side who feel the same way.

I think this was a very, very poorly handled project. Ultimately, it will come to fruition, but there is going to be disruption for a couple of years. We could have probably gone on for some time in the Public Works Committee hearing on the matter but, notwithstanding all that, it is important to put a few of these things on the record. It has created a certain amount of discomfort amongst members of JPSC, of joint committees around the place, of parliamentary members and of members of the Public Works Committee. I do not think it is good enough.

If we do something like this again, it is certainly something that needs to be discussed in here and put on the record. However, as I indicated, the Liberal members of the committee will be supporting the project. I would like to see it completed in about half the time that is proposed so that we can get some sort of functionality back into this place. With those few words, the opposition does support the project.

VISITORS

The SPEAKER: Before I call the member for Fisher, I welcome to the chamber a group of people from the Better Hearing Group. It is very pleasant to see you here. I understand the sergeant has been giving you a tour. Welcome; it is very nice to see you and I hope you enjoy your time here.

PUBLIC WORKS COMMITTEE: OLD PARLIAMENT HOUSE REDEVELOPMENT

The Hon. R.B. SUCH (Fisher) (11:14): Thank you, Madam Speaker. I thought you were welcoming me. I take it as a welcome anyway. I support this project and I commend the government and parliamentary staff, and all those involved in getting it to this point. I know the member for Finnis has had some concerns, but I think we should look at the bigger picture as well as just upgrading Old Parliament House.

Long before many members who are currently here were here, next door was the Constitutional Museum. Sadly, that has never been replicated elsewhere and we still do not have a museum which highlights the many achievements of South Australia, not just in relation to being amongst the first to give women the vote and the right to stand for parliament, but in giving Aboriginal men the right to vote in the 1850s and Aboriginal women the right to vote in the 1890s, at the same time as non-Aboriginal woman.

There are a whole lot of achievements, including the creation of the secret ballot, that this parliament has pioneered, and I think we should have a facility where we can showcase those achievements as well as the other fantastic achievements of this state. Many members here would probably not recall the Constitutional Museum. It did serve a useful purpose, but clearly parliament needs that space again next door, and we need a proper museum highlighting the achievements of South Australia somewhere else, preferably on North Terrace.

The other, wider issues are that I think too often members of parliament sell this institution short and are afraid to recommend or support improvements to the infrastructure here. We have pretty unsatisfactory provisions in relation to, for example, ministers, who have people coming down to see them—dignitaries, visitors, experts. When that happens, often their staff have to sit in the corridor. That is very primitive and very basic; unacceptable. If you look at the facilities here for the Premier, basically the Premier's office here is a shoebox, slightly enlarged.

We continue to short-change ourselves—and when I say we, I mean the government and all of us—by not advocating, supporting and providing for proper accommodation for the people who work in here, who include not only MPs of course, but the many dozens (I think it runs into the hundreds) of staff here at various times. We have had staff working under stairs, we have had people working in areas which lack natural light, and so on. Those issues need to be addressed.

People might think, 'Look, the public won't like it.' My view is if you explain to the public why you are doing things then you can achieve a lot more. I remind members that in the time I have been here—and a lot of the work was done by Graham Ingerson at the time—there have been major renovations done here, including creating a second storey for the Legislative Council. There was hardly a murmur in the community, because it was explained that the facilities current at the time were in breach of occupational health and safety guidelines. We know the parliament was exempt, but we had staff working in inappropriate conditions.

We should explain to the public that it is not a monument to our ego, but it is for the people who work here and for the effective functioning of the parliament. I still believe that, if we can, we should either have a multistorey building attached to the parliament out the back, or else—a fairly radical suggestion—put a tunnel under the terrace and have the parliament acquire one of the multistorey buildings across the road.

The tunnel could be shared by others, and it might help alleviate some of the congestion that you get down here where people are crossing North Terrace. I do not know the cost of a tunnel under North Terrace to the other side but I think that would probably be a cheaper option than trying to build a multistorey building behind parliament because we have already got a couple across the road that could be converted for use as, indeed, they are used now, by committees and support staff.

The other thing that is lacking is a place where you can take school children when they come in on an educational visit. There is nowhere really where you can take them, even to offer them a cordial or to give them a talk about the parliament. Once again I think that we short-change ourselves and we short-change the community by penny pinching and not acknowledging that this parliament belongs to everyone, including the school children who have a strong, vested, long-term interest in what happens here.

I welcome what is happening next door (and I am someone who has spent many years out there in the wilderness after I disagreed with the Liberal Party; I had about five years of Coventry) but it is a historic building. It is badly in need of an upgrade. It does not meet a lot of the basic occupational health and safety requirements and it does not cater for people who have disabilities. With the Hon. Kelly Vincent, we have seen the changes that have had to be made to try to help her do her legitimate work in here, but many members of the public have significant physical disabilities, and this place—and especially next door—does not and did not cater for those people. That is understandable because that building is a historic building, but we need to change and to allow everyone in the community to participate in what are basically facilities which they own and which rightfully they should be able to enjoy.

The cost is \$14 million, approximately. I think it is \$13.686 million, excluding GST, which is really peanuts in today's costings. I was pleased to receive a letter from the Minister for Road Safety yesterday. She is going to put in a roundabout—she will not personally, I don't think; I think she is too busy to do the actual on-ground work. The cost is \$1.7 million for a basic roundabout on Happy Valley Drive. So when people quibble about \$13 million to upgrade this facility, which is part of our heritage and ongoing use, people need to keep in context that anything you do these days costs a lot of money.

You really are spending the equivalent of a few roundabouts. There is nothing wrong with roundabouts, but you are only spending just a multiple of roundabouts to do a basic renovation. We need the space that is next door. I understand that some ministers and some MPs might be moved there, but we are paying rent across the road when some of those people in the rented premise opposite could be redirected back to old Parliament House.

I support this. I think that it is long overdue. It has taken longer than it should have to get to this point, but let us get this project underway as quickly as possible and put our minds to providing for the rest of parliament proper, modern facilities where people—staff and MPs—can work in safety and where they can do justice to the task for which they have been elected. I commend this report and acknowledge my full support.

Motion carried.

PUBLIC WORKS COMMITTEE: NORTHERN LEFEVRE PENINSULA OPEN SPACE

Mr ODENWALDER (Little Para) (11:24): I move:

That the 434th report of the committee, entitled Northern Lefevre Peninsula Open Space, be noted.

Approximately 70 hectares of open space zoned land will be developed over five distinct precincts, in North Haven, Biodiversity Park, Lefevre Cultural Park, Link Reserve and Mutton Cove buffers. The project will cost \$5.44 million and is expected to be completed in June 2013. Given this, and pursuant to section 12C of the Parliamentary Committees Act 1991, the Public Works Committee reports to parliament that it recommends the proposed public works.

Mr PENGILLY (Finniss) (11:24): The opposition supports the project.

Motion carried.

PUBLIC WORKS COMMITTEE: JOHN PIRIE SECONDARY SCHOOL NEW ADMINISTRATION BUILDING

Mr ODENWALDER (Little Para) (11:25): I move:

That the 435th report of the committee, on the John Pirie Secondary School New Administration Building, be noted.

DECS proposed the construction of a new administration building at John Pirie Secondary School at an estimated cost of \$4.5 million, excluding GST. The current admin building has several structural problems, and the most effective course of action is to construct a new administration building. The key drivers for the new work proposal are to provide a safe working environment and to provide modern, efficient and functional administration areas. The project will be completed by March 2013 and, given this and pursuant to section 12C of the Parliamentary Committees Act 1991, the Public Works Committee reports to parliament that it recommends the proposed public works.

Mr PENGILLY (Finniss) (11:25): The opposition members support the project.

Mr BROCK (Frome) (11:26): I would also like to speak on the—

An honourable member: An old scholar.

Mr BROCK: I am an old scholar of the school when it was known as the Port Pirie High School, so I have a great affiliation with the school and it is a great school. I congratulate the works committee and everybody involved with this. I just want to put on the record that as the local member, unfortunately I was not advised when this was being discussed by the Public Works Committee. I would certainly strongly recommend or suggest to the committees that if there is anything to do with the local member in their electorate that they be advised so that they can come down and listen and show their support for that particular project. However, I congratulate everybody and, as has been mentioned earlier, there is part demolition of the 1910 administration building which has been sitting there for many years.

An honourable member: Heritage!

Mr BROCK: Heritage listed—but, unfortunately, it never got on there which is very fortunate. There will be a new facility which will include a student services room, sick rooms for the students and staff, counsellor rooms, more room for administration, and also a parents' meeting room. The improvements will also include sufficient toilets for both the staff and visitors. Currently, there are only two small cubicles, which have to be utilised by all the staff and visitors to the school. The total cost, as has been mentioned by the chairperson, is about \$4.5 million, including demolition. This project has been discussed and been in the system for approximately three or four years and, again, will further enhance the school for the students and the teaching staff.

I also congratulate the governing school council, the staff and the teachers for persevering with the existing facilities for some years. It has been a very trying experience there, with some areas having to be cordoned off. I would like to compliment the great leadership there. The school is improving under the current principal, Trevor Rogers, and the staff, and there have been great inroads and great improvements over the last few years. I certainly commend the report to the parliament.

Motion carried.

PUBLIC WORKS COMMITTEE: RENMARK INTERSECTION UPGRADES

Mr ODENWALDER (Little Para) (11:28): I move:

That the 436th report of the committee, on the Renmark Intersection Upgrades, be noted.

The committee has received a proposal that the DPCI upgrade four sections at Renmark Avenue, Sturt Highway, Renmark. The project comprises the implementation of efficiency and safety improvements at the 18th Street, 20th Street, 21st Street and 23rd Street intersections with the Sturt Highway in Renmark. The proposed intersection upgrades will improve the safety and efficiency of freight and local traffic by providing a safe systems approach along the main carriageway. Given this, and pursuant to section 12C of the Parliamentary Committees Act 1991, the Public Works Committee reports to parliament that it recommends the proposed public works.

Mr PENGILLY (Finniss) (11:29): I indicate that we also support this project. We discussed the matter with the very good member for Chaffey, and he was very comfortable with it and supportive of it so, yes, we support it.

Motion carried.

PUBLIC WORKS COMMITTEE: MAIN NORTH ROAD REALIGNMENT VIA ANAMA LANE

Mr ODENWALDER (Little Para) (11:29): I move:

That the 437th report of the committee, entitled Main North Road Realignment via Anama Lane, be noted.

The committee has received a proposal to upgrade a section of local road (Anama Lane) to modify three associated junctions and to transfer responsibility from local government to the state government, thereby creating an arterial road link that will provide significant benefits to road users north of Clare.

The scope of the project includes three junction upgrades and the upgrading of a 2.8 kilometre section of existing local road (Anama Lane). These works have been sectioned into project areas: the Main North Road/Black Rock-Clare Road junction upgrade; the Black Rock-Clare Road/Anama Lane junction upgrade; the Main North Road/Anama Lane junction upgrade; and the Anama Lane Road upgrade.

The total project allocation for the Main North Road realignment via Anama Lane is \$10.3 million. The project will be funded over the two-year period of 2011-12 and 2012-13. The key aims of the project are: to improve road safety for all road users; to improve the efficiency of the arterial road network for interstate and local freight industries; to improve the asset sustainability by extending the pavement life; and to reduce operating costs for arterial road users. The project is scheduled for completion in June 2013. Given this and pursuant to section 12C of the Parliamentary Committees Act 1991, the Public Works Committee reports to parliament that it recommends these proposed public works.

Mr PENGILLY (Finniss) (11:31): Once again, the opposition supports this project.

Mr VENNING (Schubert) (11:31): I rise to speak on this matter with some emotion, because that road was one of the first projects I raised in this house 22 years ago. It did not take long, did it? I am overjoyed that we are finally seeing this road upgraded. It was obvious to people travelling in the area that to travel across Anama Lane on to the Spalding to Clare Road was a much better alternative to travelling down past Bungaree, where the road was very dangerous and bendy. It is quite a picturesque area. If you happen to strike a big truck on that one bad bend there, you are in serious trouble.

Also the trucks had an area where they would tip over because the camber is going the wrong way as well. So, it was a very dangerous piece of road and a very picturesque part of the country. All I can say is that good things happen to those who wait, even though it has been 22 years. I am overjoyed.

I want to pay tribute to the Hawker family who first raised this matter with me. The late Joan Hawker lived at Anama, next door. Also, the late mayor Bob Phillips from Clare—even though it was not his area—was always on at me about that. Anyway, job done.

Before I retire I have only one project left, and that is the Barossa hospital. I have not given up. This is one project that has been there from the very start. When I was elected, Clare was actually in the middle of the electorate. Time has moved on but the projects have not, and I am very pleased that this one has come to fruition.

Mr BROCK (Frome) (11:33): I also rise to support this motion and also to congratulate the member for Schubert. Twenty-two years—why did it take you so long to actually get the job done? I would also like to congratulate the Clare & Gilbert Valleys Council. When I came to this position here, one of the first things it did was bring this matter to my attention—about the long discussions

that were being held and the attempts to have these intersections or parts of local government roads transferred to government in order to share responsibility and improve intersections.

We then took the mayor and the CEO of the council to the minister and we had numerous discussions, the final result being the realignment of the Anama Lane intersection coming on to the Spalding Road and the Spalding Road intersection just north of Clare.

As the member for Schubert has indicated, the section of road past Bungaree Station is about 14 kilometres. It is very undulating, very dangerous and it has been a real bone of contention from both the council's point of view and the community's point of view when it comes to safety. It just goes to prove that, if you communicate and work in partnership with local government, good things come to fruition.

I am certainly looking forward to the completion of the work. Member for Schubert, as you say, you have one more. Let us hope that you get that up before you retire. I commend the motion to the parliament.

Motion carried.

PUBLIC WORKS COMMITTEE: LAKE WINDEMERE SCHOOL REDEVELOPMENT

Mr ODENWALDER (Little Para) (11:35): I move:

That the 438th report of the committee, entitled Lake Windemere School CPC-7 Redevelopment, be noted.

The committee has received a proposal to provide a new children's centre, together with parking, upgrades to the existing administration area, three general learning areas and the demolition of the existing CPC. The project proposed by the Department for Education and Child Development includes construction works at the Lake Windemere School at an estimated cost of \$6.8 million, excluding GST. Redevelopment of the school site is to accommodate the maximum of 600 primary school students.

The facility provisions are summarised as follows: demolition of two buildings and rehabilitation of this site; construction of a new children's centre facility, together with associated car parking and landscaping; creating greater flexibility in existing learning areas, enabling 21st century ICT in all facilities, including providing stable learning spaces for two regional special classes; and upgrading the administration area by creating new work areas, a sick room, and offices, plus a new street front presence.

The proposed project aims to provide modern, efficient and functional areas for the delivery of education to the community of Salisbury North. The key drivers for the redevelopment proposal are to provide these facilities to better support the school's curriculum and to improve the accommodation at the school, and to avoid continuing maintenance at the existing building structures. The project is scheduled for completion in June 2013. Given this, and pursuant to section 12C of the Parliamentary Committees Act 1991, the Public Works Committee reports to parliament that it recommends the proposed public works.

Mr PENGILLY (Finniss) (11:36): Opposition members support the project.

Motion carried.

NATURAL RESOURCES COMMITTEE: UPPER SOUTH EAST DRYLAND SALINITY AND FLOOD MANAGEMENT ACT REPORT 2010-11

The Hon. S.W. KEY (Ashford) (11:37): I move:

That the 60th report of the committee, entitled Upper South East Dryland Salinity and Flood Management Act 2002 Report 2010-11, be noted.

Since December 2006, the Natural Resources Committee has been responsible for the oversight of the Upper South East Dryland Salinity and Flood Management Act 2002. This is the final report required of the Natural Resources Committee under the act as the project has now been completed. The committee visited the Upper South-East region between 15 and 17 November 2011, meeting with local landholders, both supportive and opposed to the scheme. We also received detailed briefings and a comprehensive tour from the Department for Water and the South Eastern Water Conservation and Drainage Board on the technical aspects of the scheme.

The South-East region of South Australia is a highly modified landscape. Broadscale land clearing and an extensive drainage network developed over the past century have converted what

was once a wetland-dominated landscape to an agricultural production on a vast scale. Although this has generated great wealth and prosperity for the region and the state, environmental health has deteriorated as a consequence. Several east-west drains intercept environmental flows, which previously flowed north to the Upper South-East and the Coorong, a Ramsar-listed wetland of international importance.

The USE scheme attempts to do two things: drain saline groundwater and flood waters away from agricultural areas (the deep drainage project); and maintain and improve surface water flows to wetlands and watercourses (the REFLOWS project). Whilst the majority of landholders appear to support the scheme, some remain concerned about the quantity and quality of the water that has been delivered to the wetlands via the surface water drainage or REFLOWS system. These landholders argue that the recently completed Bald Hill/Wimpinmerit Drain, which is used to divert saline groundwater north to the Morella Basin and the Coorong, has caused the water table to drop, drying out the Parrakie Wetlands.

The committee heard from witnesses opposed to the project that the completion of the drainage system adjacent to the Parrakie Wetlands meant there were now no unimpacted wetlands left to compare with impacted wetlands in the region. These same witnesses gave evidence that in late 2010 salinity in the surface water flows intended for the West Avenue wetlands was considerably higher than the saline water in the groundwater drainage system, which is the reverse of what it should be.

The alkaline level of the REFLOWS water was also extremely high, killing most of the biota living in the wetlands. This is important because these wetlands are the home of the southern bell frog and the Yarra pygmy perch, both now endangered species. The committee heard conflicting evidence regarding the causes of the wetland drying and the unexpectedly high salinity and alkalinity within the DFW, blaming below average winter rains in 2011 together with unauthorised obstructions and diversions upstream.

The department suggests that high salinity may have resulted from the first flush effect in the newly constructed REFLOWS system, with the alkaline levels being a natural phenomena. Despite these arguments and counterarguments about specific environmental impacts of the USE scheme, the committee heard that in general terms the USE scheme has been successful in reducing salinity and increasing agricultural productivity for some landholders.

The department openly acknowledged the need to improve the operation of the surface water drainage network as part of the adaptive management approach. The department has put in place a comprehensive hydrological monitoring network, facilitating flow management in both the surface and groundwater drainage systems. The committee hopes that it will be a possible way of tweaking the system to fix any problems that have been identified.

Committee members formed the view that it is too early to make a final judgement as to whether or not the scheme has been a success, particularly in relation to the impact of the Bald Hill/Wimpinmerit Drain and the West Avenue wetlands. Members intend to revisit the region after significant winter rains in order to consider the efficacy of the REFLOWS project, especially its success in supporting ecosystems of the Parrakie wetlands, including the resident southern bell frogs and Yarra pygmy perch.

The committee would also like the Minister for Environment and Conservation to ensure that adequate research is undertaken to address the unresolved environmental impacts on the region, especially with regard to high alkalinity levels and salinity in floodways, degradation of soils due to sodicity, and the erosion of drains and floodways.

I acknowledge the valuable contribution of the committee members during the year: Mr Geoff Brock MP, the Hon. Robert Brokenshire MLC, the Hon. John Dawkins MLC, Mrs Robyn Geraghty MP, Mr Lee Odenwalder MP, Mr Don Pegler MP, Mr Dan van Holst Pellekaan MP, the Hon. Russell Wortley MLC, the Hon. Paul Holloway MLC and the Hon. Gerry Kandelaars MLC. I would like to emphasise and thank members for the cooperative manner in which they have worked together, and I look forward to a continuation of this spirit of cooperation in the coming year.

I would also like to finally thank the committee staff for their support and also the advisers and people who have helped us with the many visits that the Natural Resources Committee has made to the local area, not to mention the local people who have really worked hard to make sure that we have some understanding of the arguments to do with the Upper South-East. I commend the report to the house.

Mr VAN HOLST PELLEKAAN (Stuart) (11:44): Certainly, the opposition supports this report. As a member of the committee, unfortunately I was only able to participate in day one and not day two of our field trip, but I have great confidence in the bipartisan way in which our committee works. From my perspective, as a person from the north of the state, it was a marvellous opportunity to get down to the South-East and really get a far better understanding of how this whole drainage system works. I wish I could have been there for the second day as well.

I found it fascinating to look at the system of channels and drains and to see different quality water moving separated from itself, sometimes a long way away and sometimes quite close to each other, but it is a fairly concentrated network of channels and drains. An enormous amount of effort, time and money has gone into this. It is certainly fair to say, as our chair said, that there is a wide range of views from people who have provided evidence to us. There is certainly more support for the system as a whole than not, but it is important to note that there is a wide range of views about the system.

I would also just like to point out in my brief contribution that, while this is an important project and it is going to contribute to a number of factors—importantly, one of them being the health of the Coorong—I would like to just highlight the fact that, regardless of how successful this project may be, and even if it is as successful as possible, it does nothing compared to the work that we need to do with regard to the Murray-Darling Basin, with regard to contributing to the health of the Coorong. This project is important work and it certainly addresses the far end of the Coorong, but it would be a mistake for anybody to think that positive work in this area can replace positive work on the Murray-Darling Basin Plan.

Having said that, thank you to all of the people. While I said there were differing views, we were given very genuine evidence by a wide range of people who came to see us here, put written submissions in and hosted us and took us around their home patches. I thank them for that and I certainly thank the staff who put a lot of work into this report and my fellow members of the committee. Thank you.

Mr WILLIAMS (MacKillop—Deputy Leader of the Opposition) (11:46): I rise to contribute to the debate on the noting of the report into the Upper South East Dryland Salinity and Flood Management Act 2002. As members I am sure are aware, the totality of the Upper South-East scheme is within the electorate of MacKillop. Members who have been here for a little while would recall that, before coming into this place, I was, in fact, a member of the South Eastern Water Conservation and Drainage Board—a board which had quite a considerable amount to do with the Upper South-East scheme, particularly in the early years of the implementation of the project. I think I have got a fairly good working knowledge of the project and what it has done.

A couple of questions have been raised during the debate so far about the assessments we will make about the efficacy or the success of the scheme sometime in the future. Can I tell the house that this scheme was originally conceived as an agricultural scheme. Over the probably at least 20 years that it has taken to bring the scheme to its completion, the emphasis has changed somewhat from being a scheme principally to support agricultural endeavours in the Upper South-East of the state to turn this into a significant environmental scheme. Those two outcomes were never mutually exclusive. By good design, both outcomes can be achieved and, indeed, enhanced.

For members who do not have an intimate knowledge of the South-East of the state—and I have used this statement many times in the place—Goyder, in 1864, noted the area that he had estimated in acres between Salt Creek and the Victorian border of the South-East. He said that, in his estimation, at least half of that area became inundated every winter by water between one and six feet deep.

So, if you look at a map of the South-East portion of the state, you identify the location of Salt Creek and draw a line east-west from Salt Creek to the Victorian border. Look at that area below that line, all the way down to Port MacDonnell on the coast south of Mount Gambier, and imagine half of that land surface being covered by water between one and six feet deep each winter. That is the amount of water. That is the landscape that greeted white settlers when they first went into that area.

Indeed, that part of the state that was first settled was at Mount Gambier principally because Mount Gambier was an elevated region and self draining and it was dry. The rest of that part of the state was very, very wet. The first ideas on draining the South-East were about achieving transport links between Mount Gambier and Adelaide. It was George Goyder who came up with the proposition to convert a lot of that land to agricultural pursuits and it was a grand idea of

his. As the chairman of the committee has pointed out, it is a very changed landscape. The landscape in no way resembles what was there in those early days.

In relation to the drainage scheme in the Lower South-East, drains started to be dug there in a serious way in the late 1860s and work continued right up until the early 1970s, so it was well over 100 years of excavation to drain the Lower and Mid South-East. The Upper South-East scheme was conceived because dryland salinity was encroaching onto a lot of the agricultural land in the Upper South-East. That land was developed much later than the Lower South-East. It had a lower rainfall and it was a poorer quality of land in most instances, but it was still very good agricultural land. It lent itself to livestock grazing and growing lucerne.

For many years the use of the lucerne plant underpinned the livestock operations on that land until a couple of insects arrived in this country and decimated the lucerne stands. It was then found that the country that had been cleared of the native scrub and converted to lucerne was suddenly covered with annual grass pastures which were fairly shallow rooted, and that change in the vegetation growing on the landscape allowed the watertable to come up and approach the surface. Those who have studied this understand that, once the watertable gets closer than about 1.2 metres from the surface, if that groundwater contains salt, it will migrate to the surface and leave salt scores on the surface. The original scheme was conceived to lower that watertable, to make sure that the watertable across those flats was more than 1.2 metres below the surface.

The problem of the loss of lucerne started to arise in the late 1970s. Through the 1980s the dryland salinity became evident and serious discussion began. There was a major EIS study undertaken across the Upper South-East, and from that grew the scheme which was started in about the mid-1990s. The scheme has had its ups and downs. I remember going to the opening of the first drain, the Fairview Drain. I think Rob Kerin performed the opening at Keilira in the late 1990s or the early 2000s. At that stage, the scheme had somewhat stalled, and it was not until some time later that it got underway again, apart from the fact that Tom Brinkworth, the major landowner in the area, had constructed a considerable number of the drains which are now part of the scheme. That, in itself, was a fairly controversial exercise. Might I say that, if it was not for Tom Brinkworth and his dedication to that landscape and the work that he did, I doubt whether the scheme would be finished now.

I am delighted that the scheme is finished. I am delighted that the REFLAWS program which was brought into the scheme very much later has become part of the scheme. There is now a lot more opportunity to harvest high quality water out of the South-East of the state and return it to the southern basin of the Coorong, where a lot of it used to end up before we interfered with the landscape in that part of the state.

I do not necessarily agree with my colleague the member for Stuart's comments about the Coorong. It is my belief that the southern basin of the Coorong is more damaged by the drainage work that we have done in the South-East over the last 160-odd years than anything that we have done in the River Murray. If you google the Coorong and get a close-up view of the area between the southern and northern basins, you will see that there is a very restricted opportunity for the flow of water between those two basins. Even with good flows in the river and at the mouth of the river over a season and a half, the last 18 months, we have seen very little flow of that high quality low salinity water into the southern basin of the Coorong.

I do not believe that even if we had good flows down the River Murray and high quality water in the northern part of the Coorong over the next 10 or 15 years we would see the recovery of the southern basin of the Coorong. Indeed, the southern basin of the Coorong became hypersaline probably starting 30 or 40 years ago and maybe even a bit longer. I do not know that the problems in that part of the Coorong are caused by what we have done on the River Murray.

That is not to say that we do not have a lot of work to do in the Murray-Darling Basin, but I think there are more opportunities to harvest high quality water from the South-East. I am pretty certain the Liberal Party will make a submission to the Murray-Darling Basin Authority along those lines, that that is something that should be looked at and that more money should be spent on a project to deliver water from the South-East back into the Coorong.

I am delighted that this project is completed. As an agricultural project, it has been fantastic for the farmers in that area who were suffering from dryland salinity. It has turned a lot of that agriculture around and increased the productivity by many times. I commend the report to the house.

Mr VENNING (Schubert) (11:56): Briefly, I commend the report. In particular, I want to commend the current member for MacKillop and the work he has done. Since the first day he got here, it has been a high priority for him, and he does speak with some satisfaction. I also pay tribute to the previous member for MacKillop, the late Hon. Dale Baker who, of course, died this morning. I note that with some sadness. We will long remember him, and no doubt the parliament will consider that in a few days' time.

Mr BROCK (Frome) (11:57): I will be very quick. I also want to contribute to this report and congratulate all the members. As the member for Stuart has indicated, it is a great multipolitical membership, we all get on well and we come to a great conclusion. I also just want to thank all the local landowners, who fully explained the extent of the drainage down there. It is a unique system in that area there, and it gave us a better idea and understanding of the drainage issues and how they can affect the environmental conditions, the landowners and their future direction. Also, it gives us as members of that committee a far better understanding when we have to decide and vote in this house here on issues. Again, I congratulate everybody who was down there. I congratulate all the members and commend the report to this house.

Motion carried.

PUBLIC WORKS COMMITTEE: PORT AUGUSTA SPECIAL SCHOOL

Mr ODENWALDER (Little Para) (11:58): I move:

That the 440th report of the committee, on Port Augusta Special School, be noted.

The committee has received a proposal to move the Port Augusta Special School to the Flinders View Primary School site, involving the provision of a new facility at an estimated cost of \$7.2 million. It is expected to be completed by November 2013; given that and pursuant to section 12C of the Parliamentary Committees Act 1991, the Public Works Committee reports that it recommends the proposed public work.

Mr PENGILLY (Finniss) (11:59): The opposition supports the report.

Mr VAN HOLST PELLEKAAN (Stuart) (11:59): We certainly support this report, and I would just like to put on the record my thanks to all the people who have contributed to Port Augusta Special School for many years. Port Augusta has a very fine record of supporting children with special needs through the special school and also through Miriam High Special Needs Centre, and I congratulate council on really being a key driving force for the success of that centre. Certainly anything we can do to support children and families of children with special needs anywhere in our state is vitally important; but, of course, I am particularly grateful for that work in the electorate of Stuart and in Port Augusta, and so I wholeheartedly support the redevelopment of our special school.

Motion carried.

CORRECTIONAL SERVICES (MISCELLANEOUS) AMENDMENT BILL

Consideration in committee of the Legislative Council's message.

(Continued from 27 March 2012.)

The Hon. J.M. RANKINE: I move:

That disagreement to the amendments be insisted on.

Motion carried.

The Hon. J.M. RANKINE: I move:

That a message be sent to the Legislative Council requesting a conference be granted to this house respecting certain amendments from the Legislative Council in the bill, and that the Legislative Council be informed that, in the event of a conference being agreed to, this house will be represented at such conference by five managers and that Dr McFetridge, the Mrs Geraghty, the Hon. Mr Atkinson, Ms Chapman and the mover be the managers of the conference on the part of the House of Assembly.

Motion carried.

SUPPLY BILL 2012

Adjourned debate on second reading.

(Continued from 27 March 2012.)

Dr McFETRIDGE (Morphett) (12:04): This bill is for the appropriation of \$3.161 billion. I am just a humble veterinarian. I grew up in Elizabeth and Salisbury and I still realise the value of a dollar, and \$3.161 billion is a serious amount of money. To see the way in which this government has mismanaged the economy over the last 10 years fills me with trepidation that, 'Here we go again, we're giving them another \$3 billion plus,' and I am not convinced that it is going to be used to the very best benefit of South Australians.

I grew up in Elizabeth and Salisbury, and I remember the Pinnock sewing machine factory and the GMH factory being built there. My father was a fireman and my mother was a primary school teacher. We lived in a housing trust house and my parents worked very hard. My parents had a very comfortable life—mum is still alive but dad is not—and my brothers and I all have very comfortable lives because we worked very hard and used the opportunities available in this state. However, the cost of living in South Australia now under this government is something which we really are very concerned about. Every day you hear about more and more imposts on people in South Australia and the way that the economy has gone backwards.

I was asked to leave this chamber the other day when I brought in a poster from the 1993 election campaign 'Never again lay the blame on Labor'. It was about the State Bank. There were some newspaper clippings used on that poster, one by Randall Ashbourne, and it was about similar things that we are seeing now: the cost of living, the budgets blowing out, health in crisis—so many similar issues.

We are looking at State Bank mark II, with huge infrastructure spends. We really have to question the way they are being structured, with the classic one being the new Royal Adelaide Hospital. That is going to be an absolute black hole for South Australia. We have seen in the last day or two the fuss over the film hub at Glenside. What is happening at Glenside?

My father's first job in South Australia was as a warder or a psych nurse in Z Ward, the criminally insane ward at what was then Parkside. Glenside/Parkside has always remained in my mind. It has been an area in South Australia about mental health. Mental health has become more and more of significant concern for all South Australians. The changes going on at Glenside, when you see what is happening with the film hub, epitomises to me the mismanagement of priorities of this government.

I am not an economist, but when I look at what the Auditor-General has to say about the way this government is managing the economy, I really have to be very concerned about where it is going. In the Auditor-General's Report this year, on all three budget measures there is a deficit: the net operating deficit of \$367 million; the net cash deficit of \$1,445 million (\$1.445 billion); and a net lending deficit of \$1.519 billion (\$1,519 million). On all three measures this budget is in deficit.

There has been an \$800 million worsening in the 2011-12 budget position over the past four years. It is something which everybody in this place should be concerned about. I am looking forward to seeing what happens in this year's state budget because the Premier so far has not made any real hard decisions. He has dealt with pretty easy decisions so far. We are looking forward to seeing how he handles the tough decisions that he is going to need to take to rein in his mismanaged spending.

I ran a veterinary practice before I came into this place, and for quite a while I tried to run it in surplus all the time and not go into overdraft. However, in the end, you have to realise that sometimes you do have to borrow money to develop and improve your business; but you do not borrow money for recurrent expenditure, you do not borrow money to pay the staff wages and the electricity bills—you do not do that. You borrow money to expand the practice, to build better facilities, to provide better services—not recurrent expenditure.

That is what I did. There was good debt and there was some bad debt. I was owed a lot of money by people who could not pay their debts because they were not managing their household economies. Today we see more and more people under mortgage stress, we see more and more people with serious issues in managing their day-to-day lives because of the cost imposts being put on them by this government.

The unfunded liabilities of this government—superannuation now is \$10.6 billion; WorkCover is now back over \$1 billion dollars (about \$1.1 billion or \$1.2 billion). I admit that does not all have to be paid out tomorrow but you had better make sure that you have the ability to fund that if there are calls on that money. I do not believe that this government has the wherewithal to manage those unfunded liabilities in the way that they should be managed.

The fact is that we are going into debt and we are borrowing more and more. When you borrow, you have to pay it back. When my wife and I first came back to South Australia and started our business, our practice, we were paying 17 per cent on the mortgage and 23 per cent on the overdraft. We remember those days.

The Hon. A. Koutsantonis: What did you get on your savings?

Dr McFETRIDGE: I wish we had some savings. The member for West Torrens asked what I did with my savings. I wish I could have saved, but we were spending on building the practice, building the business. When I sold the practice before I came into parliament, it was a very solid business. In fact, I was earning a lot more than I am now. Ten years ago I was probably earning twice what I earn now. So, people who say politicians get overpaid want to go out and see what people in the business world can really get paid.

As I said in a tweet, I got kicked, bitten and shat on then, and I sometimes feel like that is what is happening to the opposition, but I would not give up the opportunity to be in this place for anything. I certainly hope the people of Morphett are happy to have me in this place again in 2014, as they were last time.

The big thing that we need to look at with the way this state is going is the provision of services for the average punter out there—the mums and dads, the family members out there. What are they doing with these services?

I just put on the record that I am really enjoying my new portfolios. I really enjoyed the shadow health ministry, but things change around. Both sides have their reshuffles, and I am really enjoying the police, corrections, emergency services, volunteers, road safety and Aboriginal affairs portfolios. It is going to be my—

The Hon. M.J. Atkinson interjecting:

The DEPUTY SPEAKER: Member for Croydon!

Dr McFETRIDGE: —aim to make sure that, in relation to the portfolios for which I am responsible, every question that needs to be put is put to the relevant minister on notice to make sure that they are delivering for South Australians.

Regarding the police, Commissioner Hyde is retiring, and I put in a tweet congratulating him on the job he has done. We have one of the best police forces in the world, not just in the nation. I speak to police officers every day and congratulate them on the good job they are doing. In fact, I was at the Kangarilla CFS on Monday night for the weekly training (which I do not get to as often as I should) and officers from the anti-arson squad, Operation Raptor and Operation Nomad came to brief the CFS members. They are doing a terrific job in trying to prevent arson in the southern Adelaide Hills.

