

HOUSE OF ASSEMBLY

Wednesday 13 June 2012

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

NATURAL RESOURCES COMMITTEE: ADELAIDE AND MOUNT LOFTY REGION NATURAL RESOURCES MANAGEMENT LEVY

The **Hon. S.W. KEY (Ashford) (11:02)**: On behalf of the Natural Resources Committee, I move:

That the quantum of the regional NRM levy as proposed in the Integrated Natural Resources Management Plan for the Adelaide and Mount Lofty Ranges Region, made under the Natural Resources Management Act 2004 and laid on the table of this house on 12 June 2012, be disallowed.

I think it is fair to say that all of us on the Natural Resources Committee appreciate the work that is done by the natural resources management staff and members, and we enjoy not only going out into the field to meet with members and to see the work that is being achieved but also the presentations that we have from time to time in the committee. One of our responsibilities, of course, is to consider and make recommendations on levies proposed by a natural resources management board where they exceed the CPI rise.

I would like to thank all of the people who were involved with the committee during the consideration of the levy proposed by the Adelaide and Mount Lofty Ranges Natural Resources Management Board for 2012-13. The committee believes that overall the boards do an excellent job, as I have said, and play a critical role in the management of South Australia's natural resources. We understand that for the boards and their hardworking staff and committed volunteers there will never be enough funds to undertake all the NRM projects worthy of support.

However, the committee has consistently expressed reservations about the NRM boards proposing above CPI levy increases. We believe that increases above CPI should be the exception not the rule and that the increases should be well justified. This year, all the NRM boards, apart from the South Australian Arid Lands and the Adelaide and Mount Lofty Ranges boards, proposed to keep their division 1 levy increases within or just above CPI, while the Arid Lands board proposed an increase of 50 per cent. The committee made an exemption, accepting the board's arguments and justifications that their proposed increase was warranted.

The committee supports the process of equalisation of division 1 levies across local government areas, as pioneered by the Adelaide and Mount Lofty Ranges NRM Board. However, after careful consideration, members came to the conclusion that in the current economic climate this is above the CPI division 1 levy proposal and could not be supported, and that it would be better for levy equalisation to occur at a lower level than that proposed by the board. Rather than suggesting an amendment to the levy, which was one option open to the committee, members chose instead to object to the levy, thus bringing the matter of the NRM levies up for debate on the floor of the house.

The Adelaide and Mount Lofty Ranges NRM Board ably administers the largest budget of all the state's NRM boards, with more than \$27 million for their budget in 2011-12. The committee trusts that, regardless of the final level of funding, the Adelaide and Mount Lofty Ranges NRM Board will be able to cut their cloth and continue their excellent work in 2012-13.

I commend the members of the committee (and this is one that was of some debate, I might add)—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, and the Hon. Gerry Kandelaars MLC—for their contributions. Finally, I would like to thank the members of the parliamentary staff for their assistance. I commend this report to the house.

Mr VAN HOLST PELLEKAAN (Stuart) (11:07): I will add a few brief comments to those of our chair, the member for Ashford. I would like to put on record my support for the work the NRM boards do. I think they do the very best they can, often under difficult circumstances. Essentially, they are asked to do what some people would view as absolutely everything in regard to the environment. The reality is that the budget can never do all the jobs, and one of the hardest things for NRM boards is that, in the mind of the broader community, they are set up to fix any

problem or concern anybody might have in regard to the environment and, of course, that is just not possible.

Quite understandably, they try to get a greater and greater budget every year to do this never-ending work and, of course, that is not possible either. The act makes it very clear that they are expected to stay within CPI increases for the levies they charge and that they need the agreement, essentially, of the parliamentary standing committee for natural resources for increases over CPI. Over quite a few years now, those requests for increases in excess of CPI have been granted; in many cases I think a bit reluctantly, but they have been granted.

Our committee has decided not to grant that request on this occasion, and it is not a decision that is made with any detrimental view of the work the Adelaide and Mount Lofty Ranges NRM Board does; it was specifically in regard to how their request for a levy increase sits with regard to CPI. I would also like to put on record my own personal decision, as a member of this committee, that I would vote against any levy request in excess of CPI. On this occasion, the majority of the committee was certainly of the same view as me, and I think that is appropriate.

I would also like to point out that the Natural Resources Committee has never voted along party lines. It is a very good working group and includes Family First and Independent members. We all come with a clear mind and leave with a clear conscience with the decisions we make together. I appreciate the fact that all members of the committee work that way and the staff support us in exactly the same vein. With those few words, I certainly support the decision the committee has made in this instance.

Mr PEGLER (Mount Gambier) (11:10): I also as a member of that committee indicate my support for this motion. I believe that for too long now perhaps sometimes the parliament has been a rubber stamp for the NRM boards in determining their levies, and through this motion we will put them on notice that in future they must be much closer to CPI than they perhaps have been in the past. I did not have a problem in supporting the Arid Lands levy proposal. Whilst that was well above CPI, we must bear in mind that the quantum they raise for the vast area they look after is very minimal, so I did not have a problem in supporting the Arid Lands levy proposal, but I certainly do with the Adelaide Mount Lofty Ranges region.

I also point out that I think the NRM boards do a tremendous job in looking after our environment, and this motion is certainly not a reflection of the boards themselves. As a parliament they have to be put on notice that in raising their levies they must be much closer to CPI and make sure that that money is spent on the things it should be spent on, such as looking after the environment. With those few words, I support the motion.

The Hon. R.B. SUCH (Fisher) (11:12): I will say a few words initially about the role of NRM boards: overall they do a very good job. Some people do not like any restrictions on their activities. I think we have moved beyond the sort of cowboy approach to managing the environment, and I think people expect a lot from the NRM boards. Clearly they are put through the hoop more closely than is any government agency that I know of. I was a member of the Economic and Finance Committee when the old catchment boards had to front, and they were put under the microscope literally: every single item of expenditure and whether or not their administration costs were too high as a percentage of their total costs.

The sort of procedure and practice that I think should apply to all government agencies—not just to the NRM boards but to all government agencies—is that they should be put through the hoop, not through the estimates process, which is not rigorous and is a hit-and-miss question-type approach. All government agencies should be subject to rigorous examination by parliament and parliamentary committees. To some extent, the Budget and Finance Committee of the other place does some of that, but as a whole the total approach needs to be revised and made more rigorous and vigorous.

In respect of the levy, I hear members saying that something above CPI needs to be questioned. I ask members to look at what is happening in the local government area. They will argue that in local government they do not buy cornflakes or bottles of tomato sauce and that therefore CPI is irrelevant. If it is irrelevant for them, you could argue likewise for the NRM boards because they are not buying cornflakes either. There is a bit of an inconsistency there. I am not advocating putting up charges unnecessarily.

Often organisations decide what they want and then they look at what revenue they can bring in. Most people normally do it the other way around: they look at how much revenue or

money they have, and then decide what they can buy or spend. Increasingly we are seeing agencies putting it the wrong way around. The NRM boards perform very useful functions.

The environment will never be 'saved' as a lot of people would argue, and I know with the rise of the Greens, people talk about the environment often in derogatory terms because they link it with the Greens. They have an unfortunate title for their party because a lot of the issues they are involved in—and I am not expressing a view one way or another about same-sex marriage—I would not have thought had a lot to do with the environment or as Green issues.

I think the Labor party still maintains some commitment to the environment, not in the order as it was when we had people like Don Hopgood, Don Dunstan and people like that in here, and I think the Liberal Party really needs to get up to speed in terms of the environment, because it is seen in the community as basically anti anything that is put forward as protecting the environment.

We saw that with the Coalition partners and Senator Boswell coming out and immediately attacking a proposal for marine parks. There are a lot of people out there who would normally vote for the Liberal Party who will not because they are seen as not supportive of anything to do with the environment. Sadly, in terms of management, the environment often comes down to issues which have little to do with what I would see as core environmental management and the management of national parks and the protection of native flora and fauna, and it becomes sidetracked into other issues.

The carbon tax is an important issue, and I have said to people in government that they need to be telling people, for example, why there is a carbon tax. It is not being done for the hell of it. It is being done because of global warming and issues relating to the effect of carbon on the earth, so it is in relation to future generations as well as the present one. People seem to forget that, and I would urge the government and the federal government, and all federal and state MPs to focus on, for example, why we are having a carbon tax.

It was not my preferred option. I would have gone about it in a different way. I would have put controls on the major polluters and said, 'You meet these standards by so many years' time or else you pay a heavy penalty,' and I would not have had a tax. But we have a tax, and it is coming into effect shortly. The point I am making is that, in terms of the environment, some people think the environment is being 'saved', whatever that means. The environment is never saved: it is always under threat in terms of people doing things which will harm it. Whether it is a threat to endangered species, whatever it is, there will always be people out there who will put money and greed above concern about the environment.

I can understand why the committee has rejected this increase. I trust it will not stop the NRM boards carrying out their important functions, but I think all agencies of government need to learn to be efficient and effective in the way they use money and not simply see the taxpayer, the ratepayer, the farmer, whatever, as an easy source of revenue to pursue their particular organisational goals. I understand the reason for this motion, and I trust that the NRMs will be able to continue playing what is a very vital role in our society.

Mr PENGILLY (Finniss) (11:18): I want to make a few brief remarks. I am absolutely delighted that the committee chose to reject the 11 per cent increase that the Adelaide Hills Fleurieu NRM Board wished to proceed with. I thought it was outrageous, quite frankly. They seem to have a total misunderstanding of how hard it is out there for the residents in their area to pay these increased levies. It is bad enough having to pay at the rate of CPI. I might add that those people who fall under the jurisdiction of various NRM boards want to see outcomes.

I am not part of the member for Ashford's committee, but I would suggest that perhaps the committee did not see the outcomes to justify the 11 per cent rise—I am unsure. But how they think they can get away with putting forward an increase such as that defies comprehension. It is improper. It was out of place, it was not needed, and the committee has done a good job in knocking it back. I hope the committee keeps its finger on the pulse with a few others around the traps which may, from time to time, become a problem as well.

The NRM boards—from their amalgamation in the days when we used to have the animal and plant boards, the soil boards, and whatnot—were designed to produce outcomes. I am not entirely convinced that in some of those areas the outcomes are proceeding as they should be. In fact, I was talking with some of my colleagues yesterday about what the various offices and NRM boards, which came out of the other organisations that were doing the work beforehand, are doing now, and they are actually filling in a lot more paper and pushing pens a lot harder without achieving outcomes.

They do achieve some outcomes, and I know the boards across my electorate seek to achieve outcomes; however, the 11 per cent increase in rates (in this case to the Hills board) was not appropriate. I wonder whether we should not seek to revisit the whole structure of this NRM Act and put the control of those organisations back under local government. It has been put forward by one board in my area that that happen, that local government has more direct control over it. I am unsure of what local government thinks about that, but it might be time to revisit it.

I attended the meeting of great minds at the tollgate when minister Hill was minister for the environment, just after this government came into existence, and everything was going to be rosy, according to minister Hill at that time. We all went away thinking the future was going to be lovely. There may be others in this place who attended the meeting on that day.

Mr Brock interjecting:

Mr PENGILLY: The member for Frome indicates that he was there as well. It was more polish and sunshine than anything else, but it has not turned out in some areas exactly as it should have, and this is a step in the right direction by the parliamentary committee. It is worth reminding these boards and other bodies that they fall under state government jurisdiction and state government legislation and that from time to time they are not free to rush off and do whatever they want to do and impose even greater imposts on the poor old taxpaying public of South Australia. I also noted the comments of the member for Fisher a while ago, and I will have a little bit more to say about that a little bit later on, but I am pleased to support the motion in this particular case.

Ms CHAPMAN (Bragg) (11:23): I thank the committee, which has considered the Adelaide and Mount Lofty Natural Resources Management Board levy proposal for 2012-13, and I thank it more particularly for its decision. My electorate, amongst a number, is within this region, which accommodates a large slice of South Australia and about one million of its inhabitants. It is a very important region, both in productivity and also for the residents, who are an enormous part of the population of this state.

On the weekend, I noted that the Hon. Robert Hill, a former federal minister for the environment, kept up the extraordinarily longstanding Liberal tradition of being recognised in the Queen's honours for his contribution to the environment, particularly climate change and the setting of targets way before they were fashionable. I think it needs to be remembered how significant that contribution has been for the Liberal side of politics. I can go back to Malcolm Fraser putting the Great Barrier Reef on the international heritage list. The list is long.

In the natural resources management of this state the member for Davenport was in a government which identified the importance of bringing together the responsibility for water catchment, soils and pest management in this state on the clear understanding, which I think is a very good one, that you need to look across the board on these issues. Dealt with in isolation, they would often be in conflict with each other and it was a waste of resources and the like.

So, we embraced, as a party, the structure that would develop the natural resources management boards and their support structure independent of the principal departments; namely, the department of primary industries, the department of local government, the department of environment and the then newly appointed Department for Water, which the government had progressed.

We welcomed that. We thought it was a very important initiative to follow on from the previous Liberal government, that it should maintain its independence and that it should be able to be stand-alone with significant local input and expertise that would marry together to ensure as best as possible that we would reduce the tension between social, economic and environmental pressures that inevitably come together when we deal with the proper protection and/or conservation of precious natural resources. All that is great and it was a great ideal. Since that time we have seen the government, in my view, savagely interfere with the independence of NRM boards in this state, some of which function very well. I read all their reports every year. This one in particular has some wins on the board but it has also had some very expensive losses. I will come back to that in a moment.

What I say is that the government's decision to savagely interfere with that independence is very clear. They have now made it an arm of the Department of Environment and Natural Resources. It is not a bad thing to be associated with the Department of Environment and Natural Resources but it totally undermines the claim that they are independent and therefore able to effectively manage a balanced approach to the charter which we imposed legislatively, in this parliament, on these boards.

I am glad that the committee exists. It has a mandate and a responsibility to ensure that levies are not increased above CPI unless for very good reason, and I thank the committee for its consideration. In my electorate the local media and local people—including local councils who have to collect the collection fee for these payments—would not tolerate an over 11 per cent increase without demonstrable data that a new initiative was going to be undertaken by this particular board that would be meritorious and of benefit to the people who are paying the price.

The other aspect that concerns me—I went to a meeting yesterday which minister Caica arranged to launch 'Our Place. Our Future', the state natural resources management plan. The presiding member, Mr Andrew Inglis, and members of his committee, presented us with a new document which is to provide the umbrella for the future plan up to 2017. There is not much in this document that could be criticised: the umbrella statements are all pretty motherhood. Nobody would disagree with them. I was disappointed to note, firstly, that there was no demonstrable measuring structure, no framework in place. I am told that is 12 months away but in the meantime we have to rely on the yellow dots, the green dots or the red dots. That is not a level of measurable accountability, in my view.

Nevertheless, I thank Mr Inglis for the preparation of this report which is to sit above the natural resource management boards, one of which we are canvassing today—the one that covers my electorate. Sitting below that in its plan with respect to the increase in native vegetation and ecosystems, it has in its target, still, provision for an increase to 30 per cent of the region to have the full extent of functional ecosystems. When I have asked them about this they have said it is 5 per cent at the moment.

The targets that have been presented in the submission from Professor Daniels to this committee say that 200 hectares have been placed under conservation heritage agreements—nothing else to identify that there has been any advance of this target—nevertheless, I have asked them, 'How is this going to be achieved? How is this possibly going to be achieved in the region that we look after? Are you going to bulldoze the towns? Are you going to buy out the farms? How is this going to be achieved and what is in place to ensure that we manage the natural vegetation and ecosystems that are developed?'

This is the critical issue: there is not much point in locking up tracts of land (or ocean, for that matter, as we have seen with marine parks) unless you have a plan about how it is going to be managed and the cost that goes with it. I have noticed in this year's budget a bit about the Heysen Trail in the Department of Environment and Natural Resources but nothing about marine parks, so the poor old fish are left out there unprotected again, not that the actual parks boundaries are going to help them.

I raise this point: I like to meet with my natural resources management board each year; in fact, last year in November minister Caica asked to be present during that. I want to know what they are doing in relation to pest control in my electorate, how they are dealing with weeds, how they are dealing with other issues. I just want to place it on the record, and I hope that the chairman of the committee takes this on notice, because it turned out that the NRM representative had the date wrong, so the minister and I were left in the minister's office to have a meeting by ourselves. Notwithstanding that I thank minister Caica for the interesting conversation we had.

I wrote to Mr Alan Ockenden after that meeting in November and set out to him the schedule of information including the statistics on pest APC, which is the application of the work they did for the previous year's period. I wrote to him on 13 December reminding him of that and hoping that it might be provided. It had not been in the intervening period from November when we then met that day when he had not been able to turn up. He arrived at the meeting without any of the information, so we followed it up.

I spoke to him on 21 January. I wrote to him again on 20 February 2012. I even set the date for November 2012 that suited the minister for this year's meeting. I wrote to him again, to the minister, just keeping him in the loop obviously because we still had not had the information, and he was reasonably entitled to that as well. I wrote on 14 May 2012, again to Mr Ockenden. I got an acknowledgement back from the minister, and I thank him for that. In the meantime he said, 'Yes, the November date for 2012 is all in my diary and ready to go.'

I wrote again on 21 May 2012. I then got some information. Amazing! I was stunned. So I wrote to him again saying, 'I have some information about a booklet that you have prepared and I appreciate that. Thank you very much. But I still haven't got the pest monitoring information that I have asked for from last year. As we only have a few days left to this financial year, please get

started on this current financial year's data because I will be wanting it for the meeting when we meet for the November meeting with the minister.'

I am the local member. I have an obligation, as all members here have an obligation, to answer the questions of their constituency. If we have a weed problem in a certain area, if the Cleland Conservation Park is under attack from rabbits or anything else, I need to be able to deal with those issues. I need to be informed and I am entitled to be informed. The NRM in this area has an obligation in this instance to me and every other representative in this parliament who is within its district—and to the committee.

So I say to the committee chair and to the members of the committee that this situation cannot be tolerated. The minister should not put up with it. It is not acceptable. I do not know about other members but I like to be kept informed, I am entitled to be kept informed. I am very cross that I have not been kept informed. The minister should be insulted that he has not been kept informed. In the meantime I have perused the 50-page submission and it does not justify the increase.

Time expired.

The SPEAKER: The member for Port Pirie. The member for Frome.

Mr BROCK (Frome) (11:33): Frome. There was an electoral redistribution but I don't think it went that way. Thank you, Madam Speaker.

I join with the other members of the committee in supporting this disallowing of the levy well in excess of an 11 per cent increase that was sought by the Adelaide and Mount Lofty Ranges NRM Board. As the member for Stuart has indicated, there was a lot of discussion regarding this and whether it has happened previously and whether increases have just been automatically approved by the standing committee, but that is another issue. Our committee, as the member for Stuart has already indicated, works very well. It does not work on party lines. There are members of the government there, there are members of the opposition, and it includes Family First and Independents. We take our role as a committee very seriously.

This committee analysed vigorously the submission from this NRM Board. It is hard to make a decision on it and there is no criticism of what the NRM boards do across the whole region, but it is not our duty to rubberstamp any increases. We need to justify that. It is an impost on the ratepayers of the community. They are already being slugged with the emergency services levy, the NRM levy and also council rates. We all need to manage and ensure that we do not overburden our communities with imposts all the time.

I think the member for Fisher has already indicated that local government also needs to go through the same sort of critical examination. Even in my council at Port Pirie, last year their rates went up 12 per cent residential, and in the rural area they were up nearly more than 30 per cent. That is an absolute impost, and there is a public meeting tonight regarding the draft budget. I think they are increasing the waste management levy to nearly \$175 per ratepayer plus a 9 per cent increase in the rates. Again, I encourage communities, wherever they may be, to critically examine what their local councils are doing.

The other issue is that local councils are also involved with the collection of the levies. They also need to be very vocal and examine any increases made by any government agency, particularly the NRM boards, because the local councils are the ones who need to collect it, and they need to be the front-line people able to defend the issue.

The member for Bragg indicated some displeasure on certain things, but I will say that I have had the opportunity to actually go to a lot of forums in my electorate with NRM, and I welcome that openness from the Northern and Yorke board. It is a very good one, and I have great communication with them, so I am aware of all the issues that may be happening within my electorate. Again, I certainly support the motion by the Hon. Steph Key, our committee chairperson, and fully endorse the disallowance.

Mr WILLIAMS (MacKillop—Deputy Leader of the Opposition) (11:36): With a great deal of pleasure, I rise to support this motion. I have long been an advocate of the Natural Resources Committee and its predecessor (I think it was formerly a function of the Economic and Finance Committee) to take a bit of a stick to the NRM boards and their wont for raising the levies by excessive amounts.

I have written to committees previously, certainly in regard to the exorbitant increases by the NRM board in the South-East of the state which covers my electorate. In fact, the board had a

policy until quite recently that the increase in the levy on an annual basis would be CPI or 5 per cent, whichever was the greater. They were running an active policy of having a 5 per cent annual increase, irrespective of CPI being considerably less than that.

I was delighted to learn quite recently, when discussing the matter with the now chairman of that board, that that policy has been overturned and that their policy is currently to only seek to increase the levy by the CPI. Even that I find objectionable, given that the increases that occurred in previous years were in the order of 13, 14 or 15 per cent, year on year in some instances. It was at those times that I was writing to the relevant parliamentary committee, requesting that they disallow those rises.

I think the parliament needs to revisit what we have done with the whole NRM business model. We created in the first place a community-based board which would bring community-based discussion to the NRM function. I can remember (I am pretty sure it is in the *Hansard* as it was in the house) when minister Hill was then minister for the environment and, in answer to a question that I raised about the NRM board in the South-East, he suggested I go and talk to them because, after all, they are my people, and he suggested that it was my board.

I think the member for Bragg alluded to this a few moments ago. I cannot speak to the NRM board in the South-East now unless the minister has a delegate from his office sitting in on the meeting. I think it is outrageous that the NRM board, which was established to be a community-based board where the community could air their opinions about their local environment and the natural resource management of their local areas, has now become an arm of government.

It was always my suspicion that, under this government at least, the boards would become an arm of government. In the instance of the South-East, the NRM board replaced the former water resources management board with the introduction of the NRM Act in 2004, I think. Certainly, under this government, the boards have become an arm of government. In fact, in my experience, they have only taken decisions with the knowledge that that is what the minister wants to happen. They use the terminology 'the minister', but what they really mean is the bureaucrats in the department's head office.

In my experience, the NRM boards have very little autonomy when it comes to real decision-making. They are, by and large, a rubber stamp for the head office of the department. It is just a simple failure of what we set out to establish when the NRM Act went through this parliament. I point out that the opposition proposed something like 280 amendments to the principal act when it first went through the parliament all those years ago. I think the opposition can fairly say that it would have been a much better system if those amendments had been accepted by the parliament at that time.

One of the things that has disturbed me all along with regard to the NRM boards is that we have established a separate taxing body. That is basically what we have got: a body that we have given the power to tax. So now in South Australia we have the NRM boards with the power to tax, local councils with the power to tax, a state government with the power to tax, and a federal government with the power to tax. We now have four levels of taxing in this state.

In the early days, when the level of the NRM levies was quite small, it was possibly acceptable; it was never acceptable to me but the parliament obviously accepted it. As time has transpired, by and large the boards, again in my experience, have abused their taxing power and they have grown like Topsy.

It is on that basis that I fully support and endorse what the committee has done in this instance. I am somewhat disappointed that the relevant committee from time to time had not taken this sort of action in the past. I think this is a fairly rare event with regard to the NRM boards. I wish it would happen much more often.

Mr Pengilly interjecting:

Mr WILLIAMS: The member for Finnis suggests that we should do it to councils as well. I have never argued and never will argue that this parliament should have that sort of power over local government. If we think the local councils have got it wrong, let's go back and revisit the Local Government Act and get it right, but I do believe that local government should be autonomous. In my opinion, where the NRM boards find themselves now is far too autonomous with regard to their taxing powers, nowhere near autonomous enough from the bureaucracy (the government agency) when it comes to decision-making. I have argued for a long time now that we need to go back and look at the principal act with regard to NRM management in South Australia.

The member for Bragg made some very pertinent comments about weed management, the management of pest species—rabbits, foxes and things. Certainly in my part of the world I understand the calicivirus has done a great job in a fair portion of South Australia. It does not seem to be very effective in my part of the world where I suspect the climate is too cold for the survival of the virus, but it just does not seem to be doing the job there that it has in other places.

Certainly I get plenty of inquiries through my office about rabbits. The NRM board does not seem to be on top of rabbits. I do not know that they are absolutely on top of weed management across the state either. They are charged with certain roles. I question their effectiveness, to be quite honest, but I certainly question the amount of money that they are now receiving via the levies. I commend the motion to the house.

Debate adjourned on motion of Mrs Geraghty.

CRIME STATISTICS

Dr McFETRIDGE (Morphett) (11:45): I seek leave to make a personal explanation.

Leave granted.

Dr McFETRIDGE: Yesterday in question time the member for Light, Mr Piccolo, asked the Minister for Police, 'Can the minister update the house on recent crime data released from the ABS?' In her answer to the question, the Minister for Police, the Hon. Jennifer Rankine, said:

I was very disturbed last week to hear the shadow minister for police claiming that there had been 57 homicides in South Australia.

She went on to say, 'Madam Speaker, this is simply not the case. The actual number of homicides was 27.' I actually thought I said 58 homicides, not 57, because the Australian Bureau of Statistics crime report, released on 7 June last week at 11.30am Canberra time, states on the page Contents; Victims of crime, states and territories; South Australia, 'In 2011, there were 58 victims of homicide in South Australia.'

On another page of the same report from the Australian Bureau of Statistics, released last Thursday 7 June, a spreadsheet says that in 2010 in South Australia there were 37 homicides and that in 2011 there were 58 homicides.

STATUTES AMENDMENT (SERIOUS FIREARM OFFENCES) BILL

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Business Services and Consumers) (11:46): Obtained leave and introduced a bill for an act to amend the Bail Act 1985, the Correctional Services Act 1982, the Criminal Law (Sentencing) Act 1988, the Criminal Law Consolidation Act 1935, the Summary Offences Act 1953 and the Young Offenders Act 1993. Read a first time.

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Business Services and Consumers) (11:47): I move:

That this bill be now read a second time.

In the last six months, we have seen an escalation in gun violence in Adelaide, much of it in public. Recently, *The Advertiser* highlighted the fourth shooting in Adelaide in eight days and later the fifth shooting in a fortnight; later still, it was six in 18 days. The trend has continued unabated. At the end of May, it was five shootings in five days. This level of serious firearm violence is intolerable.

Recent events in Queensland make it clear that members of criminal organisations will cross state borders to shoot people. The Queensland incident involved the shooting of an innocent female as collateral damage. It seems clear that incidents of this nature are the product of gang members fighting amongst themselves. The government is attacking these criminal organisations through its serious and organised crime reforms, but a targeted attack on firearm crime is needed.

I seek leave to have the remainder of the explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

The courts do not impose substantial periods of imprisonment for offences against the *Firearms Act 1977*, despite the high maximum penalties available. In 2006-10:

- the penalty was a fine for 72.3% of cases heard in the Magistrates Court in which the major charge was a firearm offence;

- the penalty was a suspended sentence for 59.1% of cases heard in the District Court in which the major charge for was a firearm offence. Only 22.7% of cases resulted in imprisonment.

Also, many firearms offences are committed while the offender is on conditional liberty (ie while on bail or parole). Between 2007 and 2011:

- 497 offenders were convicted of a firearms offence committed while on bail;
- 37 offenders were convicted of a firearms offence committed while on a suspended sentence; and
- 20 offenders were convicted of a firearms committed while on parole.

These figures are not satisfactory.

This proposal includes a series of interlocking measures aimed at attacking firearms offences at the serious end of the scale with a view to the protection of the public and the deterrence of those who commit these offences. A cornerstone of the proposal is the legislative creation of a category of offender to be known as a 'serious firearm offender'.

Serious firearm offenders

- The *Criminal Law (Sentencing) Act 1988* will be amended so that a new sentencing category of 'serious firearm offenders' is created. A person will be deemed a serious firearms offender in the following circumstances;
- The person commits an offence against the *Firearms Act 1977* while on conditional liberty (ie parole, bail, released on licence or subject to a suspended sentence) if a condition of that liberty was that the offender not possess a firearm;
- The person commits an offence against the *Firearms Act 1977* in the course of or for a purpose related to the commission of a serious drug offence;
- The person commits an offence involving the use or possession of a firearm against the *Firearms Act 1977* or the *Criminal Law Consolidation Act 1935*:
 - when that offence was committed in the circumstances contemplated by s 5AA(1)(ga) of the *Criminal Law Consolidation Act 1935*;
 - while subject to a control order under the *Serious and Organised Crime (Control) Act 2008*; or
 - in breach of a firearms prohibition order.
- The person commits an offence involving the use or possession of a firearm against the *Firearms Act 1977* or the *Criminal Law Consolidation Act 1935* if that firearm:
 - is an automatic firearm;
 - is a prescribed firearm;
 - is a handgun and the person committing the offence does not have a licence for that handgun and if the handgun is not registered to that person.

It will not be possible to fall into this category except by personal liability; that is to say, the offender cannot be caught in this category by way of conviction for complicity in the crimes of another. Those guilty of this category of offences by way of complicity will be subject to quite severe criminal sanctions but the particularly harsh measures should be reserved for primary offenders.

Bail

There will be a presumption against bail for those who are charged with a serious firearm offence. If a serious firearm offender is to be granted bail, there will be a presumption that the grant of bail will contain a condition prohibiting the person from possessing any firearm, part of a firearm or any ammunition. That person will also be liable to random testing for gunshot residue. There will be a discretion for a bail authority to relieve the bail applicant from the mandatory conditions if there are cogent reasons for doing so and there is no undue risk to the safety of the public.

General Sentencing Reforms

Section 10 of the *Criminal Law (Sentencing) Act 1988* will be amended to say that in sentencing for firearms offences, the primary role of sentence is to emphasise public safety and specific and general deterrence.

The consequence of falling within the 'serious firearm offender' category is that there is a presumption that a sentence of immediate imprisonment will be imposed on conviction. The only reason for not imposing a sentence of immediate imprisonment will be if exceptional circumstances exist—exceptional circumstances cannot be found unless the sentencing court is satisfied by evidence on oath that the personal circumstances of the offender are sufficiently exceptional to outweigh the primacy of public safety and personal and general deterrence.

Some explanation of the general meaning of 'exceptional circumstances' may be helpful. In *R v Kelly (Edward)* [2000] QB 198. Lord Bingham of Cornhill said:

We must construe 'exceptional' as an ordinary, familiar English adjective, and not as a term of art. It describes a circumstance which is such as to form an exception, which is out of the ordinary course, or unusual, or special, or uncommon. To be exceptional a circumstance need not be unique, or unprecedented, or very rare; but it cannot be one that is regularly, or routinely, or normally encountered.

In *R v Fowler* [2006] SASC 18, Gray and Layton JJ had occasion to describe the difference between 'exceptional circumstances' and 'good reason':

There is a substantial and important difference between the 'exceptional circumstances' test as discussed in *Manglesdorf* and the 'good reason' test to draw from the wording of the statute. The 'good reason' test established by the legislature requires the sentencing judge to consider all of the circumstances of the instant case and make an assessment as to whether those circumstances give rise to good reason to suspend the sentence.

On the other hand, the 'exceptional circumstances' test implies that a sentencing judge ought to compare the circumstances of the instant case with other cases and determine whether there are aspects of the instant case that set it apart from the other cases and thereby justify an exercise of the discretion to suspend. This may lead the court to be asked to first consider what the common or typical features of drug trafficking cases are and then compare such features with the case at bar to decide whether such circumstances may be characterised as 'exceptional' before considering then whether to suspend. Such an approach would require the fulfilment of conditions which contradict the statutory requirement.

Reforms to Forms of Conditional Release

The *Criminal Law (Sentencing) Act 1988* and other applicable legislation will be amended so that it is presumed that every form of conditional release (probation, parole, on bail, release on licence or on a suspended sentence) contains conditions prohibiting the possession of any firearm or ammunition and subjecting the person to random testing for gunshot residue. The conditions may be excluded or modified by the release authority.

The provision relating to gunshot residue testing is precautionary and intended to act as a deterrent. Given current procedures for testing, the condition will be used infrequently. If the testing technology adapts to accommodate this initiative the condition may be used more frequently.

Amendments to Serious Repeat Offenders Provisions

It is proposed to amend the *Criminal Law (Sentencing) Act 1988* to reform the provisions dealing with serious repeat offenders.

First, the declaration provisions will be amended so that two repeat convictions for any one of the new category of serious firearm offences described above will qualify for a declaration. That will also be so for:

- Home invasions; and
- Any criminal offence aggravated by being committed in association with a serious criminal organisation.

Second, the declaration provisions will be amended so that a person is a declared serious repeat offender if there is repeat offending on three occasions for:

- Home invasions;
- Any criminal offence aggravated by being committed in association with a serious criminal organisation; and/or
- The new category of serious firearm offences described above;

It should be possible to avoid being sentenced as a serious repeat offender only if the sentencing court is satisfied by evidence on oath that the personal circumstances of the offender are sufficiently exceptional to outweigh considerations of public safety and it is not appropriate, in all the circumstances, that the offender be sentenced on the basis of a declaration.

Shooting at Premises

It is quite clear that there has been an increase in the number of drive-by shootings both in this State and elsewhere. The Government will not put up with this type of criminal behaviour.

The problem faced by SAPol when confronted with this type of reckless and dangerous act is that if no person is home at the time of the drive-by shooting it is very difficult, if not impossible, to successfully prosecute the offender for an act endangering life or creating risk of serious harm. The only other charge available (other than the general offence of possessing a firearm for a purpose not authorised by a firearms licence under s 11 of the *Firearms Act 1977*) is under s 51 of the *Summary Offences Act 1953* which says:

51—Use of firearms

(1) A person who discharges a firearm or throws a stone or other missile, without reasonable cause and so as to injure, annoy or frighten, or be likely to injure, annoy or frighten, any person, or so as to damage, or be likely to damage, any property, is guilty of an offence.

Maximum penalty: \$10,000 or imprisonment for 2 years.

(2) In this section—firearm means a gun or device, including an airgun, from or by which any kind of shot, bullet or missile can be discharged;

throw includes to discharge or project by means of any mechanism or device.

A two year period of imprisonment is not good enough for offending involving firearms.

The Bill will create two new categories of offences. One will deal with missiles and remain in the *Summary Offences Act 1953*. The other will deal with firearms and will go into the *Criminal Law Consolidation Act 1935* with considerably enhanced penalties.

The offence to be inserted in the *Criminal Law Consolidation Act 1935* will be a new s 32AA. The offence deals with the discharge of a firearm without lawful excuse. The series of offences distinguishes between intentional and reckless offences, the former being more serious. It also distinguishes between offences aimed at personal safety and offences aimed at property.

Conclusion

These measures are a major attack by the Government on serious firearm crime and complacent attitudes to serious firearm crime. We must make it clear that serious firearm crime will not be tolerated. The Government calls on Parliament to support these measures.

I commend the Bill to Members.

Explanation of Clauses

Part 1—Preliminary

1—Short title

2—Commencement

3—Amendment provisions

These clauses are formal.

Part 2—Amendment of *Bail Act 1985*

4—Amendment of section 3—Interpretation

This clause amends section 3 of the *Bail Act 1985* to insert definitions of 'ammunition' and 'firearm'.

5—Amendment of section 10A—Presumption against bail in certain cases

This clause amends section 10A of the *Bail Act 1985* to extend the categories of prescribed applicants in relation to whom a presumption against bail exists to include a person taken into custody in relation to a serious firearm offence under this measure.

6—Amendment of section 11—Conditions of bail

This clause amends section 11 of the *Bail Act 1985* to impose the conditions specified in new subsection (1) on every grant of bail. However, if a bail authority is satisfied that there are cogent reasons for doing so, and that the safety of the public is not unduly risked, then the bail authority may vary or revoke those conditions.

The clause also makes procedural provisions in relation to such a variation or revocation.

7—Insertion of section 11A

This clause inserts new section 11A into the *Bail Act 1985*. That section allows a bail authority to direct a person granted bail that is subject the condition imposed by new section 11(1)(a) to surrender to police any firearms, ammunition or parts of firearms the person may own or possess. Refusal or failure to comply with a direction is an offence.

The new section requires the Commissioner of Police to deal with the firearms etc in accordance with the scheme to be set out in the regulations.

No compensation is payable in relation to firearms etc surrendered in accordance with a direction under the new section.

Part 3—Amendment of *Correctional Services Act 1982*

8—Amendment of section 4—Interpretation

This clause makes a consequential amendment.

9—Amendment of section 37A—Release on home detention

This clause amends section 37A of the *Correctional Services Act 1982* to impose the conditions specified in subclause (1) on every release of a prisoner on home detention. The Chief Executive Officer can only vary or revoke the conditions if satisfied that there are cogent reasons for doing so, and that the safety of the public is not unduly risked.

10—Amendment of section 66—Automatic release on parole for certain prisoners

This clause extends the class of prisoner to whom section 66(1) of the *Correctional Services Act 1982* does not apply (a subsection that provides for automatic release on parole for certain prisoners) to include serious firearm offenders.

11—Amendment of section 68—Conditions of release on parole

This clause adds conditions that a prisoner not possess a firearm, any part of a firearm or any ammunition, and that the prisoner submit to related tests, to the conditions that a release on parole must be subject to.

Such conditions are designated as conditions, that, if breached, will result in automatic cancellation of parole.

12—Insertion of section 68A

This clause inserts new section 68A into the *Correctional Services Act 1982*. That section allows the Parole Board to direct a person granted bail that is subject the condition imposed by new section 68(1)(a)(ia) to surrender to police any firearms, ammunition or parts of firearms the person may own or possess. Refusal or failure to comply with a direction is an offence.

