

## HOUSE OF ASSEMBLY

Tuesday, 1 July 2014

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

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

### *Bills*

#### **APPROPRIATION BILL 2014**

##### *Second Reading*

Adjourned debate on second reading.

(Continued from 19 June 2014.)

**Mr VAN HOLST PELLEKAAN (Stuart) (11:03):** It is my pleasure to stand here in this place on behalf of the people of Stuart and speak on the Appropriation Bill. I indicate that I am not the lead speaker. The Leader of the Opposition will be the lead speaker on behalf of our team but, while I am not the lead speaker, I, of course, do take this very seriously, as do all my colleagues.

This is the first day of a new financial year—a key date for many organisations running financial accounts. Not everybody works on a July to June year, but most do, so it is a critical year. It is a critical year as well for South Australians who may not be running companies or other organisations. For South Australians earning wages, trying to pay the bills, trying to put food on the table, trying to pay their mortgages and trying to look after their kids, it is a key day for them too, because it is 1 July and it is the first day of another year of higher taxes, reduced services and fantasy forecasts by our state Labor government.

I have spoken many times in this place about the never-ending stream of Labor government predictions of a budget surplus in two years' time which, of course, never materialises. We will have a \$1.232 billion deficit for this 2013-14 financial year which has just finished. Mr Speaker, as I am sure you know, that was originally planned by the state Labor government to be a \$480 million surplus. The surplus never came. The surplus was never likely to come and, instead of a \$480 million surplus as predicted by the then treasurer, we now have a \$1.232 billion deficit, so a \$1.7 billion turnaround from what was predicted to what we are actually going to get.

But they tell us it is okay. They tell us not to worry because in two years' time there will be another surplus. With every budget we get for a long time there is another surplus forecast two years down the track but we know they do not come. The public of South Australia knows they do not come and, while they will never say it, members opposite know that they will never come. In seven years of predictions that we have on the books at the moment, there has been one surplus delivered—one surplus out of seven years, and that is a fact that all South Australians are fully aware of.

We have been speaking on this issue for years. We have been highlighting for years that it just does not happen, but people are very aware of how things work now and I understand that the Treasurer got a very rude shock in the budget lockup this year when he was told very directly by experienced commentators that his assumptions about economic growth and the budget were flat out wrong, that they would not eventuate. I was not there, obviously, but I am told that he was told very directly that the assumptions of growth upon which he has based his predicted surplus in two years' time were fantasy.

It is very much like trying to get a loan from the bank based on a predicted income increase in the next few years, trying to tell the bank that you are going to get a promotion or a pay rise or your household income is going to rise so, 'Could I please spend this money? Could I have this loan to spend this money?' The banker says, 'Go away and come back once you've got the promotion. Once we know that that income is secure, come and see us again—that would be great—but until then we don't want to talk to you.'

The difficulty is that the state government does not operate that way. It just keeps putting these predictions further and further out into the future and increasing its debt. This government has been warned by business, warned by the Auditor-General, warned by the public, warned by public commentators and warned by us, but it does not change its plans. In 2010, 100,000 additional jobs were promised by 2014 by this government. That promise was then extended to be delivered in 2016 and the government is still trying to pretend that it will fulfil the promise, but it is the only one who believes it.

In just over four years we have actually gone backwards in regard to jobs. We have fewer jobs now than we did in 2010. We have lost 19,600 jobs in the last 12 months alone. South Australia's unemployment rate is now 6.8 per cent, the highest of all mainland states. We have extremely poor business and consumer confidence. No-one believes the government's fantasy forecasts. To achieve the fantasy forecast of delivering an additional 100,000 jobs by 2016, this government would need to deliver 4,800 jobs per month every month between now and 2016 and, of course, nobody believes that is going to happen.

Only Tasmania has worse unemployment and a higher unemployment rate than South Australia, but they do now have something that we do not have. They have a newly-elected Liberal government and what has followed immediately on the heels of that newly-elected Liberal government is the highest business confidence in the nation. Tasmania has the highest business confidence in the nation right now.