What we do see in SAPOL is a cut back in recruiting. We have seen spending for SAPOL stretched out over a few more years. We are seeing the police put under more and more pressure, and this was highlighted in a letter to the commissioner in December last year from the Police Association of South Australia, highlighting some of its concerns with the South Coast. The letter states:

...the association still has concerns regarding present staffing levels at Aldinga and more generally the ability of the South Coast Local Service Area to adequately cover front-line operational duties. The association's continuing concerns include:...

- The occupational health and safety of our members, who are required to perform front-line operational patrol and station duties at times of insufficient staff numbers...
- The ad hoc closure of the Aldinga and McLaren Vale police stations
- Workloads for members working in the South Coast Local Service Area

That was in December last year. I look forward to seeing improvements in that area and many other areas of police resourcing. Recruiting being spread out and delayed is something that we certainly need to revisit. This government needs to make sure that attrition rates, retirement rates and resignation rates are not overtaking recruitment rates, because we need to make sure that we have as many police on the front line as possible and that they are being given the resources that they need so that the Police Association does not have to keep writing to the commissioner, alerting him to its serious concerns.

Regarding emergency services, my father was in the Metropolitan Fire Service for over 30 years. He started the Elizabeth Fire Station and the Salisbury Fire Station when they had the fire siren and when the retained firefighters came along. I was very aware of the differences in the culture between the MFS and the CFS. They are different cultures.

On Saturday afternoon I went out to the Salisbury CFS where a seminar was being held by the CFS Volunteers Association about the future of fire services in South Australia. The one service model, the integrated model, separate models, were all discussed. Some good information came out of there. It is a great service we have in South Australia, the Metropolitan Fire Service and the Country Fire Service. If you wanted to see how they can work together there is no better example than the oil fire out at Wingfield just recently. The fireys did a fantastic job there, complemented by the SES, complemented by SAPOL and, obviously, the ambulance service as well. A lot of people did a lot of great work.

The SES in South Australia is an interesting organisation. They duplicate some roles. Road crash rescue is a classic example. They duplicate some of the roles of the other services and there may be some opportunities to refine that. That is not to cut them out; it is just to refine that. We have 1,600 volunteers in the SES who do a terrific job. Rain, hail or shine, they come out. I am getting a briefing this afternoon on the potential flooding for the River Murray towns when the river starts to really come down later this year. The SES volunteers will be there.

There are 15,000 CFS volunteers all over the state doing a fantastic job. There is more and more pressure being put on them, though. We certainly do need to make sure that we are not only giving them the latest equipment we possibly can—trucks and breathing apparatus and all the rescue equipment they need—but making sure they are properly clothed as well.

We are having some really serious issues in the provision of personal, protective equipment (PPE) at the moment. I had to wait for a pair of boots; I have my pair of boots now. You do need to have proper boots when you are firefighting. One of the members of the Kangarilla Fire Brigade has been waiting 18 months for a new set of fire fighter pants. You would not think that he would have to wait 18 months. His have got a tear in them. You would not think you would have to wait 18 months; it is just not good enough.

We have had issues at the Stirling station, where they need to raise the roof to install a new fire appliance. I remember years ago at the Happy Valley fire station and the old shed there, where we got a new fire truck, and we had to cut the concrete floor out and dig it out so we could get the fire truck in there because we could not raise the roof. I hope Stirling does not have to resort to that.

On the other portfolio of road safety, it is a very interesting point that every day in South Australia serious injuries and deaths on our roads impact on the budget \$6 million a day—\$6 million a day for death and serious injuries. We need to make sure that that impact is being reduced to an absolute minimum.

So far this year there have been 25 deaths and 184 serious injuries on the roads. Last year the total was 103 deaths and 946 serious injuries. This is down on what it has been. We want to see it coming down, down, down, and that will only happen if the government invests wisely in road safety policies, not just by cutting road speed limits. It is a serious issue.

Volunteers is another portfolio of mine. I had that portfolio before and it is good to have it back. The big thing about volunteers in South Australia is that we have so many. We have more volunteers per capita than any other state or territory. I think the latest figure, if you are to put a cash value on the input of the in-kind value of volunteers, is \$4.9 billion—not million, but \$4.9 billion is the return on your investment, and it is very little investment, really, from this state.

Phil Koperberg addressed the CFS seminar at Salisbury on Saturday afternoon. Phil Koperberg was a Labor Party minister in the New South Wales government. He was head of the Rural Fire Service in New South Wales and he is now head of the New South Wales emergency commission (I do not know the correct name for it). He is very well credentialled. Mr Koperberg said that protecting our volunteers is so essential. He was using the New South Wales example when he said, 'Where do you get the return on your investment that you get with volunteers?' In New South Wales you are getting about an 80 per cent return on your investment.

So, to not look after our volunteers is something we do at our peril. Whether it is in the fire service, the SES, or the hundreds of other volunteer organisations out there, there is a real need to

make sure that we are doing the exact thing that is required and that the state deserves, that is, looking after all South Australia but particularly our volunteers.

The other portfolio I have that I want to just mention now in the last few minutes is Aboriginal affairs. I had Aboriginal affairs as a portfolio for a number of years and I came to know Aboriginal communities and individuals right across this state. There is so much focus on the APY lands, but we should never forget the other 20,000-plus people of Aboriginal and islander descent who live in Adelaide and other communities: up in the Riverland, down in the South-East, on Eyre Peninsula and Yorke Peninsula—all over this state. They contribute in a terrific way to the various opportunities we have in this state and the attributes of this state.

The global budget on the APY lands though is a serious issue. I have asked the government, in the Aboriginal Lands Parliamentary Standing Committee, how much they actually spend on the 3,000-plus people in the APY lands. I understand it is about \$200 million a year and I am questioning whether we should continue going the way we are on the APY lands.

The minister spoke on ABC country radio in Port Pirie last week and he had a bit of a go at me saying that my information is two years out of date. There might be a two-year gap between when I last had that shadow portfolio, but this minister has not realised that my passion for Aboriginal affairs does not stop at being a shadow minister: it started 38 years ago when I was driving the school bus out to the Davenport mission when I was teaching high school at Port Augusta and came to know the Aboriginal people there. I speak to people every day about Aboriginal affairs—on the lands, interstate and all around this state. So, if the minister wants to underestimate my passion on this, he does that at his peril. I will be very, very happy to speak with him and to work with him on Aboriginal affairs, but do not underestimate my passion in this area and try to denigrate me by saying that my information is out of date.

I spoke about Watarru. Watarru is a lovely community. It is the most remote Aboriginal community in Australia. I said this is a community in crisis and I do not resile from that. The minister said it is not in crisis. Well, the store is shut. The school has had no kids going to it for most of the year. The office was shut. Kuka Kanyini, the camel project up there into which hundreds of thousands of dollars have gone, is non-existent. They are shipping some camels out of other areas. You really have to question where Watarru is going to be in five, 10 or 15 years' time.

Some of the American Indian groups asked themselves not what is going to be going on in five, 10 or 15 years, but what is going to be good for the community, their people and their children in seven generations' time, and that is how far forward looking we have to be with Aboriginal communities. We cannot keep limping from crisis to crisis. We cannot keep trying to delay and to obscure and to hide and to fudge with Aboriginal affairs. It is not fair on the Aboriginal people to raise their expectations and then fail to deliver.

That is what we have seen in the past and I admit it has happened on both sides, but particularly, when we had the former premier and the current Premier both as ministers for Aboriginal affairs, much more could have been done and should be done. I will have more to say about the current Premier's role in Aboriginal affairs in the grievance, but it is a real concern for me that we are not facing up to the future for Aboriginal communities and individuals in South Australia. I will be doing everything I can to make sure that the lot for Aboriginal people in South Australia has significantly improved by the time I leave this place. If it is not, I will feel that I have not done what I should have done and what this government could have done when they have such a responsibility at their doorstep.

The opportunities ahead of us are going to be difficult because of the tight budgetary constraints. With the \$3.161 billion that we are about to give the government the go-ahead to spend, I just hope that they spend it wisely. I am looking forward to the budget process. I am looking forward to estimates. I am looking forward to asking questions about how the budget is being spent and managed. I have some serious reservations, but I will not give up on questioning this government and I will not give up on the people of Morphett or the people of South Australia.

Mr PISONI (Unley) (12:23): I rise to speak on the Supply Bill. I will start by referring to the article in *The Australian* today about the 'Struggling studio in \$80k travel drama'. Sure, it is a story about \$80,000 of travel being spent by the South Australian Film Corporation executives on trips around the world, but there is also an interesting reference to Mr Harris in the story, about the fact that:

He said he did not accept government forecasts that the industry would have 'value creation' of \$28m a year by 2012. 'I'm not quite sure how they calculated that, and I can't say with any confidence whether it will be a mile away or close to that figure,' he said.

I think that sums up the way that this government has been running its finances over the last 10 years. If we look at promises that are made and promises that are delivered, we can see that there is a widening gap between those two.

One that is burnt into my mind is the promise made on the last day of February 2010 (about three weeks shy of the state election): 100,000 new jobs for South Australia under Labor over the next six years. We know that was a major focus of the Labor government. At the 2009-10 budget, we even saw taxpayer-funded government advertising that was all about jobs. I remember the words 'jobs' and '100,000 jobs' popping up above the buildings of Adelaide in their advertising campaign. 'Jobs' are a big promise, and jobs are very important to South Australians.

If we look at where South Australia is now (two years or one-third of the way into the 100,000-job target), we can see that fewer South Australians are working full-time now than there were when Labor made that promise to create 100,000 new jobs. As a matter of fact, there are only 13,000 new part-time jobs compared with when Labor made that promise. I do not think any fair-minded person would have expected the government to promise 100,000 part-time jobs, but even if they promised part-time jobs and not full-time jobs they are still 18,000 short of their target. To be exact, they should have created 33,333 jobs since that promise but, as a matter of fact, there are only 13,000 part-time jobs and there are fewer people in full-time work now than when Labor made that promise.

We need to look at where the priorities have been. For seven of the 10 years that this government has been in power it has had windfall gains in its budget revenues, and where have the priorities been for this government? Let's look at their commitment to training over the last 10 years, and I refer to the Productivity Commission's report on government services that was released earlier in the year. In an interesting breakdown of where there has been investment in vocational education and training in Australia, we see that from the year 2000 the equivalent (in 2010 dollars) of \$318.6 million was spent by this government; in 2010 (in 2010 dollars), that figure was \$329.5 million—a 3.4 per cent increase only.

Compare that with Western Australia, where we see a 28 per cent increase in the vocational education and training spend over that same period; in Tasmania (often referred to as the poor economic cousin in Australia), a 20.9 per cent increase in state government funding for vocational education and training; a 19.4 per cent increase in the ACT; a 16.5 per cent increase in the Northern Territory; and in Queensland, an 18.8 per cent increase in vocational education and training. So as you can see, we have seen significant increases in vocational education and training in other states, but here in South Australia we have not even kept up with a 3.4 per cent increase over and above inflation.

If you look at what that actually means for the unit funding per student, in 2000, using 2010 dollars, we had \$322.10 spent per annum per trainee in South Australia. That has now reduced by \$21 to \$301 in South Australia. Over that same period again we have seen increases in Victoria of around about 10 per cent per student funding, in Western Australia of 4.6 per cent, and in Tasmania of 12.4 per cent; and in the ACT we have seen an increase of 3.4 per cent. Here in South Australia we have a decrease per student of 6.5 per cent in funding for vocational education and training.

Let's look at how seriously this government has treated the training and education portfolio. We have had six ministers in six years. I think the government has been confused about the use of that portfolio. It is actually for training South Australians, not for training ministers, as this government has been doing. It is interesting that the vast majority of ministers who have taken on these roles have been new ministers. This government has thought that the training portfolio was a great portfolio for training its own ministers. We have actually had six ministers in the 10 years that this government has been in power here in South Australia.

We also have the highest TAFE fees in the nation here in South Australia. Of course this goes back to the fact that the Productivity Commission has pointed out that the government contribution in South Australia has been declining per student while in other states we have seen an increase. In every other state except New South Wales we have seen an increase in that. That is reflected in the highest TAFE fees here in South Australia, and we have established that at the start of this year TAFE students owe TAFE about \$15 million—\$15 million! We have a department of further education and training through its TAFE arm that is not able to manage its own accounts.

Such is the mess that TAFE in South Australia is in that they called consultants in earlier this year to enable the department to do simple things, such as giving students choice in their options. That is something that they are being forced to do, taking second and third choices, and the consultants have been brought in to deal with that. The brief for the consultants also was that it was practically impossible to optimise all people, facilities and resources across the entire system. We have seen a growth in the number of staff and we have seen a growth in the size of the public sector, but here we have consultants being called in to find out how to use those people in TAFE.

Business rules are not clear and vary from institute to institute and program to program, with no centralised planning or scheduling. There is duplication of program scheduling amongst three institutions. So there are some very serious problems with TAFE and this has been hanging around for a very long time under this government. It has given up trying to fix it itself and is now bringing consultants in to do that.

The unfortunate thing about that, of course, is that it goes back to the fact that every family wants opportunities for themselves and for their children and those opportunities are employment. This government has failed dramatically in employment since making a boastful promise just before, or on the eve of, the last state election of creating 100,000 new jobs here in South Australia. I see those job figures month by month and it reminds me of how difficult it was when I was a young school leaver looking for a job, and I do not wish that upon anyone. Those opportunities should be there, but those opportunities are being diminished by the poor management of this government in South Australia.

I would like now to turn to education policy, and we know that there has been a lot of debate just recently about education policy. The Gonski review is a two-year review of education funding in South Australia, but of course other areas of the education system were noted by David Gonski in that review and one of those was the need to engage parents. David Gonski pointed to successful systems around the world and found commonalities with those systems, and they were the engagement of parents, the focus on teacher quality and local school management.

These are all big issues that translate to good student outcomes in education systems elsewhere. Of course, the Grattan Institute found similar results when it examined what was happening with our near neighbours, and it went down to the way in which schools are managed. Do not forget that, when it came to office, Labor's first priority after winning the 2002 election was to halt moves that the Liberal Party had put in place to move towards local school management. They agreed to union demands for minimum class sizes; and, of course, the Grattan Institute was extremely critical of the money that has been wasted on focusing purely on class sizes to improve educational outcomes.

However, this government caved into the Australian Education Union demands and wrote those class sizes into EB agreements. We now know 10 years later—David Gonski has told us 10 years later—that in Australia we have seen slippage in education outcomes, particularly in numeracy and literacy and scientific endeavour over the last 10 years. What is not spelt out but is there by implication in the Gonski review is that, of course, education systems in Australia are run by state governments, and for the last 10 years every state and territory government in Australia has been a Labor government with education policies that have been countersigned by the Australian Education Union.

We saw that the Western Australian Liberal government (which was elected after a considerable time) started introducing in 2008 independent public schools, which virtually gave schools a one-line budget and which enabled principals to have much more control over their teaching staff, their budgets and even their curriculum outcomes. In 2008 Western Australia was bouncing on the bottom in NAPLAN scores, but we now see an improvement last year in Western Australian NAPLAN results in 14 out of 20 categories.

But what happened here in South Australia? Here in South Australia we actually saw a decline in NAPLAN results in 14 out of 20 categories, and that is on top of declines year after year prior to that. What we are talking about is a decline between 2009 and 2010 in South Australia. The first year that Jay Weatherill was the education minister we saw significant declines in the NAPLAN scores, and that is on top of declines that we have seen in previous years.

What is interesting about that, too, of course, as someone who came out of the government school system at Salisbury High School, and what is concerning for me is that both the Catholic education system has made public statements that its 2010 NAPLAN scores saw its students above the national average and the independent system has seen its NAPLAN scores

above the national average. We look at what it is that has been dragging down South Australia's NAPLAN scores, and the unfortunate thing for South Australia is that it has been government schools—schools that have been run and administered by the Labor Party over the last 10 years in South Australia.

The *Sunday Mail* report, of course, was interesting: it identified that half the government schools in South Australia have worse NAPLAN scores now than they had when NAPLAN tests started in 2008. It is a serious problem: numeracy and literacy are a serious problem. Talk to any employer in South Australia about the literacy levels of students in South Australia, and talk to the universities.

It is interesting that last Friday, or the previous Friday I should say, the University of South Australia announced wide and sweeping changes in many of its university degrees to include English as a prerequisite. We know, of course, that this government spent \$70 million (that we know of) developing the new SACE. This was at a time when the rest of the nation was talking about moving to a national curriculum, but this government decided, no, it was going to go it alone.

When discussions first started about a national curriculum, it was a Howard Liberal government initiative and the then education minister (Jane Lomax-Smith) said that they would not have a bar of the national curriculum and that it would not make one iota of difference. I think that was her exact phrase: not one iota of difference here in South Australia. Of course, when the national curriculum was adopted by the Rudd government, the Labor government here in South Australia decided that it must be a good idea if it is a Labor idea. While it was a Liberal idea, they were opposed to it.

They were putting ideological differences and politics before the interests of South Australian students and for that they should never be forgiven. They spent \$70 million of taxpayers' money that could have been spent on numeracy and literacy programs, including increasing teacher quality here in South Australia, but it was spent on a new SACE that will be defunct by 2015 when South Australia moves to a national curriculum. It is an absolute disgrace—

The Hon. M.J. Atkinson: Another absolute disgrace.

Mr PISONI: —and a case of poor mismanagement. I am pleased the member for Croydon agrees with me that it is an absolute disgrace. There are a few other points I would like to put into *Hansard* about where I think things have gone wrong with education over the last 10 years.

As the rest of the country is moving to give principals more control of their schools, in the last EBA—because it was put through in a rush to get it finished before the election—the government agreed to personnel advisory committees. These are made up of the principal, a union rep and an occupational health and safety rep; in other words, the principal was outnumbered by staff for any decision that involved staff in the school. For example, if a principal wants to move a teacher from one classroom to another for whatever reason, that decision must go to the personnel advisory committee and its decision is binding. If the principal does not agree, he has to take it to another level and see the regional director. It is an outrageous and ridiculous situation for a principal to be in.

We hire our principals and trust them to run our schools, and yet the mechanisms and the management processes we have in place do not allow them to do that. We hold them accountable for their outcomes, but we do not let them manage their schools. The education outcomes this government has delivered in the last 10 years are a testament to a failed system that has been countersigned by the Australian Education Union and by the Labor government.

Mr PEDERICK (Hammond) (12:44): I rise to make my contribution to the Supply Bill debate.

The Hon. M.J. Atkinson: Yes, we can see that.

Mr PEDERICK: I am glad that the member for—

The Hon. M.J. Atkinson interjecting:

The DEPUTY SPEAKER: Member for Croydon, do you wish to take an early lunch break?

The Hon. M.J. Atkinson: I have some doorknocking to do in the—

The DEPUTY SPEAKER: You may be forced to in a minute.

Mr PEDERICK: Thank you for your protection, Mr Deputy Speaker. I am pleased that the member for Croydon is so pleased that I am making my contribution today. In my comments in regard to the Supply Bill I want to talk about some of the industries and activities in agriculture in this state that receive no support. We have seen United Dairy Power over a period of months—and I was involved in the discussion with the government over a period of about nine or 10 months—seeking government assistance to purchase the two factories from Lion or National Foods in Murray Bridge and Jervois. We had many discussions with minister O'Brien in the first instance and then minister Gago. I note that Brent Lewis from Regional Development Australia was involved in this, as was Allan Arbon, the mayor of Murray Bridge.

What we are dealing with here is a factory in Murray Bridge and a cheese factory in Jervois employing somewhere around 120 staff. United Dairy Power sought stamp duty relief and payroll tax relief from the government. The government strung this along until it got to the stage where United Dairy Power bit the bullet—and I give them credit for this—and purchased the two plants anyway.

I was informed by Tony Esposito from United Dairy Power only this morning that he is in receipt of correspondence from the Minister for Agriculture saying that no funding will be forthcoming. This is extremely disappointing, not just for those workers in Murray Bridge and Jervois, but for the dairy industry in South Australia as a whole. Dairying has suffered a lot, as has most of agriculture in the last decade, before the last couple of reasonable wet years. The high dollar is hurting businesses, and we have seen loss in dairies on the Lower Murray swamps when there has been no water and people walking away from properties because it has become too difficult to run dairy operations.

What saddens me is that I do not think that the government realises the contribution that dairying makes to this state. If the two factories go—and who knows what could happen in the future—it will put at very real risk where milk produced in this state is treated and used. It could end up going to the Eastern States. So, we will end up with a milk factory here in Adelaide and the rest of it will go to the Eastern States. What does that do for our milk producers in this state?

I note that on 28 November, I think—and I could not be at the meeting because I was meeting with the Hon. Tom Koutsantonis on a mining matter—Mayor Allan Arbon and Brent Lewis met with minister Gago, and they said that they were taking the issue to Treasury. When I met with minister Gago recently I was told that they had only just referred that to Treasury. I would like to know what goes on in the background—not much, I believe.

There is a very real chance that we could see job losses here because there has not been any support. United Dairy Power realised that there was not a lot of cash about, so it tried to come at it from another angle, seeking stamp duty relief and payroll tax relief for this operation.

We see the car industry in this state—GMH—receiving \$50 million of state money. We see \$20 million going into the Riverland, assisting industries there, and that is good, but what about the industries of the Lower Murray who have suffered so much in this last drought event and over the last decade?

I also want to talk about where we are going with the control and management—or non-control and non-management—of branched broomrape in this state. We see the government meekly agreeing with what the national body says. It is trying to tell the community and me, as the local member, that branched broomrape cannot be controlled. I think it is a matter of putting your head to the grindstone and getting on with the job—just get on with it. We have seen 10 years of investment into this program—\$45 million—\$2.6 million annually from the federal government, \$1.9 million annually from the state government and, over that period, we have seen somewhere around \$70 million of contributions made by primary producers to help combat this pest.

I note that the minister is going to give members of parliament a briefing, and I would like to think that there will be some good news in that briefing, but I very much doubt it. We have people, as I mentioned in this place before, who have reached the 12-year stage and they have been released from quarantine with regard to branch broomrape, but there is so much uncertainty now. There is uncertainty of markets—where will the grain go? I do not believe that the government has had serious consultations with people like Viterra, which looks like being purchased by Glencore and, obviously, without our major grain trader in this state, who holds most of the assets?

What conversations has the government had with our meat processors? What happens if we have a whole region of hundreds of thousands of acres in the Murraylands affected—and it encompasses my electorate, the member for Schubert's electorate and maybe even goes into the

member for Chaffey's electorate? What hope have these people got if there are trade sanctions brought against them and they cannot get rid of this produce? This will not only impact the Murraylands. This could impact on the whole state's viability, not only due to interstate trade sanctions imposed on us because of this non-activity against branch broomrape but it could also have national implications as well.

This all gets back to where the government is going with the so-called cost recovery process. We have seen it enacted in fisheries and aquaculture, with more and more costs imposed on these industries with the so-called idea of cost recovery. I remember the debate I had with minister McEwen about four or five years ago with regard to oyster fees, and we have never received a reasonable response on what those fees were from the department and how they calculated them. I think with cost recovery, we see that the departments are told, 'We need to recover this much money, you work it out.' I do not think it has anything to do with reality. I think it is all about departments and ministers saying, 'We need to find so many million dollars. You target the industries under you, and we'll give them some loose response on how we value that cost recovery program.'

At the moment I know that there are discussions going on with land-based aquaculture as one of the final groups in that area to be hit with the cost recovery process. Land-based aquaculture is a fairly fledgling business. Land-based aquaculture has been attempted over many years. Plenty of people have given it a go and not that many have survived. It is a business where basically sometimes you have to sleep on site to make sure that nothing goes wrong. You have to have the water right, the temperature right and the whole program right to make sure that it all operates. I remember years ago going out to the Bedford site at Cooke Plains, which is now abandoned, where there was a project to farm fish and betacarotene, but that has all long fallen over.

There are success stories, and I have met with some of those people recently but, like everyone else, they are fearful that they are going to be taxed out of existence. Basically, it gets down to whether or not we will keep striving to produce these fish using the aquacultural farming method. As time goes on, and as we need to feed a hungrier and hungrier world, aquaculture will take up more and more of a percentage with regard to fish to feed the world than wildcatch. Wildcatch still plays a very significant role in this but aquaculture will slowly take up those percentages with regard to the amount of fish eaten throughout the world.

We see this issue reflected in agriculture. The property identification code fee has come in at \$38 per annum, and then the government is going to introduce further biosecurity fees. Thankfully, the government has actually listened. They are doing their own investigation into how they can justify these fees. I am a bit concerned that they may put up this investigation just to justify why they want to charge farmers more fees. On our referral, it has gone to the same issue, with biosecurity going before the Environment Resources and Development Committee for it to have a look at it.

You have to wonder why the government takes its foot off the pedal in regard to primary industries in this state. We are in the budget process now, and \$80 million is being taken out of the agriculture over—

The Hon. M.J. Atkinson interjecting:

Mr PEDERICK: —you can make a contribution later, Mick—four years, and we have seen around 400 staff leave. I have heard that morale is just terrible in Primary Industries, and it is under this Labor government that this has all happened. They need to be brought to account—

The Hon. A. Koutsantonis interjecting:

Mr PEDERICK: Well, it's the truth; it is what is happening out there. I know people who have given very good service to Primary Industries over many years. They took the handshake because they knew it was their best chance to do the best for themselves, but they went reluctantly, knowing that things would become worse over time.

I want to talk about the Environment Protection Authority (EPA)—some people's favourite organisation—and its proposal to introduce inland waters desalination fees. This affects my constituents around Lake Alexandrina and Lake Albert. People around Lake Albert who have put in desalination plants still have to use them unless they are paying a high price for water out of the reticulated pipeline.

Most of the plants, from my understanding—and about eight were installed around Lake Alexandrina—are basically in care and control, or perhaps they just run them to keep the system running. They might use it for a bit of spray because the water out of Lake Alexandrina is good enough at the moment to use for irrigation or stock water.

I was talking to a person yesterday who invested \$1 million in this project. It is about \$200,000 to \$250,000 alone just in the desalination plant itself, and then there is all the other infrastructure that has to go in under council guidance, council regulation and EPA regulation on how you manage the brine dams and that sort of thing. It can be released back into bores, a clay-based dam, or a plastic-lined dam. The plastic is guaranteed for 25 years, so you would like to think it would last for 30 years.

Another constituent spent \$120,000 just on building this dam. This was because these people were told during the drought that they would not get any assistance, that there would be no other access for water. So, they were proactive in making sure they got going and took their future in their own hands and invested millions of dollars between them so that they could be viable. One of my constituents is getting close to 70 years old. He said he would have liked to retire soon, but he has to keep going because he has made this million-dollar investment.

Our friends at the EPA have come out five years after the event and looked at it as a cash cow. They have decided that we are going to put some cost recovery measures into licensing these desalination plants and the associated brine disposal. I seek leave to continue my remarks.

Leave granted; debate adjourned.

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

STANDING AND SESSIONAL ORDERS

The SPEAKER (14:00): Yesterday the member for MacKillop questioned the authority of the Chair to require the member to withdraw from the chamber. The member questioned the validity of the sessional orders adopted by the house on 29 February relating to both the Speaker's authority to require a disorderly member to withdraw from the chamber for up to one hour and, presumably, given the nature of the member's complaint, the other sessional order adopted that day limiting the time for a minister's answer to a question without notice to four minutes.

If the member's complaint can be sustained then it calls into question the proceedings of the house in relation to its current sitting times, the conduct of private members' business, the delivery and receipt of messages between the houses, and the Citizen's Right of Reply provisions and any other sessional order adopted by the house. The sessional orders under which the house currently operates are adopted by way of the suspension of standing orders pursuant to standing orders 398 and 400. Standing order 398 makes specific mention of both standing and sessional orders.

Section 55 of the current Constitution Act reflects that practice and is consistent with Blackmore's 1885 advice that the Governor's approval is required for standing rules and orders. A more contemporary authority, the *House of Representatives Practice* (4th Edition), at page 186 says:

The House has often adopted sessional orders, which are temporary standing orders or temporary changes to standing orders, in order, for example, to enable experimentation with a new procedure or arrangement before a permanent change is made to the standing orders.

I believe the house can have confidence in the validity of these and previous sessional orders, but as always the Chair will take the direction of the house should it consider that further advice is wanted. I also have to thank the clerks for the considerable amount of work that they have put into this. I would also remind the member for MacKillop that today it could be quite within my justification to further name you for a further three days as a previous Speaker may have done. However, I will be lenient at this stage.

QUESTION WITHOUT NOTICE REPLY

The SPEAKER (14:03): Further to that, this morning the member for Bragg raised a point of order on the adequacy of an answer provided by the Attorney-General to a question taken on notice which as Speaker yesterday I authorised the publication of in *Hansard* pursuant to standing order 103. Answers to questions are published in *Hansard* pursuant to this standing order if the

Speaker is satisfied that the answer addresses the substance of the question and it does not contain debate.

On further consideration of the answer provided by the Attorney-General, there is nothing to suggest that the answer contravenes standing orders on the criteria set out above. As to the adequacy of the answer it is not part of the Speaker's role to make such a judgement. A test of adequacy is whether the answer addresses the question by being relevant to it. The house itself, and public opinion, are the judges of the adequacy of a reply by making a political judgement on the matter.

For the reasons I have set out above I advise the house that my earlier direction that the answer be published in *Hansard* will stand.

Ms CHAPMAN (Bragg) (14:04): A further point of order, Madam Speaker, if I may. Thank you very much for the consideration you have given that. My further point is to ask you, given the substance of the response, which was to find some other source, how you are able to make the assessment that the answer was adequate, and if you did inquire of the other source, namely through the Hon. Rob Lucas, to view the documents to be satisfied that there had been an adequate answer. I would appreciate your response on that.

The SPEAKER: Thank you, member for Bragg. I did not consult with the member; however, if you choose to do that I will point out again what I said, that it is not up to me to make that judgement. The public will make that decision. However, I will follow that up and get back to you again.

VISITORS

The SPEAKER: I advise members of the presence in the gallery today of a group of students from Our Lady of Mount Carmel Parish School, who are guests of the Premier. Welcome. We are pleased to see you here and we hope you enjoy your time here.

ANSWERS TO QUESTIONS

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

SIGNAL PASSED AT DANGER INCIDENTS

226 Dr McFETRIDGE (Morphett) (15 March 2011) (First Session).

1. How many Signal Passed at Danger (SPAD) incidents were there in each year since 2006?
2. How many incidents were investigated and how many investigations have been completed?
3. What corrective action has been taken to educate train drivers?
4. How many train drivers involved in SPADs had less than 12 months driving experience?

The Hon. C.C. FOX (Bright—Minister for Transport Services): I am advised:

1. Since 2006 there were:
 - 11 Train SPAD incidents in 2006
 - 11 Train SPAD incidents in 2007
 - 15 Train SPAD incidents in 2008
 - 10 Train SPAD incidents in 2009
 - 8 Train SPAD incidents in 2010
 - 3 Train SPAD incidents to March 9, 2011.
2. All train SPAD incidents have been investigated and completed for the period 2006 to March 9, 2011.
3. The following actions have been taken in relation to the education of train drivers:

- A SPAD committee comprising of drivers and management representatives meet each month to review SPAD incidents, the SPAD management program and develop SPAD mitigation strategies.
- A SPAD policy has been developed to provide guidance and support to drivers and the SPAD management program.
- Ongoing discussion regarding SPAD issues occur at daily driver briefings provided by Senior Drivers.
- A SPAD awareness board has been erected in the Adelaide Railway Station to inform staff of SPAD performance including number for current and previous period, incident signal numbers, trend data and graphs
- SPAD Alert posters are displayed to train drivers within 24 hours of any SPAD incident.
- The recruitment process for drivers now includes psychometric testing designed to identify a candidate's propensity for response to rail signals.
- The level of supervision, retraining and reassessment of drivers involved in SPAD incidents, as deemed required on an individual basis; and
- Signal Sighting Assessments are conducted on an ongoing basis throughout the network which has contributed to a progressive LED upgrade of signals to improve sighting capability.

Furthermore, acquisition of an Automatic Train Protection system, announced in the most recent State Budget, is progressing with several systems presently being assessed. The departure procedure for trains leaving Adelaide Railway was reviewed throughout the year with a new procedure that reflects ATSB recommendations being adopted in October 2011. The driver training program has also been revised and extended to include twice as much one on one tuition on the mainline, and now includes a period working in Adelaide Railway Station to consolidate safeworking knowledge.

4. 15 drivers involved in the 59 SPADs between 2006 and March 9, 2011, had less than 12 months driving experience.

ROYAL ADELAIDE HOSPITAL

In reply to **Ms CHAPMAN (Bragg)** (23 February 2011) (First Session).

The Hon. J.D. HILL (Kaurna—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for the Arts): I am advised:

1. Consistent with other PPP projects done in South Australia, the government released details of the new Royal Adelaide Hospital PPP contract 60 days after the contract was signed, including the total value of the signed contract.

This disclosure arrangement is in accordance with the State's contract disclosure policy set out in the Department of the Premier and Cabinet Circular 27—Disclosure of Government Contracts.

PUBLIC SERVICE ASSOCIATION LEGAL CHALLENGE

In reply to **Mr TRELOAR (Flinders)** (9 June 2011) (First Session).

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Minister for State Development): I have been advised of the following:

The Public Service Association initiated legal action in the Industrial Commission in respect of employee entitlements and security of tenure. The Full Commission found it had no jurisdiction to hear the matter. The PSA took judicial review proceedings in the Supreme Court and those proceedings were dismissed by the Full Court of the Supreme Court.

The PSA has obtained special leave to appeal to the High Court.

The Government has spent the sum of \$26,986.85 on counsel fees in relation to the Public Service Association's challenge. Those fees were incurred in relation to the Full Commission and Full Court proceedings.

Other work performed has been undertaken by Government lawyers within existing budgets. There have been no legal costs awarded for or against either of the parties by the Commission or the Courts at this stage.

No further fees were incurred once external counsel ceased.

ADELAIDE OVAL

In reply to **Mr GRIFFITHS (Goyder)** (8 November 2011) (First Session).

The Hon. P.F. CONLON (Elder—Minister for Transport and Infrastructure, Minister for Housing and Urban Development): The funds expended were on professional services contractor fees for the Schematic Design and Design Development which included the delivery of tender documents for the first phase of the tender call process.

This activity was included in the broad scope of services provided by these contractors and it is not possible to provide a discrete sum attributed to the tender call alone.

HEALTH DEPARTMENT

In reply to **Mr HAMILTON-SMITH (Waite)** (15 February 2012).

The Hon. J.D. HILL (Kaurna—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for the Arts): I am advised:

1. At 28 February 2012, the quantum of double-paid accounts made by the Department for Health and Ageing for financial year 2010-11 was \$7,031,542.
2. As at 28 February 2012, \$7,020,744 has been resolved, leaving \$10,798 to be recovered. The Department foresees no reasons why the remaining value will not be fully recovered.

HEALTH DEPARTMENT

In reply to **Mr HAMILTON-SMITH (Waite)** (15 February 2012).

The Hon. J.D. HILL (Kaurna—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for the Arts): I am advised:

1. As at 30 June 2011 and on a monthly basis since, all SA Health entities have reconciled their bank accounts. The clearing of receipts continues through business-as-usual processes and includes receipts received through multiple legacy bank accounts across hospital sites.

BAKER, HON. D.S.

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Minister for State Development) (14:08): On indulgence, I would like to make some brief remarks about the sad loss today of the Hon. Dale Baker after a lengthy battle with illness. Mr Baker was a member of this house from 1985 to 1997, holding the seats of Victoria and MacKillop. He served as deputy leader of the opposition from 1989 to 1990 and leader of the opposition from 1990 to 1992. Under the Brown and Olsen governments he served as minister for mines and energy, minister for primary industries and minister for finance. I personally extend my sympathies and best wishes to his immediate and extended family. They deserve to feel very proud of his contribution to this state. As agreed with the opposition, a more formal condolence motion will occur next week.