The new section requires the Commissioner of Police to deal with the firearms etc in accordance with the scheme to be set out in the regulations.

No compensation is payable in relation to firearms etc surrendered in accordance with a direction under the new section.

13—Amendment of section 71—Variation or revocation of parole conditions

This clause inserts new subsection (5) into section 71 of the *Correctional Services Act 1982*, providing that the Parole Board can only vary or revoke the conditions imposed by new section 68(1)(a)(ia) and (iii)(C) on the release on parole of a person if satisfied that there are cogent reasons for doing so, and that the safety of the public is not unduly risked.

Part 4—Amendment of *Criminal Law (Sentencing) Act 1988*

14—Amendment of section 10—Matters to be considered by sentencing court

This clause inserts new subsection (3a) into section 10 of the *Criminal Law (Sentencing) Act 1988*, which provides that a primary policy of the criminal law in relation to offences involving firearms is to emphasise public safety by ensuring that, in any sentence for such an offence, paramount consideration is given to the need for specific and general deterrence.

15—Insertion of Part 2 Division 2AA

This clause inserts new Part 2 Division 2AA into the *Criminal Law (Sentencing) Act 1988* as follows:

Division 2AA—Serious firearm offenders

20AA—Interpretation

This section defines key terms used in the Division.

20AAB—Serious firearm offenders

This section provides that a person is, by force of the section, a *serious firearm offender* if he or she is convicted of a serious firearm offence (as defined in new section 20AA). It does not matter whether the offence was committed as an adult or as a youth.

However, subsection (2) provides that subsection (1) does not apply in respect of offences where the basis of the conviction is the derivative liability of the defendant; that is, subsection (1) will only apply to an offence actually committed by the defendant.

20AAC—Sentence of imprisonment not to be suspended

If a court is sentencing a serious firearm offender for a serious firearm offence that carries a sentence of imprisonment, then a sentence of imprisonment must be imposed. That sentence cannot be suspended (except in the case where a defendant satisfies (by evidence given on oath) the sentencing court of the matters specified in subsection (2)).

The new section also makes procedural provisions in relation to sentencing.

16—Amendment of section 20A—Interpretation and application

This clause amends section 20A of the *Criminal Law (Sentencing) Act 1988* to insert definitions of terms used in the sections inserted or amended by the measure.

17—Amendment of section 20B—Serious repeat offenders

This clause amends section 20B of the *Criminal Law (Sentencing) Act 1988* by inserting new section 20B(a1). The new subsection provides that a person will be a serious repeat offender (without a court needing to make an order or declaration) if he or she commits and is convicted of at least three category A serious offences that occurred on separate occasions (namely any combination of home invasion, serious and organised crime offences and serious firearm offences, all of which are defined in section 20A).

Section 20B is further amended to allow a court to declare a person to be a serious repeat offender if the person commits and is convicted of a category A serious offence on 2 separate occasions.

18—Insertion of section 20BA

This clause inserts new section 20BA into the *Criminal Law (Sentencing) Act 1988*, which replaces current section 20(4) and sets out how a court may sentence a person who is a serious repeat offender.

The clause allows a court to declare that the provisions of section 20BA(1) do not apply to a person's sentencing if the person gives evidence on oath that satisfies the court of the matters specified in subsection (2).

19—Amendment of section 24—Release on licence

This clause amends section 24 of the *Criminal Law (Sentencing) Act 1988* to impose the conditions specified in new subsection (2a) on every release of a person on licence under that section. However, if the appropriate board is satisfied that there are cogent reasons for doing so, and that the safety of the public is not unduly risked, then the bail authority may vary or revoke those conditions.

20—Insertion of section 24A

This clause inserts new section 24A into the *Criminal Law (Sentencing) Act 1988*. That section allows the appropriate board to direct a person released on licence under section 24 of that Act (being a release on licence that is subject the condition imposed by new section 24(2a)(a)) to surrender to police any firearms, ammunition or parts of firearms the person may own or possess. Refusal or failure to comply with the direction is an offence.

The new section requires the Commissioner of Police to deal with the firearms etc in accordance with the scheme to be set out in the regulations.

No compensation is payable in relation to firearms etc surrendered in accordance with a direction under the new section.

21—Amendment of section 42—Conditions of bond

This clause amends section 42 of the *Criminal Law (Sentencing) Act 1988* to impose the conditions specified in the clause on every bond granted under section 38 that Act (that is, bonds relating to suspended sentences).

22—Insertion of section 42A

This clause inserts new section 42A into the *Criminal Law (Sentencing) Act 1988*. That section allows a probative court to direct a probationer under a bond granted under section 38 (being a bond that is subject the firearm conditions imposed by new section 42(a1)(a)) to surrender to police any firearms, ammunition or parts of firearms the probationer may own or possess.

The new section requires the Commissioner of Police to deal with the firearms etc in accordance with the scheme to be set out in the regulations.

No compensation is payable in relation to firearms etc surrendered in accordance with a direction under the new section.

23—Amendment of section 44—Variation or discharge of bond

This clause inserts new subsection (1c) into section 44 of the *Criminal Law (Sentencing) Act 1988*, providing that a probative court can only vary or revoke the conditions on a bond imposed by section 42(a1) if satisfied that there are cogent reasons for doing so, and that the safety of the public is not unduly risked.

Part 5—Amendment of *Criminal Law Consolidation Act 1935*

24—Amendment of heading to Part 3

This clause makes a consequential amendment to the heading to Part 3 of the *Criminal Law Consolidation Act 1935*.

25—Amendment of section 21—Interpretation

This clause amends section 21 of the *Criminal Law Consolidation Act 1935* to include the new offences inserted by the measure into the alternative verdicts scheme of Part 3 Division 7A of the Act.

26—Insertion of Heading to Part 3 Division 7AB

This clause inserts a heading to new Part 3 Division 7AB of the *Criminal Law Consolidation Act 1935*.

27—Insertion of section 32AA

This clause inserts new section 32AA into the *Criminal Law Consolidation Act 1935*, which creates offences in respect of discharging a firearm with intent to injure etc a person or damage property, or being reckless as to whether discharging the firearm does or may injure etc a person or damage property.

In prosecuting the offence, it is not necessary for the prosecution to establish that a person was, in fact, injured, annoyed or frightened or that property was, in fact, damaged (as the case requires) by the defendant's actions: in other words, it is the nature of the defendant's conduct that underpins the offence, not whether anyone was actually injured etc.

The new section defines what it means to be 'reckless' in respect of the offences.

28—Amendment of section 269O—Supervision

This clause amends section 269O of the *Criminal Law Consolidation Act 1935* to impose the conditions specified in new section 269O(1a) on every licence under which a person is released under new section 269O(1)(b)(ii). However, if a court is satisfied that there are cogent reasons for doing so, and that the safety of the public is not unduly risked, then the court may vary or revoke those conditions.

29—Insertion of section 269OA

This clause inserts new section 269OA into the *Criminal Law Consolidation Act 1935*. That section allows a court to direct a person subject to a supervision order (being an order that is subject the condition imposed by new section 269O(1a)(a)) to surrender to police any firearms, ammunition or parts of firearms the person may own or possess.

The new section requires the Commissioner of Police to deal with the firearms etc in accordance with the scheme to be set out in the regulations.

No compensation is payable in relation to firearms etc surrendered in accordance with a direction under the new section.

Part 6—Amendment of *Summary Offences Act 1953*

30—Substitution of section 51

This clause substitutes a new section 51 into the *Summary Offences Act 1953*. The new section extends the operation of the current section 51 to include an offence of throwing a missile where a person is reckless as to whether that act injures, annoys or frightens (or whether it may injure, annoy or frighten) any person, or damages (or may damage) property.

In prosecuting the offence, it is not necessary for the prosecution to establish that a person was, in fact, injured, annoyed or frightened or that property was, in fact, damaged (as the case requires) by the defendant's actions: in other words, it is the nature of the defendant's conduct that underpins the offence, not whether anyone was actually injured etc.

Part 7—Amendment of *Young Offenders Act 1993*

31—Amendment of section 4—Interpretation

This clause amends section 4 of the *Young Offenders Act 1993* to insert the definition of *serious firearm offender*.

32—Amendment of section 15A—Interpretation

The clause amends section 15A of the *Young Offenders Act 1993* to add whether or not the youth is a serious firearm offender to the list of matters that must be taken into consideration in deciding whether a youth poses an appreciable risk to the safety of the community.

33—Amendment of section 23—Limitation on power to impose custodial sentence

This clause amends section 23 of the *Young Offenders Act 1993* to allow a sentence of detention to be imposed in respect of a youth who is a serious firearm offender.

34—Amendment of section 37—Release on licence of youths convicted of murder

This clause inserts new subsection (3a) into section 37 of the *Young Offenders Act 1993* to impose the conditions specified in the new subsection on every release of a youth on licence under the section. The Training Centre Review Board can only vary or revoke the conditions if it is satisfied that there are cogent reasons for doing so, and that the safety of the public is not unduly risked.

35—Amendment of section 41A—Conditional release from detention

This clause amends section 41A of the *Young Offenders Act 1993* to provide that the release of a youth from detention is subject to the conditions specified in the clause.

The Training Centre Review Board can only vary or revoke the conditions if it is satisfied that there are cogent reasons for doing so, and that the safety of the public is not unduly risked.

36—Insertion of Part 5 Division 3A

This clause inserts Part 5 Division 3A into the *Young Offenders Act 1993*. New section 41D allows the Training Centre Review Board to direct a youth whose release from detention is subject the condition imposed by new section 37(3a)(a), or section 41A(2)(c)(iia) or 41A(3)(c)(iia), to surrender to police any firearms, ammunition or parts of firearms the youth may own or possess. Refusal or failure to comply with a direction is an offence.

The new section requires the Commissioner of Police to deal with the firearms etc in accordance with the scheme to be set out in the regulations.

No compensation is payable in relation to firearms etc surrendered in accordance with a direction under the new section.

Debate adjourned on motion of Mr Pederick.

STATUTES AMENDMENT (NATIONAL ENERGY RETAIL LAW IMPLEMENTATION) BILL

Consideration in committee of the Legislative Council's message.

The Hon. A. KOUTSANTONIS: I move:

That the disagreement to the amendments be insisted on.

The government will not accept the amendments from the Legislative Council, and I wish to proceed to a deadlock conference.

Mr WILLIAMS: As much as the minister wishes not to support the amendments, I think he is fighting an uphill battle. The Liberal opposition believes that this legislation should be fair, and we will go as far as is necessary to ensure that it is fair. Fortunately, our colleagues from the minor parties and the Independents in the other place support us. This is simply about fairness. I am not surprised that this government is not concerned about fairness and will not support this. This government has made an art form out of not supporting any idea that comes from the opposition. That is the problem.

The minister said on public radio that he would fix this, but he still has not, and I have no faith that he will. I do not know that he ever intended to, because he certainly has not demonstrated that he was going to fix it. I repeat what I said in the house last time we talked on this matter and the minister took exception, and I have gone back to my office and checked: I wrote two letters to the minister on this matter prior to Christmas last year and I still have had no response to them.

The Hon. A. Koutsantonis: Your office hasn't been contacted by my office about these letters; is that what you are saying?

Mr WILLIAMS: My office has contacted your office about those two letters. My office has contacted your office and we still have not had a response to the two letters, minister. Let us not be cute about this. My office has tried to follow up with your office to get a response, but we still do not have a response.

When I write to a minister, I do expect to get a reply at some stage. In most cases the reply is totally unsatisfactory, but quite often I do get a reply from ministers in this government. I have not received a response from this minister, and I just point that out because the minister took exception when I raised this last time. I have gone back and checked it, and my memory did serve me well last time: my office has not received a response to those letters. That is why I have no faith, notwithstanding the minister saying on public radio that he was going to sort this out and fix the problem. He has not even responded to me. I do not believe that he has done anything to try to resolve this problem in a real and fair manner. So, the opposition will be pursuing—

Members interjecting:

Mr WILLIAMS: Absolutely. We just saw a demonstration in the house, which is quite interesting—

Mr Goldsworthy: Appalling behaviour.

Mr WILLIAMS: No; that the members of the opposition in general—not just the shadow minister—understand what is going on and they take notice of the legislation before the house. They have an understanding of it. That is why we are passionate about fairness in this place, because we understand what is going on.

The minister suggested that one of my colleagues did not know what was going on and what this was about. He is trying to judge the opposition, as he knows happens in his party, in that the minister is the only person who knows what is going on, if they are lucky. I think I have made the point that the opposition is serious about this matter because it is about fairness. The opposition does not want to do one thing that will increase the cost of electricity to the average consumer, but we are not going to throw away fairness to achieve that end.

I have pointed out that the government's own review into the feed-in tariff scheme made recommendations, including a recommendation that they change the legislation to include clauses which are very similar to what was in Victoria. There were two parts to it; that is, that the scheme would be capped and closed when either of two targets were met. One was reaching a certain ceiling of installed capacity, and the other was reaching a point of the cost impact on the average consumer.

The report pointed out that in Victoria that cost impact was set at a level of \$10 per consumer, so that the total impact of the feed-in tariff in Victoria would not have more than a \$10 impact on the average householder's electricity account. Have a guess how much the impact currently is in South Australia? Because the government failed to take note of its own review, and failed to put into the legislation the recommendations made by that review, the cost to the average consumer in South Australia today is \$70.

Notwithstanding that, the opposition believes that the inequity delivered by the government, compounding its messing up of the review and the implementation of that, was compounded by the government setting the rules—establishing where the goalposts would be—on 30 September, the very last day the scheme was open, and thus disadvantaging a number of people who went out and spent significant amounts of money, in good faith. The opposition does not accept that we should turn our back on those people. We do believe in fairness, and that is why we think the government is seriously in error in not accepting these very wise amendments.

The Hon. A. KOUTSANTONIS: If this bill passes in the state it is in, it will increase power prices for ordinary South Australians. That is the thing that the member for MacKillop has not told his party room; that is, this would increase the cost of power for ordinary South Australians because he wants to expand the scheme. The scheme is closed; the scheme has been settled. He wants to increase costs on ordinary South Australians. The government will not accept one extra dollar being imposed upon South Australians.

I think the opposition will insist on its amendments, and that is fine. He wants to increase the power costs for ordinary South Australians. He is the man who joined with the Greens to increase the scheme to 20 years, rather than five years. The Liberal Party is the party that has increased the feed-in scheme, but he gets up here today and complains about it. Are you aware that your amendment for this bill is a crown of thorns? You are the one who wants to increase power prices.

Mr Goldsworthy interjecting:

The Hon. A. KOUTSANTONIS: I am not sure that the member for Kavel understands that—that the Liberal opposition has moved an amendment to increase power costs to ordinary South Australians. Did you understand that? Dazed and confused. The government will not accept one extra dollar being placed upon the burden of ordinary households in this state because of amendments moved by the member for MacKillop.

The Hon. T.R. Kenyon interjecting:

The Hon. A. KOUTSANTONIS: And his colleagues in the upper house compounding what he claims is a problem. They have expanded the scheme to 20 years, and now they want to expand the scheme even more. We will not allow an extra dollar to be placed on the cost of electricity bills for ordinary South Australians. This bill ensures a cost going on people's everyday bills. The government will insist upon the amendments being disagreed with.

Mr WILLIAMS: I cannot leave that diatribe unchallenged.

The Hon. A. Koutsantonis: Of course you won't.

Mr WILLIAMS: No, of course I won't. The 20-year extension had nothing to do with increasing the cost to South Australians. The 20-year extension—

The Hon. A. Koutsantonis interjecting:

Mr WILLIAMS: You would have solved that problem if you had taken notice of your own review, as I just pointed out, minister. That is what happened in Victoria; that is what other jurisdictions have been grappling with. You completely lost control of the scheme; that is what has happened here. Let me point out a couple of errors of fact. The Liberal opposition is not seeking to extend the scheme. All we are seeking to do is to offer fairness and equity to people who, in good faith, signed up and paid their money before the scheme closed.

The Hon. A. Koutsantonis: Not true.

Mr WILLIAMS: That is true, minister. We are not seeking to allow anyone who had not signed up before 30 September last year into the scheme, and the minister would have the house believe otherwise. That is an error of fact. What the Liberal Party did do, when moving amendments to this legislation, was successfully move an amendment to prevent the government

from increasing the price of electricity, of the feed-in tariff, paid back to everyone on the scheme by a further 10¢.

The government wanted to increase the feed-in tariff from 44¢ to 54¢. I believe the cost of that would have been \$90 million. The minister has the temerity to say that we are moving amendments that will increase the cost. I am very proud that we moved amendments that were accepted by the other place and that were eventually accepted by the government to reduce the cost to electricity consumers in South Australia by \$90 million. The matter that we are debating now will, unfortunately, have a cost impact; it will be minimal. I suspect—

Members interjecting:

Mr WILLIAMS: Of course it will have an impact. Fairness sometimes comes with a cost, not that you would know anything about that. I have never argued that it would not have a very minimal cost; I suspect it will be in the tens, or maybe the odd hundred, of thousands of dollars, not the millions. We have saved \$90 million on the scheme, \$90 million.

I think the minister just said \$1.6 million. I am trying to verify those figures as we speak; we are seeking some further information but, on the numbers that the minister gave to the house the last time we debated this, I suspect that is grossly exaggerated. We are talking a small handful of people; I think it is something like 20 people who might get onto the scheme, and I do not think those 20 people will be in receipt of \$1.6 million, to be quite honest. We are talking about a few thousands of dollars.

I am very proud that, in the first instance, when we first debated this legislation I made the comment to the house that this whole feed-in tariff scheme was about a headline, not about anything else, that it was going to impose costs on electricity consumers and that the parliament and the government needed to regularly revisit it to keep a watch on the costs getting out of hand. I was always aware that there was going to be a problem, and I point out to the house that the government said it would hold a review when the installed capacity reached 10 megawatts.

That happened in May 2009 and the review did not start until October 2009; I think it was either the last or the second last day in October. The review was supposed to report back before the end of 2009. I think the community of South Australia at least expected that the government might have said something about it in the election campaign of 2010, but it did not. The first time the community of South Australia heard anything from the review was on 31 August 2010.

The next utterance we heard, and the first time the parliament was apprised of the matter, was early in 2011 when legislation was brought to the parliament. That legislation included the clause to increase the feed-in tariff from 44¢ to 54¢. It did not include any caps to close the scheme down, to limit the cost on electricity consumers, as we recommended in the review. The opposition takes no responsibility for the cost impost that this mess of the government's own making has caused to electricity consumers in South Australia.

Notwithstanding that, the opposition stands by the principle of fairness and equity. That is what this is about. It is about a few thousand dollars to achieve fairness and equity for a handful of people whom this government has no care for. This government has shown that it is incompetent when it comes to managing this scheme, just as it has shown that it is incompetent when it comes to managing the state's finances. Now it has shown that it has absolutely no heart. It is a shame.

Motion carried.

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Manufacturing, Innovation and Trade, Minister for Mineral Resources and Energy, Minister for Small Business) (12:05): 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 Ms Bettison, Mr Odenwalder, Mr Whetstone, Mr Williams and the mover be managers of the conference on behalf of the House of Assembly.

Motion carried.

APPROPRIATION BILL 2012

Adjourned debate on second reading.

(Continued from 12 June 2012.)

Mr PENGILLY (Finniss) (12:06): We have had copious amounts of material presented to this house over this budget, and the longer it goes on the more I think the budget is a lemon. I will go on to say a few things about that and focus on some areas which are of concern to me in my electorate. In saying that the budget is a lemon, I point out that I (along I suspect with everybody in this place and the other place) am happy about the increase in the budget for Disability Services.

I think that is a step in the right direction, because it is something that needed doing and we can only go forward from here. I would add that I think the responsibility of this parliament at the moment to assist with Disability Services (from what I heard on the radio this morning) is lacking in that there is a failure to provide disability access to Parliament House of any consequence whilst the renovations are taking place in Old Parliament House next door. However, others can talk about that.

I want to talk about schools in my electorate. I constantly get told by school officials, from both the governing council and staff, that their schools are not receiving the amount of funding that they need or they are being dictatorially told what to do by central offices and regional offices. I am concerned that, in my case, the regional office is fiddling around on a few things, and I am concerned about where some of the money is going out of that regional office. I intend to make more of that matter in due course, but suffice to say that I am not going to put up with bureaucrats in the central office or regional offices using funds in other directions that should be used for the benefit of students. I will have more to say about that later on.

The issue of marine parks is very dear to my heart. We have seen a very strong campaign over the last year or two about the government's sanctuary zones. What has happened here is that, quite clearly, when the Premier took over he identified the marine park sanctuary zones as a disaster for his government and those who recreationally fish around the metropolitan area, where most of the government seats come from. He acted to do something about that, and the department, in my view, got sent away with its tail between its legs and to come back with a redraft of sanctuary zone proposals. Now, they have done that, but in doing so they have severely damaged, with these draft sanctuary zones, my electorate and, I would suggest, the electorate of the member for Flinders in particular, in the professional fishing sector.

I ask the government: do you really want South Australians and Australians to eat Australian fish, or do you want to bring increasing numbers of frozen garfish in from China, do you want to bring in frozen prawns from Vietnam, or do you want to bring in all sorts of frozen fish from Asia, not knowing how that fish has been fertilised, grown, or whatever? I can tell you, it is totally ridiculous; you are destroying sectors of the professional fishing sector.

In my electorate alone, the squid and scale fish fishery that operates off Rapid Head is going to be trimmed down almost out of existence. So, you can buy your frozen squid from overseas. It is stupid stuff; absolutely stupid stuff. Why on earth would you want to destroy the professional industry? I know that net fishermen in Upper Gulf St Vincent are also going to feel the squeeze. I can tell you that the rock lobster fishery in my electorate, which is substantial, is to lose, just in one area alone (Cape du Couedic on Kangaroo Island), some 30 tonnes of rock lobster. So, what does that do, for no useful purpose? That puts squeezes on fishermen.

They are talking about some sort of compensation but, according to my information, there is no compensation money in the budget this year. However, what they also do by this ridiculous activity is stuff up markets, so fishing companies that provide markets with rock lobster are not going to be able to provide the rock lobster. What is it going to do? It is going to come in from Western Australia, Tasmania or South Africa: you tell me. It is a ludicrous proposal.

Once again, the scale fishing industry is going to be put out by areas that have been put under the draft sanctuary zones. I refer to Shoal Bay, to the north of Kingscote on Kangaroo Island, where they are going to take out the garfish and scale fishery there, where one or two local operators get garfish to provide to the market—cheap fish. Also, the net fishermen and scale fishermen are going to be squeezed out of Shoal Bay.

If there was some good reason for taking Shoal Bay out of it, I could understand, but it is not much more than a mudflap with declining seagrass. Why put that in a sanctuary zone when the fools in the department of environment have conned the government into doing nothing off the metropolitan area, which is also bereft of seagrass? But no, they pick on regional electorates and destroy good, honest fishermen going about their business. I think it is disgraceful.

I know that the member for Flinders will probably speak about this matter as well, but the marine parks battle is not over by a long shot. The government may want it to be over, but I can tell

minister Caica and others that we are going to come hunting them in the lead-up to 2014, and expose them for the fools they are in relation to what they are doing with these draft sanctuary zones.

You can sit over on the other side and hang your head, or do whatever you like, but if you want to put good, honest professional fishermen—a great industry in South Australia which has been a great industry for well over 100 years—out of business, you keep doing what you are doing. Do not come squealing to me when you get a gut ache from eating fish that have been grown in the Mekong Delta and fertilised with you-know-what, because that is what is going to happen. That is exactly what is going to happen; it is a ridiculous situation. I have probably said enough on that.

Mr Venning: Never.

Mr PENGILLY: I turn to the subject of health. I am concerned that copious amounts of money are being spent in the health sector. According to the minister and the government, the state budget is overwhelmed by the demand. I think we have to have a good, hard look at what we are providing in health. I am sure that, once again, the Premier saw the political damage with Keith hospital and sought to step in there. I congratulate him on that, but it is simply not good enough to screw regional health services and country hospitals in an attempt to prop up a failing system in the city. The shadow minister for health, Martin Hamilton-Smith, has successfully exposed flaw after flaw in the metropolitan health services, and I hope he continues to do that, because it needs exposing.

I just point out also that these HACs are useless. The health advisory councils are useless—totally and absolutely useless. I have members in my community on HACs in the South Coast Health Services and on Kangaroo Island and they shake their heads at why they go along. They have no power. The bureaucrats are running roughshod over the top and just doing what they like. They ask questions and get told that is not the responsibility of the health advisory council. So they get pushed to one side on that. They are not happy. It is an absolute fool of an idea.

You have taken all the ownership away from local communities and put it in the hands of bureaucrats without having any sense of a board that can run the health service and ask some questions and get some answers. Judging by recent media attention that has been given to the HACs, they are a fool of an idea across the state. We are getting regular feedback on that, and it is well documented that they are a waste of time.

On the budget, one of the things that really worries me is that this government has no idea how to run a business—absolutely no idea. The New South Wales state government delivered its budget yesterday and, if I am correct—I think I am: I heard it this morning on ABC radio, and I always believe everything they say on there—the deficit of the state of New South Wales with a population of 5.5 to six million I understand is the same as the deficit of the state of South Australia with a population of 1.5 million. It is an embarrassment to be in the place. They have no idea whatsoever.

The debt is ballooning out to \$13 billion, with \$4 million per day every day for the next eight years. It is a huge concern and a great worry to me that my children and grandchildren, and whoever comes after that, are going to live in a state bereft of opportunity and bereft of people, because anyone who wants to 'have a go' will go to another state where things are easier. If you want to run a small business you will not stay in South Australia: you will head off to another state. Land tax is a killer. The list goes on.

Then we have the wonderful federal government introducing another raft of taxes such as the carbon tax. You can see how popular the federal government is: they get it even more on the nose every day. I am really concerned about where this state is heading. It is not going to affect me for as long as it is going to affect my children, of course—and no-one else in this place, either—but there is no end in sight to the disaster that has been perpetrated on the people of South Australia, on the taxpayers, by this state government. It is a disgrace and, as I said at the outset, this budget is a lemon.

One area that does need some attention is the tourism sector. Only this week the figures have come out, and I will refer to my electorate because I am really concerned about where tourism is heading. There are some very good reasons but, if you look at the Fleurieu Peninsula for the year ending March 2012, international tourism is down 14.9 per cent. On Kangaroo Island it is down 34.9 per cent. Clearly, the global financial crisis is hitting home in the international tourism sector.

It is of great concern to our wonderful international tourism operators across this state and on Fleurieu Peninsula and the island. There will be jobs under threat—there is no question about that. There will be businesses under threat. Purely and simply, international tourists just do not have the finances to come as they used to. For example, the Italian honeymoon market, is enormous. The new season is coming up and I do not know what the figures will be in the next 12 months, but the way that Italy is going—and Spain and Greece, and the list goes on—is of great concern.

Domestic visitation to the Fleurieu is actually down only very marginally, from 1,170,011 people for the year ending March 2011 to 1,166,872 people for the year ending March 2012. That could well be a sign of things to come. I believe that people are more and more careful, but the impost put on them by the taxes in this state is continuing to belt them around the ears, and the visitation is down markedly.

That was the Fleurieu, but can I also say that visitation on Kangaroo Island was down from 163,993 in March 2010 to 136,926 in March this year—a dramatic drop. It is a dramatic drop. I know that the SATC has launched a \$6 million marketing program to try to send people to the island. I dearly hope that it is successful but, at the end of the day, the thing that is really knocking the tourism across to the island is the cost of getting there, whether it be by air or sea, and until such time as governments of all persuasions come to grips with that nothing much is going to change in terms of costs. I get it day after day.

I know that the Fleurieu and the towns of Mount Compass, Yankalilla, Normanville, Victor Harbor and also Port Elliot and Middleton in my electorate rely heavily on domestic tourism, and they are working hard to encourage tourism and visitors from the metropolitan area to go down there because it is a great catchment.

We did talk a while ago about NRM levies, and I would also like to point out that there have been increases in council rates that are concerning. I do not know how you break these down. The councils are well equipped to give a briefing on how they are broken down, but I am seriously questioning how much of that impost comes through additional pressure put on by government (whether it be state government or federal government) requirements, waste disposal and things like that which obviously are adding to those costs.

I make it quite clear and I put on the record in this place that I have been on councils where we have put rate increases up well over CPI over the years, but I have one council where the rates increase is going up 7.1 per cent. It is a concern. People on fixed incomes, pensioners, etc., who are only getting CPI increases even though they may be getting rebates through their councils and other sorts of rebates, are still on very limited incomes and they simply cannot absorb costs over CPI. Somewhere they are going to crack.

I say, again, that I do not know, but it would be an interesting exercise to go through just to see where these costs are being imposed on them—whether, indeed, there is a great percentage of that coming through on state government charges. I do note with great interest the government's hopes in the mining sector for different types of ores and also for oil and gas exploration. I would like to spend a couple of minutes talking about the oil and gas exploration in the Great Australian Bight, which I know is supported by the state government. Permits are issued by the federal government.

I know that the member for Flinders and I, and other members, had extensive briefings from British Petroleum (BP) and also from Bight Petroleum. What concerns me is that the knockers, the extreme environmentalists, the extreme greenies, are out there trying to stop this. They are coming up with all sorts of reasons why we should not go ahead and search for oil and gas in the Great Australian Bight. I am over them. They have every right to make comment, they have every right to be critical if they wish to and they have every right to have their two bob's worth, but equally they have a responsibility to come out with the correct information. They have a responsibility to be environmentally sensible, and businesses must be economically responsible as well. I think that these things want some balance put into them.

Quite simply, I want my family (and I am sure other members in this place feel the same way) to have the same way of life that we have. We absolutely rely on energy sources—oil and gas, and we rely on coal. I am informed that the Great Australian Bight operation—much of it in the South Australian sector, where they are doing a lot of this exploration—could actually be bigger than Roxby Downs, if it works.

I hope it does work. I hope that in 50 or 100 years, we are sourcing large amounts of oil and gas from that area and we can put it into our economy to give our successors the same way of life that we have. As I say, we need to be environmentally sensible and the extremists need to think through that. Those who are doing it need to be economically sensible, and I am sure they are. I am most supportive of where they are going with this and I look forward to success coming out of it.

Just in the minute or so that I have left, I notice that under the government there is more money in the budget for the KI Futures Authority this year. I tell you that it is time they came out with some outcomes instead of talkfests. I am also concerned that I put in an FOI request last year which was due on 24 December for the minutes of these Kangaroo Island Futures Authority (KIFA) meetings. I am still waiting.

This is a deceitful government that wants to cover up everything. If we cannot put money into the state budget and then get information as members, I think it is disgraceful. As I say, I think it is a lemon of a budget. Obviously the opposition will be supporting the budget, but we could go on here for hours and hours. I thank the house for its patience in listening to me and I wait to hear other members' contributions.

Mr GOLDSWORTHY (Kavel) (12:26): I certainly want to make some comments in relation to this budget. It is the 11th state budget that I have had the dubious honour of commenting upon in this place during the 10 or so years that I have been the local member for Kavel. I want to make some remarks in relation to those areas of responsibility that I have on this side of the house.

The first comments I would like to make are in relation to Consumer and Business Services. We see it set out here in the budget in program 3: sub-programs 3.1, 3.2 and moving through. I want to just take the house back a number of weeks to when I highlighted some really significant shortcomings in the way this government was carrying out its responsibilities, particularly concerning the operation of Consumer and Business Services in issuing trade licences.

I highlighted a specific example where an apprentice plumber had finished all his skills training, all his time and so on, and he was waiting over four months for Consumer and Business Services to process his paperwork for his trade licence to be issued. It highlighted the fact that that particular person—only one out of many, I estimate—would have lost around about \$5,000 in wages, which is the difference between an apprentice wage and that of a fully-qualified tradesperson. The budget refers to that in Sub-program 3.2: Occupational Licensing Services.

Then we have Sub-program 3.1: Residential Tenancies. I know the minister has issued a discussion paper, and I have it here: 'Review of the Residential Tenancies Act 1995—Proposed reforms'. I have read the report and highlighted some areas of interest in the proposed reforms in the draft report that the minister has issued.

However, I also want to again take the house back a number of weeks where another example of the deficiencies in the service provision from Consumer and Business Services was highlighted. That was in relation to the Residential Tenancies Tribunal taking five weeks for a matter to be heard where previously, when the operation of Consumer and Business Services was being conducted at a more satisfactory level, those matters were heard within two to three weeks of the application being lodged.

My understanding of the process is that a tenant has to be in arrears for a period of two weeks, a notice is issued to the tenant and then I think a week after that formal application is lodged with the agency for the matter to be heard at the Residential Tenancies Tribunal. So, the tenant is in arrears by three weeks' rent before the application can be lodged, and then it was taking five weeks for the matter to be heard, which is obviously a period of eight weeks.

You do not have to be a Rhodes scholar or have a PhD in mathematics to work out that, for a house with a weekly rental of \$400, that is lost rent or rental arrears of \$3,000 before the matter is actually heard by the Residential Tenancies Tribunal. I know we have bonds in place and so on, but there may still be some rent arrears lost because of the delays in service delivery of the Consumer and Business Services agency.

I have had a look at the budget, and we all know that part of the budget papers talks about highlights and targets. I would have thought, given the less than satisfactory or poor service delivery of Consumer and Business Services in both the occupational licensing services and the residential tenancies areas, that the 2012-13 targets might have covered the fact that there should be an improvement in service delivery. I would have thought that there may have been some

performance measures under those headings of 'Targets' or some benchmarks to assess the agency's performance on a sustainable basis.

What do we see? Under Residential Tenancies we have: 'Targets 2012-13: develop and implement an online bond processing and inquiry system.' That all sounds very good. However, I suggest that that sentence could have gone on to say 'to improve service delivery by a measure of 10 per cent'. There might have been some quantitative measure of an improvement in service delivery. However, there is no such thing.

I also notice in the budget figures that there is a progressive reduction in FTEs under a number of these sub-programs. I presume that is a consequence of the government's decision to amalgamate the two agencies of the Office of Consumer and Business Affairs and the Office of the Liquor and Gambling Commissioner. That was a recommendation of the Sustainable Budget Commission. I notice that, overall, there is a reduction in FTEs.

For the Residential Tenancies Tribunal, the estimated result from 2011-12 was 62.1 and in the 2013-14 budget it is 59.9. In occupational licensing services, we see that in the 2011-12 budget it was 28.8 and then an estimated result of 18.8. I do not know whether that is a typographic error or not, because in the 2012-13 budget it bumps back up to 28. The minister may like to clarify that at some point. In compliance and enforcement, we see an FTE reduction of about seven, and so on. My understanding is that is a consequence of the outcome of the Sustainable Budget Commission's recommendation, where the overall number of FTEs was to reduce as a consequence of the amalgamation of those two agencies.

In relation to its comments concerning the Residential Tenancies Tribunal, I know the minister has put out the discussion paper on proposed reforms to the act. However, those proposed reforms, unless I am mistaken, do not talk much about improving the performance of the agency. If you look through the paper—and I have read it and highlighted a number of points—it does not really look to address the performance of the agency. When I talk to people in the industry, that is where the majority of problems occur. As I have stated before, historically there has been an appalling level of customer service.

I understand the minister has taken some measures to improve that delivery of service, but I want to be reassured by the minister that that is on a sustainable basis and that they are not just pulling staff from one area within CBS and plonking them in an area of crisis, as we saw in the occupational licensing services and also in the Residential Tenancies Tribunal areas. I do not want to think they are just pushing staff here and there to meet crisis points and, once that has been met and the crisis has been dealt with, those staff go back to their normal role. I want to see an improvement in service delivery and the level of service delivery on a sustainable basis. I would like the minister to be able to assure me and the house that that will be achieved.

Turning to program 4 in the budget papers, headed Liquor Regulatory Services, I note that there have been some developments in the last 24 hours or so in relation to this area. It was part of last year's budget that the government made the announcement that there would be the introduction of a liquor licensing fee, totalling some \$3.6 million in income. Whether you call it a fee or whatever, it is a tax, a new tax introduced by the highest taxing government in the country. So, do not let anybody have any misunderstanding of this: this is a new tax by this government on this particular industry.

That is factored into the budget. You can actually see under the income heading 'Fees fines, penalties' that the actual for 2010-11 was \$1.3 million, the 2011-12 budget jumped up to \$4.7 million, the estimated result was \$4.7 million and the budget for this year is \$4.9 million or thereabouts as a consequence of the \$3.6 million from this new liquor licensing fee.

The minister made an announcement yesterday to actually reduce the impact of these fees on licensed premises, and I know that is welcomed by the industry. But the point I want to make is that there seems to be a pattern emerging here in relation to how the minister is managing this particular area of his responsibility: matters have to get to a crisis point before he acts. He has been reactive instead of proactive.

We have seen that the service delivery in the Residential Tenancies Tribunal area was appalling. The service delivery in the occupational licensing area in terms of trade licences and so on was appalling, and I have highlighted previously in the house that the minister's own staff even made a comment to one of my staff that the treatment of a particular tradesman was appalling with regard to how the agency had been dealing with that particular person's issues.

In relation to the liquor licensing fee issue, the industry had to make the strongest representation to the minister, and no doubt the Premier, to see some changes brought about to the liquor licensing fee regime. I would like to know what consultation the minister undertook with that particular part of the industry, being the small bars and clubs that open after 2am in the city and around the CBD and, no doubt, the suburbs.

I know there was some consultation with the AHA and with the restaurant and catering association, but I want to know what consultation was undertaken with the other part of the industry, being the small bars and clubs, because you could argue that it had to get to a crisis point. The paperwork was sent out only a number of weeks ago to all businesses that hold liquor licences to advise them of what their new fees would be and, as we know, there was this massive backlash from that section of the industry to the Premier's office and the Minister for Business Services and Consumers on the effect that fee structure would have on their businesses. It was actually going to be the knock-out blow.

The Premier wants a vibrant city with live music venues, small bars, clubs and so on, but the Deputy Premier's new tax was going to be the death of them, and I know they made a very strong representation. The minister needs to understand what consultation is all about. He took an enormous amount of time. It took time to send out the details relating to the fee schedules and so on, but as I said, what was the consultation that took place prior to that? Clearly, it went pear-shaped when the fee notices were issued, but is there a disconnect? That is the question. Is there a disconnect between the Premier's office and the Deputy Premier's office?

As I said, the Premier has come out in support of a vibrant city supporting establishment and the reduction of red tape and so on, so we can see these smaller bars and other venues being established for live music and other cultural activity. The Premier is fully in support of that, but the Deputy Premier (the Minister for Business Services and Consumers) imposes a fee regime which is going to bring about the death of those businesses. So, is there a disconnect, is there a lack of communication between those two offices? That is a question I would like to ask and I would like either the Premier or the Deputy Premier to answer that.

The clock is winding down and I know my colleague would like to make some comments before the luncheon break, so those are some of the issues that I wanted to highlight in relation to the budget. There are many more that I want to talk about as well and I will look to explore those in the next short period of time.

Mr TRELOAR (Flinders) (12:44): Mr Deputy Speaker, each morning in this place, from the chair that you occupy, the Speaker asks us, collectively, to consider the true welfare of the people of this state. I put it to you today that this Labor government is not doing that. Unfortunately, it is yet another selfish budget. It is not about the welfare of this state, it is about them. The key figures and economic indicators in this budget illustrate the dire position of South Australia's finances. Unfortunately, the blame lies squarely at the feet of the Weatherill Labor government, after a decade of economic mismanagement.

This is what we face. These figures have been run through before in this place, but it is worth reconsidering them. For all the journalists who trawl *Hansard* and all the papers throughout South Australia that pick up contributions by their various members, people need to be reminded and people need to know what this Labor government is getting this state into.

We are looking at a \$13 billion debt forecast by 2015-16; that will be the biggest debt in South Australia's history. We are looking at a deficit of \$867 million for 2012-13; that will be the biggest deficit in South Australia's history and will be followed by a predicted \$778 million deficit in 2013-14—big numbers. A surplus is predicted by the Treasurer in 2015-16, but I do not think anybody realistically believes that will occur under this government.

The state's AAA credit rating has been lost; it is now AA+, and this is after the previous Liberal government did all those hard yards to restore the state's AAA credit rating when Labor lost it after the State Bank debacle. It is so predictable. Everybody in this state, and indeed everybody around Australia, knows how predictable it is. Labor parties and Labor governments run up the debts. When they are in power, they continue to overspend, they spend more than their income and they run up the debt. Eventually, people see the light, vote them out of office, and the Liberal Party comes to office and has to reclaim the state's finances.

A recent piece in the *Financial Review* referred to a figure of \$22 million in extra interest per year on a debt of \$9 billion as a result of losing the AAA credit rating. It is not over the top to say these figures are truly shocking. The most telling figure of all (the member for Davenport has

been using this, and rather than talk in billions he brings it back to millions, which are much better understood by most people) is \$4 million per day in extra borrowings—each and every day an extra \$4 million.

The electorate of Flinders is an inherently positive place and full of hardworking and down-to-earth people. Sadly, nobody on Eyre Peninsula, the West Coast or around the state is immune to the impacts of this government's economic ineptitude. As my leader quite rightly pointed out, if you drive a vehicle, if you pay for water, if you own a business, if you pay insurance, if you are buying a property or you are renting, then you are worse off as a result of this budget. I think that is just about everybody, isn't it? Have we covered everybody? If you drive a vehicle, pay for water, own a business, pay insurance, buy or rent, you are worse off—that is everybody. I do not think we have missed anybody.

Each year I have stood in this place to make a contribution on the Appropriation Bill I have lamented the manner in which the government has handled the state's finances. This year is particularly galling, and there is no relief in sight for families and pensioners facing increasing costs of living, while businesses suffer as a result of South Australia becoming the highest taxed state in the nation. Business must do well, as must small business, which we have said time and time again is the backbone of the economy, but big business must also do well.

The role of government, I firmly believe, is to provide basic services to society, but it also needs to provide the framework in which business can operate. Quite simply, that is not happening. So prohibitive are the regulations and the red tape that are in place that business is finding it difficult to operate productively or in a way that is financially healthy. Electricity prices are set to become the world's highest, and water prices are set to become the highest in any Australian capital. A lot of that is not about the price of water but the government charges and administration fees that go with the water bill.

Taxes will rise by \$1 billion over the next four years, so it is clear to me that this government has ignored the warnings from the Auditor-General about such expenses, and former treasurer Kevin Foley admitted as much. He quite candidly stated that this government has an expenses problem not a revenue problem. Keep in mind that he was referring to a cabinet in which the current Premier has sat in since they came to power and a cabinet in which the current Treasurer (Snelling) has been a part of also. I put it to you that they simply cannot wash their hands of all this and blame Mike Rann and Kevin Foley. In fact, the new Premier and the new Treasurer respectively have been intimately involved in the decision-making process for a long time now.

There have been some meagre attempts to rein in spending. I guess it was the low-hanging fruit, the easy targets, which were the first to go—such projects as the Integrated Design Commission and the Thinkers in Residence program—programs that you could argue did not deliver very much at all to this state. I have a friend and neighbour who could be the thinker in residence and he would not charge anywhere like what the program has cost. The big ticket items, the ones in which the contracts are already let—the desal plant, the Adelaide Oval, the Royal Adelaide Hospital—are why the debt is blowing out and why we will be paying that debt for a long time to come.

I will briefly turn to some of the major issues affecting the seat of Flinders and one which is top of mind and is always top of mind is that of water. Water security is always very important for the critical human needs on the Eyre Peninsula and out on the West Coast, and it is very important that the water resources are sustainable for the agricultural industry—indeed, all industries and people in the region.

It is very concerning for me to see businesses and consumers hit with rising water prices over time. The unnecessary doubling of the capacity of the \$2.2 billion Adelaide Desalination Plant has clearly had an impact on both the state budget and, as a result, households. It is my firm belief that the government panicked at the time and built the desal plant to double the capacity that was really required by this state. My dad farmed for a long time and he said that when it hasn't rained for a while, you always think it is never going to rain again—but of course it always does.

Mr Goldsworthy: It always rains after a long dry spell.

Mr TRELOAR: You are quite right, member for Kavel. It always rains after a long dry spell. Since 2002 water bills have been up 249 per cent and, since that desal plant that I have just referred to was announced, water bills have risen by a massive 176 per cent. This really hurts water consumers. Everybody in the state uses water, everybody in the state pays for water. The government cannot hide from the fact that this year's 25 per cent hike comes on top of annual

increases over the last four years of 16 per cent, 21 per cent, 25 per cent and 40 per cent respectively.

As I said, it is frustrating to the residents of Eyre Peninsula and the West Coast when you consider that some parts of the region are not reliant on Murray water. We are still seeking clarification from the minister as to whom will be required to continue to pay the River Murray levy. My hope is that there will be parts of Eyre Peninsula that will be no longer required to pay that levy. We are still seeking clarification on that.

One issue that comes across my desk often is the price of water as it relates to livestock management. Essentially most of Eyre Peninsula is wheat/sheep or grain cropping and mixed farming. Sheep are the main livestock. The cost of carrying just one head of livestock through the summer through the water it drinks is quite considerable, so much so that people are talking about it making the whole enterprise unviable. It would be a sad day, considering that most of the cost of water is in government charges, levies and administration costs.

There was a time in this place way back in 2002 when the current government indicated to this house that they would be building a desalination plant on Eyre Peninsula. That was stated in 2002 and, in fact, the *Hansard* of the time indicates that that promise was written in blood. In fact, we have seen no desal plant built on Eyre Peninsula; it does not look like it is any closer at this point. I suggest to the government very strongly that something needs to happen to supplement Eyre Peninsula's water supply in the very near future.

On top of these increases to water bills are the skyrocketing electricity prices. In fact, as mentioned by several members on this side, electricity prices are set to become the world's highest. I suspect that the former premier Mike Rann's borderline obsession with wind power has not helped the situation. One of the many infrastructure areas in which this state is deficient is in the carrying capacity of our electricity lines.

Believe it or not, there are factories on the outskirts of Port Lincoln where they are wanting to install new freezers and cannot. Even though they can see in the distance the wind power generators at Cathedral Rocks, there is not the capacity to deliver that power into Port Lincoln. They cannot install up-to-date and modern equipment because they simply have not got the supply of electricity to their businesses. It is an extraordinary situation.

These increases in prices are tangible for consumers and they are really feeling hit in the hip pocket. Businesses suffer as well. It makes it so much harder to make a go of it and turn a profit when your costs are going up and up. Businesses need to be competitive. I will say time and time again that we do not operate in a bubble, we do not operate in isolation here in South Australia: we operate in a world market. The economy now is global and our businesses need to be competitive.

This government does not seem to understand this. The amount of regulation and red tape—and I put that phrase to you again—that is put in front of businesses and the hurdles they have to jump are quite extraordinary and impact on their ability to do business. To cap that all off, we have a federal Labor government introducing the carbon tax.

As we have heard in question time recently, and in several articles in *The Advertiser*, the impact of the carbon tax on the government's expenses will be significant even though they have suggested otherwise. The member for Bragg has recently obtained government briefing papers that reveal that the transport department's carbon tax will be \$15 million—that is the bill. It all mounts up.

It has also been revealed that the carbon tax will force public transport fares to go up. It is staggering that the Premier, the transport minister, the Treasurer—you name them; the state Labor ministers generally—are tripping over themselves to state their support for the Gillard government's carbon tax. It is quite unbelievable that they would not stick up for South Australia's interests, because there is no escaping the fact that this carbon tax will hurt people.

Rex Airlines flies a regional service into Port Lincoln. I use them often and it is the preferred way of commuting between Port Lincoln and Adelaide for many residents now. Rex has recently indicated that the increase in costs they will be facing as a result of the carbon tax will be around \$6.5 million. Consumers will pay for that and all of this is compounded by increased transport costs, about which I have spoken many times in this place.

Transport operators will be hit by a \$45 million carbon tax bill and it is a very pertinent issue for operators in Flinders who, once again, must pass on these costs to consumers. So, right through this budget, right through the carbon tax fiasco, the consumers are the ones who lose.

Even something as innocuous as getting your car's air conditioning unit serviced will result in increased costs due to the carbon tax, according to the Motor Trade Association.

The member for Finniss spoke briefly about marine parks. Actually, he did not speak briefly: he spoke at length about marine parks. What I will probably do is take the opportunity to speak about that more during the next part of the debate, Mr Deputy Speaker. I understand time is in short supply.

The DEPUTY SPEAKER: You are seeking leave to—

Mr TRELOAR: No, I will not seek leave. I will wind up my comments there, but I will have the opportunity, as I understand, to speak later this week on marine parks.

Debate adjourned on motion of Hon. C.C. Fox.

[Sitting suspended from 12:59 to 14:01]

PAPERS

The following papers were laid on the table:

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

Summary Offences Act—

Statistical Returns for Authorised Road Blocks

Statistical Returns for Dangerous Area Declarations

Regulations made under the following Acts—

Associations Incorporation—Fee Increases

Bills of Sale—Fee Increases

Births, Deaths and Marriages Registration—Fee Increases

Community Titles—Fee Increases

Co-operatives—Fee Increases

Coroners—Fee Increases

Cremation—Fee Increases

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

Criminal Law (Sentencing)—Fee Increases

District Court—Fee Increases

Environment, Resources and Development Court—Fee Increases

Evidence—Fee Increases

Expiation of Offences—Fee Increases

Fees Regulation—Public Trustee Administration Fees—Increase

Magistrates Court—Fee Increases

Partnership—Fee Increases

Public Trustee—Fee Increases

Real Property—Fee Increases

Registration of Deeds—Fee Increases

Security and Investigation Agents—Fee Increases

Sexual Reassignment—Fee Increases

Sheriff's—Fee Increases

Strata Titles—Fee Increases

Summary Offences—

Dangerous Articles and Prohibited Weapons—Fee Increases

General Fee Increases

Supreme Court—Fee Increases

Worker's Liens—Fee Increases

Youth Court—Fee Increases

By the Minister for Planning (Hon. J.R. Rau)—

Development Plan Amendment—Approval for the Construction of a Temporary Bus Depot at Buchfelde

Regulations made under the following Acts—

Development—

Fee Increases

Residential Code

By the Minister for Business Services and Consumers (Hon. J.R. Rau)—

Regulations made under the following Acts—
Authorised Betting Operations—Fee Increases
Building Work Contractors—Fee Increases
Conveyancers—Fee Increases
Gaming Machines—Fee Increases
Land Agents—Fee Increases
Land and Business (Sale and Conveyancing)—Fee Increases
Liquor Licensing—Fee Increases
Lottery and Gaming—Fee Increases
Plumbers, Gas Fitters and Electricians—Fee Increases
Residential Tenancies—Fee Increases
Second-hand Vehicle Dealers—Fee Increases
Travel Agents—Fee Increases

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

Regulations made under the following Acts—
Harbors and Navigation—Fee Increases
Motor Vehicles—
Expiation Increases
Fee Increases
National Heavy Vehicles Registration Fees Increases
Remission and Reduction of Fees
Speeding Demerit Points
Road Traffic—
Approved Transport Compliance Schemes—Fee Increases
Expiation Fees Increases—Speeding
Expiation Increases
Fee Increases
Heavy Vehicle Driver Fatigue—Fee Increases
Road Train Speed Limits—Fee Increases
Roads (Opening and Closing)—Fee Increases
Valuation of Land—Fee Increases

By the Treasurer (Hon. J.J. Snelling)—

Regulations made under the following Acts—
Dangerous Substances—
Dangerous Goods Transport Fees Increases
Fee Increases
Employment Agents Registration—Fee Increases
Explosives—
Fire Works Fee Increases
General Fee Increases
Security Sensitive Substances Fee Increases
Fair Work—Representation Fee Increases
Land Tax—Fee Increases
Occupational Health, Safety and Welfare—Fee Increases

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

Regulations made under the following Acts—
Public and Environmental Health—
Legionella Fee Increases
Waste Control Fee Increases
Retirement Villages—Fee Increases

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

Regulations made under the following Acts—

Controlled Substances—Fee Increases
Tobacco Products Regulation—Fee Increases

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

Regulations made under the following Acts—
Firearms—Fee Increases
Housing Improvement—Section 90 Statement Fee Increases
Hydroponics Industry Control—Fee Increases

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

Regulations made under the following Act—
Fire and Emergency Services—Fee Increases

By the Minister for Sustainability, Environment and Conservation (Hon. P. Caica)—

Regulations made under the following Acts—
Animal Welfare—Fee Increases
Botanic Gardens and State Herbarium—Fee Increases
Brands—Fee Increases
Crown Land Management—Fee Increases
Environment Protection—Fee Increases
Fisheries Management—
Fee Increases
Licence and Registration Fee Increases
Heritage Places—Fee Increases
Historic Shipwrecks—Fee Increases
Livestock—Fee Increases
National Parks and Wildlife—
Hunting Fee Increases
Wildlife Fee Increases
Native Vegetation—Fee Increases
Natural Resources Management—
Financial Provisions Fee Increases
General Fee Increases
Pastoral Land Management and Conservation—Fee Increases
Plant Health—Fee Increases
Primary Produce (Food Safety Schemes)—
Citrus Industry Fee Increases
Egg Industry Fee Increases
Meat Industry Fee Increases
Plant Products Fee Increases
Seafood Fee Increases
Radiation Protection and Control—
Ionising Radiation Fee Increases
Non-ionising Radiation Fee Increases

By the Minister for Water and the River Murray (Hon. P. Caica)—

Regulations made under the following Acts—
Sewerage—Fee Increases
Waterworks—Fee Increases

By the Minister for Mineral Resources and Energy (Hon. A. Koutsantonis)—

Regulations made under the following Acts—
Mines and Works Inspection—Fee Increases
Mining—Fee Increases
Opal Mining—Fee Increases
Petroleum (Submerged Lands)—Fee Increases
Petroleum and Geothermal Energy—Fee Increases

By the Minister for Finance (Hon. M.F. O'Brien)—

Regulations made under the following Acts—
Petroleum Products Regulation—Fee Increases

By the Minister for Public Sector (Hon. M.F. O'Brien)—

Regulations made under the following Acts—
Freedom of Information—Fee Increases
State Records—Fee Increases

By the Minister for Education and Child Development (Hon. G. Portolesi)—

Regulations made under the following Acts—
Adoption—Fee Increases
Children's Protection—Fee Increases

By the Minister for Transport Services (Hon. C.C. Fox)—

Electoral Commission SA—Local Government Election Report 2010
Regulations made under the following Acts—
Local Government—Fee Increases
Passenger Transport—Fee Increases
Private Parking Areas—Fee Increases

VISITORS

The SPEAKER: I draw the attention of members to the presence in the gallery of Mr Ken Wyatt MP, who is the federal member for Hasluck. I think we all remember your swearing in, when you wore that magnificent robe. It is lovely to see you here. Welcome to our chamber.

We also have a group of students from the TAFE SA English Language Services up there, who are guests of the member for Ashford. It is lovely to see you too, and we hope you enjoy your time here.

LEGISLATIVE REVIEW COMMITTEE

Mr SIBBONS (Mitchell) (14:10): I bring up the 10th report of the committee, entitled Subordinate Legislation.

Report received.

PUBLIC WORKS COMMITTEE

Mr ODENWALDER (Little Para) (14:11): I bring up the 448th report of the committee, entitled Elizabeth Special School: New School.

Report received and ordered to be published.

Mr ODENWALDER: I bring up the 441st report of the committee, entitled James Nash House Redevelopment.

Report received and ordered to be published.

Mr ODENWALDER: I bring up the 450th report of the committee, entitled Port Pirie GP Plus Health Care Centre.

Report received and ordered to be published.

Mr ODENWALDER: I bring up the 449th report of the committee, entitled Riverland Special School Redevelopment.

Report received and ordered to be published.

QUESTION TIME

RAIL ELECTRIFICATION PROJECT

Mrs REDMOND (Heysen—Leader of the Opposition) (14:12): My question is to the Minister for Transport and Infrastructure. Of the \$293 million that the state government was to receive from the commonwealth for the upgrading and electrification of the Gawler line, how much remains unspent? In May 2009, the commonwealth government announced \$293 million over

five years from 2008-09 to 2012-13 towards the upgrading and electrification of the Gawler line; however, this project has now been indefinitely suspended.

The Hon. P.F. CONLON (Elder—Minister for Transport and Infrastructure, Minister for Housing and Urban Development) (14:13): We had some discussions quite recently with the federal minister. We believe, from those discussions, that it was something like \$30 million to \$35 million in issue that was interrupted by the commonwealth. Obviously, if we are not spending, they will not be seeking to spend that money on the railway, but those discussions with the commonwealth are ongoing. I can say that I believe the number, off the top of my head, is somewhere between \$30 million and \$35 million.

What it does mean is that there has been the biggest contribution to public transport infrastructure from a commonwealth government since Federation as a consequence of that and the extension of the rail to Seaford.

Members interjecting:

The SPEAKER: Order!

The Hon. P.F. Conlon interjecting:

The SPEAKER: The Minister for Transport, order!

The Hon. J.J. Snelling interjecting:

The SPEAKER: And the Treasurer, order!

Members interjecting:

The SPEAKER: Order!

Mr Venning interjecting:

The SPEAKER: Member for Schubert, order!

SKILLS FOR ALL

Mrs GERAGHTY (Torrens) (14:14): My question is directed to the Minister for Employment, Higher Education and Skills. Can the minister inform the house about the need to improve skills levels 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) (14:14): I thank the member for Torrens for her question and for her deep interest in skills training—

Members interjecting:

The SPEAKER: Order!

The Hon. T.R. KENYON: She is a very strong advocate for skills training in South Australia. There have been several recent good economic indicators highlighting the resilience of our economy. South Australia currently has 5.1 per cent unemployment; state final demand rose by 1.7 per cent over the March quarter; retail trade rose by 0.5 per cent during April; and South Australia's exports increased by 8.8 per cent in the 12 months to April.

However, we know that our economy has the potential for further growth if we can get more people into training for jobs and in those areas where we know there will be skills shortages. The Training and Skills Commission predicts that growth in our economy, combined with replacement demand for jobs, will result in 163,000 job openings over the next five years. Of these, 69,000 will be new and 94,000 job openings will result from people leaving the workforce.

These skills shortages are further exacerbated when you take into account the 260,000 South Australians that we need to reach to encourage them to engage in learning and work, and participate in the workforce. This group includes 115,500 people who are currently underemployed and who want to work more, another 97,800 people who want to work but who are not actively looking for work, and a further 46,500 people who are unemployed and looking for work. These are the people we need to reach if we are going to improve South Australia's participation rate, which currently sits at 62.9 per cent in trend terms. This is an unacceptable number for South Australia and it cannot continue.

Raising the participation rate in South Australia requires a significant contribution from all the major players—businesses, industry, individuals and, of course, the state government. The greatest potential lies in increasing participation amongst those people currently not engaged in the labour force at all. The profile of the most disadvantaged people in these groups is typically those people facing long-term unemployment or other significant barriers to participation, including basic literacy and numeracy skills.

The state government's Skills for All reforms, kicking in from next month, include a number of initiatives designed to remove the financial barriers to training, as well as providing support to these groups and encouraging greater participation in the workforce. About 400 fee-free courses at certificate I and II levels, as well as English language, literacy and numeracy courses, will be offered for the first time to give people foundation level skills to get into further training and gain employment. Skills for All will also support those who may face economic and social barriers to finding work by helping them start their training through adult community education.

In addition, 26 STEM field courses in science, technology, engineering and maths related areas, which have been identified as priorities for the state, will also be fee free for the first time from July. Those 26 fee-free courses include a Certificate III in Telecommunications, vital to ensuring the successful rollout of the National Broadband Network throughout South Australia, and an Advanced Diploma of Computer Systems Technology, critical for jobs in our growing defence industry. The importance of our advanced manufacturing industry is also supported by a Diploma of Electrical Engineering.

It is critical that our two strategies, Skills for All and STEM, align with our public and private investment in research and development to support our advanced manufacturing and services sectors. The state government is embarking upon the most significant reforms to the vocational education and training sector in South Australia's history, with our Skills for All reforms a key weapon in lifting our participation rate.

RAIL ELECTRIFICATION PROJECT

Mrs REDMOND (Heysen—Leader of the Opposition) (14:18): My question is again to the Minister for Transport and Infrastructure. Of the \$293 million that the state government was to receive from the commonwealth for the upgrading and electrification of the Gawler line how much, if any, will it have to repay because the state government has indefinitely suspended the project? If there is any repayment to be made, when is that to happen?

The Hon. P.F. CONLON (Elder—Minister for Transport and Infrastructure, Minister for Housing and Urban Development) (14:18): Perhaps I was not clear enough before. My understanding is that there remains about \$30 million to \$35 million unspent. I do not know in whose account that sits, but obviously the commonwealth would not want us to keep it if we were not spending it; I think that would be a reasonable proposition. I do not think we have it. We are having discussions with the commonwealth about those matters and I expect a happy conclusion.

An honourable member interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: The interjection was that the money spent was going to waste. That's simply not true. The Leader of the Opposition can run around telling those stories but they are not true. It is not true; the infrastructure—

Members interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: We will keep those discussions going, but I can say that the commonwealth understands what has happened in the national economy.

Mrs Redmond interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: Now the Leader of the Opposition says that no, it is this state's economy. Apparently we are the only state that experienced this massive collapse in GST revenues. I've got to tell you, I think the Treasurer had better get on a plane. It does—

Members interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: —not help, Madam Speaker, for the opposition simply to make up stories. It is not true that the infrastructure was wasted, it is—

Mrs Redmond interjecting:

The SPEAKER: Order, Leader of the Opposition!

The Hon. P.F. CONLON: Oh goodness me, we've certainly got the worst opposition, I can say that. Anyway, I have said enough; it's very clear.

OPEN SPACES

The Hon. S.W. KEY (Ashford) (14:20): My question is directed to the Minister for Planning. Minister, can you inform the house about the latest investment the government is making in providing better open space and more places for people around the state?

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Business Services and Consumers) (14:20): I thank the member for her question. One of the great priorities of the government is actually improving public open space and, around the state, this is an important asset for communities. In fact, I can advise today that \$7.6 million worth of funding to local councils has been approved throughout the state. The funding includes, for example, \$500,000 for the Town of Gawler, in the member for Light's electorate, to deliver active and integrated open space in Reid along the Gawler River.

Another particularly exciting project is the railway lands redevelopment in Mount Gambier. The member for Mount Gambier will no doubt be pleased to know that \$1 million will be delivered for stage 1 of the redevelopment. Madam Speaker, we understand that South Australians need attractive open spaces to relax and enjoy, as well as to improve their health.

Delivering better open spaces throughout Adelaide and the state is part of building a more vibrant Adelaide and a more vibrant South Australia. It is about establishing places where people can come together to meet, places cities and towns can use for public events. That is why the government has now invested more than \$90 million in the last 10 years from the Planning and Development Fund to develop public space and rejuvenate degraded areas, plazas, public squares and linear trails.

I am also pleased to inform the house of funding for other projects, such as: the Coast Park, in the electorates of Lee and Colton, some \$800,000 for construction in Henley Beach and Semaphore; Tramway Park in the electorates of Ashford and Morphett, more than \$1.3 million for construction in Glenelg East and Glandore; and the Elliston Sculpture Park and Great Ocean View developments in the electorate of Flinders, more than \$250,000 to implement this public realm development. The government is proud to work with councils and communities through the state to identify, plan and develop the parks, open spaces and places for our people and our growing state to enjoy.

RAIL ELECTRIFICATION PROJECT

Ms CHAPMAN (Bragg) (14:22): My question is to the Minister for Transport and Infrastructure. Given the 2013 completion target announced by the Labor Party at the 2010 state election for the Gawler line upgrade, why hadn't contracts for this work been entered into before May 2012? Minister Conlon yesterday advised the house that the government was able to suspend the project because it had not yet entered into contracts. This is despite the government commencing the procurement process in November 2009.

Mr Marshall: Oh!

The Hon. P.F. CONLON (Elder—Minister for Transport and Infrastructure, Minister for Housing and Urban Development) (14:23): 'Oh!', the candidate for Dunstan says.

Members interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: The candidate for Dunstan.

Members interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: I am almost—

An honourable member: You're not like you used to be, Patrick.

The Hon. P.F. CONLON: I'm not what I used to be—they keep telling me that I used to be good and I'm not anymore, which puts me in front of them, because they never used to be good; they never were and never will be. At least I have something.

The Hon. J.D. Hill: You've got your memories.

The Hon. P.F. CONLON: Yes, I have my memories.

Members interjecting:

The SPEAKER: Order! Minister.

The Hon. P.F. CONLON: It's harrowing, it is. It is truly harrowing; I am harrowed. I am not quite sure what the member for Bragg is referring to in terms of an upgrade. Can I say—

Members interjecting:

The Hon. P.F. CONLON: Apparently, the Leader of the Opposition is sure what the member for Bragg meant; I wouldn't be so sure if I were her. Can I say that the Gawler line is continuing as we speak and has undergone a very substantial upgrade, including—

Mr Pisoni interjecting:

The SPEAKER: Order! Member for Unley, order!

The Hon. P.F. CONLON: The member for Unley. He's unattractive.

Mr Pisoni interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: I go into the local shop in the market and there he is with his little thing looking like a bouncer with all the slightly nervous shoppers circling around him at a distance.

Members interjecting:

The SPEAKER: Order!

The Hon. J.J. Snelling: Do children cry when they see him?

The Hon. P.F. CONLON: They run away.

Mr Pisoni interjecting:

The SPEAKER: Order! Will the minister get back to the question, and will the opposition stop interjecting.

The Hon. P.F. CONLON: Can I ask, Madam Speaker, that the opposition do cease interjecting. It is very distracting when I am trying to give a simply factual answer.

Members interjecting:

The Hon. P.F. CONLON: I can make them laugh at almost anything.

The SPEAKER: Minister!

The Hon. P.F. CONLON: The Gawler line has undergone an extremely substantial upgrade. The Gawler line has had removed from it, as a result of underinvestment for many years, wooden sleepers that should have been replaced during the Liberal government.

Members interjecting:

The Hon. P.F. CONLON: Ha, ha! Very amusing!

Ms CHAPMAN: Point of order, Madam Speaker. I know we have gone from shopping trolleys back to trains, and that is a good start, but there is the question of relevance. The project that was cancelled was clearly in relation to the electrification that the minister answered yesterday, and I seek an answer in respect of that.

The Hon. P.F. CONLON: With the greatest respect, the member for Bragg referred to a promise to upgrade the Gawler line. Can I say that to replace those wooden sleepers, that had a

lifetime of 20 years and which were some 40 years old, was the most significant upgrade you could make. It means—

The Hon. I.F. Evans interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: Well, it may well be that they should have started being replaced under the Bannon government, as the member for—

Mr Williams interjecting:

The Hon. P.F. CONLON: Can you stop for a moment?

The SPEAKER: Order! The member for MacKillop will be quiet or leave the chamber. You will not get another warning.

The Hon. P.F. CONLON: It might well be the case they should have been replaced by the Bannon government, but it just goes more strongly to the point I make to the member for Davenport, who admits they should have been replaced by the Bannon government, and they, therefore, really should have been replaced in the decade or so that you managed to be the government.

An honourable member: Bannon lost all the money.

The Hon. P.F. CONLON: Bannon lost all the money. Of course, they are referring to the State Bank. Of course, there are people alive and voting today who were not born when the State Bank failed, but it is still their excuse for everything. We have significantly upgraded the Gawler line. It is now suited for electrification.

Mr Pisoni interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: And the poles were put in during that upgrade in order to minimise the disruption to services on the Gawler line.

Mr Pisoni interjecting:

The SPEAKER: The member for Unley will be quiet! Stop shouting.

The Hon. P.F. CONLON: You do that well—being quiet.

The SPEAKER: And the minister will finish answering the question. You only have 26 seconds left.

The Hon. P.F. CONLON: The truth is, Madam Speaker, as everyone who rides the line knows, there are no more speed restrictions for heat buckles on the line because the sleepers have been upgraded. There has been a massive upgrade of the Gawler line and, if you do not understand that, ask me another question and I will explain it further.

RAIL ELECTRIFICATION PROJECT

Ms CHAPMAN (Bragg) (14:28): As a supplementary to the Minister for Transport: having not signed the contracts for the electrification upgrade of the Gawler line, can he explain why his government signed a \$500 million contract for the electric trains years before they are required?

The SPEAKER: I do not consider that was a supplementary question. I will count it as a question.

The Hon. P.F. CONLON (Elder—Minister for Transport and Infrastructure, Minister for Housing and Urban Development) (14:29): I am more than happy to provide the information. In regard to the extension to Seaford, can I say that, if they would like to focus on some positives, they should go down and look at that extremely impressive bridge over the Onkaparinga River taking the extension to Seaford which will run electric trains. The order for electric trains (which are, from memory, now a very large 66), on the current settings, we were seeking to revise that—

Ms Chapman interjecting:

The SPEAKER: Order! Member for Bragg, order!

The Hon. P.F. CONLON: Why does she ask questions when she already knows everything? I don't understand. She already knows everything. What's the point of asking questions?

Members interjecting:

The SPEAKER: Order! Members on my left will be quiet.

The Hon. P.F. CONLON: The order is for 66. Quite openly we have said that we are currently negotiating with the supplier to reduce that by 12, but we could not cancel it altogether, and if we had not had a contract for the purchase of those trains, there would not be electric trains to run on the Seaford extension in the time that we said they would. That is the reason we signed the contract to buy electric trains—because we have every intention of using them next year.

MEN'S HEALTH

Mr PICCOLO (Light) (14:30): My question is to the Minister for Health and Ageing. Can the minister inform the house about actions to support the health of men in South Australia?

The Hon. J.D. HILL (Kaurana—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for the Arts) (14:30): I thank the member for Light for his question and I would start by commending the member for Light for taking a very strong personal as well as political interest in men's health in his local community. I understand that the member has teamed up with Willo's Men's Shed to support a number of local events including a men's health and information stall at the local Lions Sunday markets at the Gawler Railway Station.

We know that men can be less inclined to take a proactive approach to their health and seek early intervention when they are experiencing health issues. A report commissioned by SA Health in 2009, called 'Men's health and wellbeing in South Australia: an analysis of service use and outcomes by socioeconomic status', reaffirmed the concerning health risks for men. Premature death rates for males at all ages from zero to 74 was 68 per cent higher than those for women.

The report also showed that men are more likely than women to smoke, are more likely to consume alcohol at risky levels and have higher rates of diabetes, heart disease, stroke and vascular disease.

The Hon. R.B. Such: And suicide.

The Hon. J.D. HILL: And suicide, as the member for Fisher said. I am not sure if that is the case, but I take his word for it. The average life expectancy of men in South Australia is now 79.3 years compared to 83.9 years for women. Interestingly, the difference in age expectancy for men and women was roughly the same in 1890 when life expectancy for men was then 49.5 years and life expectancy for women at that time was 53 years. It is extraordinary that over 120 years, we have added 30 years to the life expectancy of everyone on average, but there is still that three-year difference between men and women.

Men's Health Week, which is being celebrated from 11 to 17 June, is an opportunity to put the spotlight on men's health and encourage men to think more about their health and wellbeing. In South Australia, a number of official events are taking place, including a Blokes' Night Out at Salisbury—

Members interjecting:

The Hon. J.D. HILL: —I don't recommend that one for the Leader of the Opposition—a men's community fun day at Whyalla, a power-packed evening on prostate health at Hawthorn and a 'men on the move' exercise session at Edithburgh. It is easy to make cheap jokes about some of these titles, but they are important ways to engage men in thinking about their health. Events are listed on the Men's Health Week website.

Men's health is part of the core services provided to all South Australians by our government and we have a little bit of money—\$230,000 each year—to specifically commit to research projects related to men's health. Nine projects are being funded this year including a Trojan's Trek to support veterans suffering from military-induced stress, an Aboriginal male health and wellbeing project officer and a project that aims to reduce the number of people who are discharged into homelessness from the Royal Adelaide Hospital Emergency Department, the majority of whom are indeed men.

Nationally there is a website—www.whatsyourscore.com.au—where men aged 25 and over can complete a survey that compares their results with some of Australia's leading sporting celebrities and media personalities. I would invite all my colleagues to try that one out.

STATE BUDGET

The Hon. I.F. EVANS (Davenport) (14:34): My question is to the Treasurer. As the government is budgeting to run deficits in 2012-13, 2013-14 and 2014-15, will the Treasurer now agree with himself and admit that the state is running up a credit card debt? Last year in June the Treasurer told the house in response to a question about running up credit card debt:

...the net operating balance returns to surplus by 2012-13 with a substantial surplus in 2014-15. While we are running a net operating balance deficit this year and next year, we are returning to surplus, and certainly it would be the case that if through the estimates period we were running recurrent net operating balance deficits we would certainly be running up a credit card debt...

The estimate period the Treasurer was talking about was 2011-12, 2012-13, 2013-14 and 2014-15. The surpluses the Treasurer budgeted for last year have not been achieved. The actual results are: 2011-12, a \$284 million deficit; 2012-13, a \$867 million deficit; 2013-14, a \$778 million deficit; and 2014-15, a \$15 million deficit. By the Treasurer's own admission, for the estimates period the Treasurer was talking about, the state was running up a credit card debt. Does the Treasurer agree with himself?

Members interjecting:

The SPEAKER: Order! That was a very lengthy explanation.

The Hon. J.J. SNELLING (Playford—Treasurer, Minister for Workers Rehabilitation, Minister for Defence Industries, Minister for Veterans' Affairs) (14:36): Yes, I do agree with myself.

Members interjecting:

The SPEAKER: Order!

RECREATION AND SPORT FUNDING

Mrs VLAHOS (Taylor) (14:36): My question is for the Minister for Recreation and Sport. Can the minister inform the house of the allocation of funds to sports and recreation groups through two new grant programs?

The Hon. T.R. KENYON (Newland—Minister for Employment, Higher Education and Skills, Minister for Science and Information Economy, Minister for Recreation and Sport) (14:36): I can, and I thank the member for Taylor for her question. I also thank her for inviting me earlier this year to the midnight basketball program in her electorate. I am happy to announce to members today that the allocation of funds via the Sport and Recreation Development and Inclusion Program (SRDIP) and the Sport and Recreation Sustainability Program (SRSP) has now been finalised.

Both of these funding programs are brand new initiatives developed out of a grants review conducted by the Office for Recreation and Sport last year and aim to assist in the provision of sport and recreation services and participation opportunities. This grant review was a very important piece of work for the sport and recreation industry, allowing them to work in partnership with us and provide their feedback to improve our funding programs for the future.

The review found that stakeholders were largely satisfied with our existing grant programs, but also highlighted the sport and recreation sector's concerns about the sustainability of lower-profile sports, which are so vitally important to overall participation levels. As a result, it was determined that there was a need to realign the programs to improve sustainability of all sport and recreation organisations and to provide an enhanced focus on outcomes through funding for targeted programs and projects. I believe these two new funding programs certainly achieve these aims and I am very happy with what we have been able to accomplish.