PAST ADOPTION PRACTICES

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Minister for State Development) (14:08): I seek leave to make a ministerial statement.

Leave granted.

The Hon. J.W. WEATHERILL: On 15 November 2010 the Australian Senate asked the Community Affairs Reference Committee to inquire into the role the commonwealth government may have had with regard to former forced adoption practices and policies. On 29 February 2012, the committee tabled its report, which is entitled 'The commonwealth contribution to former forced adoption policies and practices'.

Although this is a commonwealth report, members will be aware that adoption laws are the responsibility of state and territory governments. This report, therefore, has direct relevance for

South Australian families and our community as a whole. The report provides a comprehensive overview of adoption practices in Australia during the period from the 1950s to the mid-1980s. The committee made many recommendations, including that state and territory governments which administered adoptions should issue formal statements of apologies to those affected by forced adoptions. Some adoptions were conducted within the state welfare department, as well as in state hospitals, such as the Queen Victoria Hospital. We also know that many adoptions occurred with the involvement of churches and non-government agencies.

It is estimated that in South Australia there were a total of 17,000 children adopted between 1950 and 1980. It is not clear how many of those adoptions during this period may have involved coercion or forced removal of a child. What is clear is that many families were deeply affected by these past practices, and, as the Senate report recommends, an apology should be given for any impact that these past practices may have had on their lives.

Families need recognition of the fact that in cases where mothers felt pressure to relinquish children, they have spent decades dealing with the impact, as have their relinquished children. An apology should be made for these reasons, and I hereby advise the house that it is my intention to deliver an apology on behalf of the South Australian government and our community on Wednesday 13 June this year.

The task ahead of us now is understanding what form that apology should take to ensure that it is sincere for both the birth mothers and fathers, children and extended families. In formulating this apology, I have asked the Minister for Education and Child Development to engage with community groups and the people most affected by these past practices. I am committed to ensuring that this apology makes a significant contribution to those who have endured this suffering.

I call on all members of parliament to support this significant occasion to recognise and apologise for past adoption practices.

Honourable members: Hear, hear!

PAPERS

The following papers were laid on the table:

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

Country Health SA Hospital Inc—Annual Report 2010-11
 Health Service—
 Adelaide Annual Report 2010-11
 Children, Youth and Women's Annual Report 2010-11
 Health, Department of—Annual Report 2010-11
 SA Ambulance Service—Annual Report 2010-11

By the Minister for Employment, Higher Education and Skills (Hon. T.R. Kenyon)—

Education Adelaide—
 Charter 2011-12
 Performance Statement 2011-12

HEALTH DEPARTMENT ANNUAL REPORT

The Hon. J.D. HILL (Kaurana—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for the Arts) (14:12): I seek leave to make a ministerial statement.

Ms CHAPMAN: Point of order: I could not hear that. I could not hear whether the minister announced the South Australian Film Corporation annual report. Was that in that list?

The SPEAKER: I do not think there was any point of order in that. Minister, you are seeking leave to make a ministerial statement?

The Hon. J.D. HILL: I am, Madam Speaker; indeed, I am.

Leave granted.

The Hon. J.D. HILL: Thank you, Madam Speaker. Today, as you note, I tabled five annual reports, including the Department of Health's annual report for 2010-11. The department has been

awaiting the Auditor-General to complete his audit of the department's accounts. This has now occurred and the Auditor-General will hand down his report shortly, obviously at a time of his choosing. The Public Finance and Audit Act 1986 requires that the financial statements are lodged with the Auditor-General within 42 days of the end of the financial year.

Whilst the Department of Health met this 42-day statutory reporting obligation, other entities lodged their financial statements at various points in time between 11 August 2011 and 28 October 2011. Subsection 12(2) of the Public Sector Act 2009 requires a public sector agency to present its annual report within three months of the end of the financial year. Under subsection 12(9) a written statement must be provided with, and at the same time as, the completed annual report if there is a delay in provision of an annual report, and this ministerial statement does that.

In light of the implementation of the new statewide financial Oracle accounting system and its use in the preparation of all SA Health entity financial statements, the Auditor-General did not finalise the audit of the department's financial statements before receiving and completing the audits of regional financial statements. This change in audit methodology has delayed the Department of Health from lodging its annual report until the Auditor-General completed his audit of all SA Health entities, as I have informed the house before.

With respect to the Department of Health, SA Ambulance Service and the Women's and Children's Health Service, the Auditor-General found that the financial reports were materially correct and provided an unqualified audit opinion. The Auditor-General did however make reference to control deficiencies and inadequate management attention given to the effective and timely reconciliation of various account balances.

In relation to Country Health SA and the then Adelaide health service, the Auditor-General found there were limitations in the ability to trace transactional data to Oracle from the old Legacy financial systems that are being phased out. As a result, the Auditor-General was unable to obtain sufficient audit evidence in relation to revenue raised from fees and charges, receivables and cash, and cash equivalents, in order to provide an unqualified audit opinion. He has also made comment in relation to the inability to obtain transactional data for staff benefit expenses, supplies and services, and payables in order to provide an unqualified audit opinion.

The department of health has signed off on the financial statements and has acknowledged the Auditor-General's findings in relation to deficiencies in financial reconciliations performed during 2010-11. The department, however, considers that these lapses and controls have not materially impacted—

Ms Chapman interjecting:

The SPEAKER: Member for Bragg, order!

The Hon. J.D. HILL: The department, however, considers that these lapses and controls have not materially impacted the department's financial result or the financial information contained in the financial statements.

The issues raised by the Auditor-General are the result of difficulties associated with phasing out the old Legacy financial systems and implementing the new statewide financial Oracle system. Concurrent with the change to Oracle, the department is moving towards a single integrated financial model.

The Auditor-General has not identified any issues with the Oracle system per se. The need for this system was essential, given the existing disparate outdated Legacy systems that in some instances were experiencing operational issues. These Legacy systems are reaching their technological obsolescence and becoming more costly to maintain. In time, the Oracle system and the integration of financial management functions centrally within SA Health will achieve greater efficiencies through economies of scale in support personnel, infrastructure and licensing costs. The new statewide system will also provide more rigorous financial controls and the consolidation of banking across the portfolio.

VISITORS

The SPEAKER: I draw attention to the presence in the gallery of a group from the Adelaide Secondary School of English, who are guests of the member for Croydon. It is very nice to see you here and we hope you enjoy your time here.

LEGISLATIVE REVIEW COMMITTEE

Mr SIBBONS (Mitchell) (14:17): I bring up the 52nd report of the committee.
Report received.

NATURAL RESOURCES COMMITTEE

The Hon. S.W. KEY (Ashford) (14:18): I bring up the 64th report of the committee, entitled Water Resources Management in the Murray-Darling Basin: Volume 3.
Report received and ordered to be published.

QUESTION TIME**GM HOLDEN**

Mrs REDMOND (Heysen—Leader of the Opposition) (14:18): My question is to the Premier. How does the Premier explain that a Holden spokesperson has today stated that the Premier has been given a figure on the number of job losses which could occur at Holden, even after the co-investment package has been agreed? Today's statement from Holden's spokesperson is directly at odds with what the Premier told parliament yesterday.

The SPEAKER: I presume that has come from a newspaper, and ministers are not expected to respond to newspaper or media reports. However, the Premier is very lenient in answering these questions. He is always prepared to answer.

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Minister for State Development) (14:19): Thank you, Madam Speaker, simply because the remarks made by the Holden's spokesperson are entirely consistent with the remarks that I made yesterday—entirely—and all my public remarks.

Members interjecting:

The SPEAKER: Order! The member for Mitchell.

AUSTRALIAN SWIMMING CHAMPIONSHIPS

Mr SIBBONS (Mitchell) (14:19): Can the Premier inform the house on the success of the recent Australian swimming championships?

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Minister for State Development) (14:19): I had the great pleasure of attending the 2012 swimming championships—

Members interjecting:

The SPEAKER: Order!

The Hon. J.W. WEATHERILL: —which were a huge success and have cemented the South Australian Aquatic and Leisure Centre as one of the best swimming venues in Australia. Indeed, everywhere I went at that event, people were coming up to me and telling me that precise thing. All of the national officials, people who are significant national officials on our Olympic Committee, and also the national swimming bodies, were falling over themselves to say what a wonderful facility this is, and the future is obviously a very exciting one for South Australian swimming.

South Australians embraced the opportunity to see top level swimming with over 33,000 tickets sold and an amazing seven consecutive sell-out nights to ensure that the Adelaide Olympic Trials will go down as one of the most successful events ever. Spectators, competitors, coaches and officials were united in their praise for the event and its high level of organisation, and I want to pay particular tribute to the General Manager of Events SA, Hitaf Rasheed.

South Australia can look forward to many more top events at this world-class venue, including the Australian Olympic Dive Trials, the Australian Age Championships, the National Masters Swimming Championships, FINA World Junior Diving Championships, the Australian University Games, and the Rescue 2012 Lifesaving World Championships. Adelaide will also host the 2013 Australian Swimming Championships, which will act as selection trials for the FINA World Championships to be held in Barcelona, Spain.

I would particularly like to acknowledge and congratulate the 68 South Australians who competed over the eight days of the trial. South Australians take great pride in the success of our

athletes and I am sure that their efforts in future competitions will be watched and supported by all of us. In particular I would like to congratulate Hayden Stoeckel, who won the 100 metres backstroke and qualified for his second Olympic Games, and our very own Paralympic swimming legend Matthew Cowdrey, who won the 100 metres backstroke multiclass event, which will greatly assist in his quest to represent Australia in the London Paralympics.

The achievements of the South Australian competitors at the 2012 swimming championships is obviously a testament to their hard work. Lots of very early mornings, getting up when it is dark, doing lap after lap—that puts a lot of pressure on family and all sorts of relationships. I commend them for their commitment and thank all the volunteers and staff who did a wonderful job. They did South Australia proud.

GM HOLDEN

Mrs REDMOND (Heysen—Leader of the Opposition) (14:22): My question is again to the Premier. Will the Premier explain why his Minister for Manufacturing told the media on 22 March in relation to the Holden funding package, 'What we've guaranteed here is a workforce that will be building two new platforms with no forced redundancies'—a workforce of about 2,000—when the Premier has confirmed that Holden has 2,500 workers in South Australia, and is it the case that there could be about 500 fewer workers at Holden under this government funding deal?

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Minister for State Development) (14:23): It seems that the opposition is desperate to talk down the future of Holden's in South Australia.

Members interjecting:

The SPEAKER: Order!

The Hon. J.W. WEATHERILL: The essence of the future security of Holden's is the billion dollar investment that will be made by a private company here in South Australia. I would have thought that the leveraging of \$50 million for a billion dollar return, looks like, on any accounting—

Members interjecting:

The SPEAKER: Order! Point of order.

Mr WILLIAMS: Point of order, Madam Speaker: the opposition is going to be asked to contribute to a debate this afternoon and we are trying to get some basic information. We have one minister saying that there is going to be 2,000 workers—

The Hon. J.W. Weatherill: Would you please sit down.

Members interjecting:

The SPEAKER: Thank you. What is your point of order?

Mr WILLIAMS: Standing order 98, relevance. There is no relevance to the question about the numbers of employees at Holden's and the answer that the Premier is giving.

The SPEAKER: Thank you. The member will sit down. I am sure the Premier will keep that point of order in mind.

The Hon. J.W. WEATHERILL: Thank you, Madam Speaker, and, obviously, if I could be permitted to complete my answer, the members will have the information they need. In respect of the question of no forced redundancy, it was raised in the course of negotiations. Holden did repeat their commitment of no forced redundancies at Elizabeth. That is their policy, but it is also true to say that it is not an explicit term of the agreement, and that is the point of difference that I clarified, and the minister has been open about that.

The truth is that where the security comes from is, in fact, the investment of over \$1 billion, added to the \$275 million in public funding. That is the nature of the security for the future. I repeat, as I have consistently maintained, that I have been given no advice of any plan to shed jobs. This agreement is about growing Holden's. Is also true—

Mr Marshall: How many jobs?

The SPEAKER: Order!

The Hon. J.W. WEATHERILL: —that we have been advised of minimum levels of production in volumes and, therefore, minimum employment levels; but I have steadfastly

maintained that we are not going to put in the public sphere information which is commercially sensitive and which could damage Holden's competitive position. The fact that there is in the material that has been exchanged between the government and Holden's—

Mrs Redmond interjecting:

The SPEAKER: Order!

The Hon. J.W. WEATHERILL: —information about worst-case scenario propositions, which are not the objective of Holden's, is not the same as what jobs are likely to be there in the future. The security for Holden's workers—

Members interjecting:

The SPEAKER: Order!

The Hon. J.W. WEATHERILL: —the security that those opposite want to talk down, is the commitment of this government to invest in the future of Holden's.

Members interjecting:

The SPEAKER: Order! The member for Ramsay.

ADELAIDE FESTIVAL EVENTS

Ms BETTISON (Ramsay) (14:26): My question is to the Minister for the Arts. How successful was this year's festival period in Adelaide?

Members interjecting:

The Hon. J.D. HILL (Kaurana—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for the Arts) (14:26): Listen to it again, Madam Speaker, they just can't help but knock every single thing that ever happens in this state. I do thank the member for Ramsay—

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: —for her question, and I acknowledge her interest in the arts. As all members would understand, the Adelaide Festival and Fringe have brought vibrancy once again to our city over the last month. The 2012 Adelaide Festival program has been acknowledged by many critics and by the general public as one of the best in many years.

The Festival reached its \$2.6 million box office income target before opening night and achieved a total box office income of more than \$3 million for the 53 ticketed events. So, congratulations to Paul Grabowsky and his team. The Festival program included 386 performances, with 37 world premieres and 14 events which were exclusive to the city of Adelaide. It is anticipated that, once all the calculations are made, attendances will exceed 245,000. There were 65 sold-out performances. A total of 1,332 artists were involved, including 626 South Australians.

The outdoor late-night venue Barrio on the Festival Centre's plaza achieved an estimated 35,000 attendances to its marketplace, bars, stage and dance floor, plus programmed nightly entertainment. For those of you who got there you will realise what a great success it was. More than 5,000 people attended Ennio Morricone's outdoor concert on opening night. I am told that the maestro was so pleased with the performance of the Adelaide Symphony Orchestra and the chorus that he wants to return to perform again in Adelaide. I, for one, will be very pleased to hear him. It was fantastic.

The Hon. P.F. Conlon: Va bene!

The Hon. J.D. HILL: It was fantastic; va bene! The Art Gallery of South Australia's 2012 Adelaide Biennale of Australian Art has had more than 39,000 attendees. That exhibition is ongoing, and if members and others have yet to attend I recommend it to you. The state government now contributes a total of \$8 million per festival, making it, I understand, one of the most highly funded Australian festivals, and from this year on it is an annual event.

The 2012 annual Fringe once again was the biggest ever Fringe on record, featuring more than 4,000 artists in 923 events. Accessible ticket prices, an increase in artist registrations, brilliant new venues throughout the city and free buses, which connected them, and the quality and

diversity of the shows all contributed to this fine result, which confirms the Fringe as Australia's largest arts festival. The 2012 Fringe concluded with approximately 367,000 tickets sold, a 10 per cent increase on the 2011 ticket sales, with an approximate value of \$9 million, and pretty well all of that goes into the pockets of artists. That is compared with 2011's dollar value of just over \$8 million.

Final attendance figures and economic benefits for both the Fringe and Festival will be known when the results of respective independent market research studies are collated and made available. I can assure the house that I will be letting you know when they are there.

The SPEAKER: I just remind members, there is background noise when you are talking amongst yourselves and it may be picked up by the microphones and transmitted out for the world to hear, if anyone is listening. So, just be careful of your conversations. The Leader of the Opposition.

GM HOLDEN

Mrs REDMOND (Heysen—Leader of the Opposition) (14:30): My question is to the Minister for Manufacturing, Innovation and Trade. How did the minister get it wrong in two separate interviews on 22 March in relation to the Holden funding agreement and the issue of no forced redundancies? The minister said at a media conference on 22 March, 'What we've guaranteed here is a workforce that will be building two new platforms with no forced redundancies...' Then he said, later that day on radio, 'The guarantees we've got are no forced redundancies...they've promised no forced redundancies.'

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Manufacturing, Innovation and Trade, Minister for Mineral Resources and Energy, Minister for Small Business) (14:30): The difference is that Holden have a policy of no forced redundancies and they are investing \$1 billion. So, if you listened to your own comments, you would realise the error. What I did—

Members interjecting:

The SPEAKER: Order!

Members interjecting:

The Hon. A. KOUTSANTONIS: Exactly. I said you would realise the error.

Mr Marshall interjecting:

The SPEAKER: Order!

An honourable member interjecting:

The Hon. A. KOUTSANTONIS: Exactly; that is why I did. I just said I did. I understand that members opposite are so vain they can never apologise about anything. When I get something wrong, I apologise. I fess up. If we look opposite and see who apologises over there, I have heard no apology from the member for Unley about introducing fake documents to the parliament.

Mr WILLIAMS: Point of order: the minister is debating the answer.

The Hon. A. KOUTSANTONIS: I made my points very clear on radio this morning. Holden have a policy of no forced redundancies at Elizabeth. The government has leveraged \$1 billion worth of private investment into Holden's, guaranteeing two new platforms being built and production at Holden's until 2022. Only the Liberal Party would think that that is a bad thing.

Members interjecting:

The SPEAKER: Order! The member for Taylor.

REGIONAL LEVEL CROSSINGS

Mrs VLAHOS (Taylor) (14:31): My question is to the Minister for Road Safety. Can the Minister for Road Safety provide details on the plans to upgrade level crossings in regional South Australia?

The Hon. J.M. RANKINE (Wright—Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety, Minister for Multicultural Affairs) (14:32): I thank the member for Taylor for her question and commend her ongoing advocacy in this important matter. I am pleased to advise the house that \$2.3 million is being spent this financial year to improve safety levels at six railway crossings in regional South

Australia. This takes expenditure on level-crossing improvements to over \$11 million in the last four years, with 23 crossings in total upgraded.

Stop signs will be replaced with flashing lights, bells and boom gates at four crossings at Coonamia, Huddleston, Tailern Bend and Bordertown. Road shoulders have been widened at two crossings along the Two Wells to Mallala road, at intersections with Simpkin Road and Pratt Road. Subject to good weather, the level-crossing works will be finished by the middle of this year.

Investigations by the Australian Transport Safety Bureau have found that in almost every level-crossing crash there is very little the train driver could have done to prevent the accident. The government is continually highlighting the need to take care at rail crossings and is serious about improved rail safety. We are also committed to making sure people do the right thing and obey laws put in place to help protect them.

Last week, it became law to prosecute motorists for committing multiple road traffic crimes at level crossings. Previously, if a motorist was speeding and jumping a red light through a level crossing, it would only be possible to charge them for one offence. As of last week, motorists committing multiple road traffic offences at level crossings will be penalised for both offences.

I want to thank the house for allowing these legislative changes to pass into law and pay tribute particularly to the former shadow road safety minister, the member for Kavel, who played a significant role in ensuring the changes received bipartisan support. Any type of risk-taking at level crossings, whether you are a motorist, cyclist or a pedestrian, is hazardous and it goes without saying that there is absolutely no reason to play with fate by running warning lights and evading boom gates, as we know this can result in serious injury or death.

Only last week, while waiting at the rail crossing on Torrens Road, when the gates were down, the red lights were flashing, the bells were ringing, and amber lights were flashing warning pedestrians that more than one train was expected, I saw four people walk across the tracks. One was a mother with a baby in a pusher. She crossed one set of tracks where a passenger train had passed, nearly walking into a freight train. As she crossed that track, another passenger train passed behind her. Four trains passed that crossing within minutes; five people could have been killed.

The government has made a clear commitment to doing what it can to increase safety at rail crossings, and we are continually running rail safety promotion campaigns. However, no amount of lights, bells or boom gates can replace common sense and people taking individual responsibility for their safety and the safety of those they love.

GM HOLDEN

Mr MARSHALL (Norwood) (14:35): My question is to the Minister for Manufacturing Innovation and Trade. Was the minister correct when he told the media on 22 March in relation to the Holden funding package, and I quote, 'The guarantee that we have is they won't be firing people and there'll be clawback provisions if they do for our money'?

The Hon. P.F. CONLON: Point of order, Madam Speaker. I understand the opposition, but this is same question some three or four times. You can word it slightly differently, but—

Members interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: Member for Norwood, what was that thing you said, 'Lipstick on a pig'? If you take a mug and move him one seat further forward, is he still a mug? The—

Members interjecting:

The SPEAKER: Order! Thank you, minister.

The Hon. P.F. CONLON: I would simply ask that the opposition think of a new question.

The SPEAKER: Thank you, minister. Precisely. That did appear to me to be exactly the same question but asked in a different way. However, I will leave it up to the minister. If the minister chooses to answer it—

Members interjecting:

The SPEAKER: Order!

Mr WILLIAMS: Madam Speaker, do you want the opposition to read the two questions out again so that you can appreciate that they are different questions about different statements made by this minister?

The SPEAKER: Thank you; I will take you on your word. Minister.

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Manufacturing, Innovation and Trade, Minister for Mineral Resources and Energy, Minister for Small Business) (14:36): I think what the member for Norwood is saying is: is it appropriate to receive a government grant—

Members interjecting:

The SPEAKER: Order!

Mr WILLIAMS: Point of order: question time is where the opposition asks questions to get information from the minister; it is not for the minister to pose questions to himself. This is an important question about the minister making conflicting statements and completely confusing the public.

The SPEAKER: Thank you for your point of order; however, the minister can answer the question as he chooses. I do not think he said enough for us to say that at this stage. Minister, can you stick to the question?

The Hon. A. KOUTSANTONIS: Yes, Madam Speaker. The member for Norwood is an expert on government grants. He is one of the few people in this parliament who is a recipient of a government grant.

Members interjecting:

The SPEAKER: Order!

Mr WILLIAMS: Point of order, Madam Speaker. The minister is clearly flouting your directions. He is clearly flouting the standing orders of the parliament. The question asks the minister to explain his conflicting statements, statements which clearly conflict with fact. The opposition is asking the minister to explain that, not to go off on some other wild goose chase and debate.

The SPEAKER: I think I will have to analyse those questions very carefully. They still seem very similar to me; however, minister, you have chosen to answer the question.

The Hon. A. KOUTSANTONIS: Thank you, Madam Speaker. Given that the member for Norwood is an expert on receiving government grants—he received a government grant—

Members interjecting:

The SPEAKER: Order!

Mr WILLIAMS: Point of order, Madam Speaker.

The SPEAKER: If you are talking about standing order 98, I will refer the minister back to the substance of the question.

The Hon. A. KOUTSANTONIS: The member for Norwood received a \$50,000 government grant—

Members interjecting:

The SPEAKER: Order!

Mr WILLIAMS: Point of order, Madam Speaker. The minister is clearly defying the standing orders of the house. I have a little understanding of the standing orders of the house, and the minister is clearly defying them. Standing order 98 says that the minister, in answering a question, should answer the subject of the question and not debate the matter.

The SPEAKER: Thank you, member for MacKillop.

The Hon. A. KOUTSANTONIS: In the words of the member for MacKillop, it is the vibe; it is the gist.

The SPEAKER: Minister, could I refer you back to the substance of the question and ask you to now answer it.

The Hon. A. KOUTSANTONIS: Okay, Madam Speaker, I will not talk about the member for Norwood's \$50,000 government grant, which he used to sell his—

Members interjecting:

The SPEAKER: Order!

Mr PISONI: Point of order, Madam Speaker. We can talk about the \$450,000 that the shoppies union got in 2006.

The SPEAKER: The member for Unley will sit down. Minister, I have no idea what you are talking about but I know that it has nothing to do with the question.

The Hon. A. KOUTSANTONIS: I can explain, Madam Speaker.

Members interjecting:

The SPEAKER: Order! You will answer the question or you will sit down.

The Hon. A. KOUTSANTONIS: Yes, Madam Speaker. The member for Norwood is an expert on government grants. He is obviously an expert—

Members interjecting:

The SPEAKER: Order!

Mr WILLIAMS: Madam Speaker, standing order 98—

The SPEAKER: Thank you; I know standing order 98.

Mr WILLIAMS: —says that the minister must answer the subject of the question and he must not enter debate. The minister is clearly defying the standing orders and defying your ruling that he go back to the subject of the question.

Members interjecting:

The SPEAKER: Minister, can you please go back to the substance of the question. I don't know what you're talking about.

The Hon. A. KOUTSANTONIS: I know the member for Norwood is a protected species. I won't go into it any more. I will talk about it in the debate.

The SPEAKER: Thank you. You will answer the question, minister.

Mrs REDMOND: At what point does a member who happens to be a minister on that side of the house have to face consequences for defying the chair?

Honourable members: Hear, hear!

The SPEAKER: Thank you, Leader of the Opposition. I have directed the minister and I am quite sure that he will comply considering the nature of the debate that is following.

The Hon. A. KOUTSANTONIS: I said on radio this morning that I first of all wanted to apologise to anyone who may have felt that they were misled. I apologise, Madam Speaker. I feel that there is not much more that I can do than apologise. What I was talking about is that Holden has a policy of no forced redundancies at Elizabeth. They are investing a billion dollars at the Elizabeth plant. The only people who think this is a bad thing are the members opposite.

Members interjecting:

The SPEAKER: Order! The member for Light.

GOODS AND SERVICES TAX

Mr PICCOLO (Light) (14:40): My question is to the Treasurer. Can the Treasurer tell the house what he is doing to ensure that South Australia's fair share of GST revenue is maintained?

The Hon. J.J. SNELLING (Playford—Treasurer, Minister for Workers Rehabilitation, Minister for Defence Industries, Minister for Veterans' Affairs) (14:42): As members of the house would be aware, the Prime Minister and the federal Treasurer announced a review of the GST distribution last year to examine the current GST distribution arrangements—

The Hon. I.F. Evans interjecting:

The SPEAKER: Order!

The Hon. J.J. SNELLING: —and the underpinning principle of horizontal fiscal equalisation. It is nice to see the member for Davenport awake! South Australia is the beneficiary of current HFE arrangements—

The Hon. I.F. Evans interjecting:

The Hon. J.J. SNELLING: Sorry, Wang Wang? There is a bit of movement from Wang Wang; excellent. South Australia is a beneficiary of current HFE arrangements—

Members interjecting:

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

Members interjecting:

The SPEAKER: Order!

Mr Pederick: He is an absolute disgrace; he can't run the zoo.

The Hon. J.J. SNELLING: Oh dear. South Australia is a beneficiary of the current HFE arrangements, and given the importance of this issue to the state—sorry, there is someone at the back there.

Mr Pederick: Yes, there was.

The Hon. J.J. SNELLING: The voice of Christmas past? Three submissions have been lodged with the federal government's GST Review Panel. The submissions can be viewed on the South Australian Department of Treasury and Finance website and the commonwealth's GST distribution review website. South Australia's first submission to the review stated that a comprehensive approach to fiscal equalisation in Australia is a fundamental strength of our federation. All states should have the capacity to deliver the same standard of services irrespective of their economic or demographic characteristics. SA's submission states that HFE is not detrimental to national economic growth, does not undermine incentives for states to pursue growth-enhancing reforms and does not provide disincentives for states to pursue greater efficiency in service delivery.

The submission also makes the point that the current methodology used by the Commonwealth Grants Commission is not too complex given the magnitude and the importance of the equalisation objectives. South Australia has recently lodged two supplementary submissions. The first supplementary submission is based on analysis undertaken on the state government's behalf by respected economic modeller Chris Murphy from Independent Economics. Chris is well-known for his work on the Henry tax review.

The Independent Economics report shows that the welfare of not just South Australians but the entire Australian community would be diminished if HFE were abandoned. Per capita living standards would be lower in all states. This is because people's incentives as to where to live would not be based purely on economic opportunity. The abolition of HFE would allow mining rich states such as Western Australia to offer tax breaks to entice people to live there, effectively allowing resource rich states to create tax havens. No-one would think it efficient if the commonwealth government allowed tax havens to operate in any part of Australia, and those states that are opposed to HFE are effectively trying to be allowed to act as tax havens at the expense of other states and territories.

In November 2011 the terms of reference for the GST distribution review were expanded. The expanded terms of reference called for possible changes to the form of equalisation, firstly to ensure that HFE does not provide a disincentive to state tax reform; secondly to utilise HFE to provide incentives and disincentives to promote future state policy decisions which improve the efficiency of state taxes and mineral royalties; and thirdly to examine the incentives for states to reduce the mineral resources rent tax or petroleum resource rent tax revenue through increasing state mineral royalties.

South Australia's second supplementary submission in response to the expanded terms of reference comments on the review's proposal that the HFE system introduce an incentive scheme to allow the commonwealth to influence state tax policy and penalise the states for raising their mineral royalty rates. South Australia is prepared to explore tax reform options which are beneficial to the community, but not at the expense of the state's autonomy and revenue base.

South Australia does not consider that the current HFE system is an impediment to the achievement of a more efficient tax system. The best way for state tax reform to be achieved is

through multilateral negotiation between the commonwealth and the states. Each state should retain the ability to adjust its taxes to respond to budgetary conditions. Removing HFE completely could leave a \$1 billion hole in the South Australian budget every year. If this were to happen, South Australia would find itself in a position where it would be unable to maintain basic services. That is why I am fighting to ensure the current HFE system is maintained.

I have distributed copies of the first submission to all federal South Australian MPs and senators so that they are aware of the importance of HFE to our state. I have also written to the federal treasurer to convey South Australia's concerns about the commonwealth's expanded terms of reference. The GST distribution panel is expected to provide its interim report to the federal Treasurer soon. I hope the panel will consider the legitimate concerns that South Australia has raised and that the commonwealth government will not support any changes that would adversely impact on the standard of living of the people of South Australia.

The SPEAKER: Before I call the next question, I just remind ministers that they are also subject to the sessional orders, that there is a time limit and there is also an option for me to send a minister out, if necessary.

Mr WILLIAMS: Madam Speaker, may I seek a point of clarification? I understand that the minister just then went over the four minutes. I understand that yesterday a minister went over four minutes. I understand the day after we introduced those sessional orders the Premier went over the four minutes. Are there any sanctions against ministers who flout the sessional orders, the ones that they thought were so important that they railroaded them through the parliament?

The SPEAKER: Thank you, member for MacKillop; you can sit down. There is a provision in the sessional order that if the minister is interrupted they can be allowed to go longer. Sometimes because of the importance of the answer I let them go a bit longer, but I would ask ministers to keep that in mind, that they do have four minutes and in theory I should sit them down straightaway. Please keep that in mind. I thank you for your point of order.

Mrs Redmond interjecting:

The SPEAKER: If you read the sessional order you will see that if a minister is interrupted they are given time at the discretion of the Speaker. The member for Norwood.

GM HOLDEN

Mr MARSHALL (Norwood) (14:48): My question is to the Minister for Manufacturing, Innovation and Trade. How is it that the minister did not know the conditions of his own deal, given that it has now been revealed that the minister did not know, firstly, that there was no guarantee that Holden will not be firing people; secondly, that there was no guarantee that there would be no forced redundancies at Holden; and, thirdly, that there were no clawback provisions in the funding agreement with Holden relating to no forced redundancies?

The Hon. P.F. CONLON: Point of order: you can change the words around a little, but it remains the same question.

Mr Marshall interjecting:

The Hon. P.F. CONLON: Thank you. I think the people of South Australia deserve a new question.

Members interjecting:

The SPEAKER: Order! Minister, are you choosing to answer this question?

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Manufacturing, Innovation and Trade, Minister for Mineral Resources and Energy, Minister for Small Business) (14:49): Madam Speaker, I think it is clear from the comments that the Leader of the Opposition has read out into the *Hansard* that the reason I apologised is because people could have walked away with the perception that no forced redundancies was part of the agreement the government negotiated with Holden's. What I will say, Madam Speaker—

The SPEAKER: Order! Minister, can you turn and speak into your microphone; it is hard to hear.

The Hon. A. KOUTSANTONIS: I am sorry, Madam Speaker. From the comments read out into *Hansard* by the Leader of the Opposition, the reason I apologised to the people of South

Australia is because, if you had been listening to the press conference, you would have assumed that the no forced redundancies policy of Holden and the deal were one and the same.

Madam Speaker, Holden has a policy of no forced redundancies at Elizabeth. They are investing \$1 billion to build two new platforms. What I was saying was that we have secured the long-term future of Holden's. Now, the opposition can try to be as smug about this as they like. If there was any ambiguity about what I said, I cleared it up. Perhaps, maybe, members opposite could learn from the same example.

Members interjecting:

The SPEAKER: Order! Thank you, minister.

Members interjecting:

The SPEAKER: Order! The member for Little Para.

MURRAY-DARLING BASIN

Mr ODENWALDER (Little Para) (14:50): My question is the Minister for Water and the River Murray. Can the minister provide a summary of the water resources outlook for the Murray-Darling Basin for 2012-13?

The Hon. P. CAICA (Colton—Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (14:51): I thank the honourable member for his very important question. The Murray-Darling Basin has been experiencing unregulated flow conditions for most of 2011-12 which is passing through South Australia to the Lower Lakes and to the Coorong. This flow will assist in the maintenance of barrage releases over autumn and winter, which is expected to help improve salinity levels in lakes Alexandrina and Albert and to maintain connectivity with the Coorong.

The Murray-Darling Basin Authority recently confirmed that, based on the water resources outlook, South Australia will receive its full entitlement flow of 1,850 gigalitres in 2012-13, and, having received this confirmation from the authority, I was very pleased to announce that all River Murray entitlement holders in South Australia will begin the 2012-13 water year with 100 per cent allocation.

This early announcement gives our irrigators something that they have consistently requested, and indeed other water uses—the certainty they need to make important business decisions for the coming year, and it marks a welcome contrast to the experiences of the recent drought when opening allocations went as low as 2 per cent. The recent flooding across Queensland, New South Wales and Victoria has resulted in a significant improvement in the water resource availability, and an extension of the unregulated flow conditions is likely to occur until at least the end of June 2012 and probably into the 2012-13 water year. Wet catchments and high storage volumes increase the likelihood of spills occurring from upstream storages—

The SPEAKER: Order! Minister, there is a standing order that says there will be no quarrels across the floor. There seems to be an argument going on here across the floor, and if it keeps going members will be asked to leave—

Mr Marshall interjecting:

The SPEAKER: —including the member for Norwood. I would be very careful if I were you or you will have to leave. Minister, sorry to interrupt you.

The Hon. P. CAICA: That's all right, Madam Speaker, I was ignoring it—not you, Madam Speaker, ignoring the banter. Madam Speaker, I will get back to it. The wet—

The Hon. M.J. Wright interjecting:

The Hon. P. CAICA: No, I have been interrupted, and I will get within four minutes. Madam Speaker, wet catchments, as I said, and high storage volumes increase the likelihood of spills occurring from upstream storages, particularly in the spring; and with these prevailing conditions South Australia under the Murray-Darling Basin Agreement is prevented from deferring and storing entitlement flow for carryover purposes under our recently secured storage rights. Accordingly, no volume of water will be deferred and stored by the South Australian government on behalf of entitlement holders during the 2011-12-year for use in the following season.

While we, of course, all welcome the return of plentiful flows down the river system which underpin these decisions, we should not forget the devastating impacts of the drought which was

exacerbated by the overuse of basin water resources by upstream states. We have also seen how fragile the current system is when it comes to delivering water security to South Australian users given the impact of decisions by both Victoria and New South Wales to suspend various aspects of their water trade regimes. It was only the prompt action of the state government to suspend trade from New South Wales until 31 March that enabled the announcement that allocations would be 100 per cent for the next water year.