Under the SRSP program, 75 state sport and recreation organisations will receive \$3.022 million to assist them in providing leadership for sport and active recreation in South Australia. Funding for the organisations ranges from \$10,000 to a maximum of \$100,000. From this funding, organisations will be expected to provide vision and direction for their sports, along with supporting their members and affiliates.

Under the SRDIP program, a total of 113 projects will be provided with \$4.023 million in funding to develop and implement projects in areas such as growth and development of the respective sport or activity, service improvement or addressing barriers to inclusion. Recipients under the SRDIP program include state sport and recreation organisations, industry representative bodies, state sport disability organisations, local councils, sporting clubs and community groups.

Some important changes have been made to the process for distributing money, with untied core funding being simplified and reduced and a greater emphasis placed on project-based grants. This shift is designed to create more accountability and put the onus on the sports to deliver better programs to South Australians. The state government holds a strong commitment to supporting active recreation and sport organisations, given their important role in improving our overall health and wellbeing. I am delighted to be able to provide this funding assistance, which will assist in seeing our sporting and recreation sector continue to create a more active and healthier South Australia.

MARGARET TOBIN CENTRE

Mr HAMILTON-SMITH (Waite) (14:39): My question is to the Minister for Health and Ageing. Has he replied to a letter, signed by 15 doctors, sent to him on 21 May, which highlights their professional concerns regarding his plan to close acute mental health beds at the Margaret Tobin Centre, and what is his response to the substance of their concerns?

In the letter, the 15 doctors have expressed concerns about patient and clinical safety, increased demand on emergency departments, and what they describe as 'unacceptable risks to mental health consumers, public mental health staff in the region and the wider community'. In particular, the doctors state that the minister's decision on mental health acute bed closures 'will lead to increased risk of adverse outcomes, including completed suicides and harm to others through assault'.

The Hon. J.D. HILL (Kaurna—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for the Arts) (14:40): I thank the member for Waite for his question. It is true, I received a letter two or three weeks ago from a group of psychiatrists who expressed concerns about the closure of some beds. I have to say that the letter was in fact from the doctors union. It is signed by the psychiatrists but it is, in fact, a union letter to me.

The union was, and is, conducting a campaign in opposition to the government's clear intention to close a number of acute mental health beds. This is an intention which we have put before the public way back in 2007 as part of the Stepping Up report. I have repeated on countless occasions that it was happening. I have made ministerial statements in this place that it was happening and it is the policy of this government, which has been consistent over the past five or six years.

The reason we are going through this process of closing some acute mental health beds is that the Stepping Up plan, which, as I understood, had strong support from the mental health clinical staff, said that we had too many acute mental health beds and too few non-acute mental health places in South Australia and, as a consequence, when people had mental illness in our state, they had only one place they could go, and that was to an acute mental health bed.

There were not enough services to help people in the preliminary stages, nor were there enough services to help people when they were coming out of acute care. So the government embarked on a plan based on Commissioner Cappo's report, called Stepping Up, which said that we should put some of the resources from our acute beds into our non-acute sector, and that is what we have been working on for some years.

As a result of that Stepping Up process, we now have 92 extra beds since 2007. So there will be more places for mental health patients. We will still have, I am told, more mental health beds per capita in our state than all of the other states, so we will be well above the national benchmark for mental health beds. That is the summary of what we are doing.

We did not close the beds down at the beginning of this reform process; we waited until the extra capacity had been built before we undertook the closing of beds. This is something that we highlighted. We have not hidden it; we have made it clear. The doctors union is campaigning against this. They are threatening to take industrial action. They took it to the Industrial Relations Commission. The Industrial Relations Commission found against them and has given us the go-ahead to close beds down. The beds will close.

I reject the arguments that have been put. I am getting a detailed response to the letter from the doctors. They asked to meet with me and I, of course, will meet with them. I always meet with members of the medical fraternity who seek to meet with me. I will have a respectful conversation but, on this point, we will have to respectfully disagree.

WORLD EDUCATION GAMES

Mr SIBBONS (Mitchell) (14:43): Can the Minister for Education and Child Development inform the house about the recent World Education Games and the exceptional results by a South Australian student on World Maths Day?

The Hon. G. PORTOLESI (Hartley—Minister for Education and Child Development) (14:44): I would like to thank the member for Mitchell for this important question. South Australia does have something of a history of young people who have outstanding mathematical skills. Of course, we all recall, for example, Professor Terence Tao, who went to school at Blackwood High. In fact—

The Hon. C.C. Fox: Yes; he was in my class in year 8.

The Hon. G. PORTOLESI: —he was in the same class as the member for Bright in year 8. According to one of the school's newsletters, he did year 11 and 12 maths while he was still in primary school. Of course, Terry Tao went on to become a Professor of Mathematics at the University of California in Los Angeles, and he is Australia's only ever recipient of the Fields Medal.

I am extremely delighted to advise that we have another internationally recognised young mathematician at one of our state high schools. I take this opportunity to congratulate this young man, Aaron Herman, who is a year 9 student from Seaford 6-12 School. He has already shown—

The Hon. J.D. Hill: Hear, hear!

The Hon. G. PORTOLESI: —exactly—he is a champion at maths at his school, and he has now proven his exceptional skills on the international stage having achieved seventh place in the world in the 11 to 13 year age division at the World Maths Day event, which is part of the World Education Games. This year, I am advised that 5.5 million students from 235 countries and territories took part in this global event.

I was invited to the Seaford School assembly today to recognise Aaron's achievement, but unfortunately I was unable to be there because of parliament. However, I would like to take this opportunity to offer my sincere congratulations to Aaron and, of course, his family, and to acknowledge the many, many teachers and parents who work hard every day to develop these incredibly important skills for our students.

From the state government's perspective, we are actively supporting the commitment to lift maths and science skills because they are vital to the future of South Australia. We are supporting our teachers and students through measures such as professional development for our reception to year 7 primary school teachers through our \$51.1 million Primary Maths and Science Strategy. Under this strategy, students are expected to learn maths and science throughout their primary school years while there are measures such as our advanced technology industry and School Pathways Program designed to strengthen these skills among our secondary school students.

I am sure everyone in this place will join with me in congratulating Aaron, the school community, and his family; they must be absolutely delighted. This is what our school system is absolutely capable of producing. We are incredibly proud of him.

Honourable members: Hear, hear!

PRISON CONDITIONS

Mr HAMILTON-SMITH (Waite) (14:47): My question is again to the Minister for Health and Ageing. When did he first become aware of the circumstances facing a female prisoner with mental health issues left handcuffed to a bed for 20 hours a day for nine months and a mentally ill Aboriginal man forced to stay in dirty nappies for up to 20 hours a day over 10 months at the Yatala Labour Prison, and what action did he take and when?

The Hon. J.D. HILL (Kaurana—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for the Arts) (14:48): I thank the member for the question. My knowledge of these cases occurred in the same way that I imagine the member for Waite's knowledge occurred—through the media. I was not aware of these individual cases prior to the discussion of them in the media.

The member's question in relation to the woman contained an assertion that this woman was a mental health patient (I forget the descriptor he used) with mental health problems; that is, I am told, arguable. I am not a clinician and there are no trained psychiatrists that I know of in this room, but the advice to me as recently as an hour ago from the head of our mental health department, and the Chief Psychiatrist, and the head of forensic mental health at James Nash (a forensic mental health facility) is that this woman has been assessed on a large number of occasions; in fact, she is assessed every—

Mr Hamilton-Smith: It's her fault; is that what you're saying?

The SPEAKER: Member for Unley, order!

The Hon. J.D. HILL: No, it's his neighbour. I've got to protect the member for Unley on this occasion—a rare one, but I would do that. The advice to me from the clinicians is that this woman has what is called borderline personality disorder, and her behaviour, to a large extent, is under her—

Mr Hamilton-Smith interjecting:

The Hon. J.D. HILL: Well, it is an interesting question that the member asks, but let me go back one step. The woman was charged with an offence; I think it was burning down a building—

The Hon. J.M. Rankine: Arson.

The Hon. J.D. HILL: Arson. She went to court. She was not held by the court to be unsuitable for pleading, so she was fit to plead. I am not sure how the court case was held, but she was obviously fit for pleading. She was convicted of an offence and she was sentenced to a period in gaol. She is now in prison. Since she has been in prison, I understand she has committed a number of other offences which have extended her sentence. She is in the prison system as a result of the courts deciding that she was fit to plead.

There is a possibility, of course, that somebody in a prison may develop a mental illness which could cause them to go to James Nash House if they are required to. Can I assure you, and all the members of this house and all the media who are following this, if this woman needed to be put into James Nash House, she would be. She has been there in the past. She was there as recently as May and then she was determined to be suitable to be returned to the prison environment where she is serving a sentence.

Whatever mental illness she may have, the clinicians tell me it is not appropriate for her to be in a mental health bed in James Nash House. She is not in the same category as other prisoners or other mental health patients who have not been able to plead who are also in James Nash House. I do not overturn clinical advice. If I were to say to the clinicians that this woman should be placed in that facility rather than this facility, I imagine the howl of protest would be enormous. What kind of state would we be living in where a minister was to decide who would be locked up in a forensic mental health facility? It is not my call.

I can tell you that I challenged these departmental officers who gave the advice. I put the arguments that you are probably trying to put to me that surely somebody who has these characteristics is mentally unwell and should be in such a facility, but to all these arguments the same answer came back, 'No, she should not be in a mental health bed at James Nash House; she is not in that category of person.' Whether or not she has mental illness is, I guess, something that people will have a view of. What she has is borderline personality disorder which, as I understand it, is not generally considered to be a mental illness in itself.

There are people in our community who behave well and there are people in our community who behave poorly. We do not put all the poorly behaved people in mental health facilities. As a schoolteacher—and I know there are former teachers in this place—I used to have a classroom of kids, some of whom behaved beautifully and some of whom behaved poorly. We did not lock up the ones who behaved poorly in mental health facilities. We sometimes punished them, but we did not put them in a mental health facility, and the same is true in the broader community

Members interjecting:

The SPEAKER: Order! Thank you, minister.

PRISON CONDITIONS

Mr HAMILTON-SMITH (Waite) (14:52): I have a supplementary, Madam Speaker. My question on the same subject is to the Minister for Correctional Services. When did she first

became aware of the circumstances surrounding the treatment of these two mentally ill prisoners and what action did she take and when?

The SPEAKER: That is not a supplementary. I will consider that a question. Minister for corrections, do you wish to answer that?

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) (14:53): Can I take the opportunity to give the house a little background about this particular prisoner, and also the Aboriginal prisoner that the member for Waite has mentioned. This prisoner was sentenced to eight years and two months' prison for the offence of arson, as the Minister for Health said. She burnt down a building. She was not detained under the Mental Health Act and she was later sentenced to a further nine months' imprisonment for an aggravated assault with a weapon against a prison officer. She was also sentenced in January 2012 for two counts of aggravated assault against prison officers and her current sentence is due to expire in February 2015.

In addition to her violence towards staff at Adelaide Women's Prison, she has made approximately 30 attempts at self-harm. Many of them have been very serious, including making a laceration in her neck.

Ms Chapman interjecting:

The Hon. J.M. RANKINE: It is not a punishment. Following that incident she made continued and repeated efforts to reopen the wound with foreign objects, such as a pencil and stones inside the wound, and I understand that at one stage the infection in this wound was life-threatening. She had to have medical care. As the Minister for Health said, this prisoner has been diagnosed with severe, borderline personality disorder and experiences psychogenic seizures. It has been reported that she was left in nappies. That is not so. I am advised that, in fact, she was provided with incontinent aids to manage herself during incontinence when she was having seizures. The department engaged independent experts in borderline personality disorder and they received some advice about how they could better manage this person—

Ms Chapman: Did they recommend handcuffs?

The SPEAKER: Order!

The Hon. J.M. RANKINE: All of the information that I have had from the department throughout this is their concern for keeping this woman safe.

Ms Chapman: Did they recommend handcuffs?

The SPEAKER: Order!

The Hon. J.M. RANKINE: All of this was about keeping this woman safe and, in fact, in the advice that we received the clinical director and consultant physician from Spectrum said the following, and I quote:

I wish to congratulate and commend the Adelaide prison system and the services for managing a very complex, psychiatric patient in the prison system. The fact that the prisoner is still alive is due—

Members interjecting:

The SPEAKER: Order!

Members interjecting:

The SPEAKER: Order! Minister, before you read some more. Do you want to hear this or do you want to leave the chamber? This is very topical at the moment and people are interested. I cannot hear above your noise. If you do not want to hear it, leave.

The Hon. J.M. RANKINE: It continues:

The fact that the prisoner is still alive is due to the persistent efforts of the staff and clinicians of the prison and the forensic system.

The prisoner was restrained. It was a strict regime. She was not prevented from any movement, she was prevented from accessing the wound she had inflicted in her neck and causing herself more harm.

In relation to the Aboriginal prisoner referred to in *The Australian* today, I am told that his list of offences include assault police, aggravated assault against a police officer, commit assault

three times, dishonestly take property and arson. He was remanded in custody for an assessment of his mental health under section 269 of the Criminal Law Consolidation Act, and this was not a decision of correctional services, but a decision of the courts. He was accommodated in the health centre for his own safety, and to provide him with access to a carer each day. It is understood the prisoner committed multiple assaults on officers during his time in custody. The principal adviser of offender services sent an email to the manager of custodial operations on 12 June, and I quote from the content of that email:

A carer was present every morning in the health centre. He was accommodated here for his own safety and wellbeing and to provide him with access to a carer. The offender has spina bifida and would also spit at staff at times. The offender wore pull-ups and was generally able to replace the pull-ups himself if he soiled them. Nursing staff would talk him through this process at the barrier. If he needed assistance, nursing staff would provide assistance and there may have been some sort of delay whilst waiting for DCS staff to open his cell. Karen advised that her staff said he was never left overnight or for long periods in soiled pull-ups.

To think that our—

Members interjecting:

The SPEAKER: Order!

The Hon. J.M. RANKINE: To think that our corrections staff who work with the most difficult people in our community and that health staff would allow someone to stay in soiled nappies for 20 hours is an offence to every PSA member, and an offence to every nurse in this state.

Members interjecting:

The SPEAKER: Order! The minister's time has expired—but it is an important question.

Members interjecting:

The SPEAKER: Order! We have moved on.

PRISON CONDITIONS

Mr HAMILTON-SMITH (Waite) (14:59): Supplementary, Madam Speaker. When did the minister first know of these two prisoners and what action did she take when she first found out about their circumstances?

The SPEAKER: Thank you. That is a repeat of the last question.

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) (14:59): I first knew—

An honourable member interjecting:

The Hon. J.M. RANKINE: I've told you that; I told you it was 12 June.

Members interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: Point of order, Madam Speaker.

Members interjecting:

The SPEAKER: Order! There is a point of order.

The Hon. P.F. CONLON: Madam Speaker, the minister plainly has done nothing except seek to provide factual information, and she has been yelled at throughout. If they don't like the answer, they shouldn't ask the question.

Members interjecting:

The SPEAKER: Order! Minister, did you want to add anything more to your answer?

The Hon. J.M. RANKINE: I knew the alleged circumstances of the Aboriginal prisoner when it was raised by the media. I had never received any briefing about that particular prisoner. I knew that there was a woman in the health unit because we had a separation order about her, but regarding specific detail of her conditions and the things that the department was trying to do to accommodate her, I think the first time I had any detailed information about that was March this year.

Members interjecting:

The SPEAKER: Order! The time limits apply at the discretion of the Speaker. When there is an issue as important as this issue appears to be today, then I will give discretion to the minister to continue.

STATE EMERGENCY SERVICE

Ms THOMPSON (Reynell) (15:01): My question is to the Minister for Emergency Services. Can the minister provide details of a new unit to be set up as part of the State Emergency Service?

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) (15:01): I thank the member for Reynell for this question and acknowledge her constant effort in trying to keep her community aware of what to do when an emergency unfolds. I was particularly impressed with how quickly she put together flyers to alert older people in her community when the heatwave struck a few years ago.

I am pleased to advise the house that a new Community Engagement Unit has been set up to focus on ensuring that South Australians are aware of the threat of emergencies and how they should prepare for and respond to them. This is funded jointly by the state, local and commonwealth governments. The unit, which is part of the State Emergency Service, will help communities like Adelaide's southern suburbs raise awareness about emergencies such as floods and extreme weather. It will ensure that communities are made aware of and receive useful information to prepare themselves well in advance of an emergency.

The unit builds on the success of the SES FloodSafe team, which began in 2009. Comprising State Emergency Service personnel and volunteers, this team was very successful in reaching into communities to raise awareness in flood-prone areas. Some of the invaluable work it undertook included street corner and community group meetings, the development of internet sites and brochures, media liaison and school education.

With so much achieved, it seemed appropriate to consolidate the team's success and give the team a recognised identity as well as a permanent base at Adelaide Airport. The unit will be run in much the same way as other SES units, except that instead of having an operational focus it will focus solely on connecting with and educating the community. This includes providing advice and support to SES units on volunteer recruitment and retention, along with raising awareness amongst South Australians.

Not everyone wants or is able to volunteer on the front line in an emergency. This new unit will provide people who previously did not or could not put up their hands with a chance to be involved with the dedicated and professional organisation that is our State Emergency Service. People with good communication, public speaking and interpersonal skills would be especially well suited to roles within the unit. Anyone who wants more information about becoming an SES volunteer should phone the Volunteer Services Branch on 1300 364 587.

On the subject of the State Emergency Service, I wish to advise the house that 24 volunteers and two staff left this morning for Perth to assist with the wild weather they are currently experiencing over there. As a community we are indebted to the selfless efforts of our volunteers, and I know that our neighbours in Western Australia will also appreciate the helping hand. I wish them a safe journey and return home.

STATE EMERGENCY SERVICE

Mr BROCK (Frome) (15:04): I have a supplementary question arising from that answer. Minister, you indicated that that was available to people from Adelaide. Will that be available to people in regional South Australia?

Ms Chapman: Only southern Adelaide.

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) (15:04): You're just being silly.

Ms Chapman: You said southern Adelaide.

The Hon. J.M. RANKINE: For example.

Members interjecting:

The SPEAKER: Order!

The Hon. J.M. RANKINE: I mean, really and truly. Yes.

DESALINATION PLANT

Mr WILLIAMS (MacKillop—Deputy Leader of the Opposition) (15:04): Will the Minister for Water and the River Murray confirm that the government, through SA Water, has not imposed any penalties on AdelaideAqua for its failure to meet the December 2010 deadline for achieving first water?

The Hon. P. CAICA (Colton—Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (15:05): I guess what I can confirm is this: as the house was advised, I think, at the last day of sitting, settlement was reached between SA Water and, indeed, the consortium constructing the desal plant. That settlement was based on money that had been withheld by SA Water as a result of not delivering first water. The matter of the terms of the settlement are a matter between SA Water and, indeed, the consortium.

What I would say is that the most recent advice I have received—and I think I alerted the house to this as well—is that the desalination plant is on track for completion in December 2012, that it will come in on or slightly under the budget of \$1.83 billion, and it will provide water security for this and future generations—

Members interjecting:

The Hon. P. CAICA: Well, climatically independent—

Members interjecting:

The SPEAKER: Order!

The Hon. P. CAICA: —insurance policy in the supply of that water. They have settled, and I think that, always when there are disputes, the best way of fixing those disputes is to come to an arrangement where settlement is reached, and that has been achieved by SA Water and the consortium.

DESALINATION PLANT

Mr WILLIAMS (MacKillop—Deputy Leader of the Opposition) (15:06): Supplementary, Madam Speaker: will the minister then confirm that SA Water has now agreed to pay to AdelaideAqua the total funds from the 10-10-10 program which AdelaideAqua describe as incentive payments, some of which were previously withheld due to AdelaideAqua's failure to meet the first water deadline?

The SPEAKER: That certainly was a question, not a supplementary. I think it was your next question, member for MacKillop. Minister.

The Hon. P. CAICA (Colton—Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (15:07): Thank you very much, Madam Speaker. Look, I am not quite sure of the nature of the deputy leader's question there, or of his argument. I know that the 10-10-10 process was about, in fact, amongst other things, issues of safety on-site, the establishment of an extra shift to ensure—

Mr Williams interjecting:

The Hon. P.F. Conlon: He knows more than you do.

The Hon. P. CAICA: Yes, yes he does; he does know more than me. What I will say, Madam Speaker, is that I am not absolutely convinced that the settlement on the dispute with respect to first water was as linked as the member for MacKillop is suggesting to the 10-10-10 program. But, what I will do is get some information and report back to the member for MacKillop and the house.

DESALINATION PLANT

Mr WILLIAMS (MacKillop—Deputy Leader of the Opposition) (15:08): Supplementary, Madam Speaker—

The SPEAKER: I don't think these are supplementaries, deputy leader, but you can have the question seeing as you are on your feet.

Mr WILLIAMS: I think there is, Madam Speaker. I would like the minister—

The SPEAKER: They are certainly not supplementaries—

Mr WILLIAMS: —to inform the house if he has been briefed at all on the matter.

Members interjecting:

The SPEAKER: Order!

Mr WILLIAMS: SA Water put out a statement last week.

Members interjecting:

The SPEAKER: Order!

Mr WILLIAMS: Have you been briefed at all?

The SPEAKER: Minister.

The Hon. P. CAICA (Colton—Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (15:08): Madam Speaker, I—

The SPEAKER: I think the question was: have you been briefed on it?

The Hon. P. CAICA: Madam Speaker, I meet very regularly with—

Members interjecting:

The SPEAKER: Order!

The Hon. P. CAICA: I meet weekly with representatives of SA Water. That also includes, on occasions, the Chair of the board (Mr Lew Owens) and get regular updates on a variety of issues, and are briefed on a whole variety of issues. I support the statement that was promulgated by SA Water in regard to its settlement of the dispute.

Members interjecting:

The SPEAKER: Order!

Members interjecting:

The SPEAKER: Order! The Minister for Transport and member for MacKillop, stop shouting at each other. Member for Little Para.

COORONG, LOWER LAKES AND MURRAY MOUTH REGION

Mr ODENWALDER (Little Para) (15:09): My question is to the Minister for Sustainability, Environment and Conservation. What initiatives are being undertaken in recognition of the critical importance of protecting the Coorong, the Lower Lakes and the Murray Mouth region?

The Hon. P. CAICA (Colton—Minister for Sustainability, Environment and Conservation, Minister for Water and the River Murray, Minister for Aboriginal Affairs and Reconciliation) (15:10): I am very pleased to inform members that the government has recently signed a \$4.79 million agreement with the Ngarrindjeri Regional Authority. The agreement is a new partnership between the authority and the Department of Environment and Natural Resources which will enable the Ngarrindjeri community to continue their efforts to protect the Coorong and the Lower Lakes region.

The Ngarrindjeri Partnerships Project is one of 19 projects under the Coorong, Lower Lakes and Murray Mouth program, and it is a great example of the efforts being made to restore the system to health under the South Australian government's Murray Futures program. The Coorong and Lower Lakes region and the surrounding areas are central to the Ngarrindjeri's cultural and spiritual beliefs and the freshwater flows down the River Murray are seen by the Ngarrindjeri as the lifeblood of the living body of the river, the lakes and the Coorong.

The Chair of the authority, Mr Tom Trevor, has welcomed the partnership. The Murray Futures program provides an opportunity to establish a lasting legacy and positive collaboration between the Ngarrindjeri nation and the people of South Australia. The authority has also worked

well with the government to develop this partnership project, which will help heal the lands and the waters, and all living things.

The authority will use some of the funding to employ a number of professional officers and cultural advisers to support the implementation of this project. The project will support training and development and participation in on-ground activities, as well as ensuring the Ngarrindjeri contribute to regional management planning processes.

Mrs Redmond interjecting:

The Hon. P. CAICA: We are not all as good you—we are not all as good as the Leader of the Opposition.

An honourable member: Just read the script.

The Hon. P. CAICA: Madam Speaker, this is coming from a person who believes that it is tokenism to stand up and recognise country. She might well go and talk to the people down there as to how they feel about that particular matter.

The SPEAKER: Order!

An honourable member interjecting:

The Hon. P. CAICA: Yes, that's right.

Members interjecting:

The SPEAKER: Order!

The Hon. P. CAICA: The project, as I said, will support training and development and participation in on-ground activities, as well as ensuring the Ngarrindjeri contribute to regional management planning processes. It will also ensure that activities protect and appropriately care for Ngarrindjeri cultural heritage.

As well as announcing the new partnership with the NRA on World Environment Day, I also joined the Goolwa to Wellington Local Action Planning Association to help launch the 2012 community revegetation program that will see volunteers from 28 community groups return more than 300,000 native plants to the Lower Lakes area. A further 20,000 native plants are being planted along the Meningie foreshore as part of the Meningie lakefront habitat restoration project.

These projects are a reminder of the ongoing recovery work that is needed to help return the region to health and to build resilience to protect it from future droughts. The work is also a reminder of how critically important it is that we get the Murray-Darling Basin plan to ensure that the devastation that occurred in the lower reaches of the river is not repeated. I commend the Ngarrindjeri Regional Authority and this partnership agreement to the house.

GRIEVANCE DEBATE

PRISON CONDITIONS

Mr HAMILTON-SMITH (Waite) (15:14): This house should be ashamed of what it has heard today. We have heard a corrections minister and a health minister try to explain away how they condone prisoners being chained to beds in our prisons for up to 20 hours a day (mentally ill prisoners) and why other prisoners (Aboriginal prisoners) are left to their own devices for up to 20 hours a day, in nappies and neglected. This minister should be ashamed of herself. She told the house today that she has known about this since March. It is now well past March. It is June, and what have you done about it? You have known about it for all that time—

Members interjecting:

The SPEAKER: Order!

Mr HAMILTON-SMITH: —and I question—

The SPEAKER: Order!

Mr HAMILTON-SMITH: —and I question before the house whether the minister has in fact known about it for longer than March. I demand that she reveal to the house the full correspondence chain as to when she was told, what she was told and what action she took when she was told, because if we have a corrections minister who thinks that it is alright to leave people

chained like animals to beds in our prisons, rather than have them referred to James Nash House where they can be treated clinically by mental health experts, then we live in a state of disgrace.

Not only that, but today we have heard the Minister for Health and the minister for corrections contradict one another in one of the most disgraceful contributions I have heard for a long time. If I heard correctly—and I will check the *Hansard*—the Minister for Health denied that this patient was mentally ill, but the minister for corrections described her as a psychiatric patient and a psychiatric prisoner.

The Minister for Health does not think there is anything wrong with the mental health of this patient. What world is he living in? And if I heard correctly, he demeaned her and he demeaned our mental health professionals by likening her situation to someone who is acting like a naughty schoolchild in one of the classes he used to teach.

It is a disgusting set of remarks from a health minister who, based on those remarks, should no longer be in the portfolio. They have clearly not been talking to one another from start to finish and they still are not. No wonder these two patients have fallen through the cracks. The health minister thinks the patient does not have any mental problems at all. I just ask any member of this chamber whether, if they were chained like a dog to a bed in a prison cell for 20 hours a day and left in nappies in their own excrement, they would have any mental health issues. I reckon they would.

The fact that the Minister for Health has come in here today and dismissed the whole situation and treated it with flippant irreverence is an absolute disgrace, and for this corrections minister to come in here and admit that she has known about it since March—and I suspect longer; I do not think we have had the truth yet—is a disgrace.

The opposition is calling for a judicial review into this entire matter. Only in that way will we get the truth out of these two very suspect-looking ministers. We want an independent judicial review—a proper inquiry—to examine the failures within both the mental health and the correctional services system that have clearly left these two patients in a disgraceful situation and that have this state and this country looking like some sort of Third World outpost of which we should all be ashamed.

Only a judicial inquiry will tell us whether these two are telling the truth because what I have heard today leads me to suspect that they are not. I want that judicial review to tell South Australians whether the way our patients have been treated—which I must say is like wild animals—breaches any international law or treaty to which Australia is a signatory. I suspect that it does, and doctors agree with me.

It is evident that both these ministers are not up to the job. Their priority is to spend billions of dollars of the taxpayers' money on bricks and mortar in the rail yards constructing a monument to themselves—

The ACTING SPEAKER (Hon. M.J. Wright): The member's time has expired.

Mr HAMILTON-SMITH: —at the expense of front-line services.

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

Mr HAMILTON-SMITH: Both of them are a disgrace.

MODBURY FOOTBALL CLUB

Ms BEDFORD (Florey) (15:19): Last Friday night, along with a function room full of club supporters, I attended the Modbury Football Club's 150th Year Celebration Ball at Sfera's on the Park, located beside Civic Park in the heart of Modbury. The MC for the event was Mr Peter Walsh from the ABC's *Grandstand Radio*.

Peter's knowledge of the game and the history of AFL is widely and justifiably regarded and apart from his significant ability to interview people, he kept us all informed of progress scores throughout the night. Peter kept the evening moving along smoothly as he shared the stage with Men in Black, a four-piece group that provided the wonderful live music for the evening.

Modbury Football Club, I am reliably informed, was formed in 1862, making it the oldest extant—that is, existing without a break—football club in South Australia and the sixth oldest football club of any code in Australia. Needless to say, I am extremely proud of this early pioneering link. On looking a little further into football history, I note there is some inevitable uncertainty, as records seem to be lost until 1906. However, SANFL history talks about the

formation of a league in 1877, making it the oldest surviving football league of any code in Australia and one of the oldest in the world, forming just a few years after rugby in 1874 and a decade before soccer. I am indebted to Melanie Reid from the SANFL who has supplied additional information.

In 1877, the South Australian Football Association (SAFA) formed with eight inaugural clubs, although some records seem to say it was 12. The 12 were South Park, Willunga, Port Adelaide, Adelaide, North Adelaide, Prince Alfred College, Gawler, Kapunda, Bankers, Woodville, South Adelaide and Victorian. For some unknown reason, Modbury did not join SAFA at this time, nor did its contemporary, the Tea Tree Gully Football Club. Other clubs, including Hotham, Gawler and Medindie were members of the SAFA at various periods in the association's early history. In 1907, SAFA changed its name to the South Australian Football League, and in 1911 the South Australian Amateur League was formed with just five clubs. Again, Modbury does not appear to have been a founding member.

The SANFL site also mentions that the early years were 'poorly organised and dogged by argument over which set of rules to adopt'. It then goes on to talk about a match between Adelaide and Kensington in 1873 where, because of the uncertainty of rules and interpretation, it was not certain who had actually won the match. The push for certainty was resolved in 1877 when rules similar to those in Victoria were adopted. Perhaps the rivalry that exists between our states today can be dated back to that time.

However, I digress from the Modbury Football Club and its place in history. The first ever game recorded in South Australia seems to have been played in 1843, although no records of any kind remain. We then see a match between the Modbury Football Club and the Adelaide Football Club—a club formed in 1860, but it came and went under various guises. Each side in that game had 20 players and there were no umpires. Some people today may think that was a better time for the AFL. The game ended after the second goal was scored by Adelaide, with the result declared a win to them 2-0.

The two teams met again the following year near the Modbury Hotel at a place now known as Civic Park, so it was fitting that we were gathered close to where the strong traditions of the Modbury Football Club were forged. This game was 'kept up with the greatest spirit and good feeling, and so equally were the sides matched that not a goal was scored'. This is beginning to sound a bit like soccer, so it is just as well the rules were eventually sorted out.

To celebrate the 100th anniversary in 1962, and during the state's sesquicentenary celebrations in 1986, a special game was played between Modbury Football Club and the South Adelaide Football Club at Modbury Oval to commemorate the two oldest clubs in the state. Over the years there have been different guernseys: up to 1937, a maroon guernsey with one white band, later replaced with a white vee; from 1947 to 1978, a dark blue guernsey with a light blue vee; and from 1979 onwards, the brown and gold vertical stripes of the Modbury Hawks we all know and love today.

Various grounds have been used as their home: up to 1963, the old Modbury oval, which is Civic Park, opposite Tea Tree Plaza; 1964, the memorial oval at Tea Tree Gully; 1965, the temporary oval, now Waterworld Aquatic Centre; and from 1966 onwards, the Modbury Oval, which is now their home. The Modbury Football Club has been involved in various leagues: nine after 1906, of which four were changed in the 1930s. Modbury has held many premierships, many since the 1960s: 28 senior and 35 junior; 16 A grade in all; four in B grade; six in C grade; one in D grade; and many junior titles.

Since my time in the Modbury area, now some 35 years, I have always been aware of the strong community presence the Modbury Football Club has maintained as a place where families would gather before and after matches, and many hundreds of people have learned the skills of the modern game that keeps this state and nation enthralled. It has been built on the commitment and dedication of many families. Among them, to name a few that I know, and in no particular order: the Burford, the Varley, the Bryant, the Jolly and the Vassal families. It is my honour to sponsor Scott Vassal each year.

Following on from the marvellous concert that we had for volunteers earlier this week, I would like to mention the many hours of volunteer work that go into the Modbury Football Club, where we have seen people make time for training, match day and the home and away fixtures.

TOURISM

Mr VENNING (Schubert) (15:24): The state government wants the ailing South Australian tourism industry to contribute \$8 billion to the economy by 2020. Part of this is the desire to boost cruise ship arrivals from 21 to 25 next year, bringing 55,000 passengers into Port Adelaide, Port Lincoln, Kangaroo Island and, for the first time, Robe and the Limestone Coast. But what support is the government providing to assist the tourism industry grow and contribute such a substantial amount to the state's economy? Not much. At the same time they are asking for more from the industry, they are still cutting their resources.

In March, the government sacked the CEO of the South Australian Tourism Commission, Mr Ian Darbyshire, in favour of a restructure and replacing him with a part-time CEO—a downgrade. I want to put on the public record my support for Mr Darbyshire and the wonderful work he was doing. He did a good job. It was the government decisions that made it very difficult for him.

The Tourism Commission's visitor information centre was moved from a highly visible disability-friendly location in King William Street that we could all see from everywhere to an out-of-the-way basement in Grenfell Street. Regions have also been stripped of their hard-working and knowledgeable tourism managers in favour of a more centralised structure.

I pay tribute to Mr Barry Salter, our previous tourism officer in the Barossa—a fantastic guy. He was the person who brought us Barossa Under The Stars. Remember that? And what did we do? We replaced him because we could not afford to pay him and put two people in his place at more money, and the record speaks for itself—down we go. I cannot believe the decision-making capacity. He was a great guy, old Bazza, totally committed and we miss him. We see him around.

The South Australian Travel Centre will undergo a transfer in management next year to a commercial operator to save \$700,000. I wonder what will happen to the staff who have the expertise? I understand that many are in limbo, not knowing whether or not they will be retained by the private operator.

This new structure in tourism has also meant that instead of the regional visitor guides being produced in the regions by the local tourism bodies, they are being produced by the SATC, with control being centralised in Adelaide. Do you believe that? In the case of the Barossa, this has led to the latest guide being printed with some errors and inaccuracies, particularly in reference to the Lyndoch area. Out-of-date information was included, as was a reference to accommodation that was no longer in operation.

I am not criticising the manager of tourism for the Barossa region at all for the mistakes included in the guide; he came on board when the process was already nearing completion. However, we are seeing time and time again that this Labor government wants to control and centralise everything, and the end result is that mistakes are being made. We have seen it occur with the failed Shared Services initiative and we have seen it occur with health when health advisory councils replaced local hospital boards. The same is now occurring in tourism.

It is not good enough that one of the state's premier tourism regions has a guide for tourists containing inaccuracies. This is the first year that the SATC has had full control of the production of the Barossa Visitor Guide. This has demonstrated that, when the people putting the guide together have no local knowledge or expertise, errors slip through. The Barossa has a reputation as a top tourism destination in Australia, and we are professional. It is a pity that this has let the side down.

Just yesterday it was revealed that in the past year international visitors to South Australia have dropped by 10 per cent, to the lowest level in five years. That means that in the year to March, 36,000 fewer people came here from overseas than the year before. The largest drops were in Adelaide and Kangaroo Island, but Barossa Valley, Flinders Ranges, the outback and Fleurieu were also affected.

The Barossa has fallen from the second most visited wine region in Australia to now the 10th. Other states are cleaning us up, and what are we doing about it? Nothing. We have very poor expertise. The Tourism Industry Council's Ward Tilbrook said yesterday on radio that cuts have not helped. I quote:

Savings that have taken place within the Tourism Commission have taken place in the destination development and tourism development area, that is, our infrastructure, development, access, research...Tourism Commission has had to face budget cuts at the same time that they are asking industry to do more, so we just have to be cognisant of the fact that tourism is a multiplier effecter for our state; it does generate revenue for us.

When is this Labor government going to learn? It continually strips departments and funding to sectors that generate revenue for us, not only tourism. The same can be said for agriculture. It is a disgrace.

Time expired.

INDIGENOUS VETERANS MEMORIAL

Mrs VLAHOS (Taylor) (15:30): I am very pleased today to speak about a few events that I had the pleasure of attending over recent weeks. Firstly, on 30 May I was able to represent the Hon. Jack Snelling, Minister for Veterans' Affairs, at the unveiling of a memorial in honour of Indigenous veterans at the Salisbury High School grounds. Salisbury High School is in the area of Ramsay, but the member for Ramsay and I often visit the school.

This recognition of our Indigenous veterans is a point of pride for the Labor government. The construction of this memorial follows on from the sterling work of the Salisbury RSL, the Director of Veterans SA, Bill Denny, and the whole veterans community in South Australia. I was pleased on the day to be able to hand over a cheque for \$1,500 from the state government to assist in the completion and landscaping of this important memorial wall to Salisbury students Trischaye Newchurch and Ryan O'Connor.

The program on the day also featured Indigenous arts performances in the school hall and prayers at the memorial wall for those fallen Indigenous servicemen who were unable to return home to their kin. I was also happy to assist the minister and this government by attending a Reconciliation Week event on North Terrace later in the week at the Cross of Sacrifice to further recognise the Indigenous veterans who served our country.

Also, in conjunction with the Salisbury RSL I recently had the pleasure of attending the working dogs dedication day near the tramline at Salisbury, where Padre Trevor Rogers conducted a very respectful and genuine service. The event was originally planned to be a service in honour of military working dogs, but the Salisbury RSL and President Mick Lennon, in their constantly inclusive tradition, expanded the celebration to be known as Working Dogs Dedication Day.

The event celebrated and recognised all government and community working dogs and their handlers. These dogs and handlers provide an invaluable service to our community and to the wellbeing of our nation. The roles performed by these dogs and handlers are often overlooked but are nevertheless a vital community safety role.

Imagine, if you will, how hard a job it would be for customs officials if they did not have the assistance of sniffer dogs and their expert handlers. Consider the assistance given to police and the military by these fantastic animals and their committed handlers. Especially in my electorate consider the enormous contribution of service dogs in search and rescue operations performed by the State Emergency Services personnel and their dogs.

I recently had the pleasure of visiting the Edinburgh SES crew and some of the trainers there and their dogs. These working dogs and their handlers save lives. They deserve our respect and our appreciation. I declare my ongoing support for these working dogs and their handlers.

SPECIAL INTEREST VEHICLE REGISTRATION SCHEME

Mr WHETSTONE (Chaffey) (15:32): I rise to speak on the proposed special interest vehicle registration scheme that was proposed to the government. The government was approached by representatives of the special interest vehicle clubs and owners to consider a special interest vehicle registration scheme. In doing so, it would include all vehicles acceptable under the concessional historic vehicle registration scheme that were manufactured up to 1979 that have been modified.

It would also encompass vehicles that must be legally registered and the owner a member of a recognised special interest vehicle club. Rather than a reduced registration fee, as historic vehicles have, the proposal was to pay the full registration fee for three months and drive the vehicle on any 90 days of the year (with the use of a log book) over that 12 month period. However, the government extended historic registration to only street rod vehicles manufactured prior to 1949. There are approximately 800 of these vehicles in South Australia.

By not extending the scheme to special interest and customised vehicles manufactured up to 1979 some 15,000 vehicles and their owners have missed out. Those owners have contacted me en masse, particularly in the electorate of Chaffey, knowing that I am very much a strong advocate and supporter of special interest vehicles. These owners rightfully feel discriminated

against, and they have considered that it is now perhaps no longer worth owning such a vehicle as it incurs such costs to keep both their everyday vehicle and a special interest vehicle in the garage.

This places at risk events like the Big River Nationals, held at the Riverland at the Field Day site just recently in April this year. I attended that event, and it was spectacular to see the 5,000 spectators there over two days. There were 500 entrants from all over Australia. It was great to see that those vehicles had been pulled out of the garage and brought to the event. It was supported by around 29 sponsors and it returned about \$15,000 to local community organisations, sporting clubs and schools. More importantly, it generated \$2 million for the local economy.

These cars are almost an industry locked away in the garages of these enthusiasts, who now are questioning the viability of owning a vehicle and being able to afford the expense of having to register and third-party insure these vehicles on an ongoing basis. These special vehicle owners estimate the government is potentially forgoing a revenue worth almost \$6 million over the four-year period by excluding their vehicles manufactured between 1949 and 1979.

Being an enthusiast, I know it really does bring a lot of those vehicles out of their garages, out of the woodwork, and put them on display. It creates an industry, as I said, that had been locked up in garages. Essentially, supporting the enthusiasm is supporting an industry that could generate an economy, not just for the Riverland for the Big River Nationals, but all over the state, because there are enthusiasts who have those vehicles locked away under the watchful eye of the owners and who so proudly want to get them out to show them off.

Over time, I have worked with the transport department and met with them on many occasions, but again I feel as though I have been given lip service because again they have not been forthcoming with amendment of that legislation. It really is a sad indictment that they do not support those car enthusiasts. Again, I call on the government to re-enter negotiations and readdress an industry that is hidden away in the garages.

VIEW CLUBS

Ms THOMPSON (Reynell) (15:36): I think most members here would know of the work of The Smith Family and their consistent and rewarding work of helping disadvantaged young people achieve more than they expected and often to realise their potential through education, but members may not be as well aware of the VIEW Clubs. VIEW is a nationwide women's organisation of 20,000 members, established by The Smith Family back in 1960, when George Forbes was the secretary of The Smith Family.

Officially, VIEW stands for Voice, Interests and Education of Women, and the purpose is described as:

- VIEW empowers women through its voice, interest and education of women
- VIEW provides support and friendships for women throughout communities nationally
- VIEW actively raises awareness of and participates in the work of The Smith Family

That sounds all very dry, and my encounters with the VIEW women so far have been anything but dry. Last Friday, I had the pleasure and privilege of having a meeting with Velda Atkinson, the 2012-13 National Vice President of VIEW clubs; Erica Kakoshke, National Councillor; and Darilyn Roman, a member of the Marion club; together with Tammy Kennedy, a Learning for Life worker with The Smith Family in Morphett Vale.

These women are seeking to establish a VIEW Club in Morphett Vale, and I am very pleased to give them my full support in doing that; in fact, a couple of regular volunteers in my office also attended the meeting—two women and one man. The man has undertaken to be an advocate for VIEW even though he cannot join it.

The Smith Family does wonderful work in my local area. In Christie Downs, it is supporting 280 young people. It is running a traditional primary learning club and two important new programs, Boyz Biz and Girls on Track. In Morphett Vale, it is supporting 283 young people and running primary active learning clubs and primary traditional learning clubs. It is also supporting the Let's Read program.

The Boyz Biz and Girls on Track are to support young people through adolescence. During this club, through this activity, The Smith Family, and the VIEW Club members who are supporting them, discovered that many children who attend these programs share one toothbrush among a whole family, have no money in the family for shampoos, conditioners and deodorants, and might

even struggle to find a comb they can use. So, among the many activities of the VIEW Club, one is to provide these basic toiletries for young people who are struggling to be able to present themselves with the hygiene and presentation standards that we expect today simply because we all know that toothpaste, deodorant, toothbrushes are very expensive.

The VIEW Club works practically in providing backpacks and school supplies; it supports the work of The Smith Family; and one of the intriguing things that it does is make reading mats. These mats can be knitted, crocheted, or they might be a tapestry or quilting. They are about two feet square, which I am told is about 700 to 800 millimetres, and they are of interesting—sorry, you are going to tell me?

Mr Griffiths: There are 30.4 centimetres to a foot.

Ms THOMPSON: Two feet, isn't it? Whatever that converts to. They are interesting and each one is special and each child participating in Let's Read gets to choose their own reading mat, which is a special place for them to sit as they read with their parents. A heart warming story that I heard at this meeting was that the Let's Read program had conducted a program for dads at one of my local kindies, and a dad who was separated from his daughter rings her every night, and she gets out her reading mat, sits on it, and he reads her a story.

This is the wonderful, practical, everyday work done by the VIEW Clubs. It is my pleasure to give them some publicity because I had to discover them by accident at a Make Morphett Vale Magic event, in which they were participating, and then I have followed up to the extent that I am supporting them to establish a club in Morphett Vale, and I welcome it greatly.

SELECT COMMITTEE ON THE ROAD TRAFFIC (EMERGENCY VEHICLES) AMENDMENT BILL

Ms THOMPSON (Reynell) (15:42): I move:

That the committee have leave to sit during the sitting of the house today.

Motion carried.

APPROPRIATION BILL 2012

Adjourned debate on second reading (resumed on motion).

Mr PEGLER (Mount Gambier) (15:42): I indicate my support for the Appropriation Bill. Firstly, about the budget presentation itself, I believe that there should be a foreword to the budget which spells out to the people of South Australia (after all, it is the people's budget) in layman's terms what the budget means to them. The level of debt including workers compensation and superannuation liabilities should be shown in real terms, and what the debt is for, and what the effect is on the budget bottom line, with what the interest and principal repayments as a percentage of income are now and into the future.

The foreword should also spell out how money is being spent in each theme of the budget; for example, in health, we should show how much is being spent on wages, on consultants, on services such as power and water, on administration, on new capital, on consumables, and on capital maintenance, etc. I am not talking about pretty graphs but rather real and true information so that our people can have a better understanding of how their taxes are spent.

The loss of the AAA credit rating does not overly fuss me. Our AAA credit rating is determined by the same agencies that rated collateralised debt obligations that financed subprime mortgages as AAA during the global financial crisis, and we all know what happened to them. I feel that they have little credibility and a AAA credit rating means little if you are selling your capital such as our forests and future income to retain it.

I will now turn to the effects of this budget and Appropriation Bill in the Mount Gambier electorate. The \$26.7 million upgrade of the Mount Gambier Hospital will still go ahead on time and as planned. The upgrade includes accident and emergency as part of the redevelopment of the Mount Gambier and District Health Service, to be completed mid to late 2014. The upgrade will significantly modernise and double the physical capacity of the emergency department.

With mental health services in Mount Gambier, currently South-East Intermediate Care Service has seven non bed-based intermediate care packages. South-East Intermediate Care Service is an innovative step-up step-down mental health service designed to provide eligible people with the choice of being treated intensively in their homes. Intermediate care is a level of care targeted at people who are unwell but who no longer need acute hospital treatment (this is

referred to as step-down care), and who are at risk of experiencing an acute mental health episode but who do not require acute hospital administration (referred to as step-up care).

Intermediate care encompasses short-term intensive clinical, mainly nursing, treatment and multidisciplinary psychosocial rehabilitation, mainly carried out by the NGO sector. The place of care is not as relevant as the type of care, and where a person's recovery would be further enhanced with the delivery of treatment and support provided outside of a facility setting, care will be provided in the person's home.

Once the Mount Gambier Hospital redevelopment is completed there will be three additional hospital-based intermediate care beds as well as three limited treatment centre beds. The three limited treatment centre beds will provide acute involuntary care for people experiencing severe episodes of mental illness, avoiding the need to transfer these people through to Adelaide. Often these patients have to be transferred to Adelaide within 24 hours; the only way they can be brought here is on a plane, and they basically have to be immobilised to bring them here. So, this will make a very large difference to those people.

There will be a major dental services upgrade and, as part of the wider redevelopment of the hospital, the number of chairs at the South Australian Dental Service clinic will increase by four to a total of 10, contributing to a reduction in waiting times. Oncology services have developed significantly in the past six years, with chemotherapy treatments now available locally to 50 patients per month—bear in mind we never used to have any at all. As part of the hospital redevelopment this service will now expand further, with an increase from two to six chairs and a full chemotherapy suite.

Telemedicine has been used in Mount Gambier for a number of years. The service has now been improved with a move from telephone lines to internet connections. The new connection is digital and provides a very high quality picture and sound in consultation areas, conference rooms and the emergency department. Telemedicine is currently being used in mental health in providing consultations with psychiatrists, oncology and cancer care for discussion of cases, the emergency department for stroke assessment, rehabilitation and geriatric evaluation, and surgery and anaesthetics for weekly clinical education and peer support.

A new \$3 million ambulance station and the \$20 million 112-bed cell block extension to the prison will still go ahead this financial year. People with disabilities and their carers in Mount Gambier will be able to access a portion of the extra \$212.5 million provided for extra accommodation and community support, community access and respite services—and I certainly congratulate the government on making these funds available to people with disabilities.

Whilst our education services are receiving adequate funding, I would like to see more for professional counsellors in our schools. I feel that money spent now to guide our young people through their formative years would alleviate a lot of problems and costs into the future.

Extra moneys have been made available for our CFS and SES volunteers to replace breathing apparatus sets and access to nationally accredited training. A digital projection system will be installed in our theatre so that, when this format is adopted internationally in 2013, we will be able to view new release films. Whilst there are no specific allocations to our roads, sporting clubs and other bodies, there are overall allocations we can access, and they will be determined in the future.

The state government's total financial expenditure for the year will be \$15,926 million: 31 per cent of this will go to health, 25 per cent to education, 10 per cent to public order and safety, and 15 per cent to social security, housing, etc. We rely on all of these services and, as can be seen, there is not a lot left for all the other government services we receive.

One of the worst initiatives of this budget is the removal of the payroll tax exemption for trainees and apprentices. This will have a large impact on many of our employers and take away the incentive for them to employ and train our young people. I think it is completely wrong that we tax employers for giving people jobs, let alone taxing those who employ apprentices and trainees. This tax cuts in when the wage bill totals \$600,000, which is not much nowadays.

It is most disappointing that Regional Development Australia funding is to be reduced. A lot of work went into bringing about an agreement between the local, state and federal governments on the running and funding of RDAs, only to have the state government pull back funding before the ink had a chance to dry on the agreement.

I note that there is to be a reduction of 98 PIRSA employees. The government is only too happy to jump on the bandwagon when there are announcements of record exports, yet it does not seem to realise that a majority of these exports come from primary industries. The number of PIRSA employees is being reduced to such an extent that the organisation is almost defunct.

My major concern with the budget is the fact that net state debt is heading from a present \$4.3 billion (or 27 per cent of present income) towards \$8.8 billion (or 49.1 per cent of projected income) in 2016 when the Royal Adelaide Hospital is completed. This debt takes into consideration the sale of major assets, such as our forests, and will be much worse if these sales do not happen. We must also take into account the loss of future revenue from these assets. On top of this, there are also massive liabilities in WorkCover and public sector superannuation, and the loss of the AAA credit rating may mean interest payments will rise.

The Treasurer may be confident that the government can handle the debt, but, for many of us, such a huge debt means anything but feeling relaxed and comfortable, especially with council rates, taxes, living costs, water and electricity bills spiralling out of control. Any alternative government will have to spell out how they would do it differently, rather than just knock what we have before us. There are only two alternatives: either reduce expenditure or increase income, which can only be done through increased taxes, as we have sold all of our money returning assets.

I find it hard to understand how we can have so many public servants earning such large amounts of money, with several being paid more than double what our Premier receives. The tail has been wagging the dog for far too long. We must spend the money that we receive from taxes, levies and grants much more wisely than we have in the past so that our people receive the maximum level of services for the minimum amount of expenditure.

Mr WHETSTONE (Chaffey) (15:54): 'Resolve not to be poor: whatever you have, spend less.' Samuel Johnson made one of the greatest individual contributions to literature and the English language in history, but this particular quotation resonates most strongly in South Australia today. The Labor government seems incapable of taking this sound advice. What is the result? We have record debt; a record deficit; the downgrade of the state's credit rating; increases in fees and charges and the highest taxation regime in the nation; the highest electricity prices in the world; and the rapidly rising cost of living and doing business with the spectre of a carbon tax looming over all of us.

Regarding the statewide issues, of course, we have heard much about the debt accumulating to more than \$13 billion, and it is up from \$2.7 billion in 2002. That equation will cost 1.64 million South Australians \$2.3 million a day—that is, \$71.30 for every man, woman and child in South Australia a day, just in interest. How could this government let it come to this sorry state of affairs? They have wasted the enormous revenue streams that have come into this state over the past 10 years.

They have thrown \$2.8 billion towards the new hospital that need only have cost half if it were left on the current site and revamped, while threatening the future of vital country hospitals by being mean with just a few hundred thousand dollars, which impacts the regions once again. They have blown it on a \$2.2 billion desalination plant that has resulted in water prices skyrocketing and, despite the promise to reduce Adelaide's reliance on the River Murray, delivers no environmental benefit to the river and no water to the regions of South Australia—and they are being forced to pay for it.

Amazingly, they are spending \$40 million on a bridge over the Torrens, just a few metres away from another bridge that crosses the Torrens. In the meantime, they have announced the closure of a \$400,000 per year ferry service in the Riverland, a service upon which a whole community relies for its economic future. It relies on that ferry for tourism and for its emergency services to attend to people needing those services.

The priorities of this government are twisted beyond the recognition of a sane person. Imagine, in today's financial climate, what \$1.7 billion would do. That is the extra it will cost this state for increasing the capacity of the desalination plant from 50 gegalitres to 100 gegalitres. If a 50 gegalitre plant had been commissioned, it would be up and running today and we would be returning water from our investment.

The net operating deficit of \$867 million is a record, a \$1.2 billion turnaround from the predicted \$304 million surplus. The net cash deficit is almost \$2 billion and the net lending deficit almost \$2 billion. It is incomprehensible that a government could let things be so out of control in

this day and age. This government is out of control and, despite creating the highest tax regime of any Australian state and despite having record revenue since coming into power, it cannot get the budget under control. Using reduced GST and reduced income taxes as an excuse, this government is creating a no-confidence zone all around the small business of this state.

Again, we have the loss of the AAA credit rating and, despite this government saying the maintenance of our AAA credit was of paramount concern, even to the extent of selling some of our last money-making assets (obviously, the forests and the Lotteries), the effort has been abandoned. What is this going to cost us? It will not be the Treasurer's \$2 million to \$3 million a year but ten times that amount. What did the former treasurer say about the loss of our AAA credit rating? That it would send South Australia into an abyss of debt. I suppose the current Treasurer looked at his fellow minister's reckless spending and concluded, 'We are already in that abyss of debt so what's the problem to just be a little further deeper?'

Samuel Johnson also once said, 'Every man naturally persuades himself that he can keep his resolutions, nor is he convinced of his imbecility but by length of time and frequency of experiment.' In the burgeoning public sector during 10 years of Labor, there are 20,000 more public servants and only 2,000 were budgeted for. We have 360 public servants being paid without a role to play. I would not have a problem with this if they were all front-line personnel, like teachers, nurses and police, but they are not. No wonder the spending is out of control. This government treats the Public Service like a jobs program. Where is the improvement in services that would be coming from all these warm bodies filling office chairs in Adelaide? All my office receives is complaints about poor service and reductions in services.

Looming over our biggest economic driver is the carbon tax and the Murray-Darling Basin Authority's basin plan. What of the mining boom—the Labor government's golden child? Where is our mining boom? Yes, we all want it to happen but, while we are waiting, this government needs to remember that we cannot eat zinc from Strathalbyn, we cannot eat iron ore from Iron Knob and we cannot eat copper from Roxby Downs.

We rely on agriculture for the things we eat, but this government needs to remember that the state's economy currently relies far more on agriculture than it does on mining. However, the funding for primary industries and regions has been cut by another \$24 million this year and the government continues its relentless pursuit of recovering more costs from industry for biosecurity. It is another example of the twisted priorities of the government.

The whole state benefits from agriculture and quarantine, but this government cuts funding and seeks to place more costs on farmers already struggling with the high dollar and poor commodity prices. Farmers in the electorate of Chaffey are now incurring massive electricity costs, particularly in irrigation pumping, and over these loom the basin plan and the carbon tax. Then there is agriculture and that \$24 million cut. How will we move with the times in food production? How are we perceived to be a world-class producer when we have a government that has almost abandoned an industry? Ag has always been essential for survival.

In Chaffey, there are the Berri Hospital funding cuts and that brings me to a puzzling little item in the 2012-13 budget papers. In Budget Paper 5, page 28, the Berri Hospital redevelopment's total estimated cost is \$36 million. It is puzzling to me because in every budget and every media release before now, the total cost has been \$41 million.

Miraculously, the Riverland is going to get a \$41 million hospital for only \$36 million and the health minister, whom you would think would have used that recent visit to Berri this year as a platform to announce the miracle that has opened up from the heavens, has apparently found some more savings. It is an unsatisfactory explanation at best and the Riverland community deserves to know exactly what it is missing out on.

Just touching on this government's stand on the basin plan that is to resurrect and bring the Murray River back into sustainability, I am saddened that it is now so political that it smells like rubber and it is all spin. We hear the Premier and the water minister telling South Australia that they will sell 20 gigalitres to the commonwealth. Is it raising capital? I believe so. South Australian irrigators' contribution has already met its 101 target. The Premier says, '101 gigalitres and no more,' so why are they selling 20 gigalitres to the commonwealth? I presume it is just more budgetary gain.

It is selling off another state asset and I believe it is another easy target for this government to now prey on one of the few assets that this government has not sold. Please keep an eye on the state's water licence—it is a very easy target. This sad indictment of the Premier gives no reason

for confidence in the food sector. His stand is unrealistic in the real world. It is divisive, it is political and it is not a solution for a real outcome to help save the river. Does this budget support a prosperous future for this state? I think not.

Mr GRIFFITHS (Goyder) (16:04): I am a tail-end Charlie again on this, but it is an honour to have the opportunity to speak in regard to the Appropriation Bill. While I no longer have any level of responsibility from a shadow perspective in relation to budget implications, I take very much an overarching view of it. I still like to review the budget papers, understand the implications and consider the issues for the community of Goyder that I have the honour to represent and what it will do for the 1.65 million people who live in South Australia.

I am very concerned about the levels of debt. I am very much a fiscal conservative. I understand that debt in appropriate ways is often important if it provides the capacity to build infrastructure that is going to be used to grow the economy, and I will never argue against that point. However, sadly, in much that I have read and much that I have reviewed, I do not necessarily see a correlation between the current level of debt, the anticipated increases in the forward estimates, what that money is going to be spent on and how the economy will grow from that.

I am scared when I am told statistics, that is, that between the 2007-08 financial year and the 2015-16 financial year the level of debt in South Australia will have increased at some \$3.9 million per day—that is per day, not a week, a month or a year. It is \$3.9 million per day that is now a liability the taxpayers of the state are responsible for. No matter what government occupies the benches to the right-hand side of you, Mr Acting Speaker, there will now be enormous challenges to ensure not only that appropriate budget measures are put in place but also that fiscal responsibility is exercised within departments to ensure that the budget estimates are met and that revenue sources are created to have the capacity for us to fund the never-ending series of demands put in front of governments from a community that wants to be better serviced. It will be very hard, no matter who is on that side of the house.

I am a part of a group that wants to take up that challenge. I recognise that the Labor Party members have had that challenge for the last 10 years, in some good economic times—and much has been made of the fact that Kevin Foley as treasurer benefited enormously from some good economic times—but also in the difficult economic times the world, the nation and the state have experienced in the last three years in particular.

It requires a level of commitment and skill that really would tax any person to ensure that they were able to manage a state budget and, by association, the economy of this state, because the state government is such a large driver of the economy, in the way that it needs to move forward. That is why it is important that every minister who is charged with that level of responsibility ensures that within their department they meet their own budgetary restraints.

I have felt great frustration in previous years when looking at estimates, identifying how much is allocated within departments, looking at the end-of-year results and the midyear financial review figures and seeing a constant increase in expenditure items. I do not link it all back to an increase in public servants, but I think expenditure across all departments has demonstrated a real lack of fiscal control. With that, it is now all coming home to roost, and it will be an enormous challenge for a treasurer of any political persuasion to ensure that they are able to get that right.

I commend the Leader of the Opposition as part of her response yesterday for confirming that the Liberal Party, upon winning government in 2014, will appoint a commission of audit to go through the budget line by line, seemingly, to ensure that hard decisions are made, to look for recommendations on alternative revenue opportunities and to really scrutinise all levels of expenditure and income to come up with the balance that is needed to ensure that you still grow the economy, provide the services that are needed and to get it right. It is appropriate that we do this.

I note, though, that it has occurred in previous nuances. Upon becoming premier, Dean Brown announced it in 1994. I know Kevin Foley had the Smith review undertaken. Kevin Foley's previous budgets certainly had efficiency dividends required and savings targets that had to be met and full-time equivalent staffing numbers capped, which were never seemingly met either. Now we all live with the legacy of that; of how do we get it right? At the end of the day, yes, we become anxious about it and, yes, we have a lot of yelling and screaming in this room on occasion, but the people we represent are the ones who will be responsible for it—and not just the current generation. With the level of debt we now hold, it will probably be a multidecade effort that will go into repaying that debt over the forward years.

I am the parent of a 20 year old and a 22 year old, both of whom have gone out with their partners and bought homes in the last 12 months and therefore contributed to the state coffers via stamp duty. They come to me and say, 'Dad, what's it going to be like in the future?' They are responsible young people. They do not waste their money. They enjoy a good life, there is no doubt about that. They know that they have to contribute but they themselves, just in what they do, worry about what it is going to cost in the future when the time comes for them to have kids, educate them and try to give them everything that they want to have. So, all the generations in our society are concerned.

We are very much driven by the challenges facing us when it comes to the number of taxpayers that we are going to have in this state, because we have an older demographic. It is going to be hard for us to get the care needs of our older citizens, the infrastructure needs of our working, economically-driven citizens and, indeed, the future needs of our young people and their kids, who are not even born yet, when it comes to giving them an education and providing them with a great career path. It will take a lot of work.

I am concerned about some decisions that have been made in past years that will come to fruition in future years, such as the sale of the forests. Probably every member on this side of the chamber has spoken about that in the past, as well as the level of frustration they have and their concern for the people of the South-East. The member for Mount Gambier is not alone in being worried about that. I know that the shadow minister for agriculture, food and fisheries and forests, the member for MacKillop, and everybody who has been to the South-East and met with those people are concerned about their worries and share their concerns.

The sale of the forests is not going to help us retain the AAA rating. We know we have lost that now. The sale of Lotteries SA is not going to help us retain the AAA rating. It was on the basis of that that the decision was made in previous budgets to sell those items. The sale has not occurred yet, but it will occur when the maximum opportunity for return is there. It has to be focused on that to get the maximum benefit once the decision is made; however, it is going to impact on communities, businesses, private enterprise and people across our state.

It was interesting to hear the Minister for Finance confirm today that Shared Services and Services SA are going to amalgamate. There has been concern on this side of the chamber for years about Shared Services. I think it was in about 2007, not long after an announcement that South Australia was going to copy the Western Australian example, that we expressed a lot of concern about the implications of that on the people who lived in the regions and in metropolitan areas whose jobs were going to be moved to a more central location and what it would do to those suburbs and communities.

Originally, some 2,300 people were targeted. My understanding is that about 624 people, or thereabouts, actually work within Shared Services. A lot of money has been put into it to try to create efficiencies, even though the \$93 million—according to the Auditor-General's Report on the dividends that it is meant to return—has not been achieved. About \$60 million-odd has gone into making it work, but it is still not working. There is constant criticism about delays in payments and members of parliament having their phones disconnected because their bills are not paid on time. We all live with that frustration.

I hope that the decision announced only this week is going to be a positive one. I think the Services SA network that exists across the regions and in the metro area does a pretty good job under a lot of pressure. I have a Services SA branch in my own area, in Kadina. They are always busy whenever I am close by. I am grateful that the manager of that site is prepared to speak to me when I have concerning issues brought to my attention and is prepared to take care of that for me. That shows that good dialogue can exist if it is focused on an outcome. However, it is a big challenge to try to actually create some savings.

I think the member for Morialta first raised the cost of living pressures yesterday, and he talked about Adelaide now being the 27th most expensive city in the world to live. I think he noted that New York had moved from 32 to 33—

Mr Gardner: Exactly right.

Mr GRIFFITHS: —yes—as a result of Adelaide's leap into the top 30. It is not just people who live in metropolitan areas: it is people who live in the whole of our state who suffer from this increased cost of living pressure. I have heard many members in the chamber say that everything we consume has gone up in some way. So, no matter what your circumstance, you are paying an additional cost. That is going to be hard for us. We have traditionally been more of a low cost-of-

living community. Sir Thomas Playford—who gazes upon us every day—trumpeted the fact that South Australia was open for business in the forties, fifties and sixties based on the fact that we had a lower cost of living pressure, therefore there was a better opportunity for businesses to establish here and have a profit opportunity.

It is a very different situation now. How do we turn it around? How do we ensure a good quality of life for the older members of our community who are living on fixed incomes, or on pensions, or relying on superannuation benefits, who are struggling, as are those who have their money invested in a bank? Some people have semi-regular employment, as parliamentarians do, because we get only four-year contracts.

Those people who are just approaching retirement age or have been retired for a little while have suffered big downturns in the last three or four years and have had to decrease their quality of living because of the reduction in their revenue stream. However, now they find this continuing pressure upon electricity, water, car registration, driver's licences, stamp duty costs on insurance policies—every possible thing is increasing. The increase in registration on trucks does not sound like much until you consider that trucks transport every item that we buy from our supermarkets and stores, so the cost of every item will increase.

I know people in my community who have attended rallies on the steps of Parliament House in the past (for example, about country health mark I in about 2007). They have told me that they are sick of paying the level of tax and that they would much rather write out a cheque direct to their hospital and ask me if they can do that. These are people who have significant landholdings and are big farmers and they pay a lot of tax, but they are sick of it.

I think it is symptomatic of a lot of people in our community who want to be responsible. They understand they have a responsibility to contribute to the overwhelming state costs for those who cannot contribute as much as they might be able to, but they come to the end of their tether eventually, and it is nearly reached. My hope is that being at the end of their tether will make them vote a different way in 20 months' time, or thereabouts; but, gosh, there is going to be a lot of pain between now and then before they reach that decision; it will come.

Treasurer Snelling has some enormous challenges before him as a relatively new Treasurer. I am worried about the continued reliance upon borrowings. The deficits that we are running in the next two years are scary. It is a very different scenario to what it was three years ago when GST incomes were projected to produce healthy growth. The downward trend in GST revenues is frightening. It means that we are living in a society that does not want to spend now. Any person who is in business or knows people in business or is a trader of any form will tell you that they are not selling as much because people are putting their money in the bank. They are not sure what is going to happen and they are taking a conservative approach; but by doing so, they are going to make it very hard for our state.

It is things like that which contribute to the 32 per cent youth unemployment rate, and that is for kids between 15 and 19, those who are choosing not to take higher education opportunities. They come out full of youthful exuberance and are excited by the opportunity to get a job, but, gee, when one in three kids do not get a job and face many challenges to get one, they quickly become disillusioned.

It is these young people we have to encourage, and that is why I think the decision that was made in regard to the rebate on traineeships and apprenticeships for payroll tax was negative. It is a cost implication of about \$1,400 per person, as I understand it. For a lot of employers who have had a traditional focus on giving kids a go that might make the difference to them at a difficult time, to think, 'I can't afford to do it this year. I'd love to do it again but, even though I've got this great young person—boy or girl—who would be really good in my business, I can't make it happen because I need that money in my own pocket to pay my own bills at home, and I have to retain that from the business.' I hope the youth unemployment rate does not increase, but it will be a big challenge for us.

An example is small business. We have had a lot of debate in this chamber about the 135,000 small businesses that exist in South Australia. Everybody stands up and talks about how fantastic they are and the work ethic that exists. It is all true, but when you look at the budget papers you note that there is only about \$1.98 million for the 2012-13 financial year. Last year the budget allocation provided on average for 135,000 businesses only \$14 each. Given that the budget allocation has decreased this year, it is frightening to think of the level of respect that the budget process has paid to those businesses in a direct program to try to provide a resource to

benefit them. I know there are other programs that exist in state government that operate to support small businesses too, but it is probably in the \$10 or \$12 range.

A lot of people here are talking about the frustration of Regional Development Australia. I am a regional man, so I will always talk about the RDAs. The member for Stuart in his shadow portfolio now has highlighted the fact that instead of having \$7.1 million available as it was last year, of which \$4.1 million was for the RDAs as core funding to ensure that they were there to support small business in the regions, now it is a contestable \$3 million amount. \$1.6 million or thereabouts, I think, is devoted to RDAs that they can apply for, but the other money is available for any regional based organisation to apply for. I am really fearful of that. I have been involved in RDAs for the last 15 years. I have seen the good work they do.

It is a bit like the business enterprise centres that exist in metropolitan areas. They had their money cut out last year. The pressure has been on them. They had 70,000 contacts per year, and it really makes that hard. Where does small business get the support that it needs? In difficult economic times, when you want to have somebody you can talk to, you want to run through an issue that you think you have an opportunity to grow, or you have a challenge in front of you that is preventing growth or actually even forcing you to the wall a bit, who do you go and talk to? Yes, you might have some confidence in your bank doing that, but no relationships exist with bank managers any more. Business enterprise centres and Regional Development Australia boards perform that role, and all credit to them, but with the funding cuts that have happened, it does not look like they are going to be there.

I have to tell you that I have had a lot of contact from farmers in the last month or so about water prices. It is not just a domestic situation. Anybody who has intensive animal keeping—and I certainly recognise that the member for Chaffey's electorate consumes more water than just about anywhere else in the world—for those of us in agricultural areas where there are sheep, cattle or pigs—

Mr Gardner: We have poodles in our house.

Mr GRIFFITHS: I won't repeat that. There is a lot of pressure upon them. A farmer who operates three pigsties in separate locations tells me his water bill has gone from \$3,000 a quarter to \$15,000 a quarter in the last four years. Pig markets are really marginal a lot of the time, too, so he must be wondering how he is going to pay his bills. Similarly, people who have cattle feedlots in the electorate of Goyder want to stay in agriculture, they have been in it for generations, and this, they think, represents their best opportunity for a financial return, but such a significant increase in such a short number of years is really making it hard for them to actually operate a business.

Other members have spoken about primary industries and the need to support that. My understanding is that primary industries represents about 39 per cent, or thereabouts, of the export revenue that South Australia receives. The member for Hammond certainly talked a lot last year about the significant reduction in primary industry support. It is happening again this year, with another 98 staff going and \$24 million from the budget, according to the member for Chaffey. Primary industries needs all the level of support it can get, from R&D perspectives to the plant genomics functional centre, to ensure that we are there for that next generation of producers.

Farms in my area are only getting bigger. It means that communities are shrinking as the farms do not need as many people to work on them. One guy in my area crops 13,000 acres. I could never believe that the Yorke Peninsula would have a farmer who had 13,000 acres. A lot of it is under lease, but they are determined to get bigger. It takes away that small operator. It means there is an enormous amount of money spent on major plants but you do not need as many operators.

Agriculture is changing, so that is why I am pleased to be on the Select Committee on Sustainable Farming Practices. I know that with the bipartisan support from both sides we will actually makes some good recommendations from that group. Agriculture needs to be recognised for the important role that it plays, historically, currently, and into the future. And we also need to support our growing industries. Budget pressures will forever be there, no matter what political party you are a member of.

Whoever reads all the contributions that are made in this strange place from time to time will hear the stories of people who have concerns. What we actually need in this place are people who have the answers to the problems, though. The Attorney nods his head in agreement. I commend him on what he has done since becoming Attorney and the Deputy Premier. He has tried to be on the front foot there, and I hope that the relationship between him and the Hon. Stephen

Wade improves a bit. Mr Wade is a focused man who wants to make sure that the legislation that gets through these two chambers is the best it can be, and South Australia needs a system where the Attorney and the shadow attorney are working collaboratively.

That is an example of the sort of debate that occurs within the chamber. Let's get it right, let's ensure that the future discussions that are held here are focused on a positive outcome for the state, because when we get that to happen the debate in here is a lot better. It is vigorous, yes, but it is informed and it results in the absolute best decision being made. Sadly, I do not see that enough.

Bill read a second time.

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Business Services and Consumers) (16:25): I compliment the member for Goyder on his contribution. It was a very good contribution and I only wish that his calm, common sense could be imparted to the other gentleman he referred to because that would make everyone's lives a lot easier. I move:

That this bill be referred to estimates committees.

Motion carried.

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Business Services and Consumers) (16:25): By leave, I move:

That a message be sent to the Legislative Council requesting that the Minister for Agriculture, Food and Fisheries, the Hon. Gail Gago; the Minister for Industrial Relations, the Hon. Russell Wortley; and the Minister for Communities and Social Inclusion, the Hon. Ian Hunter, members of the Legislative Council, be permitted to attend and give evidence before the estimates committees of the House of Assembly on the Appropriation Bill.

Motion carried.

The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Planning, Minister for Business Services and Consumers) (16:26): I move:

That the house note grievances.

Mr PENGILLY: Mr Acting Speaker, I draw your attention to the state of the house.

A quorum having been formed:

The Hon. I.F. EVANS (Davenport) (16:29): As part of this particular budget the government is winding up the South Australian Asset Management Corporation (SAAMC) which was established back in the early 1990s in response to the collapse of the old State Bank, and the flow on of debt and liability issues that the state inherited as a result of the investments and performance of the State Bank under the previous Bannon Labor government. It is interesting to see that it has essentially taken 20 years of effort on behalf of governments of both colours to have that entity complete the work of unwinding the mess and trying to retrieve as much dollar as possible out of the old State Bank debacle.

It is also interesting to note that when I first thought about standing as a candidate for Davenport in 1991 the deficit then was \$359 million. In 1992, when I was preselected for the seat of Davenport, the deficit was \$470 million, and in 1993, the year I won the seat of Davenport, the budget deficit was \$317 million. It is now the 2012-13 financial year and that is the budget we are debating, and during that 20-year period the state has undergone a massive sales program on a whole range of what were state-owned entities that are now no longer state owned.

They include things like the old State Bank itself, SGIC, the leasing of electricity assets, the leasing of the ports, and the South Australian Pipeline Authority. The bus management was, of course, outsourced, and this government recommitted to that. Some of the water management was outsourced, and this government recommitted to that. Of course, this government itself is now going down the process of selling Lotteries, selling the forests, selling the hospital car parks, and outsourcing the management of Fleet SA—indeed, Fleet SA has had an interesting history of going in and out of government management over the 20-year period. So over the last 20 years, in a response to the State Bank collapse, consistent budget deficits and a massive debt, there has been a significant assets sales program.

The former Liberal government went through the process of reducing the Public Service, a lot in line with the sale or leasing out of those particular entities. Having sold or leased those

particular public entities, obviously significantly less functions are undertaken by government now than there were 20 years ago.

Even the industrial relations function for the private sector has gone to the commonwealth. But the Public Service, under this government has still managed to grow from 66,000 to 86,000, even though a lot of those functions that were once performed by the public sector are now performed by the private sector in one form or another.