These events further emphasise the importance of the South Australian government's preparedness to take all actions necessary to ensure we get a strong basin plan which is capable of restoring the basin to a sustainable level of health and which underpins the security of all water entitlement holders.

MURRAY-DARLING BASIN

Mr WHETSTONE (Chaffey) (14:55): My question is to the Minister for Water and the River Murray. Given the minister's announcement on 23 March that water trading into South Australia would be suspended, will the minister confirm that he is carrying over 160 gigalitres of water sourced from the basin, originally purchased by the government for almost \$60 million and now worth less than \$2 million?

The Hon. P. CAICA (Colton—Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (14:55): Of course, during the most unprecedented drought in anyone's living memory when the ecology of the Lower Lakes was on the brink of collapse, a significant amount of water was purchased to ensure that critical human needs water was provided for. It is safe to say that over the extended period of time since then we have had quantities of water that have been available and used, and will continue to be used.

On the matter of carryover, I worked very closely with our irrigators in the Riverland, and elsewhere, to put in place a carryover system. That carryover system, of course, for this coming season has been compromised as a result of the decision of New South Wales to possibly look at ways by which they could circumvent the decision of trade with Victoria—pump it into South Australia, out of South Australia and into Victoria and, as a consequence of that, potentially, there is an implication that I could not provide 100 per cent carryover for our irrigators.

Given the circumstances that prevailed before with respect to carryover and its implications for my ability to be able to provide 100 per cent allocation to irrigators, I decided I would not compromise that this season. I am sure that the member for Chaffey supports the decision taken by the state government to ensure that his constituents, amongst others, are able to access 100 per cent of their water entitlement for next year.

MURRAY-DARLING BASIN

Mr WHETSTONE (Chaffey) (14:57): I have a supplementary, Madam Speaker. Will the minister explain why his department spent almost \$60 million of taxpayers' money on 160 gigalitres of water at a premium of up to 21 per cent above market rate, especially given now that the water is worth much less than \$2 million?

The SPEAKER: I will count that as a question.

The Hon. P. CAICA (Colton—Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (14:57): Madam Speaker, let me help the member for Chaffey, who is not across as many issues with respect to water as the previous member.

Mr WILLIAMS: Madam Speaker, under what standing order can a minister stand up and, before they start answering a serious question, give gratuitous insults across the chamber to members of the opposition?

The SPEAKER: Thank you, member for MacKillop. I did not actually take it as an insult. However, minister, you will answer the question, and be careful in your words.

The Hon. P. CAICA: Madam Speaker, I thank you for noticing that, because I did not deliver it as an insult. Quite simply, a great part of that question was answered in my previous answer. We were in the throes of the most unprecedented drought in anyone's living memory. Decisions were made at that time and we contemplated how we were going to manage the effects of this drought that were having implications—not just implications, Madam Speaker—

Mr WILLIAMS: Point of order, Madam Speaker.

The Hon. P. CAICA: I am getting to the answer.

Mr WILLIAMS: No, you are not.

The SPEAKER: What is your standing order?

Mr WILLIAMS: Standing order 98, Madam Speaker, relevance. The question was: why did the government pay a 21 per cent premium above the market rate for water they purchased?

The SPEAKER: Thank you. You can sit down: you have made your point. I do think the minister is answering this.

The Hon. P. CAICA: I am, Madam Speaker. I am doing my best.

The SPEAKER: I am listening carefully to what he says.

The Hon. P. CAICA: We were in the throes of the most unprecedented drought: I have said that before. But, also, we spent many tens of millions of dollars to purchase water at or around the market price at that stage to keep permanent plantings alive, to ensure that the Riverland itself, like the Lower Lakes, lived to fight another day.

Members interjecting:

The SPEAKER: Order!

The Hon. P. CAICA: The point I am making is that, just as we made the correct decision at that time to purchase water for critical human needs, we made the exact correct decision—

Mr WILLIAMS: Point of order, Madam Speaker. I repeat: the question was, 'Why did he pay a 21 per cent premium?'

The SPEAKER: Member for MacKillop sit down. I fail to see why you are saying that he is not answering the question. To me it is relevant to the question. If you have a different interpretation to it, you can come and see me after, but I believe he is answering the question. To me it makes sense. 'They were in the worst part of the drought, etc.'—that is relevant to the answer.

Mr Williams interjecting:

The SPEAKER: You will sit down, you will not question. I have not upheld your point of order. Minister, I refer you back to the question. We are running out of time.

The Hon. P. CAICA: Thank you Madam Speaker. I will finish the question. We did what we needed to do. We paid what we had to, to make sure that permanent plantings in the Riverland remained alive—which should suit the member for Chaffey and his constituents—and to do what was necessary to ensure that critical human needs for water was not compromised.

The SPEAKER: Thank you. Point of order.

Mr WHETSTONE: Madam Speaker, the question was about the 21 per cent above-market rate for 160 giganlitres of water, which they have not used.

The SPEAKER: Your question was about confirming payment—

Members interjecting:

The SPEAKER: Your second question—

Members interjecting:

The SPEAKER: I will look at the questions afterwards, but to me the question was, 'Will you confirm payment of...' in that second question. You can bring the questions to me afterwards and I will have a look. Member for Ashford.

SCHOOL AND INDUSTRY PROGRAM

The Hon. S.W. KEY (Ashford) (15:02): My question is directed to the Minister for Education and Child Development. Minister, can you inform the house on the progress of the school and industry program that I understand is taking place in a number of secondary schools with the aim of increasing the number of students taking up maths, science and technology that will be required for higher skilled jobs in the defence-related industries?

The Hon. G. PORTOLESI (Hartley—Minister for Education and Child Development) (15:02): I thank the member for Ashford for this important question. Our defence-related industries are incredibly important for building a strong foundation here in South Australia, in particular in relation to our advanced manufacturing future. Maths, science and technology skills of a high order are an essential component for many of these important jobs and careers in our industries.

There are careers in our booming defence industries and in our incredibly important automotive industry with companies such as Holden, and the many related component businesses in our state, together, of course, with the mining industry. That is why I am very pleased to report that there has been a great deal of effort by teachers and students in a number of our secondary schools to strengthen and further support these skills areas, and to ensure that what students learn is directly relevant to the needs of the industry.

We are now in our third year of working together with the federal government which is funding a \$5.7 million Advanced Technology Industry-School Pathways Program over five years. Three of our outstanding high schools, Henley High School, Aberfoyle Park High School and Valley View Secondary School, are leading the way, with 12 other partner schools across metropolitan area, including St Patrick's Technical College. I am very pleased to report that there are already 800 students in senior school courses—

An honourable member interjecting:

The Hon. G. PORTOLESI: Yes, it is a Catholic school, and we are very happy to work with our colleagues in the other sectors. There are already more than 800 students in senior school courses being supported by this really important program, together with a strong focus on years 8 to 10 students to encourage them to take up these subjects when they go into their senior years 11 and 12. Preliminary indications are very positive. For example, for the first time Henley High School has two year 12 physics classes this year—

Members interjecting:

The Hon. G. PORTOLESI: —fantastic school—while its year 10 advanced technology course has increased from one class last year to three this year. I take this opportunity to acknowledge and thank schools and industries with whom we partner for this outstanding partnership.

SCHOOLS, MATHS AND SCIENCE

Mr PISONI (Unley) (15:04): My question is for the Minister for Education and Child Development. Why, after 10 years of Labor, has the number of year 12 students passing maths and science fallen from 44 per cent to 37 per cent? Madam Speaker, I seek your leave to insert into *Hansard* statistical data, taken from the government's own Strategic Plan update, to support those figures.

Leave granted.

Proportion of students receiving a Tertiary Entrance Rank (TER) or equivalent with at least one of the following subjects: mathematics, physics and chemistry (2003 baseline)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
All students	44	42	41	39	38	37	35	35	37	37	45
Male	55	53	52	51	51	48	45	46	47	48	(target)
Female	37	34	33	31	29	29	28	27	29	29	
Baseline											

Source: SACE Board of South Australia

The Hon. G. PORTOLESI (Hartley—Minister for Education and Child Development) (15:05): I am very pleased to take this question. He is talking about 10 years of Labor government, so let's look at what we have done in the 10 years; for instance, let's look at our retention rates. Significant improvements—

Mr PISONI: Point of order, Madam Speaker—

Members interjecting:

The SPEAKER: Order! Point of order.

Mr PISONI: Point of order, Madam Speaker—

Members interjecting:

The SPEAKER: Order! I can't hear a word you're saying, member for Unley.

Mr PISONI: My question is specifically about maths and science, just as her previous question was specifically about maths and science, and she answered about maths and science. So I expect an answer about maths and science.

The SPEAKER: So your point of order is 98, I presume.

Members interjecting:

The SPEAKER: Order! Minister, I refer you back to the substance of the question. I have no idea what you're talking about; I couldn't hear you before.

The Hon. G. PORTOLESI: Madam Speaker, he referred to 10 years of Labor government. Yes, we do have a primary maths and science strategy worth over \$50 million. We are very, very proud of that, along with record investments in education in our state. The—

Members interjecting:

The SPEAKER: Order! You will listen to the minister.

The Hon. G. PORTOLESI: I think the member is referring to statements that he made in a press release today. That press release, as always, is laced with inaccuracies—

Members interjecting:

The SPEAKER: Order! Point of order.

Mr WILLIAMS: Point of order: the minister, in answering the question, is making an outrageous claim. The member for Unley in fact inserted a government document with the data in it supporting his question, and the minister is now making an outrageous claim that he is making up the data.

The SPEAKER: Thank you. I do support that the member for Unley inserted a table. Minister.

The Hon. G. PORTOLESI: The—

Mr Williams interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: Point of order: the stickler for standing orders just referred to the Minister for Education as Gracie, which is patronising, and I ask him to withdraw it.

Members interjecting:

The SPEAKER: Order! I certainly hope that the member didn't say that.

Members interjecting:

The SPEAKER: Order! This is getting ridiculous. We do not name call across the chamber, and everyone here knows that you do not refer to members by their name: you refer to them by their electorate or their ministry. We will stop it now. Minister, are you ready to resume your answer?

The Hon. G. PORTOLESI: Yes, I am. I refer to our primary mathematics and science strategy worth over \$50 million. It has funded approximately 2,600 teachers with intensive professional learning in science and approximately 8,600 teachers in maths since the program began in mid-2010. I did refer earlier to a statement that the member had made—and this is important. In that same statement he claims that there are 1,000 fewer teachers registered in South Australia than when this government came to power. I am informed that this is not the case. The Teachers Registration Board—

Members interjecting:

The SPEAKER: Order!

The Hon. G. PORTOLESI: —reports to me that, in fact, there are many more teachers registered in 2011 than there were in 2002. The point is that the member for Unley never lets the truth stand in the way of a good story.

Members interjecting:

The SPEAKER: Order!

Mr PISONI: Point of order: 127. The member is obviously making personal reflections on another member and I ask her to withdraw it.

The SPEAKER: I think we will move onto the next question. The minister will be very aware that that was out of order. Have you finished your answer, minister?

The Hon. G. PORTOLESI: I apologise.

The SPEAKER: Thank you. She has apologised.

SCHOOLS, MATHS AND SCIENCE

Mr PISONI (Unley) (15:09): Supplementary, if I may, Madam Speaker: why, then, after spending all that money, are fewer students passing maths and science in year 12 than what they were 10 years ago?

The SPEAKER: You are probably putting incredible expectations on the minister. How long is a piece of string? Minister.

The Hon. G. PORTOLESI (Hartley—Minister for Education and Child Development) (15:09): The member is referring to our NAPLAN testing. Our results have been steady and we are in the same—

Members interjecting:

The SPEAKER: Order! Point of order, member for Unley.

Members interjecting:

The SPEAKER: Order!

Mr PISONI: I do have a NAPLAN question but I haven't asked it yet.

The SPEAKER: Thank you, member for Unley. Minister? I think we will leave it at that. Member for Florey.

Members interjecting:

The SPEAKER: Order!

TRAINING AWARDS

Ms BEDFORD (Florey) (15:10): My question is to the Minister for Employment, Higher Education and Skills. Can the minister inform the house about recognition that highlights outstanding achievement in vocational education and training in South Australia?

The Hon. T.R. KENYON (Newland—Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for Recreation and Sport) (15:10): South Australia is recognised for our outstanding vocational education and training. Far from resting on our laurels, this state government is continuing to modernise our vocational education and training through the Skills for All reforms. These reforms will further increase the number of South Australians in training, further increase the overall skill levels in the state and further assist business and industry to ensure that they have the skilled workers required to succeed in the modern economy.

Nominations have now opened for the 2012 South Australian Training Awards—our peak state awards in vocational education and training. These awards, hosted by the Training and Skills Commission, recognise the accomplishments of students, apprentices, trainers, training organisations and businesses in South Australia's vocational education and training sector.

Individual award winners have the opportunity to raise their profiles and build their careers. Organisations have the chance to be recognised as leaders in South Australia for innovative approaches to vocational education and training. Nominations for the South Australian Training

Awards are now open and are open until Friday 25 May, with the winners expected to be announced on Friday 14 September.

Importantly, all winners are given an opportunity to represent South Australia at the Australian Training Awards that will be held on Friday 16 November in Melbourne. South Australia was very well represented at last year's Australian Training Awards, showing yet again that our state is producing outstanding individuals and organisations in the vocational education and training sector.

TAFE SA Regional was awarded the Large Training Provider of the Year. This award highlighted the high-quality skills training provided by TAFE SA to more than 24,000 students across 43 campuses and learning centres in regional South Australia.

The Australian Vocational Student of the Year was awarded to Vanessa Corbell, who excelled in her studies to complete a Certificate III in Floristry at the TAFE SA Tea Tree Gully campus. The Small Employer of the Year was awarded to the Murray Bridge Veterinary Clinic. This award was for the clinic's commitment to ongoing staff development integrated with accredited vocational education and training provided by the TAFE SA Gilles Plains campus.

The runner-up to the best VET Teacher of the Year was awarded to Dr Lewis Vaughan, a lecturer at the Veterinary and Applied Science Centre at Gilles Plains. Finally, Alexander Nikielski was the runner-up for the Australian School-Based Apprentice of the Year. He undertook an Australian School-Based Apprenticeship at St Patrick's Technical College and completed an electrotechnology electrician certificate III at TAFE SA Elizabeth campus.

The SA Training Awards showcase high-quality training and strong industry partnerships that are vital for improving skill levels to ensure our state's continued economic success. I call on all our outstanding individuals and organisations from our vocational education and training sector to nominate for the South Australian Training Awards.

The SPEAKER: That was fine, but I will let ministers know that there is a move to try to find some way that we can provide a clock so ministers know that their time is nearly up, but that was nothing to do with you. You had plenty of time left, but we are looking at a system where ministers do know how much longer they have with the new sessional order. The member for Unley.

NATIONAL LITERACY AND NUMERACY TESTS

Mr PISONI (Unley) (15:14): My question is to the Minister for Education and Child Development. Why, after 10 years of Labor, have South Australian students performed worse in 14 out of 20 categories in last year's NAPLAN tests compared to the previous year and are now rating below the national average in all 20 categories in NAPLAN? I seek leave to insert the statistical data into *Hansard* supporting these figures.

Leave granted.

		SA	SA	SA	Aust
		2010	2011	2010 V 2011	2011
Year 3	Reading	401.6	402.8	0.30%	416.2
Year 3	Writing	410.8	399.3	-2.80%	415.5
Year 3	Spelling	387.9	392.4	1.16%	406.3
Year 3	Grammar	398.9	404.1	1.30%	421.6
Year 3	Numeracy	379.9	379.6	-0.08%	398.4
Year 5	Reading	476.4	478.5	0.44%	488.4
Year 5	Writing	479.5	469.4	-2.11%	482.5
Year 5	Spelling	479.2	474.4	-1.00%	484.3
Year 5	Grammar	486.9	486.2	-0.14%	499.7
Year 5	Numeracy	472.7	471.4	-0.28%	488
Year 7	Reading	543.1	534	-1.68%	540
Year 7	Writing	537	529	-1.49%	529.3
Year 7	Spelling	539.3	533.6	-1.06%	537.8

		SA	SA	SA	Aust
		2010	2011	2010 V 2011	2011
Year 7	Grammar	532.3	529.3	-0.56%	533
Year 7	Numeracy	538.2	535.3	-0.54%	544.9
Year 9	Reading	567.2	573.2	1.06%	579.6
Year 9	Writing	566.3	562.1	-0.74%	567.7
Year 9	Spelling	572.4	575.2	0.49%	581.5
Year 9	Grammar	573.8	567.7	-1.06%	572.8
Year 9	Numeracy	573.2	572.3	-0.16%	583.7

The Hon. G. PORTOLESI (Hartley—Minister for Education and Child Development) (15:14): The NAPLAN test is a very good instrument for measuring how students and schools are performing in relation to literacy and numeracy. It is one of the ways we measure student performance. Although members opposite are very keen on talking down our students and our teachers—

Members interjecting:

The SPEAKER: Order!

Mr PISONI: Point of order, Madam Speaker. That is an outrageous allegation from the education minister and I ask that it be withdrawn. The reference is standing order 127.

The SPEAKER: Minister, I would ask you to withdraw that.

The Hon. G. PORTOLESI: Sure; I withdraw. The vast majority of South Australian students are achieving at or above the minimum standards in all areas, with 95 per cent of students achieving this benchmark or above. Indeed, many students across all three of our schooling sectors are achieving outstanding results.

Last year's results show that South Australia does in fact compare well to students in Western Australia and Queensland, states that have similar characteristics to us and similar demographic make-up to us. We have been performing at a consistent level for the past four years. What we need to recall is that there are a number of factors that affect our NAPLAN results, including the proportion of students living in very remote areas as well as the SES standards of our students. However, what this government is doing is pouring in investment and resources, a concerted effort on ensuring—

Members interjecting:

The Hon. G. PORTOLESI: What is their plan, Madam Speaker? I will tell you—

Members interjecting:

The SPEAKER: Order!

Mr Pisoni: Sit down, Patrick, she's standing up.

The SPEAKER: Order, member for Unley! Minister, do you have a point of order?

The Hon. P.F. CONLON: My point of order is obvious, Madam Speaker. The opposition is absolutely hectoring the minister, not simply interjecting.

The SPEAKER: Hopefully they will be quiet for the rest of question time.

The Hon. G. PORTOLESI: We are actively addressing our literacy and numeracy in this state. For instance, we have invested in an early learning literacy strategy that includes 264 reading support teacher roles being provided for schools to develop reading expertise. Training for reading support teachers has been offered across the state. We have something that we are very proud of here in South Australia: the TfEL program, the Teaching for Effective Learning framework, which has been developed by my department. This is a program, an initiative, that is internationally recognised and now being used as a key reference point for improving the quality of teaching and learning in our schools.

We have a literacy secretariat who coordinates literacy initiatives and builds teacher capacity. I do agree with the member opposite: teacher quality is absolutely critical. This literacy

secretariat works with school leaders for a whole-school approach to literacy initiatives. I mentioned earlier the over \$50 million that we are investing in our primary mathematics and science strategy, and, of course, our Literacy and Numeracy National Partnership has placed 14 numeracy coaches and 14 literacy coaches in schools across five regions from August 2009 to May 2007.

MEMBER'S REMARKS

The Hon. I.F. EVANS (Davenport) (15:19): I seek leave to make a personal explanation.

Leave granted.

Members interjecting:

The SPEAKER: Order!

The Hon. I.F. EVANS: During question time the Treasurer referred to me as Wang Wang, which is a clear reference to a panda. I note that pandas only mate once a year, and I will leave it to the house to determine whether that is a reflection on the member.

The SPEAKER: I think you get the gong for the day.

CAVAN TRAINING CENTRE

The Hon. J.M. RANKINE (Wright—Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety, Minister for Multicultural Affairs) (15:19): I lay on the table a ministerial statement made in the other place.

GM HOLDEN

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Minister for State Development) (15:20): I move:

That this house—

1. Recognises—
 - (a) the significant economic benefits General Motors-Holden makes to the state's economy through highly skilled jobs, innovation, economic activity and research and development;
 - (b) that the closure of Holden's vehicle assembly operations would have a devastating impact on the state's manufacturing sector and would risk the loss of up to 16,000 jobs and \$1.5 billion from our gross state product;
 - (c) a strong and sustainable future for manufacturing in South Australia needs a continuing foundation in car manufacturing;
 - (d) the importance car manufacturing plays in driving productivity, innovation and in developing an advanced manufacturing sector for the state; and
2. Acknowledges—
 - (a) that the 13 nations who have the capacity to design and build automobiles provide some form of support to keep this capacity in their country through tariffs, direct support, or co-investment;
 - (b) co-investment plays a vital role in allowing the automotive industry to diversify and strengthen their manufacturing base as well as supporting innovative automotive parts suppliers, attracting investment and securing jobs; and therefore supports state and federal government efforts to secure the long-term future of General Motors-Holden vehicle assembly operations in South Australia.

The Hon. P.F. CONLON (Elder—Minister for Transport and Infrastructure, Minister for Housing and Urban Development) (15:21): I move, without notice:

That standing orders be and remain so far suspended as to enable that the time limit for debate on the motion be limited to 10 minutes for each speaker, including the mover, principal speaker in opposition and mover in reply.

Mrs Redmond interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: I will withdraw it if the Leader of the Opposition believes that she needs more.

Mrs REDMOND (Heysen—Leader of the Opposition) (15:22): Can I simply inform the house that the information that we were given was that the amount of time would be unlimited for the mover and for—

The Hon. P.F. CONLON: Madam Speaker, I have withdrawn it.

The SPEAKER: Motion withdrawn. We can get on with the job. Premier.

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Minister for State Development) (15:22): Thank you, Madam Speaker. This debate fundamentally is about confidence in our state's future; having the confidence to take control of South Australia's future rather than somebody determine our future for us. That is what we are seeking to do here in relation to this investment. There is a fundamental difference between the approach that we have taken here in South Australia and the one that has been urged upon us by those opposite.

We have been clear from the start about the need to have a strong automotive industry in South Australia—driving, as it does, and being a basis, as it is, for a strong, advanced manufacturing sector in this state. We arrive at that view because it is part of the history of the development of this state and it is part of the future of this state.

We have at all times indicated our support for the future of Holden's. What we have seen from those opposite over the last few days is the talking-down of this company at the same time as we are seeking to secure a future for Holden's—

Members interjecting:

The SPEAKER: Order! Point of order.

Mrs REDMOND: My understanding is that the Premier is meant to be addressing the substance of his motion, that he has just moved, not putting words into the mouths of the opposition—which they have never uttered and have certainly never supported.

The Hon. P.F. CONLON: You get to answer. That is what a debate is about; you get to answer.

Members interjecting:

The SPEAKER: Order!

The Hon. J.W. WEATHERILL: What we have seen for days now has been the undermining of the confidence of the South Australian community, and indeed those Holden workers—

Members interjecting:

The SPEAKER: Order!

The Hon. J.W. WEATHERILL: —in their sense of security in their future, Madam Speaker. That is what we have been seeking to build up and that is what those opposite have been seeking to tear down.

Members interjecting:

The SPEAKER: Order!

The Hon. J.W. WEATHERILL: What we find today, after days and days of undermining the confidence of Holden workers in their future, is the opposition spokesperson for the Treasury sneak out at lunchtime and say these words:

The opposition will be supporting the motion today, supporting the state's contributions to Holden. The reality is we have not seen the intimate detail of funding arrangements, the clawback arrangements—all those sorts of details Holden's said were commercially in confidence.

I could not have said it better myself. He sneaks out at lunchtime, after seeking to undermine this proposition for three days, and quietly tells the media we were right after all and that we are actually standing here as the government supporting Holden's and supporting the future of these jobs in the northern suburbs around the whole of the state. They did not have the courage to come out and say that during the week. They snuck around, asking questions, seeking to damage and undermine confidence in the future of this car manufacturing plant and the confidence that those workers and their families have in their own futures.

I have distributed to the house some material which summarises the nature of the information that has been provided in the public sphere and also the information that those opposite would have had the opportunity to gain from Holden's in the briefing that I arranged for them. We have at all stages been transparent in the way in which we have negotiated this arrangement. At the earliest time, as soon as it was possible to share this with the community, we shared all the details that were available. On 20 March in Detroit a decision was made, on 21 March we received written confirmation. On 22 March we made this information available to the Australian community and we have come into this parliament at the earliest opportunity to debate this motion to allow this parliament to express its opinion about the future of Holden's and this investment package.

We have done that before we have settled the funding agreements, before we have settled the legal funding agreements, on the basis of the exchange of correspondence we have, because we wanted to be as open as we could be with the South Australian community. I might say, you are doing a whole lot better here than they are in Victoria. The poor old Premier over there will not even tell his community how much he has contributed. We have at all times given as much information and put as much information in the public sphere as we possibly could, consistent with the commercial sensitivities and securing a future for Holden's.

This has a fundamental philosophical basis. It is about ensuring that we have an active role in protecting South Australian industry. We are not free market adherents as those opposite are. The truth about their position is the undermining that went on in the last few days. What they have done at the final hurdle is they have felt that they had to support this motion because they would be embarrassed if they did not. The truth of their position is contained in the questions they have been asking about this funding package and in fact the public remarks that they made in the lead-up to this.

Remember the Leader of the Opposition speculating out loud about why I was even in Detroit? What would I be trying to achieve there? The next thing she seeks to propose is that somehow we really have to query whether we should be a car manufacturing state because they are really heavy and you do not want to move them around the place. These are the speculations out loud. Then we get the nonsense from the member for Norwood about something to do with the carbon tax. Absolutely ruled out by Holden's themselves as being a basis for this investment.

What they say absolutely, categorically is that the carbon tax does not affect their decision or otherwise to make this co-investment. With or without the carbon tax there would be a need for co-investment. With or without the carbon tax there would be a need for the state government's contribution. With or without the carbon tax they were independently considering their decision about investing \$1 billion. There is an air of unreality about this. The options this company have around the world were always going to be to invest somewhere in the world where there was going to be a carbon-constrained future. They are making decisions—international decisions—where they have to weigh up the regulatory regimes in each of those states, territories and countries, and they understand that they will always have to grapple with the local market conditions, which is going to include a constraint on carbon. It is manifestly a distraction from the—

Members interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): Order! I would like the Premier to be heard in silence. There are interjections on both sides. We will not tolerate that. Premier.

The Hon. J.W. WEATHERILL: Mr Acting Speaker, it is manifestly a distraction, because their true position is that they do not support the package, it is just that they do not have the courage to tell you so—they do not have the courage to tell this parliament and the South Australian community.

Mr Acting Speaker, at its heart this is a philosophical issue as well. It is about whether you support the role of government, and what we have seen in, I think, a very persuasive report from Professor Göran Roos is that there is a very powerful case for believing that the old-fashioned views of neoclassical economic principles, which have dominated economic growth policy in recent decades, are simply not adequate to deal with the complexities of a modern economy that needs an advanced manufacturing sector.

Professor Roos lays out the case very powerfully for the role of government—especially in small economies—in ensuring that the skills and capabilities which are essential for the future of our state are supported by sophisticated industry procurement policy—a policy that drives

innovation; a policy that works in close collaboration with our industry partners to ensure a future for our industries.

The alternative view here is about the change that we are proposing and the things that we fought very hard for, and we were advised by Professor Roos about the nature of the involvement we should have in this negotiation. He made it very clear to us that it was vital that we made sure that we secured the future of this industry, because, as he says in his report, if we allow the shift away from manufacturing and allow this car manufacturing plant to close, the wellbeing of this country would be seriously affected, because it takes much longer, is much more complex and, indeed costly, to build a competitive manufacturing sector than it is to allow one to die.

If we were seeking to try to erect out of the ashes of Holden's an advanced manufacturing sector which we have decided is crucial for the future of this state, we would never be able to achieve it, or we would have to achieve at enormous cost, a cost that would far outweigh the \$50 million that we are being asked to contribute. Can I say that that is the approach that guided us. Professor Roos guided us in a our approach.

We were concerned that our assistance was specifically time limited. We were specifically concerned to ensure that our assistance extracted commitments—important commitments—about working with Holden's and the future of our car manufacturing industries, and in addition to the commitments about security at this plant, the two new platforms, until 2022. In addition to those matters we secured a very important commitment, that is, the working party to seek to integrate the operations of Holden's into the global operations of General Motors.

This is crucial because we know that a unique industry here in Australia is not going to survive the stresses and strains that exist in the global competitive environment. We know that we have to be a part of something bigger if we are to survive in the competitive world we find ourselves in. We also know that our component suppliers need to be critically linked into the global supply chain, and this is where the cooperation of General Motors is absolutely vital—their cooperation to joint venture with some of their other component suppliers, their cooperation to migrate some of their existing component suppliers into other manufacturing works so that they are diversified and can withstand and are resilient to the pressures of a global competitive environment.

We also know that that will be supported in large measure by a fund (which has not received as much attention as it should have), a \$35 million fund for automotive new markets for our component suppliers which we will co-administer and which is an essential part of the agreement we have been able to reach with the commonwealth.

These package of measures, which go to securing the future beyond 2022, are vital components of the agreement, and they were South Australian initiatives in the national negotiations and South Australian initiatives in the international negotiations. So if you ask me what I was doing in Detroit, that is what I was doing—representing South Australia, fighting for South Australia, securing jobs for South Australia. I was not back here talking down the Premier in his role seeking to represent the interests of this state overseas.

Can I say that the alternative view is the view of the opposition—the opposition whose principal response to any of the big public policy challenges in this state is just to sit back and watch and let the cards fall where they may. They want, essentially, to have the market dictate what should be future industry policy. They do not see a role for government. They might have been embarrassed into supporting this motion but they do not see a role for government.

That is why we had the abject policy confusion of those opposite when they were asked to comment on this:

1. Why are you in Detroit?
2. Should we be car manufacturing?
3. We need to have a cost-benefit analysis.

It is all here for all to see, \$50 million leveraging \$1 billion, plus \$225 million from those other governments, and a commitment to 2022—

Members interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): Order!

The Hon. J.W. WEATHERILL: —and avoidance of the loss of up to 16,000 jobs, and \$1.5 billion being ripped out of our state economy being avoided. That is the cost-benefit analysis. What part of that do you not understand?

Members interjecting:

The Hon. P.F. CONLON: Point of order, Mr Acting Speaker: this is an unlimited debate. They have an opportunity to respond if they have the gumption. They could wait till then.

The ACTING SPEAKER (Hon. M.J. Wright): I support the point of order taken by the minister. I have asked before that the Premier be heard in silence, and I will be offering, and asking for, the same to the Leader of the Opposition. Premier.

The Hon. J.W. WEATHERILL: Thank you, Mr Acting Speaker. Then, of course, we have the magnificent contribution from the federal Liberal Party. We have Mr Hockey, of course, speculating out loud about whether we should be providing \$275 million of support to this industry. We have the Abbott policy, which was to rip \$500 million out of the car assistance package, which would undermine the whole proposition that we are seeking to advance here. Of course, there was not a squeak from those opposite about that, no criticism of their federal colleagues, no joining with the state government in the state interests. They are more interested in advancing the Liberal Party's interests than the interests of South Australia.

What is at the heart of this attitude of those opposite? Fundamentally, it is a policy laziness, an inability to come up with a policy concerning the car manufacturing industry. I would have thought that in South Australia any political party that is worth the name would have to have a policy in relation to car manufacturing, but they have so many positions because they are unable to do the public policy work to settle on a policy—

Members interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): Order!

The Hon. J.W. WEATHERILL: —concerning car manufacturing. This is at the heart of the difficulties that are faced by those opposite. It is essentially the laziness of the policy development process that means they can come up with four different positions in the space of a few weeks on this position. It is the reason we believe the greatest risk that would exist to the future prosperity of this state would be to have those opposite making these decisions.

We have seen an extraordinary week when this debate over the particular commitments that were given by Holden's have been used as a distraction from the real proposition, and that is their settling their position in relation to Holden's. They have done everything. They have been torn asunder in relation to this issue in arriving at a position. Finally, it looks like—

Mrs Redmond interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): Order, the Leader of the Opposition!

The Hon. J.W. WEATHERILL: Finally, it looks like the member for Waite might have had his way. It looks like he has prevailed in the party room because, right at the start, some months ago, he said that there should be a bipartisan position in relation to the support of the car manufacturing industry. That is the position that should have been taken from day one; it is the position that should have been taken throughout the whole of this exercise; but those opposite decided that they would play politics with this, and that they would seek to undermine the nature of this support for Holden's in South Australia.

Mrs Redmond interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): The Leader of the Opposition will stop interjecting.

The Hon. J.W. WEATHERILL: We have made absolutely clear in all of our public pronouncements that the objective of this is to grow Holden's. Of course, we are not in control of this global competitive environment, and it may well be that there is a smaller car manufacturing industry in the future in this state. But we will be fighting for every job in relation to Holden's, and one of the ways in which we can maximise the number of jobs that exist here in this state is to ensure that this global company invests a billion dollars here in South Australia. It beggars belief to imagine what more could be done to secure the future of Holden's than to make the co-investment that was necessary and to seek the necessary commitments to work with Holden's to secure our

future here in South Australia. That is the commitment that we have; that is what we have decided to promote; and we would urge the house to support this resolution.

Mrs REDMOND (Heysen—Leader of the Opposition) (15:41): In rising to support the motion moved by the Premier, let me make it very clear from the outset that we on this side support, and have always supported, Holden and the retention of its manufacturing base in South Australia. What we do not support is spin from this government.

Let us look at the facts. In 2008, this government, jointly with the federal government, announced a \$180 million assistance package for Holden, which the Premier said would 'guarantee a future for the plant, a future for the workers and also a future for the car industry'. That is what we were told in December 2008 was guaranteed, and it turned out to be spin. Fast forward to 2012 and we have a further package, this time from the federal, state and Victorian governments, totalling \$275 million. Again, we are told that this is to guarantee jobs, only this time it is not called a bailout or even an assistance package, this time it is called a 'co-investment'—and, again, the spin.

Indeed, the Minister for Industry and Trade, minister Koutsantonis, assured the workers, the media and the public that the agreement that they had reached guaranteed no forced redundancies. His exact words were:

The guarantees we've got are no forced redundancies...they've promised no forced redundancies.

That was clearly more government spin, because even the Premier has had to admit—indeed, even minister Koutsantonis has had to admit—that there is no such guarantee. Yesterday we had yet more spin in this place when the Premier said:

We've had the opportunity to communicate with Holden...and they confirmed that they have not told the opposition that they (meaning GMH) told the government the number of job losses at the Elizabeth plant.

But, today, a Holden spokeswoman told *The Australian* online that:

...the Premier had indeed been provided with worst-case scenario job loss predictions but that it was commercial-in-confidence.

Yesterday the Premier wanted us to believe that he had not been told the figure but today, even in this place, he has had to admit that he was, indeed, told the figure.

An honourable member interjecting:

Mrs REDMOND: Yes, you did. This is a quote from *The Australian*:

Asked if that commercial-in-confidence information had been passed onto Mr Weatherill, the spokeswoman said: 'Yes...we have to state what was the minimum guarantee we could look at in terms of workforce size and production volume.'

The Premier tried to make out in this chamber yesterday that my questions suggesting that he had been told what potential job losses there could be, and that there was a figure of job losses which would trigger the clawback of some of this funding (or bailout, or co-investment, whatever it is) were not true. That is directly contradicted by a Holden's spokeswoman today.