It is now 20 years since I was first elected to this place, and I find myself in a rather unique position. Having entered parliament, I guess, over the frustration at the costs to households and businesses due to Labor's mismanagement in the late '80s and early '90s, I know find myself, as the shadow treasurer, wanting to enter the Treasury benches over the frustration and anger at the cost to households and businesses again caused by Labor's mismanagement. This budget sets it out for all to see.

In 1991, the deficit was \$359 million, and the debt was around \$7.135 billion. Twenty years later, in 2011, the deficit was around \$53 million, and the debt was around \$66.541 billion. In 1992, the deficit was \$470 million, and the debt was \$8.055 billion. Twenty years later, in 2012, the deficit was \$284 million, and the debt was \$8.41 billion. In 1993, the deficit was \$317 million and, 20 years later, the deficit is \$867 million. The debt in 1993 was \$8.249 billion, and the debt in 2013 is estimated to be \$9.684 billion. In 1994, the deficit was \$266 million, and the debt was \$8.548 billion. Twenty years later, in 2014, the deficit is expected to be \$778 million and a debt of \$10.781 billion.

The debt, of course, under this budget continues to grow to over \$13 billion. So, in the 20 years I have been in this place—I came in on the basis that I was frustrated with Labor's mismanagement. They were running budget deficits of \$350 million a year, and had a massive debt that was increasing. Here we are, 20 years later, and we have exactly the same set of circumstances, in that they are running consistent budget deficits and the debt is increasing rapidly.

The debt in South Australia is now increasing at a rate of \$4 million a day, every single day, for eight years. That is the mess the Labor Party are leaving taxpayers as a result of this budget. Importantly, the over \$13 billion worth of debt is after they sell the income-producing forests and after they sell the income-producing Lotteries Commission. The debt still rises to \$13.011 billion, or \$13,000 million.

In the 20 years I have been in this place, I have observed governments, of both colours, trying to deal with the issue of debt. I make the point that there has been a significant sale and lease program of assets over the years and, after that program, the debt is still at \$13 billion. This is the concerning thing for the taxpayers of South Australia. Think about this: this state has leased out its electricity assets, it has sold its TAB, it has leased out its port assets, it sold the state government insurance commission, it sold the old state bank, it sold its pipeline authority, it has outsourced its bus management, and outsourced some of the water management. They also sold things like the Island Seaway and the state chemistry laboratories. They sold some of the state printing equipment, they sold property, they sold SAMCOR and they sold the famous 333 Collins Street. They had Scrimber assets that they sold. They sold Santos House.

There has been a significant number of state assets that used to be state-owned, used to income to the budget, and they have all been sold. Following on from that, this government is selling our forests to produce income and our Lotteries to produce income. Then they are putting their hands up and saying, 'The debt's going to be over \$13 billion.' Having gone through that whole process over that 20 years, our debt is still \$13 billion.

So let us not underestimate the task that this government is leaving future South Australian taxpayers. You can only sell a good once, and all that is gone. For the government to suggest that the debt is not going to cause South Australia significant issues in the future I think is grossly underestimating the task and grossly misleading the public about the difficulty of the task.

It would an interesting position to be in for someone who came in on the back of the State Bank collapse and saw the hard work of the Brown-Baker and Olsen-Lucas regimes; and it is in this budget, 20 years later, that the mess created last time by a Labor administration, the final asset, as I understand it, in this budget, is being wound up.

The reason the opposition has raised the issue of the record level of budget deficits and the record level of budget debt is that this government has no plan to deal with the debt issue. It

has put its hands up and let the debt increase significantly in this budget. They are having a debt level of \$13 billion after selling the forests and after selling the Lotteries.

Here is an interesting observation. They are running six deficits in seven years. If you take that accumulated deficit, even taking off the \$180-odd million surplus they managed to construct for the election year, you are still left with an accumulated deficit over that period of over \$2 billion. That is in the departmental spending: that is not capital works. The point the government will need to explain is: when they sell the forests and when they sell the Lotteries, will it even cover that departmental overexpenditure? Will that even cover the departmental deficit?

We will see the forests and Lotteries will be sold this year, assuming the market conditions are right—and that will be an interesting question for the government, because the Minister for Finance is on the record two years ago saying that it was a bad time to sell. If it was a bad time two years ago, there might be some who argue: what are the conditions like now? We will leave that to the market. This government, I think, is going to sell the Lotteries and forests, regardless.

When they sell the Lotteries and the forests, will it actually cover just the departmental deficit? In other words, we are selling an income-producing asset (the forests have been around for generations) simply to cover departmental overspending that has built up the debt. That is the position this government faces.

Remember of course that this government has had three or four independent reports saying that it is the highest taxing government in Australia. The Commonwealth Grants Commission confirmed it. The tax effort of the government on its citizens is already the highest in Australia, so the issue of tax reductions is live as to how you can make cost of living lower for the public. That is a real challenge for the government and there is not a lot in this budget regarding the cost of living. You get a one-off water rebate. Having put up the price of water 249 per cent over the life of this government, they give a rebate. Of course the rebate is for one year but the water price goes up every year.

The opposition does not underestimate the task of going through the process of having to correct the mess that this particular government is going to leave the South Australian taxpayer as a result of its budget mismanagement. The opposition, in all of its contributions to the Appropriation Bill—each of the members for their local electorate and each of the shadows for their portfolio areas—has outlined some of the issues in the budget and outlined them well as to what the problems are with this budget.

It is for that reason that, as part of our budget response, the opposition has taken the responsible move to say that we would set up an audit commission as there was in 1993 under the then Brown administration. The audit commission came in and looked at the state's finances and the state's systems of government and made various recommendations about how to make service delivery more cost effective and restore the state's finances.

In short, to see the reason that the audit commission would be re-established immediately on forming government, you only have to look at the broad numbers. State debt is budgeted to exceed \$13 billion in the year 2015-16. Interest payments are increasing to over \$800 million per year in 2015-16 and I must say that that is after selling the forests and the Lotteries Commission. Assuming they get the prices they think they are going to get for the Lotteries Commission and the forests, those figures are after selling those particular income-producing entities.

The state has run six deficits in seven years, including nearly a \$900 million deficit next year and nearly an \$800 million deficit the year after that. If you go back to the Treasurer's own comments, the surplus in the 2009-10 year of around \$180 million was only constructed on the back of commonwealth assistance. Even in that year, you could argue that the state was certainly struggling financially if it were not for commonwealth assistance. Over a seven-year window, this government has really been accumulating budget deficits of around \$2 billion.

The Liberal government having worked extraordinarily hard, the Labor government got the AAA back in 2004 largely as a result of the hard decisions taken by the former Liberal government and the success of the Howard federal government in growing the economy. The ironic thing is that the Labor Party took the position that we should never sell our electricity assets and never lease them out and that they did not want a GST.

Now they are complaining that the GST is not giving them enough money. Now they are out there complaining that the tax they never wanted is not successful enough, it is not big enough, it is not giving them enough money in the state budget, but the Labor Party has never actually

explained to South Australia how, post-1993, that State Bank debt would have been reduced without the lease of the electricity assets.

As a result of the Labor budget mismanagement this time, of course, we are losing our AAA credit rating. If you want to see the importance of a AAA credit rating, watch the Queensland Commission of Audit report this Friday. The new Premier up there, Campbell Newman, inherited a basket case from the Bligh government, who also gave up the AAA credit rating. There are media reports that they will be announcing an extra \$5 billion in debt that they have found through having an audit commission, and they are fearful that that will drive their credit rating down even lower.

I think this is the point former treasurer Foley was making: once you let it slip, it is a very easy, slippery slope to keep going, because the discipline on cabinet not to spend and the discipline on the Public Service to find those savings tends to decline once you lose the AAA credit rating.

So, we will see what happens in Queensland. My understanding is that it is this Friday that the Queensland Commission of Audit reports, and it will be interesting to see exactly what they find in the Queensland Commission of Audit. I did note that Standard & Poor's are telling this government that there is a one-in-three chance they could be further downgraded in the next six to 12 months.

Of course, on top of the standard budget position there is the liability position. The liability position of the state will be about \$28 billion. So, about \$28 billion in liability. The biggest of those liabilities are the unfunded superannuation liability, which is a touch under \$12 billion in the budget, and, of course, the unfunded WorkCover liability, which is simply the private sector unfunded liability of \$1.2 billion. That is just the private sector. There is another \$377 million of unfunded liability in the public sector. So, our workers comp liability is a touch under \$1.6 billion.

On all the key measures—on the debt measure, it is increasing to \$13 billion; on the deficit measure, record level deficits of \$700 million; on the liabilities issue, a record \$28 billion, with unfunded liability for super being \$12 billion and workers comp being \$1.2 billion for the private sector and \$1.6 billion for the total—the opposition believed the appropriate and responsible mechanism was to announce the audit commission, if we are fortunate enough to be elected to government in 2014.

It is interesting to realise that this government cannot really be trusted any more to manage the state budget or the state departments, because what they do announce either blows out or is cancelled. The list of projects that have been announced by this government through a media release and then cancelled some time down the track is staggering. There is the Darlington interchange that was scrapped. The doubling of the Mount Bold reservoir—big front page—was scrapped. The desal plant up in the Spencer Gulf was announced then scrapped. The underpass along South Road, between Port Road and Grange Road, was announced then scrapped. There was a front page announcement for a Sturt Road/South Road underpass which was scrapped. The solution to the Britannia roundabout was announced then scrapped. Trams to the western suburbs were announced then scrapped. Electrification out to Gawler was announced, half finished, suspended indefinitely, basically scrapped for the time being. The Outer Harbor line was announced then scrapped.

A cynic would suggest that this government has cancelled more capital works projects than it has completed. Why would you believe this government going to the next election? It went to the last election promising bells and whistles and, in this budget, it is cancelling things left, right and centre. I understand from the shadow minister for health that something like \$770 million worth of health projects have been delayed or deferred. All of those promises have been broken by this government; how can you trust it?

We all remember the Adelaide Oval announcement—\$450 million and not a cent more. We now know that the expenditure surrounding that particular project is heading north of \$600 million. Of course, not even the government's own backbench trusted the cabinet on that one. The member for Croydon had to move a motion to try to cap the expenditure. This is a government that is big on announcements and small on delivery. There is no reason for the South Australian public to trust this government at the next election.

This government is leaving a massive debt and a massive deficit for a future government to clean up, and what do we have for it, the taxpayer may well ask? The government went out saying that its priorities were not going to be sports stadiums. I remember the famous quotes: 'Our priority is not going to be sports stadiums,' but then they want to spend \$600 million at Adelaide Oval.

The reality is that this budget plunges the state into a record level of debt because it has a record level of deficit and massive liabilities. It took us 20 years to tidy up the last mess. It will be a huge task for whichever government is elected to do the work required to sort out the mess left by this incompetent government.

Debate adjourned on motion of Hon. J.M. Rankine.

PRISON CONDITIONS

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) (16:58): I seek leave to make a personal explanation.

Leave granted.

The Hon. J.M. RANKINE: I was asked in question time today by the member for Waite when I first became aware of the circumstances surrounding the treatment of two mentally ill prisoners and what action did I take and when. I advised the house that I first became aware of a female prisoner, now the subject of interest, being separated in October 2011. I was advised that this occurred as a result of self-harming.

In order to provide a full response to the member for Waite's question, I would like to advise that in late January I noted another brief which outlined plans that were being considered to manage her return to the health centre and possible measures to try to ensure that she was not able to again inflict harm to herself.

The Department for Correctional Services engaged Spectrum to assist the department treating team in regards to her management plan and ongoing treatment. Spectrum specialise in personality disorders, complex needs, self harm and suicidality.

Following the first consultation with Spectrum in October 2011 and a DCS and South Australian Prison Health Service case conference on 20 December 2011, the importance of consistency with the management plan was reinforced and a number of strategies were agreed upon. These strategies included:

- identification of a DCS staff member to commence long-term therapeutic intervention with the prisoner; this commenced in November 2011;
- purchasing two different types of soft restraints to trial with the prisoner; I was advised that the trials had commenced at that stage;
- purchasing a bed restraint and a chair restraint from America. The bed restraint was ordered in December and had just arrived and the chair restraint was currently being ordered. The bed restraint was to be trialled with the prisoner at the Yatala health centre when she returned;
- the introduction of specialised dialectical behaviour therapy programs for female prisoners in 2012;
- regular case conferences and action plans with all relevant stakeholders;
- full neuropsychological assessment; and
- regular psychiatric review, weekly psychological review through the high-risk assessment team, and daily nursing contact and mental state examinations.

In addition, I was advised that regular case conferences continued to be conducted in order to provide intensive multidisciplinary case management to the prisoner, and Dr Rau, the Director of Spectrum, was to meet with the DCS treating team in February. Spectrum staff were also engaged to provide training to DCS staff on borderline personality disorders.

Let me be clear: at the time of this brief, she was not in the health centre. As I advised the house, information was provided to my office in March, which advised a restraint regime was in place to prevent her further harming herself.

APPROPRIATION BILL 2012

Adjourned debate on motion to note grievances (resumed on motion).

Dr McFETRIDGE (Morphett) (17:02): During question time, the Minister for Transport made a remark about voters who will be voting in 2014 not having been born when the State Bank

collapsed in 1992. We just heard from the member for Davenport that the 'bad bank' (I think they call it), the South Australian asset management group, has just been wound up in this budget, some 20 years later. So, the State Bank is still with us; the Minister for Transport should know that. It has been holding this state back for nearly 20 years now.

What we are seeing is this state being the subject of the State Bank mark 2. We are seeing an absolutely record debt of \$13 billion. We are seeing a hospital that is coming online in 2015-16 (I think it is coming into the budget), which will add another \$1.1 million a day, assuming that interest rates stay low. If the base interest rate increases, I understand that we could be paying up to \$1.5 million a day for the hospital, and that is just the lease payments, and then we pay all the nonclinical contract add-ons as well, plus staffing, new equipment, and that sort of thing, for the hospital.

It will be a massive weight around the neck of my children, my grandchildren, and probably my great-grandchildren, if they stay in this state, and I hope they do because it is a fabulous state to live in. As it did in the eighties and nineties, this Labor government has driven the state into the ground financially. What we are seeing here is a government which raises expectations and fails to deliver on its promises. The only thing we have seen—and it has a track history of this—is driving us into the ground with debt.

I just hope that in 2014 the people of South Australia give the Liberal Party the opportunity to try to correct what has been undone by this government. We have lost our AAA credit rating again. The Liberal government in the nineties did its very best to get things back on track again. Certainly, there were some changes and issues around the sale of state assets that had to be managed because there was no other way that we were going to reduce that debt. The Auditor-General has acknowledged that and the fact that we got the AAA credit rating back partly because of the actions of the Liberal government.

What we are seeing now, though, is a record debt, a \$13 billion debt. I think just the interest on the current debt is about \$2.4 million a day; when you add on the hospital, we are paying about \$3.5 million to \$4 million a day—not to the Belgian dentists, as we did back then, but to some other group of financiers, probably overseas, who are laughing all the way to the bank with what this government is doing.

The big problem for the Liberal Party, should we get into government, will be the state of the state, and that is why the opposition has announced the audit commission. It will be interesting to see what the Queensland audit commission comes out with on Friday. I will be very interested to see the state of the books in South Australia if we are able to get our hands on the Treasury bench and implement an audit commission here, because I bet it is not all sweetness and light. I think some serious issues will come to light again. There will be claims about black holes, there will be claims about fudging the budget and that sort of thing, but an audit commission will actually reveal the state of the state.

I fear for my constituents down in Morphett, because there are so many things that we would like to do, not only for all of South Australia but in my case for my constituents in Morphett. The state government manages roads in Morphett: Brighton Road, Oaklands Road, Anzac Highway. In fact, somebody said to me the other day they are going to nickname Oaklands Road 'Rodeo Drive', because it is like riding a bucking bronco driving along there, with the corrugations and potholes. The state government owned roads are a disgrace. To top it off, until they changed the boundaries between Bright and Morphett, there was new bitumen in Bright and it stopped almost on the boundary of Bright and Morphett.

Mr Williams: Have they fixed that bridge yet?

Dr McFETRIDGE: I will come back to that. The new bitumen on Anzac Highway stops just inside my electorate. The member for MacKillop, the deputy leader, asked whether the state government has fixed the bridge down there? Well, no; not one cracker, not one cent came from this state government into fixing the King Street Bridge. The federal government, to give them their due, put in some money, but once again the ratepayers and the City of Holdfast Bay had to dip into their pockets and had to pay for that new bridge. It is a terrific bridge, and well done to all the contractors in the City of Holdfast Bay. We will not get the member for Schubert to paint it, because it is a really nice piece of architecture and engineering.

Another bit of infrastructure involving the Patawalonga that is of interest at this very moment is a new design for the Patawalonga gates at Holdfast Shores. I went to a Pat Watch meeting last week down at Glenelg. Instead of the old gates that go back 30 or 40 years—the old

lifting gates, the motor driven gates—new hydraulic gates are to be put in. All the superstructure will be taken away and it will be opened right up. At about \$3.5 million, it is a fantastic thing. A bit of money from the state government to manage that piece of infrastructure and upgrade it, which should have been done years ago.

The problem is, next to the Pat gates is the boat lock that lets boats go in from the Patawalonga moorings to the open sea. The walkway over that lock to enable visitors and residents to go from Holdfast Shores onto the peninsula at Glenelg North there is out of action when the lock opens. A walkway at both ends would overcome that problem. Designs are being put forward to put a walkway at both ends, but the state government is not going to fund it. The council will have to fund the lock because the state government, again, handed over the management of the lock, as it did the King Street Bridge, to the council.

This infrastructure—the King Street Bridge, the Pat gates, and the walkway over the Pat—is used not only by local residents but by hundreds of thousands of visitors. In fact an estimated 2.4 million visitors a year come down to Glenelg. It is a designated tourist area. People go for a walk along the beach there. For the state government to penny pinch and cause extra expense by not funding the walkway over the lock at Glenelg is just unbelievable.

It is about \$400,000 to complete the whole structure with the extra walkway. It is not an insignificant amount of money, but in the scheme of things, the return of investment to this state, the return of taxes, levies and charges to this state from the people of Holdfast Shores and in my electorate of Morphett, it is millions and millions of dollars. The real estate down there is mega valued. It is returning the state millions in stamp duties and sales tax, in the work down there, payroll tax, you name it. The traders down there are doing their bit to help this state overcome the problems that we have. The need to just give them something in return by encouraging people to go down there, provide better facilities, is something that I think this government really needs to take a hard look at.

The federal government are not stepping in on this at the moment but, again, the ratepayers of Holdfast Bay, my constituents in Morphett, should not be paying for something which really is of huge benefit to the state. In just the same way as the state government penny pinches on Proclamation Day, they penny pinch on New Year's Eve.

There is no argument about it, they are state events. Thousands of people go down to the Bay on New Year's Eve, and hundreds go down there for the state celebration of Proclamation Day, yet the state government does not dip into its pocket. The need to spend some money in the electorate of Morphett is something that I have a passion about because we need to have all areas of our state—even those that qualify as being the more wealthy areas—having their fair share of return.

I should remind the house, though, that at Glenelg Primary School—which is a fantastic primary school, and the staff there do their very best to make sure the children get the best value from the education system—30 per cent of those kids are on school cards. Not everybody in the Bay, not everybody in Morphett is wealthy; there are many people who are doing it tough. Whether it is the lock gates, whether it is the roads down there, or the overpass at Oaklands Crossing. I know that the Minister for Transport said that I pre-empted a result by saying that there will be an overpass there, but my office said to me that in emails from his office the project was being referred to as the Oaklands Park Rail Overpass Project. It should have been there years and years ago, not just being considered now, as it is a huge bottleneck for traffic and buses at the Oaklands Crossing.

The issues in Morphett are not going to go away. I will be making sure that those sorts of issues such as Oaklands Crossing, the state of the roads, and the amount of funding that is being put back into Morphett by this government—or not being put back by this government—will become election issues, and I guarantee that the people of Morphett will re-elect me again.

Time expired.

Mr WILLIAMS (MacKillop—Deputy Leader of the Opposition) (17:11): It is interesting to see some of the information that has come out this week, particularly in response to the budget. Just as interesting is some of the misinformation that is coming out this week, and I want to talk a little about both. The piece of information that has astounded me, probably as much as anything is where the state is going, is where the indebtedness of the people of South Australia is going after 10 years of Labor government, when the shadow treasurer did the little exercise of working out just

how we could think about the indebtedness that we are going to inherit in a couple of years as a result of 12 years of Labor management of the state.

It will mean that we have been borrowing at the rate of \$4 million a day, every day, for eight years. The other interesting thing is that the level of indebtedness that we will get to will require interest payments of about \$2.5 million a day. So we have been borrowing at the rate of \$4 million a day and we are going to get to the point where we will be paying \$2.5 million a day in interest, on and on and on, day after day.

Every South Australian should be horrified. The amazing thing is that we have been here before, not that long ago, and we had the minister for infrastructure explain to the house today that last time we were there some of the people who are voting today were not even born. That is the sad reality. He is trying to suggest that it was a historical event, so far back that we need not be concerning ourselves with it. To many of us, the State Bank disaster—and it was not just the State Bank, it was the South Australian government insurance office and a whole host of other disasters that occurred at the same time—I remember \$60 million down the drain in a Scrimber project in Mount Gambier—

An honourable member interjecting:

Mr WILLIAMS: The Klunder blunder. There was a host of disasters around the State Bank that occurred at the same time but we have referred to it as the State Bank disaster, but we were there. It was not that many years ago, and it took a lot of hard work to claw back from that.

Today in question time the Minister for Infrastructure suggested that the Liberal government, in the nineties, should have resleepered the Gawler line. When we said, 'But you guys had broken the state and we had no money,' he suggested that it was so long ago we should not be talking about it. The reality is that when we were in government we did do some work on railway lines, we did resleeper the Adelaide to Outer Harbor line with convertible concrete sleepers. We did do that, but we did it pretty well at the end of our term of government. It has taken 10 years for Labor to actually wake up to the fact that resleepering and converting from wooden sleepers to concrete sleepers is something that should have been an ongoing program.

So the Minister for Infrastructure, trying to suggest that we failed when we were in government, refused to acknowledge that we were left in a budgetary situation where there was no money and also refused to acknowledge that we did, indeed, even without any money, implement a resleepering program and got it started. He then refused to acknowledge that it was 10 years before the Labor government started to do any more resleepering and then failed to acknowledge that that was paid for by the commonwealth.

That points to the problem: of the infrastructure that has occurred in South Australia under this government—and this government keeps crowing about the biggest infrastructure build in the state's history—only a small portion of it has actually been funded by the state. A large portion of it has been funded by the commonwealth. If you add up all the infrastructure projects that are occurring in South Australia, as I did recently, and then deduct the finances coming from the commonwealth, you end up with a figure that is much less than the debt we are going to end up with in a year or two's time.

The reality is that the infrastructure that is being built in South Australia is all being built with borrowings, it is all being built with a credit card—and that is the problem. Notwithstanding that in all these years we had what has been referred to by everyone as 'rivers of gold'—with the GST payments, the property boom and the payment of conveyancing fees, etc., coming into Treasury—that money has just been wasted on recurrent expenditure.

We face a very bleak future here in South Australia because whoever is in power at the next election will inherit a budgetary situation that will need very, very strict management. The Labor Party has demonstrated consistently over the last 30 years that is not capable of doing that. So it will be an interesting future for the state.

I want to talk very briefly about another matter that was raised in question time today, and that was the matter of the desal plant. I asked some questions of the minister last week and again this week, and last Friday afternoon SA Water put out a statement saying that SA Water and AdelaideAqua, the constructors of the desal plant, had both come to an agreement to drop any legal action against each other for payments. That was all that was said. No details. I asked the minister about it prior to that announcement; he obfuscated. Today I asked him some more

questions, and he obfuscated. He almost made out that he had no knowledge of what was going on, other than the fact that an agreement had been reached.

Whether or not an agreement had been reached, the reality is that the desal plant, from start to finish, has been a debacle. The decision to double the size of the desal plant was one of gross stupidity, and I challenge the minister to bring into the house and table the modelling that the government based its decision on. I do not believe there was any modelling; it was a purely political decision, and a stupid one at that. The long-suffering public of South Australia will pay for that stupidity for many, many years.

Not only was that a stupid decision, but the management of the project since has been, quite frankly, another absolute debacle. We saw that, in the contract, there were apparently penalty clauses that if the consortium constructing the desal plant did not achieve certain construction targets and deadlines, penalties would be imposed upon them. That is what John Ringham, the Chief Executive of SA Water, said publicly last December. To paraphrase, he said, 'There are penalty clauses and we will be imposing them,' as was reported in *The Advertiser* on, I think, 2 December last year.

Now we learn that the government and SA Water have walked away from that. There is no intention to impose any penalty clauses, and indeed, SA Water has apparently agreed to hand over tens of millions of dollars of extra money to AdelaideAqua, yet the minister will not answer any questions. The minister believes that the South Australian public does not deserve to know, notwithstanding that water prices have gone up by 40 per cent just in the last two years and will go up another 25 per cent as of 1 July this year. There has been a trebling of water prices since that stupid decision was made to build the desal plant at a capacity of 100 gegalitres—a trebling of the price of water—and yet we have all these questions about the management of the project, and the minister refuses to answer.

This is a responsible parliament where ministers are supposed to be responsible to the house: they are responsible by answering questions, yet this minister refuses to answer the questions. I can understand why, I can understand the minister's embarrassment, because this has been a bungled project from start to finish. The great pity is that the people of South Australia, because of this and a whole heap of other bungled projects, will be paying dearly for many years.

Time expired.

SITTINGS AND BUSINESS

The Hon. J.D. HILL (Kurna—Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for the Arts) (17:22): I move:

That standing and sessional orders be so far suspended as to enable the sitting of the house to be continued beyond 7pm.

The DEPUTY SPEAKER: An absolute majority not being present, ring the bells.

An absolute majority of the whole number of members being present:

Motion carried.

APPROPRIATION BILL 2012

Debate on motion to note grievances resumed.

Mr PENGILLY (Finniss) (17:24): I would like to just touch on a few issues pertinent to the Fleurieu Peninsula in these 10 minutes, and some of the concerns I have for what is not happening by way of the funding and monitoring of necessities and needs in that area. Unfortunately, what we have in South Australia is an arrogant, out-of-touch Labor government, a government that thinks it is born to rule, and that really could not give a toss about anyone outside of the metropolitan area.

We have a succession of ministers here who, after today's performance, we would have to describe as bumbling, and the community needs to start to wonder just how many of the current ministry are still going to be here or seek re-election in 2014. When are they going to have a renewal process of ministers? Some of these ministers that are currently in place who are going to announce that they are not going on should get out of the way and let some of the newer members take their place in the ministry. It is badly needed. As I said, this is an out of touch, born to rule, arrogant government.

On the subject of that and where the money is going, I note comments made by previous speakers on our side of the house in relation to where the debt cycle is leading in South Australia. There are things in my electorate that need doing badly. For example, on the Fleurieu Peninsula there is no plan, that I know of, to aid and assist the future water needs of a growing community. It is one of the fastest growing areas in South Australia.

Myponga Dam, which was built decades ago, for a very small population, if nothing is done, will struggle to cope with a population of 50,000 or 80,000 in a few years' time. I am unaware of any plans, and I have spoken to people in SA Water and they are unaware of any plans. Although we have a desalination plant up the road, it is simply not possible to supply the South Coast with water from that desalination plant in the event of a catastrophe at Myponga.

I will talk about electricity. I have raised with authorities the issue of power needs on the Fleurieu time and again. There is a need to upgrade an outdated and tired power system, one that is struggling to keep up with the needs of the community. That was shown to be only too true in January this year when the power was turned off in the Port Elliot area and surrounding households struggled to cope on that day.

The issue of upgrading the electrical power supply through the whole South Coast and the Fleurieu Peninsula is critical. We are a large consumer of power. The dairy industry, which is in good numbers on the Fleurieu, consumes large amounts of power. Almost to a farm, they have their own generators to provide for electricity in the event that it fails just so they can milk their cows and get on with their business.

I also talk about the road network. Nowhere in the budget can I find any substance whatsoever in relation to spending on that road that attracts plenty of attention in the media, the Adelaide to Victor Harbor Road. It desperately needs further upgrading, particularly the Cut Hill section, down into Victor Harbor, pretty much from Mosquito Hill Road onwards. That is the bad section. Other parts of the road are not too bad.

Councils are struggling down there for funds to do up their road network. Road funding simply is not being made available. I get grumbles from elected members and staff on the various councils about what they are not getting, and the problem needs to be addressed. I guess some of these things may be hidden away in the departmental budget somewhere but I cannot find anything for the Cut Hill section and I cannot find anything for the section from Myponga through to Yankalilla that badly needs upgrading.

I do have great concerns for a couple of areas of the community. I do have great concerns for the future of young people in the Fleurieu. I really do. We put in a TAFE a few years ago—that was 10 years late, I might add—but it was downgraded. The new facility is good but it is limited in what courses it can offer, so what we are finding is that the young people on the Fleurieu (particularly the young men, I might say) are disappearing to Adelaide to do their trades because they cannot do them in the electorate.

Not everyone wants to go into the aged care sector and not everyone wants a job cleaning rooms in hotels and motels, cleaning toilets and changing beds, etc. It is interesting, because I have just called for applications for the position of trainee in my office and I have had a considerable number of applicants. Off the top of my head, I would have to say that 80 per cent of them have worked making coffee or changing beds and cleaning motel rooms, or whatever. It is employment for sure, but it concerns me that there are not enough areas of employment for these young people to move into. There is little or no industry apart from rural industry and the tourism trade. The tourism industry is a great employing industry, but not everybody can go in there.

The aged-care sector is considerable on the Fleurieu, and places like Yankalilla, Victor Harbor and Port Elliot in my electorate have considerable-sized retirement villages which employ considerable numbers of people, but we need to broaden out the economic base. It is difficult for the councils to do much more. I am not being overly critical of the Regional Development Australia outfit, but I am just not sure that they are having the opportunity to progress as fast and as far as they would like, so that is something we need to keep an eye on.

I have concerns for the farming community. That community has really underpinned the Fleurieu economy for 100 years or so. We are now seeing growth in the larger towns and the regional city of Victor Harbor, but the farming community is under considerable pressure. As I said, the dairy industry has had its share of concerns, but the meat growers—the beef cattle producers and the prime lamb producers—and the grape growers are all struggling.

What came up this morning in discussions in this place regarding the NRM levies is that they all feel consistently threatened by the actions of government officers, whereas government officers should be there to help. We should not have government officers running around instructing farmers on how to go about their business on regular occasions. They are doing this and they are continuing to do this.

The department of the environment is an out-of-control department, as I have said in here before. The sooner it is brought to heel the better, but I cannot see much at all happening with this government because quite simply what happens with a Labor government is that the departments control the ministers, instead of the ministers controlling the departments. It is the other way around, and you have these very self-important bureaucrats running around telling the ministers how to go about their business.

The farming community is under threat. Farmers do not need to be told how to collect water. They do not need to be told how to look after weeds, they do not need to be told this, and they do not need to be told that. They do not need to be charged excessive amounts for all these things either, so those areas of interest are going to be regularly raised by me.

We do have needs. One thing that is badly needed down on the South Coast is a swimming pool. It is a subject on which I receive copious comments from community members. In the lead-up to the last election, my party promised \$2 million towards a South Coast pool. I know that the federal Liberal Party promised \$2 million towards a South Coast pool as well. The councils are still struggling with it.

Our aged community and our young community are really pushing very hard for it despite the beaches we have. Just the hydrotherapy effects alone of having a good heated indoor pool would be terrific. There is an enormous cost to putting one of these things into place. Mr Steve Wright from Beyond has already offered land, which the councils down there are going through at the moment. It is something that is needed and it is something that is going to have to be dealt with. The hydrotherapy, as I said, is critical for rehabilitation and the ability for older people to get exercise.

There is plenty happening down on the Fleurieu. There is plenty more that is going to happen, but it does need a government that is in touch with that area and, despite my best efforts, I remain frustrated that we are seemingly forgotten about by the current government which, as I say, is arrogant and out of touch.

Mr VAN HOLST PELLEKAAN (Stuart) (17:34): I rise today to express my great concern that there is no additional funding for country and outback roads in the budget that we have just had handed down to us, whether it is for new roads, upgrades to roads or even just to catch up on maintenance. You, Mr Deputy Speaker, in a peri-urban, peri-rural electorate, would certainly have some sympathy for this, but I can tell you that the further away you go from the city the more important this issue becomes.

When I travel the electorate of Stuart, and certainly the rest of regional and outback South Australia as well, while there are myriad issues that concern people, broadly, in the country everybody's top two issues are health and then roads, and in the outback areas everybody's top two issues are roads and then communication. That is certainly not to say that other things are not important as well, but they are the ones that really keep popping up in that order. They are important because they are the lifeline. They are the connection that people have in the country, and perhaps even more importantly in the outback, with each other, with other regions and with Adelaide. We all know Adelaide is the heart and will always be the heart of South Australia. All of us country people come and go fairly regularly, but we need to be able to get around our own regions as well as back and forth to Adelaide.

Roads support communities, business, education, health, sport, tourism and social interaction. These roads are absolutely vital for all the other very important aspects of life and of government providing services. There is no point providing these services if you cannot actually get to them in country areas. I am often reminded of one pastoralist who said to me, 'Look, Dan, the only thing I want from the government is good roads. I will take care of the rest. I will live my life. I will earn my money. I will look after my family. I will run my business. Just get the government to give me good roads in this district and I will take care of the rest.' That is no exaggeration. That is exactly how it is. That is how important roads are in country and outback areas.

It is to this government's great shame that we currently have a \$400 million backlog, approximately, of road maintenance. That is throughout the entire state. I am always mindful of the

fact that city projects can be very expensive, and I do not begrudge the city people any of their projects or their upgrades, but the priorities are swung far, far too much in favour of the city and not nearly enough in favour of the country and the outback areas. We just do not get our fair share.

A good example of that is one aspect of the budget that we have just received, which the member for Bragg, the shadow minister for transport, brought to my attention, which is the fact that the \$8.5 million that was in the budget last year for the Penola bypass has vanished. It has just vanished. There was \$8.5 million budgeted in the 2011-12 budget. The estimated amount spent will be \$300,000 of that, and in the 2012-13 budget that we have just received there is nothing. It is not there. It has just vanished. How can you take such an important, serious project that contributes to that community and to communities further south in the South-East, so that they can come past Penola and get to Adelaide—a very important road safety project—and make that disappear without any comment anywhere and try to pretend to the rest of the state that you are serious about supporting country and outback road networks?

Road safety is vitally important, and this government has done a lot to try to promote road safety, but I think it is doing a lot in the absence of just maintaining the roads. I mentioned that \$400 million of backlog of road maintenance. If that was done it would not be so necessary to increase the fines and the penalties with regard to points or to increase registration fees, which is particularly harsh on the heavy vehicle and freight sector at the moment. Road safety is vitally important, but a lot of the measures that we are getting at the moment are necessary because the roads are not being maintained and kept up to the standard that they should be to make them as safe as they should be.

It is all about funding priorities. I stand here and say this all the time: I understand that there is never going to be enough money for health, roads or education, but my issue is about the priorities. Country and outback people—regional people—are missing out compared to the city, and to just say there is not enough money is a poor excuse. You have to actually skew the spending back so that a larger share of what is available is spent in country areas.

We have in excess of 10,000 kilometres of unsealed roads in South Australia. That is a gigantic job to stay on top of. We have got ourselves in a real bind here in South Australia because about 10 years ago one of the very first things that this government did was get rid of one of the three outback road resheeting gangs. We had three, we now have two.

For those members in the house who may not be familiar with it, resheeting dirt roads is critically important because that is actually what builds your road base. That is what road building is all about. You can grade the top and take a bit off and you can bring some gravel, some clay or some sand in from the sides and build it back up again but, over time, with wear and tear and weather and grading to try to get a surface back, you eventually just wear through the road base on your dirt road until you are left with nothing but essentially just a track.

There are many places in outback South Australia where, when it rains, the road becomes the river. You can look down for hundreds and hundreds of metres and just see water lying in front of you because the road has actually been graded below the surface of the surrounding countryside. That is the case all over my electorate, certainly all over the electorate of Giles and many places in the electorates of Chaffey and Flinders as well.

The trap I mentioned is that it was a false economy to try to save that money from the resheeting gangs. Saving that money by laying off that gang might have looked good at the time, but what it has actually meant is that our road maintenance has just fallen further and further behind because the road bases have disappeared. We are now at a stage where we can grade as much as we like, but we are just getting deeper and deeper. The road is no longer there. You are just trying to smooth out the countryside so that it is passable until the next bit of rain, but when the next bit of rain comes you have the same problem again instead of having a proper well-made road. That is one of the things that the government must get back on top of and deal with properly.

The Cooper Creek and Birdsville track crossing (where Cooper Creek crosses the Birdsville track) is a very important piece of infrastructure. That needs to be attended to. It is just not good enough to say, 'It rarely rains, it rarely floods; we'll just deal with it when it happens.' It has been out for the last three years and it really needs proper attention. When you head up the Birdsville track, as soon as you reach Queensland—I can tell you that you get some good roads there—it is only just a bit south of the Queensland-South Australian border where Queensland has stopped maintaining the Birdsville track. You can actually stand there, as I have done quite a few times, and see that the road changes. You can actually look down the road and say, 'Here is

Queensland and here is South Australia,' a gigantic difference. It is very, very possible to get this job done, and it is all about priorities. It is all about considering this job of looking after outback and country roads to be an important job.