This is a tricky, deceptive government. They have, of course, learnt from a master. They know that they can go out and say one thing in the media and to the public, but when they are in this place, where they can be held to account for their statements, they will not say things at all, or they shy away from putting what they said on the record so that we can test it. Remember the Murray-Darling Basin plan? The day it came out the Premier went out and said, '4,000 gegalitres, not a litre less, and a High Court challenge,' but when we asked him about that in this place he would not say a word about either of those things.

What about last week? Just last week we had the accusation out in the public from the Premier that Woolworths and Coles were behind this campaign—members of the MTA. Would he put that on the record in here when we challenged it? No, because he knew that it was not true.

Of course, the government wants to paint itself as the hero in this whole exercise, that it has come to the rescue of the motor industry in this state. It is interesting to note that this \$50 million package is not going to be payable until \$25 million gets paid in 2016-17 and another \$25 million in 2017-18. In other words, the money will not need to be found until after the next election. And guess what?

Mr Pederick: We'll have to find it.

Mrs REDMOND: We will have to find it, but they want to sell it as though they are the great saviours of the industry in this state—more spin by this government. As I said at the outset, we support Holden, we support providing necessary assistance, and we support the Premier's motion. However, given that the payments, which this government is signing up for, could well be payments that we have to make as the government in 2016 and 2017, we do not think it is unreasonable—

Members interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): Order!

Mrs REDMOND: —that we at least know the details: what is the business case? We know and understand that we make good cars in this country, that it is one of the few places in the world where the whole process, from design and engineering, development and manufacture, can be undertaken to produce a product of exceptional quality that is highly regarded right around the world. We know and understand that.

We also know and understand that the rate of exchange, with our dollar being so high, has a dramatic impact on the sale of all sorts of exports including cars, but not just cars. And, we know and understand that, with a couple of exceptions for high-end vehicles everywhere in the world—the 13 places around the world where cars are manufactured—those products are protected either by high tariffs or by some sort of government support. We know that.

Indeed, some months ago, when the Premier first dashed off to Detroit, I went to the bother of arranging to speak with very senior people in the motor industry, people with international experience who specifically were not from Holden. I am convinced that the car industry in this state is worth supporting.

We also know, of course, that it is not just the direct jobs at the manufacturing plant that will be secured. It is thousands of businesses that stand to lose out if the plant should close, and they are all worth protecting. We are agreed on all that, but the government's proposition seems to be that, having said that, it is then unreasonable of the opposition to seek any further details of this deal, details such as how many jobs are actually to be secured? For what period of time? What guarantees are there? At what point of job losses would any obligation to repay any of the money kick in?

When he returned from Detroit, the Premier told us that the deal he had been negotiating would lead to—again, I quote his phrase—'a smaller but more secure industry' here, but he will not tell us how much smaller. Industry minister Tom Koutsantonis told the media that there would be 2,000 jobs; that is 400 fewer than there are at present. So, let us just backtrack for a moment.

The support package of \$180 million, announced at the end of 2008 to guarantee the future, has since seen 470 jobs go. The co-investment package of \$275 million now being announced could see more jobs go, only the government does not want to tell us how many. All we know is that, in spite of minister Koutsantonis' initial assertions, there is no guarantee of no forced redundancies and certainly no guarantee of no job losses.

The Premier stood in this place yesterday and said that there would be an increase in the workforce, but not only can he not guarantee that, he cannot even guarantee there would not be job losses. I simply do not think that we are asking too much as the opposition, particularly the opposition which would have to find the funds to make the actual payments, to be let in on the secret. Why is it that you are allowed to know but not us?

All we seek to understand is the business case. What will the investment of \$50 million by this state actually secure for the taxpayers whose money you are spending? Bear in mind, Premier, that, in fact, the taxpayers of this state are putting in more than \$50 million because there is the \$50 million coming from the state coffers, but we are equally taxpayers at a federal level and we will be putting in a proportion of the \$215 million, which I calculate to be at least another \$15 million coming out of the pockets of the taxpayers of this state.

Bear in mind too, Premier, that we have an obligation to ask these questions on behalf of the many businesses out there that are struggling but are not getting any help from the government. They are struggling under the burden of being in the highest taxed state in the country—the highest tax regime in the whole country. This has been imposed by this government. Those businesses want to know why they are ignored and left to sink or swim, yet a large multinational company, which returned a very handsome profit last year, gets funded by the state to the tune of millions of dollars.

Let us remember that this is all before the carbon tax—a tax introduced by a Labor government—which will start impacting from 1 July this year, and which even Mike Devereux, the head of Holden, acknowledges will, at the price the government intends, cost the industry at least \$40 million to \$50 million a year.

In closing, may I say once more very clearly: yes, we support Holden. Yes, we support the motor industry in this state. Yes, we support the motion moved by the Premier, but we would be failing in our obligations as the opposition if we did not say that it is simply unreasonable of the government to expect us to ask no questions, seek no clarification of commitments or guarantees and simply say to the government, 'Yes, sure; whatever you think is a fair thing,' especially when, clearly, this government, over its 10 years in office, has so badly managed the economy of this state that, where we should have savings, we instead have a debt which is already costing the taxpayers of this state \$2 million a day in interest.

The Hon. P.F. CONLON (Elder—Minister for Transport and Infrastructure, Minister for Housing and Urban Development) (15:51): What is distressing about this debate is that it is absolutely plain that the opposition in South Australia has no understanding of our current need, has no vision for the future and has no sense of the past in this state. What is further distressing is the utter lack of candour just displayed by the Leader of the Opposition, who got up, accused us of spin and went on to say that she has always supported Holden's, always would—all of that sort of thing. But of course, in her own words on 10 January:

I think for us to have a future in this country generally in cars, when you look at a map of the world, if you wanted to produce something very heavy and transport it around the world, this would probably not be the place you'd choose.

And to what extent do you justify paying money to a vast international private company as a mechanism to run a government?

We're all hopeful Holden can stay here, but the reality is we've already put a considerable amount of money...

Members interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): Order! The minister will be heard in silence.

The Hon. P.F. CONLON: They have always supported Holden, but can I tell you, with support like that, Holden does not need enemies. It does not need enemies with support like that. She has clearly put in question whether we should have a car industry at all. If she says her words do not mean that then she is dissembling. That is exactly what she said.

Members interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): Order! The minister will be heard in silence.

The Hon. P.F. CONLON: They have always supported Holden's. They have a sense of its need, a sense of the future; but yet, the Leader of the Opposition, I think on 15 or 16 March—two years to the next election; the turning point to the next election—gave her speech on the future of this state to the Press Club. So many words she used and, of course, she always supported Holden's. I have looked through to see what she said about Holden's. There was not a mention, not a word, not a care—consistent with her earlier statement that maybe we do not need a car industry in this state because that is what her words meant.

I ask her to consider the history of this state and the history of Australia and what occurred with so many people. I am incredibly grateful to have come to this country. So many people who have come to this country since World War II worked at Holden's and got their start there.

In the eighties, the Hawke and Keating governments entered into a period of the greatest economic reform the nation has seen, a period that the nation still benefits from. However, it had major problems for protected manufacturing in this country. They put the blowtorch of the international market on the Australian economy, made it stronger, and some fell behind. South Australia lost a lot of protected manufacturing. It did not lose Holden's because it is a good company; it survived that.

What it has suffered in recent times is an extremely high dollar (because Australia is one of the most successful economies in the world) and the worst series of global financial crises since the Great Depression. Those are not ordinary things, and it is in those circumstances that this government looked at a company that had made such a contribution to so many lives in South Australia and said, 'Well, you've got through some hard times in the past, you got through the

eighties, you got through all of that. We want to see if you can get through this,' and the Premier flew to Detroit. Again, that great supporter of Holden on the other side did not think that was necessary—cars shmars, who needs a car industry? She did not like that idea. A deal has been done where the state will invest \$50 million.

The complaint from the Leader of the Opposition is that we do not have to pay the money for a while. What a complaint that is. She would prefer we paid it upfront. I have got to say that I do struggle with that. The truth is, having considered what I have said—the contribution of this company to our state, the future it gave so many South Australians and those up to 16,000 jobs; to this very day we rely on that company—that a contribution of \$50 million delayed from this state has leveraged a billion dollars of investment from that company, two new cars and an intelligent plan to embed ourselves in the international car industry in a way that we have not done before, which is going to be the really sustainable piece of this arrangement.

This is intelligence stuff. This is stuff that goes to the fabric of our state. This is stuff that goes to those jobs of 16,000 people who will go to bed tonight knowing that they have a future. It is not simply a handout; it is a plan to make Holden more sustainable in a difficult world environment, and it is a good thing to do.

Whatever the Leader of the Opposition says she now says, what I can say is this: until she was dragged in to this debate today, she actually spent more words writing a letter to the editor complaining about a journalist who wrote an article stating that she might be replaced as the Leader of the Opposition by some ring-in. There were more words in her letter to the editor than we got on Holden's until that point, which just shows that she is far more interested in her job than she is in those 16,000 people who rely on Holden's in this state. The truth of the matter is—as the Premier said—that this is an opposition utterly devoid of policies and ideas. I read—

Mr Marshall: You can't even address the substance of your own motion.

The Hon. P.F. CONLON: I'm sorry? Are you going to say something? I have an interjection from the member for Norwood. I am told that the member for Norwood is the future of the Liberal Party. Nothing reassures me more about our future than knowing that he is the future of theirs. I find nothing more comforting. I do look forward to your contribution to the debate. I do remind you though that Liberals do tend to be oncers in that seat, so I am trying not to get attached to you, as fond of you as I am. I am trying not to get attached. You never cuddle a mug; they die in your arms.

I will return to the point. I looked through the speech of the Leader of the Opposition to find what policies she has for the future. She did set out some priorities. She talked about how bad we were, of course, and how good their government would be, but in all of those pages this is the one thing that she actually said that she would do: 'A Redmond Liberal government will do this by cutting government waste and reining in spending.' Well, aren't we all assured then? The future is secure. The truth is that, since the ideas of the former leader (Martin Hamilton-Smith) ran out, there has not been an idea on that side. I will give him credit: at least he has ideas, but they have run out, and, since they have run out, there has not been one more. We turn towards this election and they come in here basking in the glory of a Queensland result. Bask all you like—

Mr Marshall: It was a beauty!

The Hon. P.F. CONLON: It was a beauty, he says. You would probably have a brighter future there, member for Norwood, than you do here. You do tend to be oncers here. Let me say this: as we turn towards the next election, as people in South Australia consider a future and consider a government that has acted swiftly and intelligently to underwrite the future of one of the most important companies in this state, they will consider that against an opposition that has no policy, has not an idea and has not contributed in a public debate with a single substantial idea and whose attitude towards the car industry is, 'Do we really need one?'

The Leader of the Opposition can squirm on this all she likes but her words were, 'Do we really need it?' They meant, 'Do we really need a car industry in this state?' She may not believe that but there are 16,000 people and their families in the northern suburbs who believe that we need Holden's. I hope that the opposition debates this properly because I think—

Mrs Redmond: Why aren't you debating it?

The Hon. P.F. CONLON: Why aren't I debating? The truth is that those 16,000 jobs are not only incredibly important now to those people, but in a state that has a big future in the mining

industry and a deliberate plan by this government to have a manufacturing base in that mining industry we need those manufacturing skills preserved.

It is not what we say; it is what Göran Roos says; it is what the intelligent people say; it is what the response to this in many think-tanks around the country has been. The only people poo-pooing this idea have been the opposition here and the opposition in Canberra. We stand for those workers. We stand for a manufacturing future. We stand for value-adding to a very bright future in this state. The Leader of the Opposition should spend less time writing letters to the editor about her own job and consider the jobs of those at Holden's.

Mr MARSHALL (Norwood) (16:02): I rise to support my leader and to support this motion which has been proposed by the Premier. I follow a very interesting and entertaining speaker who virtually failed to address the substance of this motion and, by doing that, he really belittles the importance of the manufacturing sector in South Australia. It is a serious debate and it deserves some serious attention.

Unfortunately, the previous speaker used most of his time basically trying to attack the opposition—a very poor use of his time—but it is emblematic of their entire time in government. It is all about attacking their opposition and their competition rather than addressing the salient points regarding industry and trade in South Australia.

Naturally, the Liberal Party supports Holden. We support the automotive sector and we support manufacturing here in South Australia. That goes without saying. It has been the long-held position of our party to support manufacturing in South Australia. May I say that we are absolutely delighted that the Labor Party, the government of South Australia, has finally come around to this way of thinking.

Do not forget that this is the government which has basically denigrated our manufacturing history in South Australia for their entire 10 years in parliament. They are always referring to the past of South Australia as this rust-bucket economy, having a go at manufacturing. They have seen the new light on the hill—defence and mining—and we support those two important sectors but unlike the government we have never turned our back on the importance of the manufacturing sector and the importance of the automotive sector in South Australia. They should hang their heads in shame.

This government's support for manufacturing has been shameful. Let me tell you about one of their very first decisions in government: to close the South Australian Centre for Manufacturing. The South Australian Centre for Manufacturing was, of course, set up by the former Liberal government. It was set up at the former Woodville plant of Holden, a plant that I know particularly well with my father being apprenticed as a fitter and turner and achieving his trade status at that plant, so I know about that organisation and I know about the South Australian Centre for Manufacturing. It was a leader. It was linked to the Fraunhofer Institute in Germany and it was seen and recognised throughout Australia, throughout the world as a leading think tank in helping manufacturing make that transition, that all-important transition.

In fact, it is important to note and put on the record that the Queensland Manufacturing Institute, the pre-eminent manufacturing institute in Australia at the moment, was modelled on the very institute that this government decided to get rid of when they got to government. It is an absolute disgrace! But as I said, they have finally seen the light. All of a sudden, in the last couple of weeks, we have seen press release after press release on the importance of the manufacturing sector. Congratulations! We congratulate you. It has taken 10 years, but we congratulate you for finally coming around to this way of thinking.

Let's have a look at some of the announcements that they have made. One of my favourites, of course, was the setting up of the ministerial task force into advanced manufacturing in South Australia. Let me tell you who is on that task force: we have minister Portolesi, we have minister Kenyon, we have the Treasurer, and we have minister Koutsantonis. I doubt whether there is one single solitary day of manufacturing experience amongst the lot. Did they put Mr Sibbons, the member for Mitchell, on that? He has considerable expertise in manufacturing, in particular in automotive manufacturing. Did they put Mr Sibbons on? No! They put a whole pile of people on there with no background in manufacturing, because this was all about spin. All about spin, because that is all they stand for.

Let me tell you about some of their other announcements. They decided to set up an advanced manufacturing council. I thought this was absolutely fantastic. Again, this government now understands the importance of the manufacturing council. We did wonder what this was going

to do to the Manufacturing Consultative Committee. What was going to be the difference between their approaches? In the Budget and Finance Committee, a select committee of this parliament, it was all revealed. It was all revealed by their department executives—the Manufacturing Consultative Committee is going. So this is just another rename, another press release, another lack of substance by this government, not wanting to support the manufacturing sector, just wanting to support themselves, with their spin machine trying to tell us about what they are doing for the sector. What a lot of rubbish!

I do congratulate the government on supporting the application of the industry—and this is important—to establish a thinker in residence in manufacturing. This is a fantastic initiative, but again it is not actually the initiative of the government. The government does have a thinker in residence program. It is a pity they do not have a few more resident thinkers, but anyway they have a thinker in residence program and the industry decided, because of the parlous state that manufacturing is in in South Australia because of the neglect of this government over 10 years, that they would sponsor an eminent thinker to come out to South Australia and help us out of this mire.

They put in in excess of \$100,000 of their own money, industry's money, industry not saying, 'Give us a handout,' industry basically saying, 'We want to put in to bring out this thinker.' They selected Professor Göran Roos, who is based at Warwick University in the UK, and he is undoubtedly an expert in this particular field. His report is excellent; it is excellent. It is an outstanding report and it addresses the decline that has existed in manufacturing over the last 10 years.

Do not forget that when this government came to power we had between 85,000 and 86,000 people directly employed in manufacturing. We have lost 10,000 jobs in this important sector over the life of this government. It is fine that the minister wants to stand up and tell us about their great interest in the manufacturing sector, but let me tell you it has been left to wither on the vine under their stewardship.

I had a meeting with Professor Göran Roos. In fact, I attended the very first lecture that he gave when he came to Adelaide. It was given at the Adelaide University and it was an excellent speech, outlining some of the real challenges that face our sector moving forward. I was very fortunate to have a meeting with Professor Göran Roos recently. Of course this meeting was not set up by the government. The government wanted basically to keep the opposition in the dark. It was set up and insisted upon by the industry, and what was the first thing that Professor Roos said to me? He said to me, 'Mr Marshall, one of the most important things that we can do for manufacturing and for jobs in South Australia is to work in a bipartisan way.' Well, I thought that he had been reading Liberal Party policy. I thought it was a naive comment, given the minister and the Premier who are responsible for this deal at the moment.

He made the point that there are things that governments can actually argue about. We can argue about health policy and education policy and law and order, but there are certain things which go beyond an electoral cycle. Economic development is a crucial component to our long-term productivity, viability and success as a state, and he suggested that what we should do is work on a bipartisan basis; so let me just put a few things on the record about how this deal with Holden occurred.

First of all, we found out that the Premier was flying out to Detroit. Now, that begs a question. In this new era of bipartisanship, did he provide the Leader of the Opposition, the shadow minister or anyone in the Liberal Party with a briefing on why he was flying out to Detroit? The answer to that is no. He did not give anything. The second thing is that he goes and calls a press conference over there because he knows it is going to have maximum impact. So he calls a press conference and he says, 'Holden is in imminent danger of closing,' so we have the drama. Again, was there any briefing to the opposition? No.

When he comes back we asked a very simple question, respectfully, 'Premier, you've come back. You've announced that we are in imminent danger. You're calling for a bipartisan approach to this. Can we have a briefing?' The answer is no. He still does not want to give us a briefing. He refuses to do a cost-benefit analysis from day one, which one would sort of think that, when we are looking at spending this sum of money, a cost benefit analysis might be something that would be expected. Let me tell you: no-one in Holden's put up some half-baked idea without there being a cost-benefit analysis to their shareholders. No. But the taxpayers of South Australia have to just basically go blindly on your say-so. Well, it is an absolute outrage.

So then what does the Premier do? When he is absolutely punished in the paper about not providing a cost-benefit analysis, what does he do? He goes to the Adelaide University and gets Barry Bergen to do a report; so he uses state taxpayer funds to actually commission a report to tell us something that we already know, that we are in this house to actually agree on. We know the importance of the auto sector in South Australia. We know what the multiplier is all about. We know that it is crucially important.

We are here to support his motion today. We are here in this house to support the motion, yet he spends more taxpayer money telling us something that we already knew. It is a disgrace. It is a waste of money. So what is the solution, because a lot of people are critical of opposition when we get up and criticise? What would we do differently? We have stated repeatedly that we would be using the Industry Development Committee (IDC) of the economic and finance standing committee of this parliament to actually look at long-range investments in our grants programs and to support strategically identified sectors of our economy. We would be using that. It has operated extremely well from 2002 up until about 2005 in this parliament.

There were no leaks. The meeting is held in camera. At any opportunity the Premier can now call upon the IDC and to provide that information to the IDC so that opposition members who represent the people in their electorates and the people of South Australia can have some assurance that this is a good deal for South Australia hitherto undeclared by this government. So, what have we actually got here? I will tell you what we have not got is very much detail. The deal as I see it is a \$50 million contribution from the taxpayers of South Australia.

Now let me tell you about this contribution because a lot of people are saying, 'Well, look, this is a lot of money from the taxpayer funds.' Let me tell you in case any of you have not read the budget papers: we do not have any taxpayer funds. There are no taxpayer funds. There is no bank account sitting there from which we are going to draw out money and pay over to Holden. That does not exist. What we are being asked to do here is to take out a loan. We are being asked to take out a loan to pay to this company. That is why it brings it into sharp focus. We do not even have this money to give: we are being asked to take out a loan to give to this company. We need to know what is in the deal and what its components are.

We also know that the commonwealth government is paying \$215 million into this deal and, interestingly, the Victorians are putting just \$10 million into this deal. We know that the commonwealth, in addition to this, are paying to the automotive sector, via the ATS, some \$1.5 billion between now and 2015, so the vast majority of this, of course, is going to the three major car manufacturers and their supply chains which exist in Australia. That \$1.5 billion is completely over and above that amount.

We also know, and I do not think this has been articulated in the media particularly clearly to date, that South Australia used \$31 million of taxpayer funds last financial year to pay to Holden. We paid almost \$31 million last year and this year we are back negotiating a new rescue package. It begs the question: when will they be back again? That is a decent and legitimate question because the government has failed to address the fundamentals that affect the viability of this sector.

When I talk about the viabilities, I am not one of those members of this parliament who wants to blame everything on the other side of parliament. The simple fact of the matter is the automotive and manufacturing sector is facing unique changes at the moment. The high Australian dollar is a barrier to the sector and the global financial crisis is a barrier to that sector. Those are things which, quite rightly, the state government cannot solve, but there are things that are completely and utterly within the control of the state and federal governments and they are the things we wish the government to be addressing.

Let us take a look at them. I think it goes without saying—everybody accepts this: the government even accepts this—that we are the highest taxed state in Australia. We are the highest business-taxed state in Australia. The Premier wants to sit over there in denial. He also does not want to accept that we are technically in recession. He is a great denier, because he wants to talk. In fact, when we had question time today and it was all going to be about Holden's, the first question that he gets asked is a Dorothy Dixier from his own side about the swimming carnival. This is a guy who really wants to talk about Holden but the first question he gets is a Dorothy Dixier on the swimming carnival. Then, one question after another, he completely avoided anything to do with Holden's. The simple fact of the matter is we are the highest business-taxed state in Australia and that is completely and utterly within the control of this government. What have they done about it? Absolutely nothing.

In addition to that, the ongoing incredible regulation burden which is put on manufacturing in South Australia is completely and utterly out of control. This happens both at a state level and at a federal level. But, probably the most heinous thing that this government does to attack the manufacturing sector and its future viability is, unequivocally, its support for the federal government's toxic carbon tax.

Every single company in Australia knows that this is a bad tax. It is a tax on jobs and it is a tax on the viability of our manufacturing sector, yet our Premier chooses to support it. In fact, he is now the only premier of any mainland state in Australia who wants to stand by that toxic carbon tax. He, of course, does not want to accept that that may be one of the deciding factors for the electors in Queensland on the weekend. It is wrong, and he should move away from it immediately. Make no mistake: this carbon tax will cost jobs and it will cost companies, and the sooner he moves away from it and distances himself from the federal government, the better off we will all be.

I want to address in my remaining moments some of the points that the Premier made with respect to establishing a working party on integration of the Holden Australian business with their global supply chain. Let me tell members what my fear here is. In about 95 days' time we are going to have a carbon tax imposed upon that supply chain. It is great that the government has entered into an agreement with Holden, but it has not entered into an agreement with the rest of the supply chain. So, as the costs of that supply chain go up, and now we are integrated into the global supply chain, I have real reservations about those other 14,000 people that the Premier is repeatedly referring to in the automotive sector in South Australia. What is the security of their jobs? Let me tell you, there is nothing whatsoever in this agreement regarding the protection of jobs within the supply chain, and I know that because I asked that question when we met with a Holden executive earlier this week, and I thank Holden for that briefing, although there was very little they could tell us, they did the best that they possibly could.

At the end of the day, there is no component which protects the suppliers in the broader auto sector. We heard today that there is no protection for the workers in terms of unforced redundancies in this project, and there has been little regard from the government in terms of what clawbacks might exist in this contract and when they might be brought into action.

I must put on the record that I am very glad that Holden has made a commitment to the ongoing manufacturing of their product here in South Australia. This is an absolutely fantastic decision for South Australia, for future employees, and for the economy in general. Of course, we do not know the details of this; we have been given very few details. The government has had a perfect opportunity in the parliament today to provide us with more details—nothing. They have a perfect opportunity when the Economic and Finance Committee meets tomorrow for them to move this to the IDC so that we can have a transparent look at this. We wait with bated breath for that meeting which is going to be held tomorrow.

So, we have fixed up the concerns of one company through to 2022. The real challenge now for the Premier, and the real challenge now for the government is what are they going to do for the other 200,000 businesses in South Australia who are going to be hit with this carbon tax? What are they going to do for the other 200,000 businesses in South Australia which are hit with their unusually high rates of business tax in Australia? It is a big challenge for this government. Personally I do not think they are up to it.

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Manufacturing, Innovation and Trade, Minister for Mineral Resources and Energy, Minister for Small Business) (16:22): The member for Norwood talked about being bipartisan and then went on to attack four ministers and their ability immediately. He then went on to contradict Liberal Party policy saying he supported the Thinkers in Residence program. He then attacked the membership of the Advanced Manufacturing Council—although Göran Roos is the chair, and Steve Myatt is on it, but, of course, don't let the facts get in the way of a good story.

The Liberals support this, other than Alexander Downer, other than Joe Hockey, other than Mitch Williams who would rather put this money into a port, other than the Leader of the Opposition who thinks that manufacturing cars is too heavy for South Australia. Jamie Briggs, the Liberal member for Mayo has said that this is a mistake. Alexander Downer went as far as to say that Holden is building cars we don't want. That is just not true.

Mr Marshall interjecting:

The Hon. A. KOUTSANTONIS: Holden building cars? Anyway, I will talk about you in a minute, don't worry, be patient.

Mr Marshall: I've got a meeting at 4.30, bring it to the front.

The Hon. A. KOUTSANTONIS: And that's the arrogance, isn't it? That's the arrogance. I always said that the devil's favourite sin is pride. I will get to your grant in a moment, but we will talk more about how the Liberal Party goes out and tries to have a bob each way on this. They have their commentators. Ian Smith—who is a very prominent supporter of the Liberal Party and, I understand, a fundraiser for the Liberal Party, and someone who works with Alexander Downer, Hon. Nick Bolkus, and now the former deputy and treasurer, Kevin Foley, in Bespoke Approach—said:

Perhaps Adelaide once needed Holden but does it need it now? The answer must be no, particularly if we are to shrug off the mendicant state tag.

Joe Hockey said:

I have deep, deep reservations about handing to one company over a quarter of a billion dollars of taxpayers' money...that company is nearly 50 per cent owned by foreign governments...

He is, of course, talking about the United States government and the TARP bailouts. The Deputy Leader of the Opposition said that perhaps, maybe, we would be better off putting this money into ports rather than into Holden and manufacturing in the state.

The Leader of the Opposition criticised the Premier for going to Detroit, criticised the idea of manufacturing cars here in this state, but now is voting for this motion. I think, ultimately, they are all a bit confused, but I think the person who is most confused about this is the shadow manufacturing minister, the shadow minister for industry and trade. He claims that this is all about the carbon tax. He claims this is all about the carbon tax and nothing else, that the reason that Holden needs \$50 million from the state government, \$10 million from the Victorian government, and the remainder from the commonwealth government is because of the carbon tax.

This is the shadow environment spokesperson who says that the carbon tax is toxic. This is the shadow environment minister who runs around on radio saying, 'We've got to adapt to living in a carbon-constrained world.' Well, how are you going to have a carbon-constrained world if you oppose a carbon tax? The idea of a carbon tax—

Mr Marshall interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): Order!

The Hon. A. KOUTSANTONIS: The idea of a carbon tax is that you put a price on pollution. You do not believe carbon is pollution, and you are the environment spokesperson. I think you should go around the streets of Norwood and tell your constituents the truth. I think you should go to those constituents in Norwood and say to them, 'I am the Liberal Party's industry spokesperson and environment spokesperson and I think like Tony Abbott that climate change is crap.' That is what you should go around and say, but you will not, because what you do is you use one piece of language here in the parliament and another piece of language out there in the community. On the ABC he talks about a carbon-constrained world. On FIVEaa the carbon tax is toxic. There is a word for that, Mr Acting Speaker, and it is a Greek word, and it starts with an H: it is called hypocrisy.

Mr Marshall: What's H?

The Hon. A. KOUTSANTONIS: Hypocrisy.

Mr WILLIAMS: Point of order: speakers have previously ruled that the use of the word hypocrisy is unparliamentary.

The ACTING SPEAKER (Hon. M.J. Wright): I would ask the minister to withdraw that comment.

The Hon. A. KOUTSANTONIS: I withdraw.

Mr Williams: I'm not wrong, Tom.

The Hon. A. KOUTSANTONIS: Well, you are, but, you know, on the constitution. The truth is that every car driven on South Australia's roads today has a form of government subsidy, whether it is tariff protection—

Mr Pisoni: And a speed limit.

The Hon. A. KOUTSANTONIS: It does have a speed limit, and I will talk more about that in a moment as well. The truth is that all those vehicles on South Australian roads have a form of government protection, whether it be a tariff protection, whether it be a government subsidy, or whether it be a form of government intervention. Government intervention is very important. It is important in Sweden, the United States, France, Canada, Germany, almost every Asian country, and, of course, Russia is always producing vast numbers of vehicles.

Back to my point about Alexander Downer saying that these car companies are making cars we do not want. The truth is that the Commodore was number two nationally last year and the Cruze was number five nationally, selling over 73,000 combined vehicles last year. That is a good effort with a good brand from good company, a good Australian company. Maintaining that strategic ability to design, manufacture and sell Australian-made cars is a very important function that we want to maintain in this state.

I think the important thing to remember as well about Holden, because there have been a lot of attacks on the brand for members opposite, is that sales of Holden's locally manufactured vehicles are up 24.9 per cent from last year—they are up on the previous year. I think these are good things. The important thing about our investment is that we are leveraging a relatively small amount of money in comparison to the very large amount of money of private capital. Like the Treasurer asked the shadow treasurer: what has the Liberal Party got against private capital? Do we really need to go through this debate—

The Hon. I.F. Evans interjecting:

The Hon. A. KOUTSANTONIS: When the Liberal Party goes out and attacks the brand Holden, or attacks manufacturing in this state, but then comes here and votes for a measure, it shows really what they are trying to do. They do not really want to be attacked on their true belief on manufacturing, which is that, quite frankly, when it comes to automation and manufacturing the market should rule. They believe that they should be able to buy any vehicle they want from other countries rather than having to support locally made manufacturers because they think it is more expensive.

It is not more expensive. In fact, if you look at some of the research done by Sapere, you will find that in comparison, and these are US figures: Sweden subsidise their car industry by, on average, I am advised, \$334 per worker; the United States, \$264 per worker; France, \$147 per worker; Canada, \$96 per worker; Germany—which makes Mercedes, Audi, BMW, Opel and other cars—\$90 per worker; the United Kingdom, \$28 per worker; and Australia, about \$17 to \$18. I have to say that is a good deal. That is a very good deal, and what we have to realise is that no car that is mass produced for sale can survive without a form of subsidy. That subsidy is important, whether it is in terms of the co-investment or a tariff protection.

We have made a decision in this government that we are not going to support increasing tariff protection. What we are going to increase, of course, is our support for a co-investment. What does that co-investment guarantee this state? It guarantees us manufacturing until 2022. It guarantees us an investment to manufacture two platforms in this state for the next decade.

Who does that guarantee employment for? The workers at Elizabeth—people who, through no fault of their own, are involved in an industry that is highly competitive, that fluctuates with the high Australian dollar and has forces at work that make it difficult for them to compete where no-one has any control over it.

The truth is they can manufacture vehicles a lot cheaper in Russia, Thailand and other parts of Asia such as India, but the most important thing we have with our \$50 million is \$1 billion of private capital being invested in this country to support local manufacturing; that is a good thing. It should be welcomed by both sides of parliament. Quite frankly, I do not understand why there is so much angst about this.

In terms of supporting workers at Holden, I think it is important that we send out one message to those workers, and that is that the government and the Parliament of South Australia are right behind you. I know, and it came up, I think, during the by-election campaigns, that a lot of people were confused about the mixed messages coming out from Canberra—that is, the opposition and the state opposition here—about the importance of manufacturing in this state.

We heard the shadow minister wax lyrical about how important manufacturing is, but I have never heard him once condemn Jamie Briggs. I have never heard him once say a contrary word to

what Jamie Briggs said. I have never heard him once get up and say, 'Jamie Briggs was wrong and does not speak for the Liberal Party of South Australia'—not once.

What does he do? After calling for bipartisan support, he attacks us; that is what he does. I think this is a little bit unusual, given that the member for Norwood is a beneficiary of taxpayers' largesse, more than, I think, anyone else in this room. I do not think there is a member of parliament in here who has ever received a \$50,000 grant from the commonwealth government to improve IT operations at the family business, which he then sold, of course. He sold it a few years later to a foreign company, I am advised.

Mr Pisoni: You don't like free enterprise?

The Hon. A. KOUTSANTONIS: I am all for free enterprise. How is a government subsidy free enterprise?

Mr Pisoni interjecting:

The Hon. A. KOUTSANTONIS: Okay. All of a sudden, when it is for one of his mates, a government subsidy is free enterprise. When you subsidise workers at Holden, it is socialism. There is a difference, is there? Okay, there is a difference from the member for Unley. When you subsidise your mates, it is okay.

Let me give you a hypothetical. What would happen if I gave a grant to one of my sub-branch members for \$50,000 to upgrade their IT works and then they sold that company, after a \$50,000 grant, and the work went offshore? What would happen? What would the Liberal Party say about that? They would be calling for ICACs, they would be calling for my resignation, they would be calling for the money to be paid back.

The ACTING SPEAKER (Hon. M.J. Wright): You have a point of order?

Mr MARSHALL: I do: imputing improper motives. Perhaps the minister would like to clarify his example there.

The ACTING SPEAKER (Hon. M.J. Wright): There is no point of order.

The Hon. A. KOUTSANTONIS: I will clarify it for him. I am the Minister for Manufacturing, Innovation and Trade. There are grant lines that I administer. I wonder what the member for Norwood would say if I gave a grant to a member of the Australian Labor Party. The member for Norwood used his factory, his premises, to launch a commonwealth government grant scheme, I am advised.

Mr Marshall: Which one?

The Hon. A. KOUTSANTONIS: You did not? Okay, I will read it out to you: 'In 1999, Marshall Furniture received a \$50,000—'

Mr Marshall: 1999?

The Hon. A. KOUTSANTONIS: \$50,000—what is that in today's money?

Members interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): Order!

Mr Marshall interjecting:

The Hon. A. KOUTSANTONIS: And how many people does it employ now, after your \$50,000 grant?

Members interjecting:

The Hon. A. KOUTSANTONIS: How many does it employ now?

Mr Marshall interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): Order! The member for Norwood, please. Are you taking a point of order, otherwise you are not allowed to speak? Minister.

The Hon. A. KOUTSANTONIS: I think the member for Norwood, as I read in *The Advertiser* yesterday, has—

Mr PISONI: Point of order: I believe that the minister is imputing improper motives on the member for Norwood, suggesting that he was a member of the Liberal Party while receiving a grant.

The ACTING SPEAKER (Hon. M.J. Wright): I will listen carefully to the minister. It has been a wide-ranging debate.

Mr PISONI: The member for Norwood was not a member of the Liberal Party when Marshall Furniture received a grant. Clearly, the minister accused the member for Norwood of receiving a grant, with the only qualification being that he was a member of the Liberal Party.

The ACTING SPEAKER (Hon. M.J. Wright): There is no point of order.

Mr PISONI: The minister said that he was a member of the Liberal Party receiving a government grant.

The ACTING SPEAKER (Hon. M.J. Wright): There is no point of order and I ask you to sit down, please.

Mr PISONI: He is wrong and I ask—

The ACTING SPEAKER (Hon. M.J. Wright): I have made a ruling and I ask you to sit down. Minister.