Our road gangs—the people who work on our roads in country and outback South Australia—do the very best they can. They have outdated equipment and very harsh living conditions. Every time I am out and about in the outback, I stop and talk to the gangs if they are there. There would not be many people around here who would like to take that sort of a job on, where you work 18 days on and 10 days off. It is tough. It is freezing cold in winter and it is boiling hot in summer, with dust and flies. They do the best they can, but the government has got to give the transport department—and I am thinking primarily of the northern region at the moment—more resources and better opportunities so that they can do a better job.

I will very quickly highlight what an important project the Yorkeys Crossing bypass is and how important an upgraded bridge over the top of the gulf near Port Augusta is. We need to have two lanes in each direction. That is a very important national freight route. The Perth-Adelaide freight, Sydney-Darwin freight—it does not matter which way you look at it—all of that freight from east to west, north to south across our nation, currently goes across the bridge over the top of the gulf. It is a congestion issue, it is a safety issue and it is potentially an environmental issue. That is a very important issue, and it must be upgraded sometime soon in South Australia so that we can fulfil our own and our national responsibilities.

Ms CHAPMAN (Bragg) (17:44): I wonder whether members of the Department of Environment have a permanently packed suitcase, a cover ready to envelop their computer from their desk and a mobile phone ready to move because, in the 11 years that I have been here, they have constantly been on the move. They are like an army of ants. The government started with the Department of Environment and Heritage and then, of course, we moved to DWLBC, or something, where water was added in. Then, of course, we had to have the River Murray recognised during the drought period, so we restructured it again.

Now I see an announcement of the government that as an exercise in fiscal responsibility they are going to save money by re-amalgamating the department of water with the existing environmental departmental officers. It is just a merry-go-round of public servants. Initially, at first blush, when I heard the Treasurer announce this I felt a bit sorry for them. And then I remembered the wise words of the Roman writer Petronius who said in the year 66 AD:

We trained hard...it seemed that every time we were beginning to form up into teams we would be reorganised. I was to learn later in life that we tend to meet any new situation by reorganising; and a wonderful method it can be for creating the illusion of progress while producing confusion, inefficiency and demoralisation.

What I have learned is that this is in fact a deliberate strategy of the government so that we are fed the propaganda that they want us to believe about what they are doing for the environment. Let me give just one example. The government has worked over the last few years with the development of marine park exclusion zones, sanctuary areas which will be developed for the purpose of protecting the ecosystems in our marine life and coastal zones.

It is a very important project, one of which was met with the transfer to the new government, to the new Weatherill regime, with an announcement by him, that he had listened to the concerns in the community and that there would be a delay of some months, anticipated by about March this year, before there would be any announcement about what the draft zones would be. This was going to be the new listening, caring, responsive government under the new leader.

What did we have? In the lead up to that we had mass public outcry, not only in regional communities but also in the city environment. In fact, some 1,500 people turned up to a public meeting of protest at Burnside Town Hall. People came from across the spectrum, not just the recreational and commercial fishermen, but also those in tourism, those who were supporting youth, those who were supporting good food, those who were supporting food security. A massive broad section of the community came out—young and old, in between, men, women, children—to express their concern about the direction the government was taking. Then we had this announcement of a delay.

Curiously, there were two things around at that time. One was the announcement by the retail union (the SDA) that they were very unhappy about the government's decision because of the effect that it would have on recreational fishing. Their members were hot trot on this; in fact, it became a subject of a motion at the Labor convention. The second thing that happened is that the government had to sit down and start making decisions about how many millions of dollars they

would have to allocate, having promised commercial fishermen would be compensated in the event that they were to lose the rights to fish in certain areas and that that would need to be attended to.

So, what that the government do? They recently announced, through minister Caica, an abbreviated, abridged, or reduced area of zones with the expectation that that would minimise the financial cost by way of compensation and, of course, placate the union for their concerns that had been raised.

Notwithstanding that, the government could not rely on its own level of provision of a good outcome to placate those that were complaining on the one hand that it was not enough, and the Greens movement and the like, and across to the other who were saying that it was still a savage attack on lifestyle and livelihood and that it would decimate country towns, villages and the like. What they had to do then was start a propaganda department, and that is what I want to talk about today. This where I move away from any sympathy for governments or their departments which go on a propaganda mission to try to sell a principle which they have failed to do with any other rational development.

Of course there has been lots of criticism during the development of these marine park exclusion zones about the validity and reliability of the science, and so on. I do not want to go there; those arguments have been had. The government says on balance, irrespective of its failure to do clear studies on the economic and social impacts on the effect of this, that it has done so on the environmental impacts and that it is proceeding.

Having failed to convince the public completely, it then starts this new mission, and it starts with a postcard campaign. This, of course, has outraged a number of people, including Dr Gary Morgan, who is involved as the Marine Parks Management Alliance chairman, during the course of trying to negotiate the commercial fishing compensation package. What was exposed as a result was the claim, firstly, that the government had reached some agreement between all the conservation, recreation and commercial fishing sectors on the zoning for the SA marine parks. That was the first lie, that was the first deceit: it was completely wrong, and of course they publicly came out to say that that was not the case.

Having not got away with that, as was disclosed in material that has been released under freedom of information, the environment department decided that it was going to start this mission of propaganda by sending out postcards, and the strategy for this communication action by the department disclosed tactics which included

A high-profile advertising campaign that is likeable and trustworthy, doesn't offend commercial fishing industry and appeals to the values of all South Australians, including recreational fishers.

This is from documents from the department, and I further quote, 'Engaging influential members of the community to actively endorse marine parks,' and, 'Offering good news and media opportunities for the minister and the Premier,' and:

A subordinate, below the line campaign, which features citizen-sourced content and traffic for website engagement on recreational fishers' internet blog site.

That tells you the truth of what has actually happened here. Having failed to convince the public that this was overall a good thing, having failed to answer the people who had hotels and motels, fishing tackle shops, restaurants and cafes, fish and chip shops, hardware shops, boating supply shops and souvenir shops—all the things that are supported in the coastal towns that go from the Western Australian border to the Victorian border across our state—having failed to convince them that this was in their interests and that they should be in some way placated by this, this was the way they were going to deal with it.

That to me is unacceptable conduct. It is deceitful, and they need to be able to present the arguments clearly. They need to explain, as does the government, why it is that they should insist on defining the compensation available in these circumstances only to the commercial fishers, only those who are catching the fish. What about the people in the industries who process them, who package them, who are involved in the exporting of them? What about all their staff in those factories? Why should they not be compensated?

Why should the definition just be the fishing and the ancillary industries? Why should it not be the people who are going to close down their fishing tackle shop or lose patronage at the local hotel, who ultimately have to close services that support the tourism industry, as a result of the marine park zones that are proposed? Why should the government get away with saying, 'We are going to impose this for the good of the fishing environmental community,' and yet on the other

hand fail to properly compensate. Why? Because it mismanaged this budget and it has failed to properly recognise the great significance and social cost in addition to economic to the community, particularly small business.

Ms SANDERSON (Adelaide) (17:54): I rise to continue my remarks on the Appropriation Bill. Prior to the 2010 election, faced with the Liberal opposition's plan for a multifunction, FIFA-compliant, Commonwealth Games suitable, covered, retractable roof stadium complex as part of a wider entertainment precinct, the Labor government needed to come up with something. What was presented was a hastily planned upgrade of Adelaide Oval for \$450 million and not a penny more with a firm deadline of 30 June 2010 or the deal was off the table. What started at \$450 million quickly ballooned to \$535 million after taking on \$85 million of SACA debt. This grew to include the cost of a footbridge of \$40 million, an extra \$15 million for public transport needs, and \$11 million to create an open-air car park totalling around \$600 million. We also now know that treasurer Foley was briefed before the state election that the \$450 million would not be enough, yet he failed to disclose this information to the South Australian public.

So, will Adelaide Oval be FIFA compliant should we ever wish to bid again in the future, and how much further investment will be required to support any future Commonwealth Games bid as supported by Premier Weatherill in the *Sunday Mail* last weekend? I would like to remind the house of what the Labor treasurer, Kevin Foley, said in response to the Liberal plan to bid for the Commonwealth Games in 2008, from *The Advertiser*, 28 August 2008:

The Commonwealth Games is a 'B-grade sporting event' which the State Government will not be bidding for, Acting Premier Kevin Foley confirmed today. 'There is a lot better ways to spend \$2 billion than on a bunch of sporting stadiums that will offer us a B-grade sporting event for 10 days, when Australia can beat itself in the swimming pool. I am not going to see this state with the \$2 billion of expenditure on sporting stadiums when the most pressing need for our state is economic infrastructure, social infrastructure, to underpin a significant economic boom...which will put enormous pressure on housing, education, hospitals, roads and rail infrastructure.'

Ironically, we are spending around \$600 million on Adelaide Oval, have just spent \$100 million on the Marion State Aquatic Centre, and have budgeted \$28.7 million on The Parks Community Centre, none of which will be suitable for a 2030 Commonwealth Games bid.

A well planned, forward thinking investment in sporting infrastructure would have meant we could be working towards events such as the Commonwealth Games whilst maximising and upgrading what we already have and building facilities that support multiple sports that the general public could enjoy. Would it not have made more sense to build the multipurpose stadium in the first place? We have now destroyed a world famous, beautiful oval for an extra 12,000 seats that will require year-round parking on the Parklands and turn North Adelaide into a car park that will require further investment to make it suitable for the Commonwealth Games, and do not even get me started on the \$40 million footbridge.

We now discover the bridge will not link to the stadium but will go only to Memorial Drive. This will require Memorial Drive to be closed for every football match, estimated at 24 to 28 times per year. I also question the need for the bridge. Years ago, when there was more standing room and the Oval had a capacity of near 60,000, how did those cricket match crowds disperse using the existing two bridges across the river that are already close by? I have not mentioned the 340 days per year when Memorial Drive will not be closed and users will need to walk to King William Street to cross at the lights; hence they could have just walked down King William Street. Why waste more money we do not have?

The new Royal Adelaide Hospital has been the jewel in Labor's crown for five years now. It has gone through many changes, including its name which was going to be the Marjorie Jackson-Nelson hospital until there was a huge public outcry. The biggest change, however, has been the price. We were told in 2006 that it would be around \$1.7 billion, then in 2011, a government media release stated it was going to be a fixed price of \$1.85 billion. We now know it will cost South Australian taxpayers \$3.1 billion. This is slightly more than the Liberal rebuild on-site of \$700 million.

The Hon. J.D. Hill interjecting:

Ms SANDERSON: I will check my figure. That is the cost to build the hospital not what it costs to run it. It will cost \$1.1 million a day, which is almost four times as much as we are currently paying for virtually the same capacity. This is before you pay any doctors and nurses to actually treat people. The estimated cost is \$397 million per year for 30 years, bringing the total hospital running costs to \$12 billion. These figures are astounding, and make me cringe every time I hear

them. All this, and what are we actually getting? The AMA has been quoted as saying that when the current RAH runs at full capacity the net gain with the new hospital will be marginal.

In this budget we also saw an announcement of stamp duty concessions for new apartments bought off the plan within the Adelaide City Council area. Whilst this is a good initiative for the City of Adelaide between the terraces, and will promote high-density living where most people prefer it, out of the suburbs, I have some concerns. The first is that North Adelaide has been included as, after my briefing with the planning minister, I was assured that, other than O'Connell Street, the area of North Adelaide would be excluded from high-rise development.

My other concern is for the inner rim development, such as the government's own Bowden Urban Village. Last I heard there had been several thousand inquiries from potential buyers but only around 13 that had transpired into sales. I worry for the future of our state under a Labor government which cannot return a surplus and which has frittered away millions and millions of dollars, that were unexpected gains, over the years.

Mrs VLAHOS (Taylor) (18:01): I would like to speak this evening about the state budget again, from the perspective of a local member in the northern suburbs. I will first acknowledge the difficult circumstances this year's budget has been framed in. The major revenue writedowns delivered in the state come from state stamp duties and GST payments from the commonwealth. As a result of the slow property market and decreased spending across the board, coupled with a historically high household savings ratios, the state saw a \$2.8 billion writedown. Given this situation, I am pleased that the government remains determined to fulfil its pledge of sustainable fiscal management while continuing to build a platform of opportunity for South Australians.

I also take this opportunity to express my thanks to the government for delivering a budget in these circumstances without burdening families and businesses with new taxes. Our great state is on the verge of a new era of prosperity owing to massive infrastructure programs, growth in emerging industries, and huge opportunities through the mining and defence industries, and I would like to take some time to talk about some of the initiatives within the budget that will affect my constituents.

Unemployment and barriers to entering the workforce have always been a concern of mine, and it is with a great sense of pride that I see the government's Skills for All policy about to start on 1 July this year. Under Skills for All my constituents will have the barrier of cost of training eliminated for low level and introductory vocational education. Whether it be literacy or numeracy skills to certificates I or II, the government will provide funding for these courses to be free to students, if not heavily subsidised.

I am a firm believer in the idea that through education you can lift yourself out of disadvantage. In fact, I am the first of my family to go through university. Intergenerational unemployment is no easy thing to tackle; however, I am confident that many South Australians, particularly from lower socioeconomic backgrounds, will see the opportunities that the government is providing as life-changing ones. In my maiden speech, I reflected that your demographic is not your destiny, and this is one of those moments where people can take that step forward and change their life.

I commend the government's initiative to be a world leader in the mining industry as well, with its Plan for Accelerating Exploration, which has invested millions of dollars in the development of the mining industry. Further, I was pleased to see that a new \$38 million Mining Engineering Industry Training Centre has been given priority in the budget to ensure that mining boom benefits can be shared by all South Australians, particularly young South Australians wanting to gain employable skills in the industry.

An honourable member interjecting:

Mrs VLAHOS: No dinner, yes. In my electorate community safety is very important. I am proud to be part of a government that has the highest number of operational police per capita than all the states in Australia, and I was particularly happy to see the police budget increased from \$722 million in 2011-12 to \$767 million in 2012-13. I understand most of the money will go towards supporting 129 extra police officers who are expected to join SAPOL by 30 June 2013. All of this investment, on top of the new police headquarters, puts the state in a very good position, particularly now that we have a new police academy.

It is great to see our emergency services will be better equipped than ever before, with an extra \$8.3 million delivered in this budget. From the new coastal vessel for the State Emergency

Services and new breathing apparatus for the Country Fire Service to upgraded equipment for aerial firefighting in the Metropolitan Fire Service, it is clear that this government supports our emergency services.

What is truly commendable in this budget, particularly given the revenue challenges, is the record-breaking increases in funding for disability. Within the forward estimates, South Australians can look towards more than \$200 million in additional support for those with disabilities and for their carers. This represents a massive increase of over 33 per cent on state funding. Further, by allowing choice and service delivery through individualised funding, people living with disability and their carers have greater control over their lives.

This represents a major shift away from institutional funding towards a more independent, community-based approach that is welcomed throughout our state. This new funding for disabilities will also go towards meeting unmet needs by providing extra accommodation support, respite services, community visitors schemes, and support to non-government sectors who help in this area. The transfer of residents from the outdated Strathmont Centre has also been placed as a priority.

Further, it was great to see the First Home Owners Grant of \$8,000 would continue for homes purchased prior to 1 July 2013. This is something that is very important in the growing area of the north. I know the government is mindful of the cost pressures facing family budgets. By providing funding of around \$200 million each year to ease cost pressures on utilities such as energy, water, sewerage, council rates and emergency services levies, public transport, motor vehicle registration, drivers licence fees, stamp duty, compulsory third-party insurance and the Save the River Murray levy, the government is minimising the extra pressure on households.

Water costs have been a rising concern in my constituency over the past years. In recognising the increasing cost of water bills in 2012-13 year, it has been necessary to deliver the water security infrastructure sorely needed for our dry state. The government has budgeted for a once-off water security rebate of up to \$75, depending on usage, for families. This will apply to bills of residential customers of SA Water from 1 January 2013; again, another welcome measure.

Overall, I think this has been a very balanced budget, considering the constraints we face, and I commend it to the house.

Mr HAMILTON-SMITH (Waite) (18:07): I rise to address the budget broadly, but with a specific focus on health aspects of the budget. Can I firstly say that the frame of the budget is one of 10 years of wasted opportunity. Others have spoken about the fact that, for most of the past 10 years, the country has been experiencing extraordinarily good times, with buoyant government revenues, both federal and state.

Those abundant revenues, sadly, have been wasted, and a simple point was made: that a prudent government, on being elected in 2002, would have acted to contain budget expenditures to within CPI while banking the buoyant revenues that were well in excess of expectations. If that had been done, billions of dollars could have been saved for a future fund, or put aside for infrastructure investment, such that we would not be in the precarious position we are in today in regard to deficit and debt.

To a degree, that is history. The former premier and the former treasurer were the recipients of a receptive and enthusiastic media for the first five to six years of their period in office. I do remember certain commentators describing treasurer Foley, in glowing terms, as a brilliant treasurer. Every time he banked a surplus, it was as if it had been all his doing. Somehow or other an important point was missed—the Auditor-General did not miss it: on each occasion, revenues exceeded far and beyond what Treasury had forecast, and that money had seemed to vanish.

However, hindsight is a wonderful thing. We now understand the budget folly of the first seven to eight years of this government's period in office—but, as I mentioned earlier, I give the former treasurer credit for his first two budgets where I think he did, while he was learning the ropes, try to contain government spending. Of course, he quickly let go and started to let out his belt as quickly as the cash could be swallowed, so we are in the position we are now in.

Of course, 31 per cent of government outlays as we look at this budget go towards health. When the new hospital comes on stream in a few years' time, we will need to find another \$397 million per year, for 30 years or more, to pay for it—something like \$12 billion in outlays for a hospital that, arguably, could have been paid for in cash if some of those surpluses in years past had been accrued.

It is nearly \$5 billion—in fact, in the estimates period it will exceed \$5 billion—to be spent on the portfolios of health, the ageing, substance abuse and mental health, and over 30,000 full-time equivalent positions (nearly 31,000). That is a very significant amount of money. As I mentioned, that is 31 per cent of government spending. I note that, although the government claims we have 11 per cent more doctors per person than the national average and 18 per cent more nurses than the national average, we seem to be getting poorer results. Again, this puts the spotlight on a fundamental flaw in this Labor government's complete strategy. They are always talking about how much they are spending and not talking about the value they are getting for the spending they are making. Of course, that is typical of Labor governments.

The fundamental bombshell—or, elephant in the room, if you like—in this budget, in my opinion, is the new Royal Adelaide Hospital in the rail yards. Why do I say that? I simply say that because it was a hospital designed in the good times assuming that the good-times budget would be there in perpetuity to pay for it. I think the former premier and former treasurer, along with the current health minister, had a clever idea: 'Why don't we do something down in the rail yards in that space between Morphett Bridge and the Old Adelaide Gaol? After all, it is a very important part of the Torrens precinct. It was rail yards, after all. We should put something there.' The problem is that they put the wrong thing there, that is, the hospital. It was absolute madness.

It was an idea dreamt up on the back of an envelope over a cappuccino, between the current health minister and a former chair of the AMA, with very little consultation. It was not taken to the electorate in 2006. It was not part of the infrastructure plan this government had dreamt up in its first term of office. Just like trams down King William Street, and various other initiatives, it just dropped out of the sky as an after-thought, signalling that the government really did not believe its own infrastructure plan and did not really have a plan to manage but, rather, that they would manage from year to year, from election to election, as they saw fit, making hip-shot decisions based on the needs of today instead of a long-term plan for the future.

The reason it is the elephant in the room and it is a ticking bomb is that this government's ministers, most of them, will sail off in into the sunset after they lose the election in 2014 and they will leave the rest of us to pay the bill. I heard the Minister for Health on radio the other day (in fact, I was there with him) saying, 'Never mind, it is alright. Over a period of time our budget will grow and there will be plenty of scope in the budget purview to pay \$400 million a year, every year, for the hospital.' It is a bit like a householder saying, 'It doesn't matter how much debt I have because my salary will go up over the next 30 years and I will be able to pay for it.' It was one of the most ignorant comments I think I have ever heard. Of course, surely, the Minister for Health must understand that other costs will also rise to match revenues over the next 30 years and those budget pressures will not go away.

We are going to have to pay somewhere between \$12 billion and \$13 billion for something that the government claims is only a \$1.8 billion investment. Of course, we know it is more like \$3.2 billion when you add up all the preparations costs, but we are paying four or five times more than the thing is actually costing to build because it is a complicated financing arrangement. It was absolute madness. We should have rebuilt the Royal Adelaide Hospital where it was, which after all was the plan this government took to the election in 2006. If they were honest, they would have done that, but they have not, so we have to pay. We have to pay in a circumstance where I note in this budget there are additional resources of \$289 million over three years that have had to be set aside to bail out budget problems where the minister has put himself in a position of having a budget that is \$125 million in the red alone so far this year with another \$15 million or so to cover overspends at Glenside due to remediation costs.

Of course, we are told this is to cover overspends in various parts of the portfolio, but we know a significant portion of it will be going into the new resources unit entitled the Office for Business Review and Implementation to cover the numerous little disasters in health ranging from the bungled Oracle Corporate System on the one hand to the double paying of bills and unreconciled accounts on the other.

I also note the considerable investment that the government is making in e-health services and e-health IT programs, all of which in one form or another will be necessary, but I simply make the point that these programs need to be managed competently. It does not give me much confidence looking at the Oracle Corporate System and what the Auditor-General has had to say about that when I look at e-PASS which is coming and the PCEHR system which is commonwealth driven and these various other e-health initiatives that the government is touting. I only hope that they are better planned and executed than what we have seen already.

Of course, there are new efficiency dividends on health and delays to a range of capital projects. If you depend on The Queen Elizabeth Hospital or Modbury Hospital for your health care needs, you have cause to worry because they are being cut significantly and those capital works are being postponed off into the never-never.

Clearly, the government has delivered quite a bit of chaos in health, and this is in the context of our failure to perform in emergency departments, our very long waiting lists for elective surgery and, as we have heard, significant problems in mental health and across the hospital system, particularly in emergency departments with ramping and so on. There are solutions. The federal government needs to pay its way more. Greater efficiencies need to be found in the way we manage health here. We need to look at new models, new plans and new designs for the delivery of health care, but I do not see any of that vision coming forward from the minister. I simply see the day-to-day management of what has been going on with little effect and little promise for future success.

Time expired.

Mr VENNING (Schubert) (18:18): Madam Speaker, I am pleased that you are here during the dinner break. I also note that there are four ships down at the Port waiting to be loaded or unloaded out in the ocean. I often give the parliament a report. I hope that Mr Tremaine can get in there and deal with them. It is good to see the ships waiting. There are four ships out there at anchor.

Mrs Geraghty: What's on them?

Mr VENNING: I don't know. One looks like a grain tanker. I was extremely concerned to learn a month or two ago that South Australia recently weakened the rules protecting our grape and wine industry from phylloxera. What is it, you say? Phylloxera is a tiny pest insect that lives on the roots of a grapevine which slowly causes the decline of the health of the vine and after seven or eight years the vine eventually dies. Once a vineyard is infected, the pest never leaves. The vines then have to be pulled out.

Phylloxera has never been detected in South Australia. Whether that is for some reason or just through pure luck, I do not know, but we have never had phylloxera in South Australia, and this is why we have some of the oldest vines in the wine world and the quality wine we are able to make from those old vines. Phylloxera is spread by man and machines, infesting previously free vineyards. The recent changes to the regulations means that South Australia will now allow the entry of grape harvesters and other machinery and equipment from other states if those transporting them can simply show proof that they have come from a phylloxera exclusion zone (PEZ) without having to clean the equipment. This is dramatically flawed. Phylloxera can be in a vineyard for three to five years and it is not apparent that it is there and, all of a sudden, the vines deteriorate, so if a grape picker was operating in a vineyard, it may already be infested and nobody would know. Nobody would be aware.

This relaxation of previously strict rules appears to have gone through without consulting or informing stakeholders, and it places the state's vignerons and wineries at huge risk. Why did the minister not consult with those whom this decision will place most at risk? I cannot believe that this has gone through, seemingly without anyone being aware, with us having so much to lose. Given South Australia's phylloxera-free status—and we flaunt that all over the world—to relax the rules and risk affecting our premium wine grape industry is just ridiculous and ludicrous. The minister in another place has reportedly said:

The previous requirement to disinfect machinery and equipment is considered unnecessary when moving between phylloxera exclusion zones.

Whose opinion is that? Is that the opinion of the other states which already have phylloxera and are jealous of our phylloxera-free status? I ask, if that is the case, why the Phylloxera and Grape Industry Board of South Australia Chief Executive, Mr Alan Nankivell, has requested the minister to reinstate their previous standards? When he was interviewed on 639 ABC on 30 May, he said:

We felt it was important to provide some surety for the industry that we would reinstate the standards...

The Phylloxera and Grape Industry Board of South Australia states on its website:

While most grapegrowing regions of the world are infested with phylloxera, Australia remains predominantly free of the pest because of strict quarantine controls—

and I emphasise 'strict quarantine controls'. The website further states:

South Australia, Western Australia, Tasmania and Queensland are believed to be free of phylloxera. However, the risk of spreading the pest from phylloxera infested zones is ever present, and the industry is very vulnerable as over 85 per cent of grapevines are planted on their own roots and therefore not resistant to phylloxera.

The minister says that the changes were to ensure consistency with national phylloxera management protocols, but what about the risk to our growers? Given our state's wine industry, which is worth an estimated \$1.7 billion annually to the state's economy, I cannot understand that a change of this magnitude has been able to go through basically unnoticed. How were most growers going to learn about this?

Why is it so important that we stop phylloxera at all costs? It is because, if we get it, our old vines on non-resistant root stocks would have to come out and be replaced by younger, new varieties on natural root stocks. That is usually a variety called Ramsey. It is well known—and it is controversial to say this—that vines on root stocks do not give you the quality of a vine on its own roots. We use Ramsey which is an old vine, a natural which the phylloxera does not attack, but there is a drop in quality, so they tell us, and I believe that.

This is one of the reasons that we have premium wine status in the Barossa—most of our vines are on their own root stocks but they are all susceptible to phylloxera, the whole lot of them. There are some vines on native root stocks, just in case we get it, but we do not have it. Whether that is luck, I do not know. It is so important because we are vulnerable to this. I cannot believe that we would do this.

The minister is probably not aware, to be fair, but I am sure her husband, Peter Gago, would be very cognisant of this. I am just wondering how this has been allowed to happen because it is just not worth the risk. We should just force people to clean up the machines if they come across the border from any area. It has worked in the past. Why would you take the risk?

I turn just briefly to another issue of less importance but which is still important to the people who raised this matter with me, that is, a dangerous intersection in the vicinity of a school in my electorate—Vine Street, Falkenberg Road, Sir Condor Laucke Way and Greenock Road in Nuriootpa near the Redeemer Lutheran School. The intersection is a source of anxiety for many in the community. Two or three complaints a week are lodged with the principal, with most being to report near misses. Complaints are also made by motorists who are frustrated about not being able to turn across the intersection in a timely manner. A roundabout or lights would be a solution to make this intersection safer, and they are solutions put forward by the school community, and I have raised these suggestions with the minister. However, the minister replied to me on 30 April, saying:

For the five-year period of 2007 to 2011 (inclusive), the DPTI advises that there has been one reported minor crash at this intersection.

The minister goes on to say:

DPTI advises that the treatment suggested by the school for this intersection cannot be justified at this time.

I forwarded the minister's advice to the school, and I received further correspondence from the principal on 8 April this year, and I quote from that correspondence. It states:

On an almost daily basis, parents of Redeemer Lutheran School, as well as members of the wider community, share their concern that it will only be a matter of time until there is a fatality at this intersection. There have already been several minor collisions, and I have also been informed that a child was knocked from their bike while travelling to school.

I acknowledge that the minister has said that the DPTI will continue to monitor this intersection, but does a serious accident involving a child have to occur before any action is taken? As the local member, I cannot and will not sit back and wait for an accident to occur. I assure the school and the wider community that I will continue to lobby for this intersection to be made safer.

I would now like to also touch on an issue that is no longer within my electorate but will no doubt have an impact and that is the proposed closure of the Cadell ferry at the end of this month, in just 19 days time—and I note that the member for Stuart raised that issue yesterday. The government says that this move will save it \$40,000 per year, but how much will it cost the residents, the farmers and the local businesses? The next closest ferry is Morgan.

Mr Pederick: \$400,000.

Mr VENNING: Sorry; \$400,000 is what it costs the government. The next closest ferry is Morgan, which will add more travelling time and therefore a cost to the bottom line for many who

have suffered so much in the past decade because of the drought. This is another example of how a small regional community is going to be unfairly penalised because of the Labor government's inability to manage the state finances.

Just imagine, Madam Speaker—you would understand, having a rural electorate—what this will do to the small community of Cadell. It would put a barrier right through the middle of it by removing that ferry. It would be horrendous for that small community. It is a great community. I used to serve it once. It is a lovely area, and I really feel it for them. I would join the member for Stuart and my other colleagues to fight to keep that ferry there.

Mr PEDERICK (Hammond) (18:28): I rise tonight to make my contribution in a grievance with respect to the Appropriation Bill 2012. I would like to go over a few of the main points that have been outlined in the budget. I note that the deficit will work out to be \$284 million in 2011-12; \$867 million in 2012-13; \$778 million in 2013-14; \$15 million in 2014-15; and, potentially, a \$512 million surplus in 2015-16, but the way this state is going, I will not hold my breath.

The 2012-13 forecast three years ago was a \$304 million surplus. This means that this state is \$1.2 billion behind what was forecast three years ago. The 2012-13 deficit is the largest in the state's history. State debt will rise to \$13 billion in 2015-16, which is the largest in history. When you think that this next budget, which we will be passing in this place tonight, is just short of \$16 billion, that is astronomical. That will mean that by 2015-16 the interest will be \$2.3 million per day.

The AAA credit rating is gone, and we are now on AA+ and on negative watch. This downgrade will work out to \$33 million extra in costs to this state per year. Another 1,000 public sector jobs will be axed, in addition to over 4,000 over the last two budgets. The 1.1 per cent per year efficiency dividend across government, commencing in 2013-14, will save \$129.5 million a year. The government has tried to tell us that there are no new taxes in this budget. What about issues like the motorcycle levy? We see \$444 million in deferred or suspended capital works, and they go right across the board. State taxes are growing at double the inflation rate from 2012-13. It is just a tale of gloom.

When we look at some of the promises that have been broken over the last 10 years by this state Labor government, we see the major project of the new Royal Adelaide Hospital, which was to be funded at \$1.7 billion, but in the short term it will add \$2.8 billion to debt, and over 30 years it will cost us \$12 billion. We were told that the Adelaide Oval upgrade would only cost \$450 million and not a penny more, and that is approaching \$600 million in total spend, and we are a long way from that project being finished.

We see the Southern Expressway duplication, which we were told was going to be \$370 million, and that now looks likely to be at least \$407 million. Part of the Darlington interchange project has been scrapped, and that was \$75 million. We saw the Mount Bold reservoir expansion scrapped, which would have brought it from 45 gegalitres up to 245 gegalitres. We see that the federal-state funding package of \$160 million for the Upper Spencer Gulf desalination plant, to bring the water up to a drinkable standard, has gone. We have seen the \$122 million underpass along South Road, between Port Road and Grange Road, scrapped.

We saw \$600 million worth of prison facilities scrapped, which caused a lot of angst certainly in the Murray Bridge community and surrounding areas in my electorate. It was basically announced on the front page of *The Advertiser*, which I picked up before I came into parliament that day. That was the big budget announcement about the new prison, and that has long gone—so much for consultation with the community.

There was \$140 million for the South Road/Sturt Road underpass scrapped. The solution to the Britannia roundabout—and what a great corner that is—there is \$8.8 million gone, and we see \$520 million for trams to the western suburbs. A whole range of other things in this budget have been scrapped or costs have been increased for the citizens of South Australia.

I want to talk about road spending and, in particular, about some of the roads in my electorate. I note that the RAA tells us that the backlog in state maintenance spending on our roads is \$400 million. A road I have talked about here several times (and I have gone into bat for it to the minister on several occasions) is a nine-kilometre section of the Pinnaroo to Loxton road, about seven kilometres out of Pinnaroo—one end of it. It is as though the bitumen has been laid on crab holes: your vehicle just bounces, and I can just imagine what it is like going over it in a truck. All the department has done is put up 'uneven surface' warning signs. Well, that is pretty darn obvious. It needs major funding because that route is used not just for freight but also for health services by

my constituents and the member for Chaffey's constituents and by people who go to work between the Riverland and Pinnaroo at the end of my electorate.

The road between Murray Bridge and Karoonda, right up through towards Loxton, needs shoulder sealing and some areas totally rebuilt to bring it up to speed. But what do we see this state government do? For many of our local state bitumen roads (and I know it affects the member for Goyder's electorate as well), instead of committing to road funding, the government just says, 'We will reduce the speed limit from 110 km/h to 100 km/h.'

It is just absolutely ridiculous, and I have stated it in this place before. Driving in the vehicles that we run around in today, it is just ludicrous to restrict people's limit on these roads by another 10 km/h. We are not running around in FJ Holdens or Model T Fords any more. There are good vehicles, and all it needs is some commitment from the government to keep the maintenance up to speed so that people—like country members who have to do a lot of kilometres—can get to places in a reasonable time and safely.

I want to talk about the effect of water price on agriculture. We see the business rate of water, which is what agriculture will pay, heading up to \$3.45 a kilolitre—that is a tripling in the last few years. This is going to have an effect and, at the end of the day, it has the potential to kill off watering livestock in this state. I asked questions of the minister the last time we were in this place, but he does not have a concept of the effect of this high water rate on the citizens of this state and what it is doing not just to the citizens of the city, who get a one-off rebate; if you are watering thousands of cattle in a feedlot, this essentially brings water bills up to an unsustainable level. A constituent emailed me yesterday to say that, with the tripling of water rates, it will bring the water bill for their dairy to \$200,000. That is approaching what a minister earns in this place on a gross basis, but this is just one expense a farmer has to pay.

In the time I have left I will mention the debacle of marine parks and a government that wants to put all these impacts on commercial fishers. They have partly taken the heat out of it for recreational fishers, but they have no money to pay compensation, no money at all. We also see stupidity in the announcement of the closing of the Cadell ferry, which shows how distant this state Labor government is from reality in the regions. I am just stunned.

We have seen the Riverland, the top of the river in our state and the lower end of the river in my electorate go through so much pain in recent years, yet we see such a short-sighted budget announcement of \$400,000, and the excuse is so that it can be spent on other ferries in the system. This is from a government that has no idea of what goes on in the regions and what impact this will have on the farmers, the tourists and the good people who run businesses in Cadell.

Ms BEDFORD (Florey) (18:37): In the time I have this evening I would like to finish some remarks I started today about the Modbury Football Club. Since my time in the Modbury area (now some 35 years), I have been aware of the strong community presence that the Modbury Football Club has maintained in being a place where families would gather before and after matches and many hundreds of young people have learnt the skills of the modern game that keeps this state and nation enthralled.

It is a club that has Modbury Oval at its heart, near the pool and bowling club. It is a great oval, and standing there on Saturday afternoon is much like standing at a country oval, with the hills in the background and cars parked around the perimeter fence. The barbecue is always going, and there are kids playing by the boundary watching their idols in the senior team do their best for the Mighty Hawks.

Part of the Modbury Sporting Club, which also fosters cricket, the Modbury Football Club now has 30 teams playing at the same venue—another record, I am told. They also now, most importantly, field a women's side of which I was proud to be made patron in their inaugural year of 2011. The Modbury Football Club has been built on the commitment and dedication of many families, among them, as I said earlier, to name a few in no particular order, are the Burford family, the Varley family, the Bryant family, the Jolly family, and the Vassal family. Scott Vassal, a player I sponsor from the club, worked as a trainee in my office some years ago now and has gone on to a great job within one of the departments.

The club resisted poker machines at a time when many clubs decided to go that way and remains to this day a very family-friendly environment. The scene of so many local functions and celebrations over many years in our community, I am proud to hire their facilities every election night for my volunteers and campaign workers as they await the outcome of the poll.

Following on from the marvellous concert for volunteers last Monday, attended by Governor Kevin Scarce and Mrs Scarce and the Premier, compered by SA's favourite Port Power son, Peter Goers (himself a volunteer for many good causes), we are reminded how reliant sport is on volunteers: coaches and training staff; match day officials for both home and away fixtures; the parents who make sure that, in the days of technology, sport is still part of growing up in this state; and also the many mums who wash and iron those guernseys and socks every week no matter what the weather. It is the mothers who make sure the kids have had a good feed before they go on, and I am sure that it is the mothers who look after the cuts and scars after the game and the hurt pride or ego when a win was not the outcome.

The number of voluntary hours so many people have put into Modbury Football Club is too great to calculate and, over the years, their efforts to upgrade the grounds and facilities have resulted in the oval that we see today. There is still a good deal to be done to the change rooms and other important needs have to be met. I know that the current group of Modbury Football Club families, led by Jamie Thomas, Kelli Underwood and the committee, will do everything possible to make those changes and keep the ethos and traditions of the club in fine order for the future.

The captain of the ladies team is also heavily involved in the Tango Netball Club, another sporting club in our area that has had some adversity to face and whose present committee is also working very hard to make sure that sport remains part of the lives of children in the north-eastern suburbs.

I think one of the things that the budget needs to do, which it has done and will continue to do, is address the needs of sport in the community and also the much-needed facilities. It would be remiss of me not to mention the calisthenics clubs that I so eagerly represent in this state and their home, the Royalty Theatre, which is so much in need of an upgrade. It is part of not only the sporting life but the cultural life of South Australia because this middle-sized theatre is used for all sorts of cultural activities throughout the various festivals. I know that the calisthenics community would like to see facilities as other calisthenics clubs throughout Australia enjoy here in South Australia.