The Hon. A. KOUTSANTONIS: I am pleased to learn that he was not a member of the Liberal Party. I understand that he is a member of the Liberal Party now. I am sure that if I check your returns on the parliament website, you would have declared your membership with the Liberal Party. I am sure you have. I will double-check that. So, after receiving the \$50,000 grant aimed at assisting furniture companies to adjust to import competition, Mr Marshall said that he saw the writing on the wall and the Marshall family decided to sell the business to a global industrial complex listed on the Johannesburg Stock Exchange.

An honourable member: So what?

The Hon. A. KOUTSANTONIS: The connection I am making—

Mr Pisoni: He saved all those jobs.

The ACTING SPEAKER (Hon. M.J. Wright): Order!

The Hon. A. KOUTSANTONIS: He saved all those jobs, did he?

Mr Marshall: Yes.

The Hon. A. KOUTSANTONIS: Those jobs are still here today, are they?

Mr Marshall: Well, I sold the company.

The Hon. A. KOUTSANTONIS: Okay. That is the point: when it is a subsidy for working-class people, they get outraged and they say, 'They're making cars we don't want,' but when they get a subsidy for \$50,000, it is okay.

Mr Marshall interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): The member for Norwood will remain quiet.

The Hon. A. KOUTSANTONIS: I think the important thing here is that we are saving jobs. I think the opposition should be clear. If they really support Holden and this investment, why will they not speak to Jamie Briggs? Why will they not bring Jamie Briggs into line? Do you know why they won't? Because they secretly believe what he says. They really like what he has got to say. They enjoy him being out there because he is the one who can speak the truth for them. He is the one they really support. They are happy to accept government grants for themselves but not for working people. Working people do not deserve to have government assistance—

Mr Marshall: Working people.

The Hon. A. KOUTSANTONIS: Yes, working people. No-one at Holden inherited a job. Not one person inherited a job at Holden—not one. They all got it through their own hard labour.

Mr Marshall interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): Member for Norwood, please refrain from what you are doing. You were heard in silence, so the minister deserves to be heard in silence.

The Hon. A. KOUTSANTONIS: He was heard in silence, sir. It was very difficult, but he was heard in silence. I think Holden is an iconic brand that deserves to be supported. The important thing about supporting Holden is the private investment—

Mr Marshall: It's on the record.

The Hon. A. KOUTSANTONIS: That you received \$50,000 of government grants? No problem. It is public.

Mr Marshall interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): Member for Norwood, come to order.

The Hon. A. KOUTSANTONIS: No, not at all, I am just going to harass you, no-one else.

Mr Marshall: This is all on the record.

The Hon. A. KOUTSANTONIS: That's right, absolutely. Guess what? You are in Parliament House and we have *Hansard*. Well done. Congratulations; you are a genius.

Mr Pisoni: You are obsessed with the member for Norwood.

The Hon. A. KOUTSANTONIS: Well, he is my shadow minister. What do you want me to do, ignore him?

Mr Hamilton-Smith: Yes, that's what ministers usually do.

The Hon. A. KOUTSANTONIS: I will be listening to your contribution in a moment. The important thing to remember about this investment in Holden is the private capital we are getting. The private capital we are getting is the best story and that story has been missed. It is not that the government has to prop up Holden on its own; it is not that government has to go in and guarantee all these jobs; it is not that government has to guarantee the two new platforms: it is that we are standing by a private company that is putting a vast amount of the money into the platforms. They are the ones taking most of the risk, they are the ones who are investing the most in Holden and they are the ones we are standing by.

I think that message has been lost a little bit because members of the opposition try to make it sound as if it is just the government money that is guaranteeing the two new platforms, not Holden's investment, not GM's investment and not GM's faith in the Australian economy. I think that the Australian economy, through a high Australian dollar, is doing very well under very difficult circumstances.

Unfortunately, manufacturers are doing it tough—very, very hard—and they need government help whether it is through policies or co-investment. What they do not need is rhetoric. We only found out today at lunchtime through the shadow treasurer that they were supporting this motion. They did not have the decency on the day to say that they supported the workers at Holden. They waited and waited—all day. We did not find out their final position until the last moment. Why? Because they are embarrassed about their position. They do not really believe it; they do not really want to support Holden; they do not really want to support those workers. With those few comments, I commend the motion to the house.

The Hon. I.F. EVANS (Davenport) (16:40): The Minister for Manufacturing would have to be joking. He comes in here and tries to put words in the opposition's mouth that we do not support manufacturing and we do not support Holden's. Let me tell the Minister for Manufacturing a bit of history. The first female South Australian in the federal parliament was a member of the Holden family, a Liberal, so do not come in here and say that the Liberal Party has a long history of not supporting the manufacturing industry—

The Hon. A. Koutsantonis: Tell Jamie Briggs; tell Joe Hockey; tell Alexander Downer.

The Hon. I.F. EVANS: You go tell them! Alexander Downer does not speak for the Liberal Party. Let's run the argument of the Minister for Manufacturing down the logical track. I am outraged that the Premier Jay Weatherill supports the abolition of a billion dollars' worth of funding to the ABC. I am appalled that the Premier does that. I am appalled that the Minister for Manufacturing supports the abolition of a billion dollars to the ABC. How do I know that? Because Kevin Foley said so in the *Sunday Mail*.

If we are going to wear Alexander Downer's comments when he has not been a member of parliament for five years, three years, or whatever, you can wear Kevin Foley's comments from the weekend when he has been out of parliament for three months. It is a stupid argument. It is

ridiculous. The Liberal Party has a long history of manufacturing. Let's go through it: Holden's, started by a Liberal family; Clipsal, started by a Liberal family; Haigh's, started by a Liberal family. Let's roll it out—

Members interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): Order!

The Hon. I.F. EVANS: Let's roll out those great Labor manufacturing families that create the employment. It is a fake, false, phoney argument from the government and it is all about government spin, and we are not going to wear it. I have been in government. I have been the minister for industry and trade, and I have gone all over the world on behalf of the manufacturing industry, trying to make it secure—all over the world. In 1998-99 I went to Detroit to visit Holden. I visited their chief economist to talk to them about how we can grow the automotive industry in South Australia. I went and talked to many component manufacturers. I went to other foundries to try to increase the foundry industry because we all know that industry is the base industry in manufacturing. Without foundries you do not have manufacturing.

Do not come in here and lecture us about the value of manufacturing. Go back to the comments we made back in the middle of January when this first came up and as shadow treasurer I said we supported it—back in the middle of January. Does anyone really expect us as an opposition to accept the fact that the government is going to hand over \$50 million at a state level and \$215 million at the federal level and not ask a question? Do you really think that the taxpayers would accept an opposition that would let the government gift \$50 million to a company and not ask a question? Then, of course, when we asked the question, the government turned around and said, 'You're anti, you're anti.'

It is not true; what we are talking about is accountability. What we are talking about is value for money. What we are talking about is how we best protect the taxpayers' investment. They are legitimate reasons, legitimate questions to ask a government on this particular project, or indeed on any project. Let us contrast the two styles, because the Premier is a great one to talk about style. The last treasurer approached the opposition two weeks before the debate on the BHP legislation. In fact, BHP had been negotiating with the opposition about its issues on a confidential basis for nearly two years. Did it leak? No. The government acknowledges that. The opposition acted in a professional way. We asked questions, but we did it in a professional way.

Here is a commitment that the government, by its own admission, says is going to be met in the next term of government. There is a chance that we will be the government in the next term. We might not get there; we might get there. So it is legitimate, is it not, for the government to bring in the opposition and embrace us in the briefing? No, not under this Premier, not under this Treasurer. Wang Wang I may be, but I notice a different style between the two treasurers.

The reality is they did not bring us in. The minister for manufacturing gets up and says how outrageous it is that we do not race out and declare our support for the workers. By supporting this motion, supporting Holden's as we did on 17 January (that was my first comment supporting it), back three months ago, by doing that we automatically support the workers. We were briefed by Holden's on Monday night. The Premier, in Rannesque style, called a press conference and said he was going to let us be briefed. How generous of the Premier to let us be briefed!

The day before he wanted to debate the motion, and in his letter he clearly said if we needed more time we could delay it, but in question time today there was a bit of an inference that somehow we delayed it for whatever reason. The reality is, the briefing we got on Monday night fell into three categories. The first category was, 'That matter is confidential.' The other category was, 'We can't tell you, the contract is not signed.' The third category answer was, 'I will refer you to the public statements, the media releases.' In other words, what we were being briefed on is nothing more than what was already made public, but the Premier wanted to spin it, in Rannesque style, that somehow he had generously allowed us to be briefed, that we were generously going to get more information. That is the reality.

The Hon. J.W. Weatherill interjecting:

The Hon. I.F. EVANS: You have had your turn, Premier. The reality is, let us not have this fake, phoney and false contribution from the government that somehow the opposition is opposed to the manufacturing sector. We went out and supported it, but we are not going to sit here and not ask questions. It is not our fault when the government cannot answer the questions or indeed get their lines wrong in their press conferences. To go through the minister for manufacturing's line is

laughable. He said, not at one press conference but at two press conferences, that the reality was they had guaranteed no forced redundancies and there would be clawback provisions—two different press conferences.

We all know the government has had their ministers out getting media training and that was a planned line; that was a planned line. When it was discovered that there was no guarantee in the proposed agreement regarding no forced redundancies, the minister then corrected his statement, saying that he understood it was Holden's policy. That was what he was referring to. I am sorry, minister, I do not believe that explanation, and let me explain why. You actually said twice at two different press conferences that there would be no forced redundancies and there would be claw-back provisions. If it is Holden's policy and it is not in the agreement, how can you have claw-back provisions?

Mrs Redmond interjecting:

The Hon. I.F. EVANS: Exactly. So the reality is that the minister for industry and trade had a prepared line, in my view, and used the prepared line to send the message. Now we have exposed that today for what it is. We have exposed it over the last week for what it is. It is a pitch.

The Hon. J.W. Weatherill interjecting:

The Hon. I.F. EVANS: Well, the government—

The Hon. A. Koutsantonis interjecting:

The Hon. I.F. EVANS: Okay, well, let's put it this way: as a result of a question yesterday, which the minister would not answer directly, and as a result of the ABC question today about the Premier's comments, the Minister for Industry and Trade corrected the record. It just goes to show the level of spin that this is all about.

Mr Acting Speaker, I just want to make these points: Holden knows that the opposition supports it. We have had people who have been in government before who supported it when in government, and they know that they can rely on our word and they can trust us. We have had experience with Holden's over many, many years.

The reality is that when the government signs this contract, the opposition will honour the contract, and Holden's should be aware of that. Just as we are going to honour the BHP deal we will honour this contract—unlike the government, I might say, who went to the Casino and tried to overturn the Casino agreement in relation to tax matters, and we raised that in the parliament here. They were threatening to go to court and as a result that was cut off at the pass; but it was not the opposition that sought to break the contract, it was the Labor government that sought to break the contract.

I am going to make this crystal clear to Holden's and crystal clear to the house. When the government signs the deal, we will honour it. It is really interesting. The government is running around saying, 'Will you support the deal? Will you support deal?' We have always indicated the in-principle support. The reality is that we will not know the detail of the deal because of commercial confidentiality. The Premier has told us that, the minister has told us that and Holden have indicated that.

The motion itself to which I speak sets out none of the details of the deal. It sets out the principles of support for Holden and the manufacturing industry, which we naturally support. The reality is that the Liberal Party has had a long association with Holden's. The reality is that it was one of the great Liberal families that started it. It was there when it was started, and to go out and say that the party whose family started it—

The Hon. A. Koutsantonis interjecting:

The Hon. I.F. EVANS: No, no, no. Read your own words. You are in here saying that the Liberal Party—

The Hon. A. Koutsantonis: Your faction.

The Hon. I.F. EVANS: Really?

Members interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): Order!

The Hon. I.F. EVANS: The reality is that the minister said that the Liberal Party deep down do not like manufacturing. What a lot of drivel. Go through them: Haigh's, not a bad manufacturer; Clipsal, not a bad manufacturer; Coopers, not a bad manufacturer. All those have been clearly identified with the Liberal Party over the years, so don't come in here and say that the Liberal Party does not support manufacturing. We do; we absolutely do support manufacturing. The reality is that we support manufacturing.

The Hon. A. Koutsantonis interjecting:

The Hon. I.F. EVANS: The poor old minister.

The ACTING SPEAKER (Hon. M.J. Wright): Order!

The Hon. I.F. EVANS: The state Liberal Party has made its position absolutely crystal clear. The state Liberal Party, if we win government, will ultimately be writing out the cheque. This motion is all about the government hoping that the opposition would not support it, even though we have been saying for three months we were supporting it. They wanted to go out and say the Liberal Party did not support Holden's and manufacturing, and the reality is that we do. And every time—

The Hon. A. Koutsantonis interjecting:

The Hon. I.F. EVANS: No, go back to our earliest comments. We supported it in principle.

The Hon. A. Koutsantonis interjecting:

The Hon. I.F. EVANS: Absolutely, and nothing has changed. On 17 January—

The Hon. A. Koutsantonis interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): Order!

The Hon. I.F. EVANS: This guy is unbelievable, Mr Acting Speaker. He is seriously asking the state Liberal Party about its commitment to the state commitment. He keeps interjecting about his federal colleagues. He is just a fool. The reality is that we said back on 17 January that we supported it in principle, that the manufacturing and car industry should be supported but it all came down to the amount and what we get for it. Today, we know the amount, and what we get for it and we are not 100 per cent sure. The reality is that we have always supported a strong manufacturing industry in South Australia.

I can remember Mr Neagle, I think in my first or second week as minister, taking me down to show me the centre for manufacturing on Woodville Road and all the high-tech equipment that was available to small manufacturers who could not capitalise themselves to buy the equipment. They had a sharing arrangement with the equipment and that gave them access to the market. It was not the Liberal Party that closed that: it was the Labor Party that closed that.

The reality is this. I have a very simple view. Holden's has a very important role to play in South Australia, as does the manufacturing industry. After 10 years of this government, the unemployment rate in Elizabeth is 17, 18 and 19 per cent. Read Barry Burgan's report that the government tabled in the house, its own document. I accept that with an unemployment rate in Elizabeth in the heart of the government's electorates, 10 years after it was elected, we need to keep as many employment options open as possible. I have never argued any differently. Don't come in here and lecture me about supporting manufacturing or Holden's.

I give the government this big tip. The Minister for Infrastructure said that Keating opened up the economy and Holden's was a good company because they survived, which is an inference about some other companies. But you cannot continually burden the saddle of business with the highest taxes, the worst workers compensation scheme and cost, a complex OH&S system and new public holidays, and think that other businesses that are not going to get the level of support of Holden's are going to survive. There were 150 jobs lost at Clipsal in Strathalbyn last week—

The Hon. A. Koutsantonis: That's not true.

The Hon. I.F. EVANS: One hundred and fifty jobs.

The Hon. A. Koutsantonis: You just make things up.

The Hon. I.F. EVANS: I'm sorry, I thought I read in my local paper there was 130 to—

The Hon. M.F. O'Brien interjecting:

The Hon. I.F. EVANS: Okay, I'll move on to a different topic.

Members interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): Order! Can members on my right refrain from interjecting?

The Hon. I.F. EVANS: If I am incorrect on that matter, I apologise, but I will make this point. There are lots of other businesses that have lost significant numbers of employees over the last 10 years and you have to ask yourself: where was the government program to try to get them to grow or survive? I do not underestimate the value of Holden's, but Holden's started out as a very small business and grew, and what the state needs is more entrepreneurs and more small businesses, and you are not going to get them with the current regime in place. This government has simply burdened the small business community too much with their taxes and red tape. That is the constant feedback from the community. Mr Acting Speaker, I strongly support the motion.

The Hon. M.F. O'BRIEN (Napier—Minister for Finance, Minister for the Public Sector) (16:59): I took great interest in the shadow treasurer's comments on the historic connection of the Liberal Party, or conservative parties, to Holden in particular in South Australia. I think it really contrasted with the statement of the Leader of the Opposition's on FIVEaa on 10 January in which she said, 'If you want to produce something heavy and transport it around the world, this probably would not be the place you would choose.' This is in stark contrast to the position that premier Butler took to attract General Motors to invest in South Australia. He realised that we were some distance from the eastern seaboard, so he went to Melbourne—

Mrs Redmond interjecting:

The Hon. M.F. O'BRIEN: Things haven't changed; they were all put on boats, and went around to Brisbane and Perth.

Mrs Redmond interjecting:

The Hon. M.F. O'BRIEN: She giggles.

Members interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): Order!

The Hon. M.F. O'BRIEN: Premier Butler went to the United States, spoke with General Motors and said 'Yes, we have an issue getting heavy products'—and the Leader of the Opposition is correct, cars are heavy—out of Adelaide to other places in Australia and New Zealand. But what we will do, a conservative government in South Australia, we will not let the tyranny of distance stop us from industrialising. We will drive down our wharfage charges so we can actually get these heavy products out of South Australia.'

We then go to the Playford era when General Motors were reconsidering their ongoing presence in South Australia, and they indicated that they did not believe that we had sufficient electricity in South Australia to run a large manufacturing plant. So, what did Playford do? He opened up the Leigh Creek coalfield, he built a power station at Port Augusta, he put in place the Housing Trust to drive down the cost of wages, to get our wage structure competitive, and he hopped in a car and drove to Elizabeth and negotiated the deal for the purchase of the Holden site. He went there without a driver, without any cabinet colleagues and negotiated the sale of that land.

We contrast Butler and Playford with what a Redmond government would be. It would be a do-nothing, cannot-do government. It would not have the fire in its belly or the perseverance of either a Butler or a Playford. She said it in this statement to FIVEaa, that this is not the place where you manufacture automobiles. Butler did not believe it, Playford did not believe it; she believes it. If you, for some unknown reason, are granted the opportunity to govern in South Australia with your current leadership, you will let the state down in a way that is unimaginable. You do not carry the legacy of Thomas Playford, in particular. You are a do-nothing opposition. You have no vision. You do not carry the mantle of Butler or Playford.

Mr HAMILTON-SMITH (Waite) (17:03): I want to welcome this motion if it was intended by the government to be a substantial debate about an important policy issue because I think the matters raised in the motion are very important. But if, as I suspect, it was primarily brought before the house for a political purpose, to try to wrongly characterise those on this side of the house as being anti-manufacturing or anti-Holden then I am saddened, because I want to focus my comments on the substance of the motion as I think there are some very important issues within it.

As has been eloquently outlined by the Leader of the Opposition and previous speakers on this side, the motion is supported by our side and we look forward to a long and vibrant future for Holden in this state, and we recognise that—as when we were in government—from time to time government needs to partner up with industries, and I will talk about that in a moment. Unless we face up to some of the issues that are addressed in this motion, the state faces a very bleak future indeed. In fact, if we are not careful, South Australia will become nothing more than a mine, a farm and a tourist destination, to be perfectly frank, and we need to be far more than that. The people who will make it far more than that will not be the government: it will be the private sector.

For a start, we need to add value to our primary products. We know that, and we are doing it successfully in the wine industry by adding value to a range of food products. We are doing well in meat, sheepskins, we are doing well in a range of products—aquaculture, etc. We need to go further; we need to move up the value chain. Food is going to be one of the most important pillars of our economy for generations to come.

Secondly, we need to make more of mining. I have got to say that I think we could do better—and this has been part of a national debate—in extracting manufacturing benefits from the mining sector. I am on the record in the house as expressing some disappointment in the agreement we reached with BHP that there was not more in the way of contracts and manufacturing opportunities emanating from that agreement.

Sadly, BHP in my view is pretty much free to do what it chooses in the years ahead instead of being required to deliver better outcomes here for local manufacturers. I think we need to ensure—and this is an issue that has been raised in WA, it has been raised in the eastern states—that mining actually delivers to manufacturers, whether they are steel fabricators, whether they are car manufacturers, whether they are electronics companies' contracts, rather than rush off and spend those contracts in overseas markets.

I think that is very important and it does require to some degree a little bit of market intervention. If you leave the big miners free they will go to the cheapest destination to let their contracts. And what do we find when we get there? Those destinations, particularly in Asia, are heavily subsidised by their own governments and they then undercut our own people. I will come back to that point because it is relevant to the motor car debate.

The third pillar of our economy going forward, if we are truly to have some vision, has to be the services sector. We are getting results on education. As a former tourism minister, I can tell you it is an underutilised industry. There is so much opportunity there in tourism, we have not even begun to tap it. And, we have a lot of smart people with a lot of smart services to offer, and they can be turned into vibrant exports.

The fourth pillar of a vision going forward has to be manufacturing, and it is that that brings me back to the substance of the motion before us. Without a manufacturing sector we have little indeed. I make the point that our electronics base, which is highly connected to manufacturing, is one of the most vibrant in the country. I make the point that we have an active biotechnology sector, an active defence sector, and that we are achieving results in manufacturing across the board.

Where are we being most successful in manufacturing? We are being most successful in those areas where we have moved up the value chain, where we have used science and innovation and technology and the smart people we have here combined with the resources that we have to move up the value chain so that we can sell high value-added products and, therefore, pay higher wages to and our workers, comply with occupational health and safety requirements, meet environmental constraints, and do all the things that we have to do and like to do in this country that other countries, particularly in emerging economies, either do not do, do not want to do or cannot afford to do. We will only get there by moving up the value chain.

This relates very much to this motion and to the problem facing Holden's and which brought Mitsubishi to its knees and before that Chrysler's. How do we move up the value chain? It may not be lost on members in the house that the dominant nations in the car manufacturing business are actually the two that lost World War II: Germany and Japan. It is an irony, isn't it? It is an ultimate irony that our grandfathers, as they fought on the Kokoda track and through North Africa and in Europe, fought for a future where the defeated would dominate the motor vehicle industry.

To their great credit, having been crushed during the war, those two nations sat down very thoughtfully and set out a strategy in regard to how they would rebuild manufacturing. Admittedly,

they were literally coming off a low base—in fact, a level base—but they understood a simple paradigm: you had to be competing in the motor car industry on quality, science and innovation. It is no mistake that the Germans are producing Audis, Porsches and Mercedes, and that the Japanese are producing Lexus, Toyotas, Nissans and Subarus and that they have taken over the motorbike industry from the UK and Europe, based on science and technology, and that their products are absolutely superb.

Is it not an irony that the country that was probably most suitable to dominate the four-wheel drive all-road vehicle SUV market—Australia, because of our terrain, our climate and our industrial base post World War II—finished up buying those products from Japan, which is the dominant producer of those vehicles? Japan is a tiny country with no four-wheel drive terrain to speak of but, by being smart, they have dominated the four-wheel drive industry.

I point back to some strategic mistakes that were made after World War II. My honourable friend, the Minister for Finance, mentioned earlier the Playford period and the Butler period. One thing we could have done better was set out to ensure that our car industry was based around science, innovation and quality instead of mass produced 'me too' products. Sweden did it with Volvo and Saab, with a small economy not much bigger than ours—in fact, smaller than ours at the time.

We made a mistake. We allowed Holden to be taken over by a multinational. It was an American multinational and we now find ourselves one cog in a multinational wheel producing 'me too' vehicle products, excellent though they may be, that are also produced by that multinational in other destinations like Thailand, China, South Africa, Europe and the United States. Therein lies the dilemma. Our products are not distinguished by science, innovation and quality. We are part of a multinational and, therefore, subject to the whims of the decisions made in Detroit.

If we are to turn this around, and this investment package seeks to do that, we need to address some of these fundamental concerns. The only way we will now rebuild Holden into a vibrant part of its multinational parent is if we make it relevant to its multinational parent by becoming the hub of science and technology within that multinational parent in certain fields.

I had a constituent come to see me in Waite—and the minister for industry and trade might like to listen to this example—who told me that he had worked for eight years for Mercedes-Benz in Germany, producing tail-light assemblies for various models of Mercedes-Benz. He was the leader of that team. He wanted to come back to Australia and Mercedes-Benz said, 'We cannot afford to lose you. You will bring our tail-light assembly and innovation and design plant to a standstill.'

He said, 'Well, I want to go home.' They said, 'Right, you will continue working for us from Adelaide.' He was set up in his lounge room with all of his information technology equipment, designing tail-light assemblies for three models of Mercedes-Benz, sending the technology back to Germany and getting a big fat cheque every month—a very good arrangement and an example of how industry and manufacturing is changing. It matters not so much now where you are. What matters is how smart you are.

If Holden is smart, and if the government is smart with this investment, they will insist that Holden South Australia becomes a design and manufacturing centre of excellence in those fields within the Holden technology sphere that we can achieve that goal within. If we can do that, if we can make ourselves relevant—I have heard the Premier make these noises, so I am sure he understands the point that I am getting at—then Holden will have a future.

I am not focused so much on the quantity of money. Admittedly, only \$50 million of it is ours. Arguably, I suppose, the other \$220 million is coming from other states that have kindly donated to South Australia.

Mrs Redmond: And us.

Mr HAMILTON-SMITH: And us indirectly. What I am focused on is how wisely the money is spent to lock in a future for manufacturing and for Holden. There are a number of ways government can help manufacturing. One of them, as I mentioned, is through promoting science, innovation and entrepreneurship. Many of the instruments through which we might do that have recently been decommissioned by this government. Many of the agencies and investments that we once had are no longer there. You need machinery if you are to promote science innovation and entrepreneurship.

A second way to do it is through building infrastructure, and I just observe that we happily spent \$450 million, or thereabouts, on infrastructure at Techport to support the defence industry

and we are now here debating the \$50 million investment in General Motors. We are happy to put money into various industries when we choose to; it is a question of how we do it and what results we get for it. I have supported both of those initiatives—Techport and Holden—but I want to see the outcomes, which gets back to the point made by the leader and other speakers about the business case, which I think would have been worthy of being made publicly available far sooner.

Another way that the government can help is with selective co-investment. I am the best economic purist you will find. I am with Henry Ergas on most issues, but I am not with him on this issue. I think there are certain core industry pillars that you simply must have, and I think in this state the motor car industry is one of them. If it was another industry, being an economic purist, I might say, 'Let it go'. However, this one, in my view, is too big to fail. I think everyone in the house recognises that—on this side and on your side.

What we have to do, though, is make sure that it not only does not fail this year but also that it does not fail in 10 years when this arrangement runs out, and that it has a long-term future. That is what we would all like to see.

Holden trains a lot of apprentices and employs a lot of people, and a lot of other industries hang off Holden. If those industries are smart, they can diversify and find other markets for the products they are selling to Holden, whether it be rear vision mirrors or technology going into dashboards or the design of anything from taillight assembly to wheel nuts. They can also diversify into other industries and related products and, by being smart, they can move up the value chain and sell high value-added products.

The model to think about is the same model we are using with defence shipping. The real money is not in the steel that goes into building the hull of an air warfare destroyer: the real money is in the smart technology and manufacturing that goes inside it, that fits it out. That, too, is the case with motor car manufacturers. It is not the steel and the heavy bits that necessarily have the value: it is the technology that goes into everything from the dashboard to the design aspects of the vehicle that have the real added value. That points to where an economy like ours might pitch itself to General Motors as an important part of the international network. I am all for selective co-investment as long as it is very strategic and isolated to pillar industries and not thrown away just as industry subsidies to whoever may come.

Everyone in the house supports the motion and the package. I am saddened that the government has bought this here with a political motive rather than a policy motive. As the leader has pointed out, it has been all about misrepresenting the views of the Liberal Party, both federal and state. The government seems to be confused by the fact that, in the Liberal Party, we can have a robust debate about policy and people are actually able to have different points of view and express them publicly and in parliament, something that seems to be woefully lacking in the Labor side of politics—from Queensland to WA.

So what if federal members have slightly different points of view and they air them? So what if from time to time we debate openly and publicly the pros and cons of an argument? That is what we do in the Liberal Party. What do you try to do? Grab those comments, misrepresent them and mould them into something which is a complete fabrication. I find that political component of this motion disappointing, because it is a very important point.

We do not know where the car industry or this economy will be in 10 years from now. The Aussie dollar may not be at whatever it is today—\$1.05 or \$1.06. The Aussie dollar might be back at 70¢. The car industry might suddenly be facing a whole different trading environment. Who knows where we will be in 10 years. Perhaps we will have a Liberal government that, over a period of time, will have got the taxes and charges in this state down to a level where businesses like Holden can actually make a profit, instead of having to struggle under the burden of Labor's ridiculous taxation regime.

Who knows where we will be in 10 years' time? Perhaps we will have a Liberal government that over a period of time will have got the taxes and charges in this state down to a level where businesses like Holden can actually make a profit instead of having to struggle under the burden of Labor's ridiculous taxation regime?

Who knows where we will be in 10 years? Perhaps we will have a government that actually promotes innovation and science and which will seek to connect our universities, our CRCs and our other centres of excellence with manufacturing in new, smart, clever ways, instead of the dumb arrangements that this Labor government has delivered after 10 years where it has actually sought to decommission relationships between manufacturers and the science and technology centres of

excellence in this state and where for 10 years I have hardly heard them mention manufacturing. All I have heard about is defence and mining, defence and mining, defence and mining.

Suddenly they have discovered manufacturing. It is just another reflection of how Labor across the country has lost touch with its core constituency. Let us be honest about what this is: it is an attempt by the Labor Party to reconnect with the core supporters who they have lost over the last 10 years through the Rann-Foley period through simply snubbing their nose at them. It is a pitch to the union movement and working South Australians to say, 'We haven't forgotten you.' The trouble is that it comes 10 years late. If you had been looking at ways to promote and support Holden 10 years ago we might not be here today, but you were not.

I am all for this motion, but I am all against the misrepresentation of the Liberals' position by Labor for purely political purposes. You will find no more staunch advocates of manufacturing and Holden than the Liberals, but we are not (unlike those opposite) a brainless bunch of morons who follow factional orders. We actually have brains over here and we have conversations on policy issues with our federal colleagues and each other, and we are even prepared to have them publicly.

At the end of the day we know who built this state; we know who pays the bills; we know who hires the workers; we know who makes the investment in the future—the private sector—small business, medium-sized business and big business. Government did not make this state and it never will. The people who founded Holden made this state. The people who founded the farms, the mines, the small businesses and the small factories are the people who built this great state and they are the people who will continue to build it if they could just get the monkey of government off their back.

I get back to my opening point: are we to become nothing more than a mine, a farm and a tourist destination or have we something more to offer? Looking beyond the politics of this I am not yet convinced that this government has any vision for the future of this state beyond winning the next election, and I want to see something far more detailed and far broader than this simple motion before I am to believe that you even understand how to rebuild manufacturing in this state. I support the motion.

Mrs VLAHOS (Taylor) (17:23): I am pleased to speak in favour of this motion today and I recognise the vital role of Australian manufacturing, in particular the car manufacturing industry in South Australia. I am also pleased to speak in support of the Weatherill Labor government and the leadership our government has shown to the working people of South Australia through the co-investment package to secure the future of GMH's operations in the northern suburbs. I am particularly pleased to speak on behalf of my electorate of Taylor where most of Holden's operations are situated in South Australia, and where many manufacturing workers live and raise families.

The co-investment into Holden's operations in Australia by this government, supported by the federal and Victorian governments, provides certainty for the car manufacturing sector in South Australia and beyond. This \$275 million co-investment package represents a very small price to pay in the wake of the \$1 billion investment by Holden's through the Next Generation program and the \$4 billion that Holden is expected to inject into the Australian economy over the life of the program.

Last year alone Holden sold around 40,000 Commodores domestically as well as around 33,000 Holden Cruze—two vehicles in the top five of the highest selling cars nationally and they are local products. The \$50 million being contributed to the package by the state Labor government represents a sound investment in South Australia's jobs and the state economy. Due to the international pressures and global economic circumstances we have been facing, there has been a risk that GMH would reduce or close its Australian operation. The simple fact is that any closure of the Holden GMH plant would strip away over \$1.5 billion of gross state product and affect roughly 16,000 South Australian jobs, and \$83 million per year would be stripped from the state's taxation base. Such a closure would be most likely a reality without the investment and foresight of the federal and state governments, and would be immensely negative in the north, where I am from, and to the whole South Australian economy.

Under these conditions and with ironclad agreements from Holden to continue the production in South Australia, the co-investment by the federal and state governments represents a very small price to pay. In truly examining the necessity of this investment, we must look at a number of factors and the negative flow-on factors that could result from the closure at Elizabeth.

As well as the loss of thousands of jobs for Holden workers at the plant, the consequences for the wider community would be dire.

Firstly, there would be an immense negative impact on the state's reputation, both nationally and internationally, as consumer confidence and investor confidence would both be hit hard with such a large reduction in revenue, large numbers coming onto the unemployment list, and production. This would come at a time when the global economy is still recovering from the financial crisis that was not of our own making, and at a time when the South Australian economy can least afford to suffer the unnecessary loss of such a vital industry.

Secondly, there are the impacts and the subsequent loss of skilled labour. I have heard some suggestions that instead of supporting Holden's through direct investment, the money could be spent on retraining workers and relocating them to sustainable industries. Unfortunately, such a suggestion holds little weight, as immediate retraining and relocation of up to 16,000 workers is simply unfeasible. The continual training of our workforce takes time and it takes money.

Yes, it is a vital part of a changing economy. However, employees and workers are best assisted and trained while they are at work, in a workplace. The loss of such a pivotal industry and skilled jobs assists no-one. The co-investment package proposed by the state and federal governments is an assurance that the skilled labour present at the GMH plant Elizabeth will be kept in work, and therefore kept at the centre of innovation and advanced manufacturing.

Thirdly, there are the socioeconomic impacts of any closure in the north, which already suffers from high employment, lower than average household income and lower than average tertiary education completion. Putting such negative pressures on a region that is supposed to be the focus of the greater metropolitan Adelaide plan, and is earmarked for future growth and population increase, would be detrimental to the already stretched community framework that exists in the north.

This is more than just about guaranteeing the current Holden workers their jobs. It is about ensuring the thousands of South Australian workers who provide components and support Holden are kept in work too. This is about ensuring the communities of the north are not ravaged by a wave of mass unemployment in a time of global economic pressure. Component manufacturer, Futuris Automotive, is one of the many companies in my electorate which will be directly affected by this package and will help the Holden plant at Elizabeth produce the components for its cars.

On my recent visit to Futuris with the Premier, we were shown around the plant. It is 100 per cent Australian owned, supported by Elders. This leading and award-winning automotive component manufacturer provided information on how it would affect their staff. Futuris designs, engineers and manufactures automotive seating and interior trim products for many vehicles manufactured at the Holden plant, and employs around 900 people throughout its Australian operations. This is another 900 jobs throughout the country that are put at risk if the government fails to co-invest in the future of Holden operations and the future of the domestic advanced manufacturing sector.

Futuris has continued, despite economic downturn, to invest in innovation and technology to ensure the viability of its Australian operations. However, without assistance to the manufacturing sector, such companies will be forced offshore, leaving unemployment and losses to state revenue. This innovation has led Futuris to diversify into the areas of clean-tech manufacturing solutions and infrastructure products and services.

Australia is not the first or the only country to provide assistance to the automotive manufacturing companies. In fact, in comparison to Europe and the US, our manufacturing sector receives a much smaller amount of public subsidy per employee. Federal government figures have indicated the Australian taxpayers contribute less to our car industry than those in other developed countries, including Germany, France and the United Kingdom. We only need to remember the statement from Mr Abetz quoted yesterday:

Australia is in a special situation. It is one of 13 countries in the world that has the capacity to make motor vehicles. That is a pretty special capacity and I think it's within the national interest to have that sort of wherewithal.

Former federal manufacturing minister Kim Carr said that:

At only \$17.80 per taxpayer, the Australian government's level of support for the car industry was a very low figure compared to those of Canada at \$96.39, France at \$147.38, Germany at \$90.37, Sweden at \$334, the UK at \$27, let alone the great home of free enterprise, the US, at \$264.

When I have asked the constituents in my electorate they have indicated that they would definitely choose to pay \$17.80 to support our industry rather than risk the closures and the job losses to their communities. Senator Carr stated:

Nowhere in the world—nowhere—does the industry survive without substantial co-investment by governments. The governments of these countries around the world value investment. They value jobs. They value the huge benefits that come from research and development and from exports. They value services that are generated.

He continued to say:

In Australia, our investment in the automotive industry is very small, very small by international standards, and the recent reports indicate that for Australia it's less than the price of a football ticket. We have the capacity in this country to be able to be part of a great global industry and to remain part of it, but it requires investment, new investment. It needs constant attention. It's not a set-and-forget policy area. It's an area which we must work closely with everyone involved [in the sector] to maintain our international competitiveness.

Economic rationalists may argue that governments should not intervene, but we are not competing on a level playing field. Other nations around this world clearly support this automotive sector, and we would be mugs not to protect our state economy, our future and our workers' interests. There may still be criticism by some sections opposite that the government is supporting a private industry with subsidies. We must remember the practical implications of manufacturing for this state and for the communities and for the opportunities in the north this represents.

I have not encountered anyone in my electorate who is not in some way connected to Holden. The job figures we effortlessly squabble about here are mothers, fathers, husbands, wives, sons, daughters, neighbours and friends in Taylor in the north. In my community these workers are often the sole breadwinners in their house, employed either directly in the plant at Elizabeth or in the components industry, and it makes me sick to my stomach to hear the sniping on the other side of the chamber.

The message that we have heard from the Liberal Party on this issue is not comforting. Instead of support for maintaining a high level of employment in a region in Adelaide that needs it most, all we have heard from the other side of the chamber is arguing over whether it is pronounced 'Holden' or 'Holden's'. I hope that members opposite remember—God forbid if they are ever in a position to make some decisions—that around 16,000 workers are being affected and that they do not simply offer grammatical correction. I hope that if they are ever faced with the destruction of an integral and iconic part of South Australia's economic history they do not reply with a sentence structure lesson.

It is clear from the debate in the last two days that this government has a clear, long-term vision for the betterment of South Australians—a future for this state. This flies in the face of the short-term economic purists on the other side of the chamber who simply dislike spending money, even if it means ensuring a gain in advanced manufacturing, continued employment or sustained social and economic progress for this state. It is easy to revel in economic purist debate and question subsidies when you live in Burnside or other areas where it is not a matter of survival, and it is for my people.

We need a clear message from this chamber today that we support the manufacturing industry, an advanced manufacturing industry, and that we support jobs and we support workers and their families. They deserve a future, something the people across the chamber do not always remember clearly. I commend the motion to the house.

Mr WILLIAMS (MacKillop—Deputy Leader of the Opposition) (17:34): Mr Acting Speaker, I am gobsmacked by that last contribution. I call on the member to go back and read the contribution by my colleague the member for Davenport because she obviously has no understanding of the history of this state and no understanding of the role—the very proud role—that the Liberal Party has played in supporting business, jobs and manufacturing in this state. We took over a bankrupted state in 1993 and rebuilt the economy—

The Hon. M.J. Atkinson interjecting:

Mr WILLIAMS: —which saved tens of thousands of people from being thrown on the scrap heap of unemployment. We did that because the Labor Party has no idea how to run the finances of the state—

The Hon. M.J. Atkinson interjecting:

Mr WILLIAMS: —and we find ourselves back in the same situation now. It galls me to sit on this side of the house and have that sort of claptrap—

The Hon. M.J. Atkinson interjecting:

Mr WILLIAMS: —thrown across the chamber—

Mr PENGILLY: Point of order, Mr Acting Speaker. The member for MacKillop is quite a humble fellow and is being interjected profusely by the member for Croydon. I ask you to quieten down the poor old fellow a bit.

The ACTING SPEAKER (Hon. M.J. Wright): He hasn't been too quiet during this debate, but I would like him to be heard in silence.

Mr WILLIAMS: Thank you, Mr Acting Speaker. As I was saying, it galls me to listen to this claptrap. Let me go back to what the Minister for Finance said. He almost knows what he is talking about, but he is so confused about where he is that he gets it all wrong. He tried to make the case that we do not support manufacturing because the Leader of the Opposition pointed out the reality that if you manufacture something in South Australia you then have to get it to market and, because we have got such a small population, we do not have a big market. The reason South Australian has been so successful for so long is that we maintained a low cost structure. The minister even said that himself. He even made the point that Thomas Playford and Premier Butler worked to ensure that we had a low cost base.

What has this government done? These people, who would have us believe that they are really concerned about the welfare of the working men and women of this state, have driven us to a high-cost-base state, a high-cost-base economy. We are the highest taxed state in the nation. How is somebody supposed to survive in manufacturing in South Australia in the sort of economy that we have as a result of 10 years of this government, when they still have to manufacture something and then transport it to market, whether it be in Sydney, Melbourne, Brisbane or offshore? That is the dilemma that we face here in South Australia. That is not the point I wanted to make, and I do not want to be too long.

I cannot believe how angry the members of the government are that the opposition is supporting this motion. I cannot believe the poor old Minister for Transport and Infrastructure. He was livid when he found out that the opposition was, in fact, supporting the motion. We support the motion because it is a sensible motion. It is a little bit like motherhood and apple pie but, putting that aside, we support the principle that the state should, indeed, support industries.

I recall when we were last in government we were constantly berated by members of the Labor Party about what they called 'corporate welfare'. On a daily basis, they were berating us because of the support we gave to industry—they were constantly berating us—and now they have the temerity to suggest that we have no interest in supporting manufacturing and jobs in South Australia. They have no understanding of the history of this state.

The reason this Liberal opposition is asking questions is quite simple: we do not trust this lot. We do not believe what they say, and I will demonstrate why we do not believe what they say.

Mrs Redmond: There are lots of reasons.

Mr WILLIAMS: There are lots of reasons, and I certainly will not be comprehensive in the reasons because that would take me days and days and the house would not find that acceptable. There is a plethora of examples where the government has demonstrated that it will say whatever it takes, irrespective of the truth, to try to spin a yarn and spin a line and try to convince the voting population that the Liberal Party is saying something which we patently are not saying. The Minister for Manufacturing, Innovation and Trade is a typical example. He has been here today saying that I would rather build a port. He went on and said, that I said, we would be better off putting this money into a port.

Mrs Redmond interjecting:

Mr WILLIAMS: That is not what I said at all. The minister and I were on public radio, I think it was back in January, and I have the transcript of what I actually said. I will preface my remarks by saying this, when asked by David Bevan and Matthew Abraham on their program about this debate, whether we should be financing or using taxpayers' money to support manufacturing in this state, specifically Holden's, and the fact that we were asking questions, I said:

This Labor government keeps throwing money at all sorts of projects without doing a proper analysis of it. We have seen the Royal Adelaide Hospital. We were told it was going to be built for \$1.7 billion and it looks like it is going to end up about \$3 billion.

The Hon. A. Koutsantonis: Point of order: the member for MacKillop is a stickler for the standing orders and now he is debating a matter that is not before the house.

The ACTING SPEAKER (Hon. M.J. Wright): I will listen carefully to the speaker and I am sure that he will try to ensure to be on the topic.

Mr WILLIAMS: I certainly am. I am pointing out the dishonesty and that is why we need to ask questions, because we just do not believe them. I made the example of the Royal Adelaide Hospital. We were told \$1.7 billion and it has turned out to be \$3 billion. Then I went on to say that it never gets the scrutiny of the parliament, and we have an Industries Development Committee which is supposed to scrutinise these sorts of projects, particularly projects which involve private companies. I was pointing out that we have a process established in the parliament to give proper scrutiny to this sort of behaviour, and it is not being used by this government.

I was asked another question, and I went on and made the point that Jay Weatherill said that he will not be doing a cost benefit analysis, so I am not quite sure what the committee is actually going to look at because the Minister for Manufacturing, Innovation and Trade had made a comment the day before that, after a lot of pressure from the opposition, they would refer this to the IDC of the parliament. Still not there.

The Hon. A. Koutsantonis: You just made it up.

Mrs Redmond: He's reading from transcript.

Mr WILLIAMS: I am reading from transcript.

The Hon. A. Koutsantonis: You are reading from a transcript that I said we would refer it to the IDC?

Mr WILLIAMS: Yes.

The Hon. A. Koutsantonis: Read it out.

Mr WILLIAMS: Yes, you made a comment.

The ACTING SPEAKER (Hon. M.J. Wright): Order!

Mr WILLIAMS: I said, 'I noted yesterday minister Koutsantonis came out and said he is going to take this to the committee.'

The Hon. A. Koutsantonis: Your words; read out mine. You just make stuff up. You are hopeless.

Mr WILLIAMS: So, you are not going to take it to the committee?

The Hon. A. Koutsantonis: Don't backtrack. Did I say I was going to take it to the IDC?

Mr WILLIAMS: You are not going to take it to the committee?

The ACTING SPEAKER (Hon. M.J. Wright): Order! The Deputy Leader of the Opposition will return to his speech.

Mr WILLIAMS: Matt Abraham made this comment, 'What are your thoughts on that?' This is what I said:

If you had a lazy \$200 million that you thought you might be putting into a sinking industry, how would you better spend it?

The Hon. A. Koutsantonis: Sinking industry! Well done; there you go. That's what you think—the automotive industry in South Australia is sinking.

Mr WILLIAMS: No, this is what Matt Abraham said. Let me read this again:

If you had a lazy \$200 million that you might be putting into a sinking industry, how would you better spend it?'

That is what Matt Abraham said. This is what I said:

I would certainly want to see some analysis of the benefits of that \$200 million.

What I said to David yesterday was:

There is another industry in South Australia which is screaming out for some money—the mining sector. The mining sector has been screaming out for investment in a deep sea port to service that industry. It may well be, and I am not saying, I don't have the data, and this is what I am debating. We need the data so we can decide which is the best place to put our money.

That is what I said, and from that the minister is saying I said we should be building a port and not putting money into Holden's.

Mrs Redmond: That's dishonest.

Mr WILLIAMS: Absolutely dishonest. It is not misleading, it is blatantly dishonest. That is why the opposition is asking questions, because we do not trust this lot. We do not trust them because they suffer when it comes to the truth.

There are a lot of manufacturing jobs in this state under threat. What is this government going to do when they get the phone call from Nystar when the carbon tax kicks in? What are they going to do? What are they going to do when they get a phone call from OneSteel? There is a plethora of companies around the state. In my own electorate Kimberly-Clark Australia has been laying off workers in the last 12 months, hundreds of them, because they are struggling to compete in this highest taxed state in the nation.

The opposition supports government intervention. We were very good at it when we were last in government in spite of the constant criticism and carping from the Labor opposition. We were very good at it. We worked closely with the manufacturing sector and industry in general to support them in an economy which had been left in a perilous state by the previous reign of the Labor Party.

We have a very proud record of supporting industry. We are not economic purists. We do believe in market intervention, and we have demonstrated our ability to do that. As the member for Davenport pointed out, there would not even be a manufacturing sector in this state if it was not for the Liberal Party. There would not be those jobs for the thousands of men and women who work in the manufacturing sector if it was not for the Liberal Party. There would not be—

Mrs Redmond interjecting:

Mr WILLIAMS: Yes, the Minister for Finance did acknowledge that. There would not be those thousands of jobs if it was not for the Liberal Party and Liberal Party having a vision. That is the one thing that makes the Liberal Party stand out from the Labor Party in this state and in the nation, to be quite honest. We do have a vision. This vision is for a bigger and better South Australia, it is for a place where people can get work.

I cannot believe that members opposite, after spending 10 years in government, 10 years controlling the financial levers of this state, can come in here and say the things that they are saying when the unemployment rate at Elizabeth, right where General Motors Holden operates from, has grown steadily by a percentage point each year, from 17 per cent, 18 per cent, 19 per cent, to 20 per cent, and they come in here and try to create this myth that that is something to do with the Liberal Party. They try to create a myth that it is something to do with the Liberal Party.

The Liberal Party has been the one party that has built manufacturing, that has built industry, and that has built jobs in this state. I have sat and watched for far too long people lose their jobs because the Labor Party only knows how to tax and spend. That is why we now find ourselves the highest taxed state in the nation with a deficit heading back to \$11 billion. That is where we inherited it last time. Unfunded liability and WorkCover—where is that? One at 1.2—

Mrs Redmond: Over a billion again.

Mr WILLIAMS: Well over a billion dollars. The highest WorkCover levy rate in the nation by a mile and a half. Why do people struggle to keep operating in manufacturing? Because of the cost structure. Do something about the industrial relations system, do something about WorkCover, do something about getting their costs down. Make sure that we invest in proper infrastructure to support industry.

Members interjecting:

The ACTING SPEAKER (Hon. M.J. Wright): Order!

Mr WILLIAMS: That is what we stand for. I think one of the greatest shames of this government is what it did to WorkCover. It is a great shame.

Members interjecting:

The ACTING SPEAKER (The Hon. M.J. Wright): Could the Leader of the Opposition and the minister stop their behaviour and let the deputy leader be heard in silence.

The Hon. A. Koutsantonis: I will rise above it, sir.

The ACTING SPEAKER (The Hon. M.J. Wright): Thank you.

Mr WILLIAMS: One of my colleagues, I think it was the member for Davenport and the leader may have even alluded to the same point—I have not agreed with everything that Kevin Foley has said and done. In fact, he was one of the ones who led the charge, complaining about what he called 'corporate welfare' when we were last in power.

One of the things that Kevin Foley did do was, when we needed genuine bipartisan support for the BHP Billiton indenture bill, he walked across to this side of the chamber. He spoke to me and he spoke to my leader and he said, 'This is very important for the future of South Australia. Let us rise above the politics. Let us see what we can do to get this to happen and happen in the time frame that it needs to happen in.'

What happened was the Liberal Party acted as it always does. It acted with integrity and it acted for the best outcome for South Australia. We gave Kevin Foley our word. We said we need to understand what sits behind the indenture and we need some time to get our head around it because we are not going to rubber-stamp it. We are an opposition that actually works.

We put that to Kevin Foley and he said, 'Fine. I trust you.' He put his trust in us and we never let him down. As was said, we negotiated with BHP over a long period of time and we did not let them down because we did what was right for South Australia. We did not play petty politics.

The opposition is supporting this motion. We think it is important for South Australia. We are disappointed, as the member for Waite said. We think that this motion is being promoted to get some sort of political gain; that is why the government members are so damn angry that we are supporting it—because we have thwarted their plan.

Mrs Geraghty: We're not angry.

Mr WILLIAMS: Patrick was angry. The reality is that, anybody who suggests that the Liberal Party, first of all, does not do what is best for South Australia, does not operate with integrity, does not support government intervention to underpin jobs and careers in South Australia, has a very poor understanding of the history of the Liberal Party in this state.

I am proud to stand here as a member of the Liberal Party. I am proud to be a member of the great party which has a great record on building industry, manufacturing and all of the other industries that operate in this state that provide jobs.

I am appalled by the behaviour of the Minister for Manufacturing, Innovation and Trade, who would want to get into the gutter and make some cheap comment about some financial support that was given to an industry that was employing 200 people because there was a connection with one of the now members of the Liberal Party. That is the sort of gutter, low, cheap politics that does not do any of us any good.

Mrs Redmond interjecting:

Mr WILLIAMS: Yes, it is typical of that minister, particularly when we are talking about something of vital importance.

The Hon. A. Koutsantonis interjecting:

Mr WILLIAMS: I think you have already said enough, Tom.

The Hon. A. Koutsantonis interjecting:

The ACTING SPEAKER (The Hon. M.J. Wright): Order!

Mr WILLIAMS: Is that echoing out of the gutter? It is a gutter echo.

Members interjecting:

The ACTING SPEAKER (The Hon. M.J. Wright): Order!

Mr WILLIAMS: Let me just repeat in conclusion that the Liberal Party supports this motion because it believes in manufacturing, it believes in intervention and it believes that the car industry

is fundamental to the South Australian economy. They are the things we believe. That is in our DNA. That is in our nature. We have always done the same thing.

So, nobody on this side of the house accepts the nonsensical claptrap that has come from some of the members of the government. I know they are disappointed and upset and angry even, some of them, that we are supporting this; but, if they had thought for more than a moment and a half on this matter, they would have realised that we were going to support it and always would because it is in our nature and in our DNA.

Ms BETTISON (Ramsay) (17:55): This government supports a strong and sustainable future for manufacturing in South Australia. As Professor Roos reports, a healthy manufacturing sector is a must for any advanced economy with ambitions to maintain economic and social well-being. In my own electorate, it is very important.

According to the 2006 census, 20 per cent of people living in Salisbury and part of the Salisbury workforce are employed in manufacturing. According to Professor Roos, manufacturing is the biggest spender on applied research and innovation. It is the key driver of productivity improvements. It is critical for export earnings. It is the largest driver of high-value services and it is the largest generator of employment.

The recent Burgan report found that up to 16,000 jobs are supported by the presence of Holden. In the northern suburbs, companies such as Futuris Automotive, Detroit Diesel, Australian Arrow, Vinidex and ZF Lemforder are key component suppliers clustered around Holden. These suppliers are crucial to the delivery of Holden's world's best practice advanced automotive manufacturing.

Professor Roos also notes that each job in manufacturing generates on average between two and five jobs in the rest of the economy. Burgan notes that Holden purchases \$530 million from core local suppliers, supporting jobs and manufacturing, construction, transport and retail. Supporting an employer as large as Holden also ensures that many opportunities exist for people in our community to take up apprenticeships and traineeships. These opportunities exist not only at Holden but in other industries that provide direct inputs to the automotive industry. These industries include steel, non-ferrous metals, polymer products, specialised and other equipment manufacturing, structural metal products, glass, chemicals and plastics.

As a registered training organisation, Holden offers a number of first-year apprentice positions in South Australia. Apprenticeship programs can include, but are not limited to, toolmaking, engineering trades, automotive mechanics and instrumentation technicians. I am pleased to be able to report to the house that Holden is currently in the early recruitment stages for an indigenous apprenticeship program. I seek leave to continue my remarks.

Leave granted; debate adjourned.

LIVESTOCK (MISCELLANEOUS) AMENDMENT BILL

Received from the Legislative Council and read a first time.

[Sitting suspended from 17:59 to 19:30]

GM HOLDEN

Adjourned debate on motion of Hon. J. W. Weatherill (resumed on motion):

Ms BETTISON (Ramsay) (19:30): Holden, as a registered training organisation, offers a number of first-year apprentice positions in South Australia. Apprenticeship programs can include but are not limited to toolmaking, engineering trades, automotive mechanics and instrumentation technicians. I am pleased to be able to report to the house that Holden is currently in the early recruitment stages of an Indigenous apprenticeship program. Another exciting program offered by Holden is its 12-month cooperative student program which is designed to provide students undertaking tertiary studies with the opportunity to gain practical experience in not only engineering and manufacturing but also in a variety of areas including corporate affairs, finance, legal, marketing, sales and design.

The Training and Skills Commission recently predicted that growth in our state's economy, combined with replacement demand for jobs, will result in 163,000 job openings in specialist occupations over the next five years. That is why it is so important that we ensure that all existing

workers or potential employees in South Australia receive the training they need to take up technical and trades jobs or to further enhance their existing skills.

As well as offering many training opportunities, Holden has in place numerous programs to upskill its existing employees. In 2010, Holden invested \$718,000 and 345,000 hours in staff training. All of Holden's new employees complete a Certificate II in Automotive Manufacturing and supervisors can access training opportunities such as a Diploma of Competitive Manufacturing, as well as participating in Holden's area leadership program. Even during the difficult times of the global financial crisis Holden moved to consolidate its existing employees' skills by ensuring that all employees complete a Certificate III in Competitive Manufacturing. This is a testament to Holden's determination to remain a viable and competitive car maker both locally and on a global scale.

As the house is aware, South Australia has a robust training sector, with more people than ever starting and completing training. Figures that came out in February this year from the National Centre for Vocational Education Research attest to how well we are doing in terms of the number of apprentices and trainees commencing and completing their training. As well as a record high number of commencements over the year ending 30 September 2011, the report indicated a record number of completions in this time frame. This included the highest number of completions for technicians and trades workers.

Securing the future of Holden and therefore the future of thousands of manufacturing jobs enables workers to utilise and expand on their hard-earned skills. This co-investment goes further than creating a skilled workforce and retaining jobs. Holden invests in the wellbeing of local communities, my own seat of Ramsay included. For instance, a joint state government and Holden initiative to upskill long-term unemployed residents of Adelaide's north has allowed for two eight-week TAFE-based programs to be run. A recent example is Holden's support of Bedford Industries South Australia, where local road safety programs were developed to help some of the 3,000 people with disabilities or disadvantage gain their car licences.

Holden's is also a forerunner in the field of advanced manufacturing in terms of achieving equal opportunity in the organisation. The Diversity at Holden policy launched in 1999 saw Holden address issues such as their employment, recruitment and training processes that may have been impeding women's progress to ensure that they were being given opportunities for training and development, transfer and promotion.

This co-investment is good news for women working in the manufacturing industry. This month, Holden was named an Employer of Choice for Women for the fifth time, indicating that the model that they are using has been a highly successful one. Holden is setting new standards in the areas of women in manufacturing, leadership, pay equity and parental leave. This co-investment allows Holden to continue to lead the way for women in the automotive manufacturing industry.

Holden and advanced manufacturing are an integral part of the South Australian story. This co-investment is vital to the diversification and strengthening of the manufacturing industry, and I urge members to support the motion.

Mr PENGILLY (Finniss) (19:36): I was not going to take the time to speak on this motion, but I feel as though I have to. I actually regard it as a foolish and silly motion and I have no idea why we are even debating it. There is absolutely no question at all about the necessity of keeping General Motors Holden, or indeed the automotive components section of the South Australian manufacturing industry. It is a no-brainer, quite frankly.

We saw what happened with Mitsubishi. That disappeared, never to be seen again. I just hope that ultimately this does not happen with General Motors Holden. It is actually quite a personal thing for me, because the Holden family lived in my electorate. Sir James and his wife lived on Kangaroo Island for many years, and the Hon. Ian Gilfillan, a former member of the upper house, was at one stage married to Sir James Holden's daughter, and they were very proud of that Holden name.

The nuts and bolts of it is that General Motors, of which we have the General Motors Holden brand in Australia, is a multinational conglomerate that came out of the United States. It is a big powerful company. I just see this debate today and this evening as a complete waste of time, and an attempt to wedge the Liberal Party—which is not going to happen, because, as was adequately explained by the member for Waite earlier on, we just do not operate that way. We can have healthy, rational, sensible debates and we can disagree with one another, and we have the right to express our views if needed. Indeed that is what the federal member for Mayo, Jamie

Briggs, did—and good on him. He happens to be my local federal member. He has a point of view that he wanted to put forward, which he went ahead and did.

Some of us have a certain amount of the agrarian socialist in us (not a lot, I might add). I think the important issue here is what I hear in my electorate, which is predominantly agriculture, tourism and the retirement sector. The farming community say, 'Well, we are going to pay all this money to keep Holden here, and we are paying it'—'we' being the taxpayer—'But we get absolutely no support for the rural industries.' I might add, and I am sure that my farming friends here will agree with me, we actually do not want support. All we want is a bit of respect.

In the United States and in Europe the subsidisation of farmers keeps them going. We are the best, most efficient farmers in the world, but it gives them a case of the screaming irrits when they see funds being paid out to keep multinational companies in Australia when they are finetuning and working all the time to keep themselves going and to provide food and fibre to the world without any sort of economic subsidy at all. I say, again, they do not want subsidies: they want a fair go. They want the government to get off their back, both state and federal. They want them off their back. This is the issue for them, and I think it is an important issue.

Likewise the fishing industry. While these lunatic greenies and bureaucrats in this state government and federally run around trying to tie up the world and protect Australia from itself and our fishing industry, they are getting done over. We now find that we are bringing this enormous percentage of fish into Australia and our fish are happily swimming around in the sea increasingly and not getting caught. I just think it is absolutely bloody stupid, quite frankly—absolute stupidity, and that has been borne out. It is interesting, and we need to discuss these matters because I heard the minister for the environment, again, this morning, on ABC 639 pontificating on marine parks. It ain't going to go away, government members; and, I tell you what, they will come out swinging if you do it the wrong way.

I know that the Premier has picked up on this issue and I hope that they get it right; but they do not want subsidies, either. Likewise with the tourism industry. They come to me from areas in my electorate and they say, 'Well, we're struggling,' but they say, 'We pay our taxes and here we are supporting General Motors Holden. Why?' Of course we want to keep it in South Australia and Australia, but why do we have to pay for it when it is owned by a multinational conglomerate based out of the United States and here we are falling for the three-card trick?

I have friends who work in General Motors and have worked in General Motors, and even on Sunday I had the Metropolitan Male Choir down in Victor Harbor, which was founded in the Holden factory in 1938 by a fellow called Charlie Roberts, I think, off the top of my head. It has been fantastic for the state—and that old gentleman over on the wall opposite, who has been watching everyone speak tonight and this afternoon, must be turning in his grave over us having this debate. What Sir Thomas Playford did was amazing and, of course, Ben Chifley; I acknowledge his efforts.

All we seem to do is to screw down manufacturing, yet when this happens and we have to come in here and debate what I say is this foolish and silly motion over absolutely nothing which is a no brainer, I scratch my head. Similarly, the mining industry. Well, they are the last ones who need any sort of subsidy at the moment, but over the years it has struggled. One day, again, it may struggle, who knows, but does it want a subsidy? Well, they are paying enormous amounts of taxation to help subsidise keeping General Motors Holden in Australia. I say to you, sir, it is a foolish debate. It is one which we have come back tonight to debate further. I would rather be debating something of substance that needs to be amended or improved in South Australia than to be debating the absolutely bleeding obvious, in my view. I just think it is silly stuff.

Much has been said tonight, but the other thing was that recently ABC television had a program on Bavaria where they make BMW motor cars. While the rest of Europe is struggling (and I do not know whether or not other members saw it) and in a dreadful mess in some areas—Italy, Spain, Greece and Ireland—Bavaria is going gangbusters and the BMW motor company is going gangbusters in the middle of this dreadful crisis. I would say to the Premier and to his minister, 'Perhaps you'd better jump on the plane and go over and see what they are doing in Bavaria to get it right,' because they are doing it right. Heavens to Betsy knows the costs of production in Europe (how they equate to Australia, I am not sure; that is not my forte), however BMW is doing particularly well, and Germany and particularly Bavaria is doing well.

I would hope they would listen to my words and actually go over there and have a look. I would be interested in going over there myself, only problem is that I do not have a passport and

now we can't take anyone anyway, but that is another story. I would say that it is not all doom and gloom, but General Motors Holden is a critical and vital part of South Australia. If you go back over the years and look at Simpson Pope and other manufacturers who have come and gone because we now import everything from Asia—we import our fish, our electrical products and more and more motor cars—it is a ridiculous situation; it is a totally ridiculous situation.

I have had friends in Western Australia for 30 or 40 years who say to me that what South Australia always had over the west was they had to take everything over the Nullarbor to get it there because they had no manufacturing, whereas in South Australia (largely due to that gentleman up there) we had a great manufacturing industry. Long may manufacturing continue in South Australia. I desperately hope it continues.

I would like to see more manufacturing start up in the southern suburbs. We have lost Mitsubishi, and what have we really done? We have actually done nothing. I would like to see a highway go out of the south through Mount Barker to connect in rather than have to go the long way around. I would desperately love to see that. It is not for my personal gain; it is for the state of South Australia. I think it is a sad indictment of where we have ended up.

We seem to spend money on things that we do not need but we are going to get, whether we like it or not—and I refer, of course, to the Adelaide Oval (which many people in my electorate think is terrific). However, I was in Mount Gambier recently and I said to people down there, 'What do you think of the Adelaide Oval upgrade?' and they said, 'Well, we couldn't give a tinkers, quite frankly.' But I said, 'Don't you want to come to Adelaide and see the football in a partly covered stadium?' They said, 'Why would we want to do that? We can get to Melbourne in the same time and for the same price whenever we want to and see football over there as much as we want to.' The other intriguing thing they said down in Mount Gambier is they do not care what is in *The Advertiser* because there are far more copies of the *Herald Sun* sold in Mount Gambier than of *The Advertiser*. Now they are done over on their forestry industry, and time will tell on that.

In the United States they have bailed out airlines and companies like Fanny Mae and Freddie Mac, and they have bailed out other industries. They have bailed out motor car industries. But, they are a nation of 300 million people and we are a piddly little community of just over 20 million in Australia and we are trying to nut it out with nations like China with over a billion people—

The Hon. M.J. Atkinson: Can I quote you on that, that we are piddly little country?

Mr PENGILLY: Welcome back, Mick. You are the only bloke I know who takes an hour and a half to watch *60 Minutes*. I say to the house: I just think that it is a foolish debate to be having. I really, for the life of me, as I said at the start of these remarks—

The Hon. M.J. Atkinson interjecting:

Mr PENGILLY: You can get up in a minute and pontificate but let me finish now. In the United States they bail out their companies, and I have mentioned the population. There are a billion in India, a billion in China, and whatever the population is of Japan—I think it is around 180 million—and here we are running around spending all our taxpayers' money on things that I find absolutely bizarre. There is absolutely no way that the figure quoted is correct—16,000, I think. I do not want to see 16,000 people in South Australia out of work. I think it is a nonsense. We did not get it right with Mitsubishi. There are still people who worked for Mitsubishi who have not got jobs. We did not get it right there. We are letting manufacturing industry go down—

The Hon. M.J. Atkinson: Sibbo's got a job.

Mr PENGILLY: Sibbo got a job, that's true. I am hoping that the member for Mitchell is going to get up and tell us how Mitsubishi went broke when he was working there, but I doubt whether he will do it. I do not want to go on, but I just make the point that I think we are having a silly and foolish debate. Long may General Motors Holden continue—Holden's, as some people call it. Many of us in this chamber and the other chamber drive a Holden or Calais, or whatever, but I just think we are silly for debating it.

Ms THOMPSON (Reynell) (19:48): I do not think this is a silly and foolish debate. There are many people in my electorate who went through the experience of Mitsubishi closing—first the foundry and then the Tonsley Park plant. That was accompanied by months and months of fear and anticipation where—

Mr Sibbons: Years.

Ms THOMPSON: 'Years,' says the member for Mitchell, and that is true. There would be a slight revival and then it would happen again. I was aware of many people in my electorate who experienced severe mental health trauma during that period. I was aware of families connected with those workers who were also experiencing extreme anxiety during that period. Many of them required extensive medical support to overcome the difficulties that they were facing and then, when the closure finally came, many were so dispirited, that they were not able to readily move onto something different—they had been knocked around. I do not want to see the people of the north go through that trauma.

I know already that there are people in the south who are benefiting from this decision, so I want to thank the Premier and the ministers who were involved in the consultations, negotiations and discussions, and also the public servants who supported them because I have known some of them for many years and I know their commitment to keeping a vibrant manufacturing industry going in South Australia. I would particularly like to thank Len Piro for his long work in this area of keeping South Australia as a manufacturing economy.

When I was aware of this important decision, I contacted the Lonsdale Business Association, a very active organisation in my area, and asked what their reaction was, and their immediate response was 'Good, it gives us some security. We need to keep a manufacturing industry, and we know that in this day and age, particularly with the high Australian dollar, Australian manufacturing needs support.' I spoke to A Class Metal Finishers who no longer provide any work for the automotive industry and have seen their workforce shrink from 80 to 20 in their specialist niche organisation, as various parts of manufacturing, including for Caroma and Origin that they used to do, have gone overseas. They see a statement like this as a real signal that this government truly recognises the importance of manufacturing in South Australia and recognises that it is not always easy and is prepared to work alongside organisations to keep manufacturing here.

I spoke to one person who thinks the market should rule but, generally, others saw that this was a very positive effort for people as far away as Lonsdale and O'Sullivan Beach. For instance, SMR Automotive on Sherriffs Road, Lonsdale (previously known as Schefenacker) currently employs around 500 people at their Lonsdale facility. They manufacture automotive mirrors and lighting components, with their biggest contract being an export mirror to Ford US. They are also diversifying into other areas such as medical devices. However, they see this support for Holden's as key to the continuation of their workforce, even though only around 10 per cent of their employees are affected by trade with Holden. They are very pleased with the decision because already they have seen that employee confidence, security and morale has been restored. They see that the long-term confidence in the sector has stimulated certainty and long-term planning in terms of business and investment. They point out that, globally, governments are co-investing in industry to stimulate confidence in the broader community.

Every job in manufacturing has significant flow-on effects, stimulating local service industry and employment in the community. A spokesperson from Walker Australia, in Morrow Road, O'Sullivan Beach, was also very positive. They see that this brings security for around 120 workers, and the Holden contract accounts for about one-third of their workers. Unfortunately, I was not able to get in touch with anybody from PBR Australia, but, as I was making inquiries, I found that many people know that down at the old Mitsubishi foundry site PBR are making brake rotors for Bosch, as part of the Bosch chassis systems, and they are very proud that that work is being done in our area. I know that this debate particularly relates to our members from the northern suburbs but I wanted to put on the record that it is also of great importance to the southern suburbs. We do not want to see colleagues in the north go through what we have gone through.

As the member for Finniss said, not everyone has got jobs. Many have, and they were able to take advantage of the excellent retraining packages, but unless we have that auto industry there it will be very difficult. Many in my community also worked a little closer to town in some of the areas I am sure the member for Mitchell will talk about, and that is extremely important. We need to be a nation that makes things. They are not original words, they have been said often, but for people in my area it is a particularly personal issue. They need to have the security of their jobs, jobs for their children, and they are proud to be manufacturing workers.

Mr WHETSTONE (Chaffey) (19:56): I have come in this evening to make a small contribution. As a lad I moved into the western suburbs down at Henley Beach, doing my schooling at Henley High. I was given the opportunity of moving into the workforce—

An honourable member interjecting:

Mr WHETSTONE: They are everywhere; we are a good breed. Moving into the workforce, I was given my first real, full-time work experience as an apprentice at GMH. Back in those days it was known as GMH. It was not known as Holden, Holden's or General Motors. It was an icon in itself. That was down at the Woodville plant. I served a four-year apprenticeship there from the mid-70s as an apprentice fitter and turner toolmaker.

As an employee, I used to turn up there every day, and I can proudly tell you that in four years of apprenticeship I had one sick day. In four years as an apprentice I proudly went there to be a part of a fraternity of a workforce, and back in those days everybody took honour in being part of that workforce.

I can proudly say today that I took ownership of parts of a car. When we were making tools, when we were making the dies that would press out panels for that plant, I can proudly say that I formed the pressing tool that made the bumper bar for the Sandman panel van. The Sandman panel van is an icon of Australian culture, and it was something that I was proud of. I still talk about that with some of my mates over a beer, because I had ownership of that bumper bar, the rear bumper bar on the Sandman panel van.

We moved away from the hard core metal car into the Commodore era. I also made up the die for the dash panel of the first Commodore. They are just little things that remain in my memory, very fond memories. The GMH facility down a Woodville was renowned. Being an apprentice at GMH I was the envy of the apprentice world when I went to trade school, because it was known as the best training facility in the tradesman's sphere of South Australia.

It would always proudly present myself not only to Regency Park, but back to Kintore Avenue, back in those days, where we would do a training, and it was renowned for giving the best training, we were given the best opportunities by the GMH brand, the GMH tag, as it was.