In my role as patron and life member of the Calisthenics Association of South Australia and a national patron of the Australian Calisthenics Federation, I will be going to Darwin in July for the national competitions, and I know the house will be looking forward to me reporting the results and outcomes of those competitions.

Motion carried.

The Hon. J.J. SNELLING (Playford—Treasurer, Minister for Workers Rehabilitation, Minister for Defence Industries, Minister for Veterans' Affairs) (18:43): I move:

That Estimates Committee A be appointed, consisting of Hon. M.J. Atkinson, Ms Bedford, Ms Bettison, Hon. I.F. Evans, Mr Goldsworthy, Mr Marshall and Mr Piccolo.

Motion carried.

The Hon. J.J. SNELLING (Playford—Treasurer, Minister for Workers Rehabilitation, Minister for Defence Industries, Minister for Veterans' Affairs) (18:43): I move:

That Estimates Committee B be appointed, consisting of Ms Chapman, Dr Close, Mr Gardner, Mr Odenwalder, Ms Sanderson, Ms Thompson and Hon. M.J. Wright.

Motion carried.

The Hon. J.J. SNELLING (Playford—Treasurer, Minister for Workers Rehabilitation, Minister for Defence Industries, Minister for Veterans' Affairs) (18:44): I move:

That the proposed expenditures for the departments and services contained in the Appropriation Bill be referred to Estimates Committees A and B for examination and report by Thursday 27 June 2012, in accordance with the following timetables:

APPROPRIATION BILL
TIMETABLE FOR ESTIMATES COMMITTEES
ESTIMATES COMMITTEE A
20 June 2012-26 June 2012
WEDNESDAY 20 JUNE 2012 AT 9.00 AM

Treasurer
Department of Treasury and Finance (part)
Administered Items for the Department of Treasury and Finance (part)
Premier
Minister for State Development
Legislative Council
House of Assembly
Joint Parliamentary Services
State Governor's Establishment
Department of the Premier and Cabinet (part)
Administered Items for the Department of the Premier and Cabinet (part)
Auditor-General's Department
Attorney-General
Minister for Planning
Minister for Business Services and Consumers
Attorney-General's Department (part)
Administered Items for the Attorney-General's Department (part)
Electoral Commission SA
Courts Administration Authority
Department of Planning, Transport and Infrastructure (part)
Administered Items for the Department of Planning, Transport and Infrastructure (part)
Department of Treasury and Finance (part)
Administered Items for the Department of Treasury and Finance (part)
Independent Gambling Authority

THURSDAY 21 JUNE 2012 AT 9.00 AM

Minister for Finance
Minister for Public Sector
Department of Treasury and Finance (part)
Administered Items for the Department of Treasury and Finance (part)
Department of the Premier and Cabinet (part)
Administered Items for the Department of the Premier and Cabinet (part)
Minister for Defence Industries
Minister for Worker's Rehabilitation
Minister for Veterans' Affairs
Minister for Arts
Defence SA
Department of Treasury and Finance (part)
Administered Items for the Department of Treasury and Finance (part)
Arts SA

FRIDAY 22 JUNE 2012 AT 9.00 AM

Minister for Manufacturing, Innovation and Trade
Minister for Small Business
Minister for Mineral Resources and Energy
Department for Manufacturing, Innovation, Trade, Resources and Energy (part)
Administered Items for the Department for Manufacturing, Innovation, Trade, Resources and Energy (part)

MONDAY 25 JUNE 2012 AT 9.00 AM

Minister for Communities and Social Inclusion
Minister for Volunteers
Minister for Disabilities
Minister for Youth
Minister for Social Housing
Department for Communities and Social Inclusion (part)
Administered Items for the Department for Communities and Social Inclusion (part)

TUESDAY 26 JUNE AT 9.00 AM

Minister for Recreation and Sport
Minister for Employment, Higher Education and Skills
Minister for Science and Information Economy
Department of Planning, Transport and Infrastructure (part)
Administered Items for the Department of Planning, Transport and Infrastructure (part)
Department of Further Education, Employment, Science and Technology

ESTIMATES COMMITTEE B

20 June 2012-26 June 2012

WEDNESDAY 20 JUNE 2012 AT 9.00 AM

Minister for Housing and Urban Development
Minister for Transport and Infrastructure
Minister for Transport Services
Department for Communities and Social Inclusion (part)
Administered Items for the Department for Communities and Social Inclusion (part)
Department of Planning, Transport and Infrastructure (part)
Administered Items for the Department of Planning, Transport and Infrastructure (part)
Minister for Health and Ageing
Minister for Mental Health and Substance Abuse
Department for Health and Ageing

THURSDAY 21 JUNE 2012 AT 9.00 AM

Minister for Emergency Services
Minister for Corrections
Minister for Multicultural Affairs
Minister for Police
Minister for Road Safety
South Australia Police (part)
Administered Items for South Australia Police (part)
Department for Correctional Services
Department of Planning, Transport and Infrastructure (part)
Administered Items for the Department of Planning, Transport and Infrastructure (part)

FRIDAY 22 JUNE 2012 AT 9.00 AM

Minister for Education and Childhood Development
Minister for the Status of Women
Minister for Tourism
Department for Education and Child Development
Administered Items for the Department for Education and Child Development

Department for Communities and Social Inclusion
Administered Items for the Department for Communities and Social Inclusion
South Australian Tourism Commission
Minister for Tourism

MONDAY 25 JUNE 2012 AT 9.00 AM

Minister for Agriculture, Food and Fisheries
Minister for Regional Development
Minister for Forests
Minister for Industrial Relations
Minister for State/Local Government Relations
Department of Primary Industries and Regions
Administered Items for the Department of Primary Industries and Regions (part)
Department of the Premier and Cabinet (part)
Administered Items for the Department of the Premier and Cabinet (part)
Attorney-General's Department (part)
Administered Items for the Attorney-General's Department (part)

TUESDAY 26 JUNE 2012 AT 9.00 AM

Minister for Sustainability, Environment and Conservation
Minister for Aboriginal Affairs and Reconciliation
Minister for Water and the River Murray
Department of Environment and Natural Resources
Administered Items for the Department of Environment and Natural Resources
Department of the Premier and Cabinet (part)
Administered Items for the Department of the Premier and Cabinet (part)
Department for Water
Administered Items for the Department for Water

STATUTES AMENDMENT AND REPEAL (BUDGET 2012) BILL

Adjourned debate on second reading.

(Continued from 31 May 2012.)

The Hon. I.F. EVANS (Davenport) (18:45): I indicate that I am the lead speaker on this particular bill. I understand from the government that we will be doing the second reading stage tonight and the committee stage at some other time, not necessarily tonight. The Statutes Amendment and Repeal (Budget 2012) Bill is the bill that sets out the legislative requirements for the government to undertake the reforms announced in the budget. As has been the tradition, the government will get its budget bill except for the legal provision which was opposed last year and which is in the budget in a modified form this year. For the same reasons as the Liberal Party in opposition put last year we do not see that particular measure as a budget measure as such.

I will just run through the budget bill. There are a number of different matters in the budget bill, and the first one I will deal with is the matter in relation to the Public Service long service leave retention entitlement. The way that I understand this is that, in the last budget, then treasurer Foley reduced the long service leave entitlements for the Public Service. Treasurer Snelling on assuming office agreed to consider a new entitlement in response to the public sector concerns about former treasurer Foley's decision—a decision, I might add, that was taken with the current Premier in the cabinet room, and I suspect that I am right in saying with the current Treasurer in the cabinet room.

In fact, I remember former treasurer Foley enlightening the parliament by saying that, of course, the Hon. Jay Weatherill, as the then minister for the public sector or the environment, had actually informed a lot of the decisions that were taken in the last Foley budget. I think that what then treasurer Foley was really saying was, 'Don't for a minute think that Jay Weatherill didn't support this particular measure. As the minister for the Public Service he was well aware of what

entitlements they received, and he was well aware of the reasons why the government took the decision.'

However, the government has reintroduced what I think the Treasurer is calling a 'new measure', that is, a long service leave retention entitlement, the argument being that we need to retain those public servants who have not yet left the Public Service after 15 years of service, and the way the opposition understands that this will work is that it is phased in. With respect to the phasing in of the long service leave retention entitlement, the way that I understand it is that there is a two working-day entitlement for 2011-12. I could not see the cost of that anywhere, so in your—

The Hon. J.J. Snelling: In 2012-13 is when the budget impacts.

The Hon. I.F. EVANS: You might want to explain the reason why. Then there is a two working-day entitlement in 2012-13 at a cost of \$20.3 million; a three working-day entitlement in 2013-14 at a cost of only \$16.1 million (and I think I now understand what the Treasurer is about to tell me); a four working-day entitlement for the year 2014-15 at a total cost of \$22.3 million; and a four working-day entitlement in 2015-16 of \$23.6 million, and then it is ongoing at four days per year, so around the \$23 million mark and growing.

Treasurer, if your answer is that the \$20.3 million includes both 2011-12 and 2012-13, if it is possible to get a split on that, that would be appreciated—in the committee stage will do. My understanding is that this entitlement can be taken as one or more whole working days as distinct from calendar days. In other words, it will be taken on their normal working day. Most of the Public Service work is normally Monday to Friday. Some do work other days, so it is not necessarily a calendar day as in Saturday or Sunday or a public holiday. It is a working day for whatever that public servant normally works. That is the way I understood the briefing from the Treasurer's officers. We understand that this new entitlement has to be taken within five years from the end of the financial year in which it is accrued otherwise it lapses.

There is also the capacity for the public servant to cash out the leave at the rate of \$180 a day accrued in the 2012-13 financial year, and then the \$180 is then indexed by CPI. My understanding from the briefing is that it applies to 26,000 public servants. I am assuming that is in the 2011-12 year. The Treasurer might want to explain in which year it applies to the 26,000 public servants at the committee stage. The second reading speech refers to it applying to 26,000 public servants.

The other issue is that in the second reading speech it mentions that this particular leave cannot be claimed by people who already receive a retention allowance. On the first reading that would appear to mean that the government does not intend public servants who already receive a retention allowance to accrue this leave. There are some public servants receiving a retention allowance of 10, 20, 30 and 40 per cent of salary.

I did a story with Greg Kelton about that sometime ago. There was a relocation allowance, a retention allowance and an attraction allowance paid at the discretion of the chief executive, and some of those are quite substantial attractions—40 per cent of salary is quite a substantial allowance on top of salary. On the first reading of the second reading speech it would appear that those retention allowances, if people are receiving them, are unable to accrue this particular leave. That is not true.

In the briefing given by the Treasurer's staff and departmental officers, the position is that those people who are receiving attraction, retention and relocation allowances already will be able to receive this particular extra retention allowance on top of those allowances. The people who the Treasurer was referring to in his second reading contribution, according to his departmental officers and staff, where the police, who have negotiated a different leave arrangement, although similar, through the normal enterprise bargaining process. It is interesting that the Treasurer has gone down the path of reinstating or initiating this particular leave entitlement without going through an EB or productivity negotiation with the Public Service.

So, I asked what were the details of the police entitlement, because they had never been given to the house. I thank the Treasurer for his staff getting back to me with some responses at least, which I appreciate. For the sake of the record, in relation to the public sector skills and experience retention entitlement, an employee can only be entitled to one form of retention leave. This leave will not apply to SAPOL employees who benefit from retaining police knowledge and experience in an entitlement established under the South Australia Police Enterprise Agreement 2011.

Public sector employees will continue to be eligible for current salary retention bonuses, which is the point I made earlier. So, some people will get a 40 per cent bonus, and then this extra 40 per cent retention allowance, and then this extra retention entitlement on top of that again. The people who will not be able to double dip will be the police.

From 1 July 2014 (which is an interesting date—this was negotiated in 2011; it starts on 1 July 2014 after the next election) police service leave will be introduced to recognise and retain the knowledge and experience of long serving police officers at SAPOL. After 20 years police service, as distinct from 15 years service in the public sector bill before us, and every fifth year anniversary thereafter (that is, 25, 30, 35 and 40 years and so on), a person employed as a police officer or a community constable will, subject to guidelines issued from time to time by the police commissioner, be credited with four calendar weeks paid leave (that is, police service leave). That is a different form of leave.

This is police calendar weeks leave as distinct from working days leave. The two systems are set up differently. I am not sure what is the reason for that. At first blush at least, it seems a complication as to why you would not have both calendar days or both working days to make it easier for administration and comparison, but the government has not done that. So this will be credited with four calendar weeks paid leave, that is, the police services leave.

The transitional arrangements are that a person who, during the financial year 2014-15, has or attains 20 years or more police service, will be entitled to be credited with three calendar weeks police service leave on their police service anniversary, and thereafter on each fifth anniversary of their police service will be entitled to be credited with four weeks police service leave. A person who from 1 July 2015 attains 20 years of police service will be entitled to be credited with four weeks police service leave and thereafter on each fifth anniversary of their police service will be entitled to be credited with four weeks police service leave.

I am sure that is clear to the house. When you read it carefully and slowly, I think essentially it means that after the 20-year mark the Public Service gets four days extra leave in work days for every five years of service and the police get four extra calendar days for every five years of service. There is a small difference in the first five years between the public sector, between 15 and 20 years, and for the police it kicks in at 20 years. That is my reading, from the humble position of Her Majesty's opposition.

Payment during the leave will be at the person's ordinary time rate pro rata if service is less than full time during the preceding five years, or where there is a mix of full-time and part-time service during the preceding five years. The leave is to be taken at the rate and in the periods of no more than one week (seven calendar days) per year, commencing from the anniversary date on which the person is credited with the leave.

It is interesting that they are limiting it to one week a year. I am not sure whether that restriction has been placed on the new entitlements for the Public Service. I am not sure why one group would be treated differently from the other, but the Treasurer might want to explain that at some point. The leave can be taken in conjunction with all forms of paid leave, and the leave that is not taken up by the fifth anniversary will lapse. A payment in lieu at ordinary time rate, as distinct from \$180 a day, will operate if the person ceases employment with SAPOL with an unused credit of police service leave standing to their credit.

The way I understand it, the police cannot cash it out the way the Public Service can cash it out at \$180. I think the police actually have to take it by way of leave in one week blocks; that is the way I interpret that. If I misinterpret that, I am sure the Treasurer will come back and correct it in committee. That is the first issue in this particular bill: the public sector skills and experience retention of entitlement.

The second issue is the changes to the first home owner grants. The house might remember that then treasurer Foley, in his last budget, changed the first home owner grants to take it off existing homes, increase the amount, from memory, on new homes and it was then meant to be phased out in, from memory, 2012-13. So this Treasurer has simply said, 'Well, in the last year, 2012-13, the grant was going to be only \$4,000; we'll make the grant \$8,000 but still stop it in 2012-13.'

So, the phase-out date is still the same; they have just listed an amount for the last four years in the course. This was the grant the Treasurer said had an impact of actually making it more expensive for people to get into the market. Now of course he is extending the scheme and

increasing the payment under the scheme, even though his view is that it actually makes it more expensive to get people into the market.

I have no doubt the Treasurer is doing it because the housing market is as flat as a tack; it is a line. The housing market has, I think, from memory, the worst number of approvals for something like 10 or 11 years in the new housing market; it has been very flat for a while. I can only assume the Treasurer is hoping that this incentive will kick in and assist the housing industry in trying to get more houses purchased.

The third issue broadly set out in the bill is stamp duty on apartments in the city, which is another complicated scheme. Essentially, what the Treasurer is doing is picking up an idea floated by the Leader of the Opposition, Isobel Redmond, in June last year at, from memory, an Urban Development Institute (UDI) lunch, where she suggested a number of measures that could be looked at to attract people into the city, including possible stamp duty relief.

In this particular section of the bill, there is stamp duty relief. Essentially, as I understand it, a stamp duty concession will apply to all apartments in the Adelaide City Council area and in the North Adelaide area for a four-year period. The concession provides full stamp duty concession, capped at the stamp duty at a value of \$500,000 for two years and then a partial concession for the next two years. Again, this phases out, this is not ongoing.

This is a bit like the payroll tax rebate election promise: it was promised before the election and cancelled straight after. Exactly the same thing is happening with this: it has been promised and after the election it is going to stop. This is actually quite complicated when you look at it, or it appears complicated when you read the second reading speech, which says:

For eligible off-the-plan apartment purchase contracts with a market value of \$500,000 or less entered into from 1 July 2014 to 30 June 2016, stamp duty will be payable only on the deemed unimproved value of the apartment...and the value of any construction already undertaken and not the full market value of the apartment.

The way I understand that is that if the department is half built some poor soul has to go around and estimate whether the apartment is half built and therefore the value of the work done is \$100,000 or \$125,000, because it actually states:

...will be payable on the deemed unimproved value of the apartment and the value of any construction already undertaken and not the full market value of the apartment.

That is going to be an interesting job for someone. Private building certifiers, I dare say, are going to make some money out of assessing how much construction activity has actually been undertaken on the site and what is its value. It goes on to state:

Purchasers of eligible apartments where no construction has commenced will therefore pay a level of duty broadly in line with duty paid by the purchasers of house and land packages. This concession will save eligible purchasers of [one-off] apartments up to \$15,500.

The Bill sets the deemed unimproved value of an apartment at 35 per cent of the market value of the apartment at [the time of the] contract signing, and the value of construction will reflect the nature of works already performed—

which is exactly my point, that someone has to make an assessment of the value of work performed. It continues:

The bill provides for 6 stages of construction of a multi-storey residential development or substantial refurbishment and the Commissioner of State Taxation will liaise with industry representatives to provide appropriate information about those stages in a Gazettal notice...

I am not quite sure what that means, 'The Bill sets the deemed unimproved value of an apartment at 35 per cent of the market value,' and, 'The bill provides for 6 stages of construction.' I think what it is saying is that they are going to set six levels at which the value can be assessed. Foundations might be one, walls up being another, second fix being another, bathrooms in being another, and they are the six stages that are assessed for the value of work done. I think that is what it means, but in the committee stage we will seek clarification from the Treasurer. The second reading continues:

Where a contract is entered into from 1 July 2014 to 30 June 2016 to purchase an off-the-plan apartment with a market value greater than \$500,000, the purchaser will be entitled to a stamp duty concession of \$15,500 (adjusted for the construction works completed prior to the date the contract is signed). In effect, a purchaser of an eligible apartment with a market value over \$500,000 will receive the same concession in dollar terms as a purchaser of a \$500,000 apartment at the same stage of construction of the building.

Again, I will have to tease that out in the committee stage.

The off-the-plan stamp duty concession replaces the existing inner city rebate administrative scheme which provides a \$1,500 rebate on the purchase of new apartments in the city centre. The Treasurer might want to bring back, in the committee stage, how many people have availed themselves of the \$1,500 rebate for new apartments that currently exists each year for the last full financial year. That sets out the stamp duties measure, and it does create some issues.

I think the member for Adelaide commented this afternoon that units on the old Channel 7 site at Gilberton are outside the scheme, and the government's own Clipsal site at Bowden is outside the scheme, so the government is spending bucketloads of money trying to set up a development site for inner city living and apartments at Bowden and they have exempted their own development from this particular benefit, so that may create some issues for forward sales of those developments. Someone spoke to me about some apartments at Robe and there are other developments on the coast that are now outside this scheme. This will make it harder for those apartments to achieve sales assuming that people are going to be attracted to the city as a result of this stamp duty concession on apartments.

The next issue outlined in the second reading explanation is that there is no stamp duty on the renewable energy certificates—read carbon rights. I understand that this is a national agreement (not that I distrust government when they say it is a national agreement) but I did take the opportunity to ring a couple of other governments of my colour to check, and there seems to be national agreement that no state will charge stamp duty on carbon rights. I am not quite sure why the states are dudding themselves out of a revenue stream given the state of our budget but that is the national agreement; so be it.

The other issue is that RESI is to be dissolved. This bill amends the Electricity Corporations Act 1994 and the Electricity Corporations (Restructuring and Disposal) Act 1999 to allow RESI Corporation to be dissolved. ETSA Corporation was established under the Electricity Corporations Act in 1994 and changed its name to RESI. RESI's principal activity is the litigation of a number of matters initiated by former employees of ETSA or contractors who worked at ETSA sites. The plaintiffs' claims are usually for compensation for breach of duty of care going back as far as the early 1950s, I assume in relation to things like asbestosis and those kinds of matters. The litigation process is complex and is funded from RESI's own resources that were originally allocated when it was established in 2000 and supplements, when required, through the budgetary process.

Due to the falling number of asbestos claims and the reduction in volume in the remainder of RESI's operations, including placement requests from employees returning to the public sector from the private sector, it has become inefficient to continue to run RESI as a separate entity. SAFA and an administrative unit of the Public Service that is primarily responsible for assisting the Treasurer in the performance of his ministerial functions and responsibilities are to undertake the residual activities of RESI following dissolution. RESI will stop its operations at the earliest opportunity but in order to be in a position to transfer assets and liabilities in appropriate time and to manage reporting requirements, the start and operation of the various provisions will be controlled by one or more proclamations until financial statements and reporting has been completed by the RESI board so as to ensure that RESI has zero balances when it is dissolved.

I asked the Treasurer's officers and staff how many cases are live in RESI, in other words, how many live claims are they still litigating? I am advised by the Treasurer's officers that, as at May 2012, 12 cases are live, but have been fully provided for financially. At the time of the windup, which is expected to be around 30 September to allow for the legislation proclamation and closing balances audit, RESI's capital surplus of \$3.5 to \$4 million will be returned to government—a cash grab by the government, a bonus to the government there of \$3.5 to \$4 million. RESI's assets at the end of May were \$7.5 million in cash deposits with SAFA. RESI, I understand, has a 0.5 FTE which is the CEO.

The next issue brings me great joy and there are not many things in this budget that bring the shadow treasurer much joy. This one does. The taxpayer will be pleased to hear that SAAMC (South Australian Asset Management Corporation) will be wound up.

Mr Griffiths: Bad bank.

The Hon. I.F. EVANS: This is the 'bad bank' as the member for Goyder quite rightly points out. The State Bank Act of South Australia 1983 will be repealed. It is about 20 years since the State Bank disaster hit this particular state. The State Bank cost this state dearly in lost economic

growth, lost opportunity and confidence. Many of the head offices flooded to the east, never to come back; and many of our young people flooded to the east never to come back. The State Bank cost this state a lot not just in immediate dollar terms but in economic growth and opportunity terms. This was the entity set up to handle all the ongoing litigation issues and commitments that were entered into by the then State Bank board on behalf of the government through that genius, as the former premier called him, Tim Marcus Clarke. I would not suggest that of Mr Clarke.

The government had liabilities to do with financing cherry pickers, aeroplanes, forests in New Zealand, South African goat farms, insurance liability and hurricane insurance in America. They took on bizarre liabilities and risks which the state paid for for generations, and it was the bad bank's job to wind up all those matters; and it is only here, 20 years later, that that particular entity is now finally being wound up.

SAAMC has now met, according to the government, all the objectives under the act. Dissolution will close down the operation of SAAMC, with any contingencies in either assets or liabilities being transferred to the Treasurer or another state entity, if appropriate. I would be interested to know what the final dividend is in the final winding up. Treasurer, can you give us an indication of what is the likely position and are we going to get much money out of winding up SAAMC?

In fairness, I think your staff have given it to me, now that I re-read the brief. The government advised that it will receive a dividend of \$20.2 million and a \$700,000 return of capital on 30 June. Within this bill, SAAMC delivers \$20 million back; RESI delivers a couple of million back, so there are benefits to the taxpayer or to the budget there. By the time of finalising the windup on 30 September, there could be some further distributions pending finalisation of some liquidations. If these liquidations are not finalised by then, corporate services will replace SAAMC as the creditor. SAAMC's assets at the end of May were \$24.3 million in cash deposits with SAFA. SAAMC shares a CEO with RESI—0.5 full-time equivalent—and has a part-time senior accountant.

The next issue is the commercial activities on specified roads and this is an interesting issue. The bill amends the Highways Act 1926—one of the member for Goyder's favourite acts. The bill amends the Highways Act 1926 and the Local Government 1999 to allow for commercial activities on specified roads. The Highways Act 1926 gives the Commissioner of Highways general powers, subject to the approval of the Minister for Transport and Infrastructure, to purchase or acquire land for roadworks or obtain land for any purpose under the act associated with roadworks.

When roadworks are finished, the land acquired by the commissioner becomes a public road and the ownership of the road transfers from the commissioner to the relevant council. Although the commissioner is permitted to generate income from the land that has been acquired for the purposes of section 20 of the act until the land is required for roadworks—for example, rental income from existing properties on the land—it does not have the ability to put in place opportunities of a longer-term nature because the land that is no longer required for roadworks must be disposed of, usually by sale.

The amendments will vest certain existing and future roads in the Commissioner of Highways, rather than allowing them to vest in the relevant council. Upon the completion of the roadworks, this will allow the commissioner, subject to the approval of the minister, to retain land that is no longer required for roadwork, for the purposes devoted to the roads or transport needs. This will give the commissioner similar powers to that which the council already has. The revenue from any commercial activities will be paid into the Highways Fund and it is intended that it be used to fund additional road maintenance. Other states already have such powers—apparently New South Wales and Victoria.

The reason I find this interesting is that—and the Treasurer can correct me in the committee stage if I am wrong—my understanding of what this allows the government to do is to go to someone and say, 'We want to acquire your property, and not only do we want to acquire your property for a road, we want to acquire your property so that we can put commercial activities next to the road.' So, in other words, 'We want to put a BP service station or a supermarket or some residential development—a TOD—next to the road.'

It is interesting that the government would want to acquire the land to do that and not allow private enterprise to do it. I will be asking questions about, when the government notify future acquisition holders that their land is going to be taken away for road and commercial activities, whether they have to nominate the commercial activity so that the person having their property acquired can have the proper value assessed.

For instance, if Iain Evans's property is acquired for a road and only a road, it has one value. If Iain Evans's property is being acquired for a road, three pubs, a TOD and a supermarket, then it has a totally different value. As the government is acquiring someone's private asset against their will—otherwise it would not be an acquisition: it would be a sale—they are entitled to full and fair compensation. My understanding is there is an appeal mechanism to the Supreme Court so that, if there is some dispute, then the Supreme Court can establish the full and fair value.

So, that is into the future for future acquisitions, but the problem comes I suspect, with existing land that has already been acquired for a purpose. What about existing land that has already been acquired for a purpose? The person has been paid out on the basis that their land was acquired at a value because it was going to be acquired for a road and now the government wants to put a supermarket or a pub or a TOD on that land, which totally revalues the land.

The person who has their land taken off them at a lower value, is now not getting full and fair valuation. So, I want the government to explain to me if they intend to go back and deal with people who have had their, in some cases, land held in their families for generations taken off them at a low value because it is going to be a road, only to have the government now reclassify the land so that the government can gain income.

Let us make no mistake about it. It is about the government making the income, not the private citizen. What this intends to do is allow the government to put up those beautiful road signs that you see in the American movies: all those trashy road signs. That is what this is going to do; it is going to allow McDonald's and Hungry Jack's, all those big advertisers, the Motor Accident Commission and others, to put up advertising billboards down all the freeways and highways. That is exactly what this is for; that is what the budget paper says, to put up advertising so that they can get an income stream from that. That is one area.

It goes on to say that they can put up buildings, pubs, supermarkets, residential apartments, the works. The reason this becomes of great interest is that my understanding is that the government spent about \$30 million on land down with the Superway project, and I will be asking the Treasurer in the committee stage about what the intention is for that particular land. I am sure the person it was acquired from—I understand it was acquired; purchase is a different issue—will be interested to know that their land was acquired for one purpose but may well be used for a totally different purpose. I am not sure exactly what the government's answer will be to that particular question.

Another issue raised in the bill is that of the payroll tax exemption for apprentices and trainees. This was the great promise before the election: the government was going to go out and cuddle all the apprentices and trainees, offer a rebate for their employers of up to \$1,440 a year for each year of the apprenticeship and traineeship. Now, of course, straight after the election their budget is in trouble and they are cancelling it. My understanding is that there is going to be a grants scheme available to registered training organisations—read group training organisations generally—for those apprentices that they finish.

I do not think it applies to trainees, or it may apply to trainees but only in selected priority areas. What they will do is that, if you finish the apprenticeship you will get a payment based on completion. This scheme disadvantages the single indentured apprentice, or the employer offering a single indentured apprenticeship, not through a group training scheme. I have spoken to the Housing Industry and others in the building industry, and they say that the problem with this scheme is that someone not going through a group training scheme is totally cut off. One thing I will be asking the Treasurer is to explain exactly what happens in those circumstances, and what happens to the single indentured apprentice. We are not supportive of the cut to the payroll tax exemption rebate if it does that.

The next one is the new tax that the Treasurer said they are not having, which is the animal health cost recovery—read biosecurity—levy. We could not see anywhere in the budget where it actually identified the figures, but we asked for those figures and now understand that the animal health biosecurity fee, which is different to the property identification code (PIC) fee, is a new levy. They are expecting to collect, from the animal health biosecurity fee, \$740,000 in 2012-13, \$1.72 million in 2013-14, and \$3.14 million in 2014-15. PIRSA has been consulting about this for a number of years, and no-one can explain to me how this levy will be collected. The government's brief to me is:

PIRSA is seeking advice from stakeholders on the design of any mechanisms to charge and collect funds through the Animal Health Cost Recovery Reference Group. There needs to be a program in place which directs

from industry's perspective where the effort should be focused and the level of service required. The exact services covered are being refined—

so we do not even know what the levy is for as yet—

under this engagement with stakeholders. The group is looking at the current program and the biosecurity risks to the industry.

The Bill creates a framework to enable cost recovery of the animal health program, dependent on the outcomes from the Animal Health Cost Recovery Reference Group. The Bill will establish a Livestock Health Programs Fund. The Fund may be applied by the Minister in payment of expenses incurred in programs for purposes including:

- certifying or demonstrating the disease free status of livestock for the purposes of markets outside the State;
- detection, reporting and investigation of diseases that may affect livestock;
- maintaining laboratory diagnostic capability in relation to diseases that may affect livestock and subsidising the cost of laboratory tests;
- consulting with livestock advisory groups, veterinary surgeons and other public sector agencies and interested persons in relation to detecting, controlling or eradicating diseases that may affect livestock;

From that line, it appears to me that the government is bringing on a levy to pay public servants to consult with public servants about the purpose of the levy. It clearly states, 'consult with other public sector agencies', so that is clearly part of the intent. The last dot point states:

- providing information and training in relation to detecting, controlling or eradicating diseases that may affect livestock to persons in the livestock industry, veterinary surgeons, employees in the administrative unit and other interested persons;
- participating in national bodies and programs relating to detecting, controlling or eradicating diseases that may affect livestock;
- otherwise ensuring that the administrative unit has the capacity to respond quickly and appropriately to any outbreak or suspected outbreak of a disease that may affect livestock and to coordinate the response with other agencies or instrumentalities of this State, the Commonwealth or another State or a Territory of the Commonwealth.

So, that is the animal health cost recovery, or biosecurity, levy. The reason I raise concerns about this levy is that no-one can tell me how it is going to be collected and how it is going to be charged. For instance, let us take six different livestock holders: someone with beef cattle, someone with dairy cattle, someone with horses, someone with goats, someone with alpacas and someone with chooks. All of those livestock are different, they all have different diseases, different needs and different management techniques. Currently, there is no bill that goes to all of those people at the same time, so there is no invoicing mechanism already.

Unlike council rates, which the natural resources management levy, the River Murray levy and the emergency services levy all have an invoice arrangement with, there is currently no uniform invoicing arrangement or charging mechanism across the livestock industry. After two years of consulting on this particular matter, no-one can explain to the opposition how this matter is going to be charged. Is it going to be per head of population? Are 10 chooks going to be charged the same as 10 cows or 10 horses? Is it by the level of disease? For instance, is the mad cow disease, which is a very serious disease, going to have a different levy to a disease in hens?

No-one can explain to me how this is going to work. I specifically asked, in the briefing, for someone to explain to me how this was going to work. It seems extraordinary that the government would introduce legislation into the house as part of the budget bill when no-one can explain the mechanisms of how it is going to be charged, when it is going to be charged, who is going to be charged and what it is going to be charged for.

This is nothing more than cost recovery by the government. I know my colleagues are waiting for me to say that we will be opposing this levy, and indeed we are. If the government proceeds with the levy one of the first things we will do in government is review the levy, because at that point it will be less than two years old. There is half a chance this levy may not even get off the ground if the government cannot work out how it is going to charge it and how they are going to collect it, because the collection costs become an issue, as we knew in the early days of the emergency services levy.

I am assuming that the figures given to me are net of collection costs, and I will be asking the Treasurer more about that in the long-awaited committee stage on this bill, which will be at

some point in the future. I am assuming it will not be tomorrow, but after estimates, which will be interesting.

The Hon. J.J. Snelling: Probably, if it is not tomorrow.

The Hon. I.F. EVANS: Sorry?

The Hon. J.J. Snelling: If it is not tomorrow, it will be after estimates.

The Hon. I.F. EVANS: Yes, I am assuming it will be after estimates. I will have to seek advice from the Clerk as to whether we can ask questions in the estimates committee about a bill that is before the house. That is an interesting constitutional question for all those people out there who are interested in the state's constitution.

The other issue covered by the bill is the one-off water rebate. This is the rebate given to households because of the extraordinary increase in water prices due to the bungling of the desalination plant construction by this government. Water prices have gone up around 249 per cent under this government prior to the rebate.

The rebate, of course, is a one-off rebate, whereas the water prices go up every year. Again, I guess it is a cost of about \$45 million in relation to the water rebate. Even though it is a one-off, the cost of living in South Australia is so high that any measure to reduce the cost of living—and this one in particular—would be supported by the opposition.

The last issue is one that we will not be supporting as part of the budget bill, and we will be seeking to take it out of the budget bill as we did last time, and that is the amendments to the Summary Procedures Act. We are still consulting on this with the Law Society and the Lawyers Alliance.

My understanding of this particular provision is that the Statutes Amendment and Repeal (Budget 2012) Bill proposes to amend the Summary Procedures Act 1921 so that costs will not be awarded against any party to proceedings for an indictable offence unless the court is satisfied that the party has unreasonably obstructed the proceedings, or if proceedings are delayed through the neglect or incompetence of a legal practitioner, or a prosecutor who is not a legal practitioner. The amendment brings the Magistrates Court into line with the superior courts where there are no costs awarded on an indictable offence.

In the Statutes Amendment (Budget 2011) Bill, the government sought to amend the Summary Procedure Act 1921 to establish a presumption that costs would not be awarded against police in a summary prosecution, even though the prosecution had been unsuccessful. That measure was opposed by the Liberal Party and successfully removed in the Legislative Council. The bill reduces the court's discretion to award costs against the police. The changes were proposed by the 2010-11 Sustainable Budget Commission Report. The estimated savings were \$1.6 million, the same as last year.

The Law Society has been consulted, and its initial answer to the opposition is that the proposed amendment on costs in the summary jurisdiction is a significant one with potentially great ramifications, and one they strongly oppose. The principal concern of the Law Society appears to be that the measure undermines SAPOL's accountability and the incentive of police to maintain quality prosecution services. The fact that the police are subject to cost orders appears to be the major factor in ensuring that only the more meritorious matters go to trial. If the police are to be immune from a cost order, the fear is that a greater number of unworthy matters will be charged and proceeded with.

The effect of section 188A is that costs will not be awarded in summary proceedings relating to an indictable offence. The width of the phrase 'relating to' suggests that the court will not be able to award costs in proceedings where summary offences are joined with at least one indictable offence. Police may be fiscally encouraged to keep, or even add, an indictable count, whereas otherwise they may have withdrawn it in negotiations with defence to narrow the issues at trial.

The other potential impacts of the bill include: costs previously awarded against police to clients of the Legal Services Commission will not be awarded and the commission will need to carry a portion of those costs. Given that the Legal Services Commission is publicly funded and may have increased costs, the net impact on the budget is likely to be well under \$1.6 million. The ban on police costs is also likely to simultaneously increase demand for legal aid.

In fairness to the government, the answer with regard to the impact on the Legal Services Commission from the Treasurer's staff and officers was that the Legal Services Commission has not raised any issues relating to the amendment. I just ask the Treasurer to confirm that they were actually consulted on the bill. The other potential impacts include: less incentive to finalise a case where costs can be used as a threat (e.g. will not seek costs if cooperation is achieved). If costs are expected to be borne by the defendant, it may remove this bargaining tool. In addition, there may be an increase in civil actions against SAPOL from lawyers seeking costs. The 2011 bill and the 2012 bill were both SA Police initiatives and neither was subject to consultation with stakeholders.

As we argued in 2011, this measure is not a budget measure and should have been presented in a normal bill. Coincidentally, the parliament is still considering the Statutes Amendment (Court Efficiency Reforms) Bill 2011 which proposes increasing the number of cases being dealt with in the Magistrates Court (and the number of cases affected by this proposal). That bill is already amending the Summary Procedures Act and this proposal should have been dealt with in that bill. This proposal is a change of criminal procedure impacting on legal costs awards and the opposition is of the view it is not a general budget measure and undermines the justice processes. For the same reason as last year, we will be moving in the upper house to take it out.

As for the rest of the bill, as is tradition, the government gets its budget bill. With those few comments, that completes my second reading contribution.

The Hon. J.J. SNELLING (Playford—Treasurer, Minister for Workers Rehabilitation, Minister for Defence Industries, Minister for Veterans' Affairs) (19:36): I thank the member for Davenport for his support. Rather than attempting to answer every question he has raised in the second reading contribution, I will come back to him during the committee stage and answer his questions in detail. With that, I commend the second reading of the bill to the house.

Bill read a second time.

In committee.

Clause 1.

Progress reported; committee to sit again.

At 19:39 the house adjourned until Thursday 14 June 2012 at 10:30.