Sadly, in the early eighties I was retrenched from their workforce. Back then, once I had finished my apprenticeship, once I had finished my stint as a tradesman, I was saddened to realise that it was an industry that is sadly reliant on being subsidised, having to rely on the government to step in and save the operation. It gave me some realisation that, stepping into the real workforce, I would have to stand up for myself. I would have to go out there. I would have to present myself. I would have to work a business case. I would have to actually run a business that was profitable without anyone saying to me, 'It is okay. If you are not going to make ends meet this week, we will sort it out.'

That was a bit of a realisation but, in today's world, I understand that the manufacturing industry is facing huge pressures from the world market. It is facing pressures from what the world demand is and that is that Australia has an expensive workforce and they rely on technology. They rely on the advancement of manufacturing to get them through the tough times of an expensive workforce competing with a very cheap workforce elsewhere abroad.

Moving on from there, sadly, I have had to realise that the real world is out in front of me. I moved into the oil and gas industry, and from there I moved into the agricultural sector and that was a real reality check. Once I moved to the Riverland, I had to deal with the reality of making a pay packet for a workforce every week. I had to make decisions that were relevant to the real world and that is, if you want to be a part of the real world and you want to survive, you have to be a bit of a mover and shaker. You cannot just rely on a handout. You have to rely on being one step in front. You have to be out there dealing with what the Australian dollar will present to you in today's world. Admittedly, when I moved into the agricultural sector, the dollar was about 60¢. Today, we are looking at about \$1.05, and that has presented real issues with the manufacturing sector of today's world.

I understand that Holden, as it is today, is dealing with that very issue; that is, the Australian dollar is putting pressure on the sector. It is not only the Australian dollar but it is about the structure of what our economy presents on the world stage, and that is that we are not competitive when it comes to the labour; but again I say that we are competitive when it comes to the smarts of dealing with technology and dealing with presenting a quality product onto a world market. Again, it is about a culture of resilience. Sadly, I think the manufacturing sector has become reliant on government subsidies. They have become reliant on the money being put there so that they can continue.

Just in closing, I would like to say that being part of the agricultural sector for the last 25 years has taught me how to deal with a world market. It has taught me how to deal with the world demand. It has taught me how to deal with consumer satisfaction. Today, while I support the

Holden's initiative by either a commonwealth or state government-funded exercise, it saddens me to think that this continues. Over the last 25 years, nothing has changed. We are still, as a manufacturing sector, looking for government handouts. We are looking for government subsidies. We are looking for government to put its hand in its pocket and, through taxpayer-funded subsidies, help out that sector.

Being a farmer, being a part of the agricultural sector, we have to stand on our own two feet. Sadly, today, the manufacturing sector is still looking for handouts. I think that it is an important part of our manufacturing industry and, if that is the way of the world today, I will put my hand in my pocket as a taxpayer and support the industry. Sadly, as a farmer and as part of the agricultural sector, the reality is that we have had to learn how to stand on our own two feet. I think it is an indication of the type of people we are that we make things work. A culture of looking for subsidies and handouts is a culture that will continue to rely on government taxpayer-funded subsidies and, sadly, that is the world today.

Mr ODENWALDER (Little Para) (20:05): I was enjoying the member for Chaffey's speech for a while. There are some points on which we disagree, but I am pretty impressed by the Sandman story. I do not know if I can compete with that; it was pretty good. I will not take up too much of the house's time. This is subject about which I have spoken many times in this place, a subject close to my heart, obviously.

In my first speech, and on other occasions since, I spoke about my dad's work at Holden and the many other direct connections I have with the place. I said in my first speech that, while I am in this place, I will do whatever I can to ensure that Elizabeth, and the northern suburbs, remains a place which makes cars.

Today, I am proud to be a member of a government that recognises the importance—both current and strategic—of keeping Holden's in South Australia. On behalf of my constituents in the northern suburbs, I want to publicly thank and acknowledge the work of the Premier, the Treasurer and the minister for manufacturing and others, as well as the tireless advocacy of the federal member for Wakefield, Nick Champion, in making this co-investment possible.

As I said, my dad worked at Holden's for a while. As for many immigrants from the UK and elsewhere, it was the first port of call for employment in the north, and I think that the Minister for Infrastructure made that point well earlier. When we settled in Elizabeth in 1981, we stayed with my aunt and uncle in Elizabeth Downs. My Uncle Ron worked for Holden's all of his working life. For him and for many of his mates, it was more than just a job, it was a whole way of life. They really identified with the place as the centre of their world.

I have many other family members who work, or who have worked, at Holden's. It is impossible to overestimate the extent to which Holden's is part of the social fabric in Elizabeth. Almost every time I doorknock, I talk to one, two or three people who work at Holden's, and I speak to many more who talk about its importance and worry about its future.

In the wake of this latest co-investment announcement, I think there has been a lot of misguided criticism of direct government intervention in the industry. There has been talk of bailouts and protectionism as if the Australian automotive industry exists in some sort of perfect free-market environment. Clearly, it does not, and I think many people have pointed that out already.

Yesterday I asked the minister for manufacturing about some international comparisons with our own assistance to the car industry, and I think it is worth repeating some of those figures. He said that the Canadian government provided \$4 billion worth of loans to the Canadian car industry in 2008-09. An amount of €6 billion was provided to the French auto manufacturers Peugeot, Citroen and Renault as part of a larger financial package in that country. The list goes on all over Europe, North America and Asia.

There were even reports last week that the Chinese government, due to popular pressure incidentally, is considering making its officials and agencies across China drive locally manufactured cars rather than the many Audis, Mercedes and BMWs, etc., that any visitor to Beijing will have seen. If these reports are accurate, we can assume that there will be a significant decline in foreign car imports to China.

All car manufacturing countries provide assistance to their car industries. None of them exist in isolation. This government understands that the securing of thousands of jobs and over a billion dollars of gross state product per year is unequivocally the right thing to do.

It is interesting to note—as the minister for finance touched on earlier—that 60-odd years ago the great Liberal premier, Sir Thomas Playford, understood this as well. I want to quickly quote from the excellent study of Elizabeth's economic history, called *Good Times, Hard Times* by Mark Peel. He devotes a lot of time to the establishment and impact of Holden in Elizabeth, and also to Playford's role in securing the deal. He says that Playford took a major role in Holden's establishment in Elizabeth. The plant at Woodville was nearly 40 years old and already hemmed in by other factories and railway lines, and so on. The company was looking to relocate hardware production and some car assembly. I quote from Peel's book:

Playford was determined to retain South Australia's share of this major employer and lobbied local and American officials vigorously. Securing Holden meant purchasing land—300 acres in all—that had not been included in the original site. The offer was sweetened by agreements to provide the land cheaply, reorient the route of a major road, provide all surveying, roads, electricity, water, gas connections and lay on a railroad spur. With these concessions, GMH agreed to locate its new factory in Elizabeth.

Today, our Premier and our Prime Minister also recognise that industry and government can work together to ensure future prosperity.

Again, I am proud of the fact that a government of which I am a part is securing the future of Holden's in Elizabeth for at least the next 10 years. I will say again, as I have said several times in this place already, that I will continue to fight to keep car manufacturing in Elizabeth.

Mr VENNING (Schubert) (20:10): I join my opposition colleagues in supporting the \$275 million co-investment program for Holden to build two next generation vehicles at Elizabeth here in South Australia in the second half of this decade, securing Holden's manufacturing presence in the state until at least 2022.

I support this on the principle of ensuring that critical Australian business survives and prospers. We have lost so many other key industries in South Australia, it is time we say enough is enough. This morning I went to the last Fletcher Jones shop which is open in Adelaide. I have been going to that shop for over 50 years and it will be closed within two days so I am going to look after my clothes very much from now on. I went to another place and I have to say it is not the same. The closing of Fletcher Jones, an iconic Australian company, is indeed a tragedy: quality, affordable, Australian-made clothes that you can be proud to wear—just gone and with it the last of the Australian clothing manufacturers.

You could go to hundreds of other well-known Australian businesses: tyre companies, none left made in Australia; electronic and whitegoods with Australian names like Kelvinator. Tonight I had dinner with two business ladies from Mannum and we extensively discussed the businesses at Mannum, particularly Shearer's of Mannum which used to make harvesters there—it was a prominent Australian business. Yes, the company is still open and it makes cultivators on a much, much smaller scale. And also Lightburn. All these companies are gone from the South Australian scene. Surely there are critical industries that we must retain in Australia for strategic reasons if nothing else.

If Holden's were to stop manufacturing it would be a disaster for our state. To start an industry like this today would be impossible; you could not do it. If you wanted to reverse this you could not even begin. Australia in general would feel the cost—thousands of workers who assemble the cars and even more thousands who make the bits and pieces, the components. As well as ensuring that we keep the jobs at Holden's we should ensure that the Australian content of Holden's should never go below a figure of, say, 25 per cent. That is a concern to me.

Every Holden that comes out has more and more overseas content in it. The Calais, a current Holden, has a dashboard that is fully built in another country. It is brought in in a box and it is glued in—bang, there is the dashboard. I know the differentials are the same and so are the seats. That is a concern, Premier, and I hope that—

The Hon. J.W. Weatherill: We make the seats.

Mr VENNING: I did criticise the seats in my car and I was told that since they went overseas they lost that lovely subtle feel they used to have. The Australian content of our cars needs to be watched as well. We know that the components are already brought into the country, as I said.

Mr Bignell interjecting:

Mr VENNING: We are all about saving Holden but I ask (in my 22 years here) are we hypocrites? How many MP's personal car is a Holden? Not your State Fleet one; not the one that

the government provides—your own, the one you choose to buy and drive for you and your family. Some of the hands are still up; I am very pleased—so we all choose this car.

A previous member for Playford, the Hon. John Quirke, was going on about us importing second-hand car parts to this country and I said, 'But, Mr Member, what sort of car do you drive?' I have never seen him stop in his tracks like he did that night, because he had a Volvo parked out in the car park.

The Hon. M.J. Atkinson interjecting:

Mr VENNING: True story!

The DEPUTY SPEAKER: Member for Schubert, will you get back to the topic.

Mr VENNING: I am, sir. I proudly own and drive a current model Holden Caprice, which is equal to any luxury car, I believe, in the world in that price bracket. I am proud to drive it. I think the people who made it would be proud to have made it. It is a magnificent motor car. My family has always driven Holdens over the years: Statesman cars, Calais, Holden Premiers. Remember the old Kingswoods, the Holden specials? How far back do we go? Not to mention the many Holden utes that we had, the legendary Holden ute that we had on the farm. Most Australian families, especially country folk, have had a wonderful relationship with GM Holden.

Holden began building cars here in 1948, when they built the famous FX. They were building bodies already here in Adelaide, at Thebarton, since 1924. They really hit their strength about 1927. They built all the bodies for the Chevs and many other makes which imported engines and chassis; they were all built here at Thebarton under Holden Bodyworks, becoming the Holden Car Company in 1948 when they built that first car. The dealership network that they ran right through the state was also very commendable. They had a wonderful dealership network right across the state, and the member for Goyder had one of the best in Rosewarne's and in Toop's as well. Rex Toop was quite legendary. We have all had them. The saddest part is that a lot of them have gone, which is very sad indeed.

I have to declare that for the first time in my 22 years here my work vehicle is not a Holden. You read about it in the paper. The Hon. Tom Kenyon made the headline, but I was in the article as well, so I cannot be too precious about that. I do not drive a Holden for my work vehicle because I need a specialist type of vehicle and Holden does not make one. Members would remember my stoush with the then treasurer Kevin Foley when he agreed with me to upgrade my car from a Holden Berlina to a Holden Calais, mainly because of the poor seating on the passenger side of the Berlina model.

My wife Kay had a hip replacement (which is now two hip replacements, in the same hip) and considering the long drives we were doing—up to 60,000 kilometres a year—we needed a higher electric lifting seat on that side of the car. The Calais had one of those as standard. We could not get one fitted to the Berlina, so treasurer Foley agreed that it was all okay and we were allocated a Calais; and all members were then allocated a Calais, which is a good vehicle. It was all very good until Venning and Foley locked horns one night and he reminded the house of the favour. That is what that was all about; that is the history.

In my last Calais the electric lifting seat on the passenger side was excluded. Not only was the seat too low but, as we became older, we also found it harder to get in and out of the car, so we let the car go. The point of all this is Holden's really do have to meet the market and make a car that most of us want. We are an ageing society. Why did Holden decide to make the luxury car Calais into a sports car? That is what they did. Low profile tyres, which were noisy, firm seats, hard, and also very firm sports suspension. Great if you are a hoon; but I, hopefully, am not one of those. I want the old man's Calais, which has soft suspension, soft seats and quiet tyres. It would not be very hard to offer these under a vintage Calais model.

Also, Holden has lost so many sales to overseas manufacturers who have totally captured the farmers' and off-road markets with their diesel four-wheel drives today. I know that Holden also imports a similar vehicle, but it does not achieve the same market share as the others have, particularly in relation to Toyota and Nissan. The question I have always asked is why Holden does not make a third new platform, as discussed tonight—high clearance, rugged suspension and with a diesel motor—and on that platform build several motor cars. They could build the new Australian Holden ute and offer both two and four wheel drive. So many of our farm vehicles never ever use four wheel drive, and two wheel drives are much cheaper to buy and operate and they are better for the environment.

They could also build on the same frame, the same chassis, on that platform, a car in both two and four wheel drive to match the international competitors. It is all about clearance, ease of access, diesel economy and being environmentally friendly. I cannot see why this is such a big deal. Also, as we have found out with this assistance, we must all consider how other countries trust or treat their auto industries. It is very much coming to the fore when you think about this. Do we have a level playing field in relation to support? Are our cars given the same access to overseas markets as their cars do coming into ours? We do not seem to discuss that, and I think it is high time we did.

We need to support and protect our vital industries. As I said, long may Holden flourish in Australia. Where would we be without meat pies and Holden cars? My car is a Holden, what's yours?

Mr SIBBONS (Mitchell) (20:21): I rise to speak in support of the co-investment package to ensure the survival of General Motors Holden's car making operations at Elizabeth. The South Australian government will provide \$50 million over the years 2016-17 and 2017-18 as part of the \$275 million package negotiated with the federal and Victorian governments. In return for this investment, Holden has agreed to inject more than \$1 billion into car manufacturing in Australia and to make two next generation vehicles here that will be cheaper to run and better for the environment.

This partnership will see GM Holden continue making cars in Australia until at least 2022. There have been many debates over the years about the manufacturing sector and the benefits of industry assistance and support. I worked in manufacturing for 16 years and spent a further decade representing workers in the sector. I have also had firsthand experience of the negative impacts which follow when a major manufacturing company shuts down. I have seen the impact this has had on the broader community, as well as on the many families directly impacted by these redundancies.

As a former Mitsubishi worker and an official who represented employees at the Lonsdale and Tonsley Park sites, I will never forget the address to more than 3,000 employees when the Lonsdale plant closure was announced in 2004. It was a surreal feeling. Whilst the Lonsdale engine plant would close, the Tonsley Park plant would remain, so naturally there were mixed emotions. As Tonsley workers were celebrating a future, Lonsdale workers were shattered and faced an unknown path ahead.

I remember the atmosphere at the Tonsley Hotel that evening. It was packed with relieved Tonsley workers who were celebrating the announcement that Tonsley would survive. The emotions at the Lonsdale pub were much more subdued, I am sure. I must say that the saddest day of my working life was on 5 February 2008. It was 2.30pm and my union colleagues and I were sitting in a media-packed executive dining room at Tonsley Park, the loyal workers next door in the adjoining canteen, and all of us nervously awaiting the announcement that was to follow. The news we had dreaded for years was now a reality—Tonsley would close. For those who say, 'Men don't cry,' I am sorry to disappoint you.

I know my eyes started to well that day, as did many in the room. I have often described Mitsubishi as the heartbeat of the south. It was more than just a factory, more than just a vehicle manufacturer: it was a multicultural community, and it played a huge part in my life and in the lives of many thousands of South Australians. The closure marked the end of an era for vehicle manufacturing in the south and the beginning of a painful transition for many workers. So I can speak from personal experience about the value of manufacturing, not just to our economy but also to our communities.

The work undertaken by Professor Göran Roos as a thinker-in-residence has been invaluable. As a result of his work, we have gained an expert perspective of the state's manufacturing sector, our strengths, weaknesses, and a path to ensure its prosperity. He has demonstrated that it is possible to have a strong and diverse advanced manufacturing sector that maintains high skills and high wage jobs. We do not have to encourage the race to the bottom. Professor Roos has made the following points:

- Each job in manufacturing generates, on average, between two and five jobs in the rest of the economy.
- Manufacturing is the biggest spender in the areas of applied research and innovation, with major spill over effects into the rest of the economy.

- Manufacturing is the key driver of productivity improvement. It makes up the biggest share of world trade and, hence, is critical for export earnings that pay for the costs of importing things.
- The importance of manufacturing has been realised by all advanced economies, if not before, certainly since, the global financial crisis.
- The countries which have recovered best from the global financial crisis are all based around high-value-added export orientated manufacturing.
- A healthy manufacturing sector is a must for any advanced economy with ambition to maintain economic and social wellbeing. Without a vibrant manufacturing base, societies tend to divide between rich and poor.
- The smaller the economy, the larger the need for government intervention in the form of industrial policy.
- While traditional manufacturing activities have succumbed to competition from low wage countries, successful advanced economies have found ways to transform their manufacturing sectors through a focus of innovation and constantly moving up the value chain and can ensure that manufacturing, particularly high value advanced manufacturing, remains a vital part of the South Australian economy.

In Australia, mining accounts for 7 per cent of our gross domestic product while manufacturing accounts for 8 per cent, so our mining and manufacturing sectors account for a similar level of economic activity. However, with almost 1 million workers across the nation, manufacturing employs four times more people than mining. While a crucial part of our economy, mining will not replace our manufacturing sector. It is equipment intensive, generating relatively few jobs, it fosters less innovation and has less flow-on benefit to other sectors.

In South Australia, manufacturing has been a key industry since the 1940s and currently represents 10 per cent, or \$8.9 billion, of the economy, the highest level of any state or territory. Manufacturing also employs 79,000 people, or 9.8 per cent of total employment in South Australia. Conservatively, almost a third of South Australians and their dependents rely on manufacturing for their incomes, through direct and indirect employment. We must not underestimate the importance of this sector to our future prosperity.

It is interesting that, given the shift towards investing, supporting and protecting manufacturing as a sector by governments around the world, the Liberals in Australia are still behind the times when it comes to this important aspect of economy policy. Do we really need a cost benefit analysis to show that, when a third of South Australians and their dependents derive their income from this sector, it is economically and socially important for the government to support it? Our automotive industry is an essential element of South Australia's advanced manufacturing sector. The vehicle manufacturing and component sector in South Australia does more than just provide a livelihood for South Australians and their families. In our northern suburbs, the General Motors Holden plant is an economic backbone for the broader community, with some families having been employed there for three generations. It provides social networks through sporting clubs and various community associations, and it provides the economic viability of scores of small family businesses in the area.

The automotive sector drives demand, sustains capabilities and stimulates innovation across the manufacturing sector. Experience internationally suggests that once you lose a sector such as the automotive industry, once these manufacturing capabilities are lost, they are usually lost for good. In an article in *The Adelaide Review* earlier this month, Associate Professor John Spoehr notes that a technologically sophisticated manufacturing facility like General Motors Holden fosters technological innovation through the region in which it exists, sustaining a high-skilled workforce, that in turn underpins a higher standard of living than would otherwise be the case.

I believe that it is more important than ever to ensure that our communities genuinely understand the value of industry assistance such as the co-investment package for GMH. As our Prime Minister has said:

This funding is not a handout—but a strategic investment that will boost our economy, foster innovation, build new business opportunities and promote the adoption of new fuel-saving and safety technologies.

Holden has estimated that the new investment package will return around \$4 billion to the Australian economy. Most importantly, this co-investment will support thousands of jobs at Holden that would have been lost if the company had stopped making cars in this country.

Economic modelling undertaken by Associate Professor Barry Burgan for the Department of Manufacturing, Innovation, Trade, Resources and Energy found the closure of Holden's vehicle assembly operations would have a devastating impact on the state's manufacturing sector. The modelling indicates that, if Holden was to shut its doors, we would be at risk of losing up to 16,000 jobs and \$1.5 billion from our gross state product.

Do we need a cost benefit analysis to show this would be a bad thing for our state? An investment of \$275 million that will return \$4 billion to the Australian economy sounds like a reasonable bang for our buck if you ask me. The loss of 16,000 jobs and \$1.5 billion from our state's economic output sounds like quite a cost. We must also recognise that we are not alone as a government in co-investing in advanced manufacturing. Every single country in the world that has the manufacturing capability to build automobiles has some kind of government assistance or support in place. How much industry support are Australian governments really offering our automotive sector; and how much does it compare to that of other nations who have a vehicle manufacturing capability?

A report commissioned by the Federal Chamber of Automotive Industries and released in January last year looked at this very question, while acknowledging:

A comprehensive comparison is not possible because, unlike the case in Australia, the overall level and forms of assistance provided to the automotive industry in many overseas jurisdictions is opaque.

The report provides a comparison with the budgetary per capita assistance provided by governments in Canada, France, Germany, Sweden, United Kingdom and the United States. The results are very interesting, and I strongly encourage all of my parliamentary colleagues to have a look at the report.

It shows that the budgetary assistance provided to the Australian automotive industry in 2008-09 was relatively modest compared with these other countries. It also notes that claims made by the OECD that Australia had the second highest level of budgetary assistance to the automotive industry during that period are based on a misrepresentation of data. This includes an assumption that Australian government assistance was provided over two to three financial years when, in fact, it covered 13 financial years.

The report shows that on a per capita basis in US dollars in 2008-09 the following countries provided the following level of support to their automotive sectors: Sweden, \$334.18; the United States, \$264.82; France, \$147.38; Canada, \$96.39; Germany, \$90.37; UK, \$27; and Australia, \$17.80. In fact, government budgetary assistance to the vehicle industry in Australia is modest in comparison with our overseas competitors, and our assistance is transparent and open, whereas elsewhere it can be opaque.

Of the 13 nations which have the capacity to design and build automobiles, all provide support to keep this capacity in their countries through tariffs, direct support or co-investment. Co-investment plays a vital role in allowing the automotive industry to diversify and strengthen its manufacturing base as well as supporting innovative automotive parts suppliers, attracting investment, and securing jobs.

Governments do have a very important role in economic development and helping to build our industries to positions of sustainable competitive advantage. Governments can actively assist by helping to collect information, map industry capacity and capability and workforce requirements, as well as providing gap analysis, R&D and technology forecasting. While industry assistance should not be limited to budgetary assistance, this is still appropriate when used to correct a market failure to create or protect existing capabilities, address market gaps or assist with industry transformation.

The aim is to build clusters of key capabilities and excellence that may have application across all sectors. By working collaboratively with governments and the education and technical base and by sharing new knowledge, practices and even technology, individual companies can make better and more informed decisions about their future.

Let's understand what the assistance package we are talking about today means in the real world. Approximately 2,700 people are currently employed in the GMH plant. These are the same workers who two years ago agreed to shorter working weeks and decreased pay when times were

tough to prevent redundancies. This was a groundbreaking agreement for all parties involved, including the company, the workers and their unions. It showed a commitment to something much bigger than an individual worker or an individual company.

When you have 2,700 people working together it becomes a community. When you include spouses and children it becomes a town. Then there are the component suppliers, and then there are the suppliers to the component suppliers, and then there are the supermarkets, hairdressers, childcare centres, mechanics, service stations, accountants, travel agents, clothing stores, chemists, delis, builders, plumbers, electricians, the pub, and the local coffee shop, who all receive direct revenue from these automotive workers and their families—16,000 people. That is a lot of jobs and a lot of revenue—a lot of small to medium enterprises whose livelihood is directly impacted by whether GMH stays or goes. So, let us not kid ourselves about what is really at stake here.

Professor Roos also found that Adelaide's manufacturing suburbs are home to one-third of the metropolitan area workers but have more than half of the people who are unemployed or on disability pensions. This means that factory closures in these areas have a far greater impact on the standard of living in a much more concentrated way. Losing General Motors Holden would also reduce the standard of living in areas where a high percentage of residents are struggling anyway. Without these manufacturing bases helping people to secure high skilled, high wage work, the poor will certainly get poorer.

In a time when we need to be tackling generational unemployment to ensure we have enough skilled workers to meet future demands, what is the cost of creating a brand-new era of generational unemployment? I believe that is far too high a price to pay. Holden's is the heartbeat of the north and this is a very important motion before us today. It is important for the future of this state. It is important for the healthy diversity of our state's economy into the future. I commend the motion to all South Australians.

Mr PEDERICK (Hammond) (20:41): I rise to support the motion in support of the state and federal government support for General Motors Holden. I just want to make a few comments about the Holdens that I have owned over time. My first car was a 1975 Torana with a 1900 Opel motor.

An honourable member: Piece of shit.

Mr PEDERICK: Yes. It was not the most, should I say, reliable car for a lad's first car. I think I was 17 and the motor was starting to play up after 11 months. I do not know whether the issue was hard driving or what happened, but I was told when I inquired that the—

An honourable member: A few points and plugs.

Mr PEDERICK: —that the Opel motor needed more than a few points and a few plugs. In fact, I probably should have done something else with it but be that as it may. After that, I bought one of the icons—a HQ Kingswood. What a car—173, three on the tree. That was a great vehicle. Three years—

Mr Piccolo interjecting:

Mr PEDERICK: No, it was only a 173; that is the smallest motor you could get in the HQ.

The Hon. P.F. Conlon: Better than a 282.

Mr PEDERICK: Yes, better on fuel—absolutely.

An honourable member interjecting:

Mr PEDERICK: I don't know. It was a very reliable vehicle and I had that for three years. I had the pump up shock absorbers on the back. I must say that I think all I put in that vehicle was a water pump, so that was extremely reliable.

Members interjecting:

Mr PEDERICK: I am not going to respond to interjections, Madam Speaker! I must say, on the farm, we had a couple of Holden one tonners that were never renowned for working in sand. In fact, you had to dig a Holden one tonner out more often than not, but it was a very reliable vehicle. As the transport minister stated, we had the 202 Holden motor in those and they were a very reliable utility for farm use.

As I was growing up, my father had a HQ Holden wagon. Now this had a 308 V8 in it and this was a motor that must have been built on a Wednesday because this car worked. It was just a pity we did not keep it in the family. This was pre-emission control and that car could accelerate to the speed limit quite respectably.

Mr Whetstone: And not beyond.

Mr PEDERICK: And not beyond, absolutely. Our family cars have included a HZ Statesman, which my brother has in a state of disrepair in Queensland. He tells me that he is going to rebuild it. The motor has been sitting out of it for about six years, so I will not hold my breath for that to happen. My father drove a VS Statesman until he gave up driving last year at the age of 91, but he still owns it. So we have done our bit in supporting the Holden cause.

What I want to talk about tonight just briefly is the inequity in industry support. I understand that the member for Chaffey talked about the agriculture sector, which gets virtually no support from government. Earlier today I talked about the United Dairy Power factories in Murray Bridge and Jervis. I have been going in to bat on behalf of United Dairy Power to see whether we can get some sort of incentive for it to buy these factories. We are trying to get some stamp duty relief and some payroll tax relief.

Tony Esposito from United Dairy Power confirmed to me today that he got a letter on Friday from minister Gago indicating that there would be no such relief. So, here we are, talking about all the jobs in the north—and that is all great, and we on this side support the support for Holden's—but what about other industry in the state? Where is the support for them? What do I say to the 120 people who have jobs at Murray Bridge and Jervis? What will I say to them if it all goes pear shaped? What will I say?—that there was just no support forthcoming.

I talked about support for other projects. I had a candid conversation with the former premier (premier Rann) before he left this place. He asked me how things were going in Murray Bridge. I said, 'Not too bad. We've got the race track proposal that's going ahead and the 3½ thousand homes in the project and that sort of thing'. Mike Rann said to me, 'Yes, we helped out a bit with the one in Gawler'. I said, 'Yes, I understand that that was about \$6 million, Mike. Murray Bridge would accept that assistance if they could get \$6 million to assist with their project'.

Mr Piccolo: In Gawler?

Mr PEDERICK: No, it is not in Gawler. It is not in a marginal seat. So, where is the equity in this state? If we are going to give assistance to one industry, what about the industries in Hammond? What about the racing industry and what about the dairy industry in this state? If those factories that United Dairy Power has now purchased fall over, it could have dire consequences for dairy farmers in this state in relation to where they deliver their milk. I will just leave that message with the house tonight.

Dr CLOSE (Port Adelaide) (20:48): I rise to support the motion. There are broadly two ways to think about economic management. One is that the economy largely manages itself and government should keep its involvement to a minimum. The other holds that this is a dangerous position for governments to take, as without careful regulation economies have a habit of lurching wildly from states of boom and bust, and the losers in those transitions are the people who elect the governments to act in their best interests.

Modern economies are never unchanging. The challenge for a government is to bring predictability and stability to the changes that mean the economy can remain healthy over the long term and everyone can share in the benefits of prosperity.

The events of the global financial crisis, experienced in most Western economies as a recession, offer, even as it is continuing, many lessons for economic management. Above all, we can learn that there are two things that governments must do during booms that are too late to do when the boom is over. The first is to prepare for the boom to end. The second is to recognise that not everyone wins during a boom.

What happens when a boom comes to an end will be shaped by how well a government uses the boom time to prepare for its end and the extent to which the long-term economy has been strengthened by investment in infrastructure, skills development and research. Recognition that not everyone benefits from a boom will draw government attention to industries that have a long-term importance in the economy but suffer when another sector is booming.

What we have in the car industry is an industry that is the beating heart of the South Australian manufacturing sector, and it is under serious pressure from the high Australian dollar. Our resources sector is expanding apace and our dollar is encouraging a flood of cheap imports which replace Australian-made produce but the soul of our manufacturing sector, the car industry, is affected by the dollar and the relative strength of the Australian economy.

A government that subscribes to the first model I described, one that says the economy just needs to grow in its own way, will sit back and enjoy the strength in the economy and ignore the sectors that are struggling—survival of the fittest. But a government that recognises that it is an active participant in the shaping of the economy and its impact on every person in the state will see that the potential loss of a manufacturing sector is no light matter.

It has been said before but it is well worth reiterating that a manufacturing sector cannot easily be restored once it has gone. If we were to allow manufacturing to go we would have to do so in the full expectation that manufacturing is gone forever. With it would go thousands of jobs right now and the possibility of Australians being able to make things of our own, but also something more: the future benefits of the manufacturing sector producing things that are yet to be developed and employment for future generations.

Is this an argument for government to prop up a failing sector and keep it in stasis? It is not. The modern car industry is at the edge of advanced manufacturing that is dependent on a highly skilled workforce and constant investment in research and development. One of the reasons Holden's and the related components manufacturers have survived so well thus far is that their workforce is highly skilled, highly professional, and the companies involved fully recognise the need to constantly improve processes and product.

Holden's at Elizabeth is one of the most precise plants in the world, with high standards and huge capacity for flexibility which is unmatched by overseas plants that are geared for high volumes of identical vehicles. This puts our Holden's at the centre of the modern consumer economy where customers expect variability in product to reflect their individual needs and tastes.

Government intervention in a sector (and governments intervene in all sectors at various times) should be tested by several criteria: the sector must be investing in its own future, and the investment Holden's has announced is substantial; the sector must be modern and constantly improving; the sector needs to employ a large number of Australians or to have the potential to do so; the sector must have strategic importance; and the sector must face competition from overseas where other governments are also investing. There is no doubt that investment in Holden's will be in line with all these criteria.

That is the theory and that is the economic justification, but there is another way of looking at Holden's—the messages I receive at the door in my electorate. Quite simply, thousands of people living in my electorate and the neighbouring electorates are dependent on the survival of Holden's, whether because they work there directly, because they work for component manufacturers or because they are employed because the people who are in manufacturing have money in their pockets to spend. These people have families, mortgages and plans for the future, and this government will not turn away from them.

It would be economically reckless to allow the manufacturing sector, which rests so soundly on the base of a thriving car industry, to slide away. We, and every generation following us, would pay for it. It would also be financially reckless to pour money into a dying industry, and the application of the criteria I have listed guards against that. The car industry is growing and it is robust. It supports many allied industries. It represents the foundation of advanced manufacturing which is the future that must play a significant part in the South Australian economy for us to remain both prosperous and stable. I therefore support the motion before the house.

Mr PICCOLO (Light) (20:53): I rise in support of this motion. I do not wish to cover all the areas which my colleagues have already covered, and I thank them for the vast amount of facts and figures they have provided to ensure that we have a good debate.

When dealing with issues like this we have two choices. We can either believe in unfettered market forces to resolve all our problems or we support government intervention. As a proud social democrat I support government intervention where the markets fail or to ensure a fair and just society. Part of a fair and just society is to ensure that all in society have the ability to live a life with dignity. Access to employment, health and education are some of the important elements of living a life with dignity.

When you strip this debate of all its political posturing and rhetoric, it is about ensuring that a range of workers have greater job security and greater access to employment: greater job security to support themselves and their families; greater job security to have an income to support local small businesses through purchases they make; greater job security to be able to afford to send their children to school; and greater job security to pay off their mortgages.

While the debate has focused on the co-investment to Holden's, other businesses in the area will actually benefit from this co-investment. All those component industries which supply Holden's will also benefit.

I met with a senior executive from a competitor to Holden's earlier this week and I spoke to him about the Holden's co-investment. As a competitor I expected this executive to say, 'Where's our share of the money?' The point he made is interesting, though. He actually supports the co-investment in Holden's because it keeps the component industry alive in Australia. They also rely on component industries to ensure that they can manufacture in Australia as well.

The announcement of this co-investment has again injected new confidence into the community in the northern areas of Adelaide. Importantly, it will also ensure skills for the future. It will ensure that we have apprenticeships and traineeships for all those young people in that community. It will also ensure that we train the tradespeople for the future to have the skills for our agenda to grow an advanced manufacturing industry in this country.

This motion before us is about people. It is about people in my electorate. It is about the importance of the Holden employer and other component industries to the people in my electorate. As an indication, my late father was also a worker at Holden's—when I was a kid we called it Holden's; maybe it was an ethnic thing, but we called it Holden's. Perhaps the people in the eastern suburbs are different.

Members interjecting:

Mr PICCOLO: At least some courtesy. I didn't interrupt you; grant me the same courtesy. I wouldn't expect that from you. Holden's gave my father an opportunity to support his family, so I welcome and support the state government's decision to make the co-investment to help secure the future of manufacturing in the north of Adelaide.

The Hon. J.W. WEATHERILL (Cheltenham—Premier, Minister for State Development) (20:58): I thank all members for their contributions. Without diminishing any of the contributions that have been made here—and a number of them have been deeply personal ones—I want to acknowledge the member for Mitchell's contribution, because he spoke and reminded all of us, I think, of what is at stake in this debate: the closure of a car factory and the heart-wrenching effect that has on the community, the lives of those who work there, and the families of those who rely upon those workers to provide for them. It has brought home to all of us the magnitude of the decision that we have taken.

I do not want to dwell at length, except to say that in relation to the contributions of those opposite, all I can say is better late than never, that they are now supportive of this package, having raised questions about it consistently from the start. The truth is that those opposite have been negative—

Mr Pederick: No, we are just seeking answers.

The Hon. J.W. WEATHERILL: No, right from the start. You have been driven by public opinion to the point of simply saying that this should be supported. At the start they were raising real doubts about whether investments of this sort should be made, and up until very recently they were suggesting that all this was was compensation for the carbon tax and that on that basis there is no proper basis for it. I do welcome, though, the albeit belated support for this measure.

Motion carried.

At 20:59 the house adjourned until Thursday 29 March 2012 at 10:30.