They can all see that things have changed for them. They can all see that they are now on the right path. They are off the path of promise surpluses, deliver deficits and then say that it was somebody else's fault, and then again, promise surpluses and deliver deficits and say it was somebody else's fault. They are off that path; they are off that treadmill. They have the highest business confidence in the nation.

Business confidence is vitally important. We in the opposition do not support businesses just because we want business operators to be successful—it is not about that. If they are successful, that is fantastic and good luck to them. We support businesses so that businesses can create jobs. That is why it is important to support businesses—particularly small and medium-size businesses—because they create jobs.

Labor keeps mismanaging our state's finances; it keeps breaking promises, and is now trying to blame the federal government for its own problems. The federal government is actually increasing funding contributions to our state but not at the fantasy levels offered by the former Labor federal government. The Victorian government did not believe the former federal Labor government, so it did not factor the fantasy forecasts into the forward estimates and so it is now not having to try to make the excuses that our state Labor government is making because it wanted to believe them. If they reached into the depths of their hearts they would have known it was not possible. They would have known that they would not have eventuated, but they just wanted to believe them and now they are trying to blame somebody else.

State Labor chose to accept the fantasy, just as it still holds to its own fantasies of surpluses in two years' time and 100,000 extra jobs in two years' time. Victoria knew this promise from the former federal Labor government could never be delivered regardless of who happened to win the last federal election. Whether it was Liberal or Labor that won the last federal election, those fantasy promises from the former federal government would never have been delivered. The Victorians did not count on them and our government should not have counted on them either.

Our state Labor government now tries to blame all its deficiencies on the federal government: the deficiency of poor financial management perpetually spending more than is available, the deficiency of predicting fantasy growth rates within our economy, the deficiency of not reigning in spending when it is clear that these growth rates will not be achieved, and the deficiency of broken promises and cost blowouts identified by the Leader of the Opposition and the shadow treasurer in our response to the budget.

We have identified 37 broken promises and cost blowouts from this government which are obvious from the budget which has just been released. There are too many in the time that is available to me to name, but I will touch on a couple. The promise of no privatisation is one which this government has made for a very long time, yet it sold the Lotteries Commission, the forward

offtakes for over 100 years for the forests in the South-East, and this year, having promised no privatisation, the government is going to sell the Motor Accident Commission.

Another promise which I fear will be broken is that of no privatisation in our Correctional Services system. As a former shadow minister for correctional services this is particularly important. As a person who represents the electorate of Stuart with two prisons and an enormous number of people working in community corrections in our electorate, I asked the Minister for Correctional Services in question time whether he could confirm what I had been told on good authority: that services within the correctional services system would be privatised. He was not allowed to answer—the Treasurer answered saying that no facilities would be privatised.

However, I fear that we have another broken promise on the horizon: the privatisation of some services within our correctional services within this state and that concerns me, and members on this side of the house, very much.

Let me put it in context. Two years ago, when former treasurer Snelling was in office, he started his budget speech in this house by saying that South Australia would be in a very different place in a year's time—

**The Hon. J.J. Snelling:** Ten years' time.

**Mr VAN HOLST PELLEKAAN:** In 10 years' time.

**An honourable member:** No, it was a few years' time.

**Mr VAN HOLST PELLEKAAN:** I do not think it was 10 years, former treasurer. We can check the *Hansard*, but suffice to say that the former treasurer said that South Australia would be a very different place because BHP's Olympic Dam project would be up and running. It is a shame that that project is not up and running, but to base budget estimates on those sorts of predictions before they are confirmed is just symptomatic of what is going on, and current Treasurer Koutsantonis is doing exactly the same thing. The government knows that it is doing the wrong thing, but it continues to do it.

Another deficiency is their being addicted to the belief that more and more debt will solve the government's problems; I think that is probably one of the worst. Broken promises are right up there, but trying to tell people that you can borrow more and more and everything will be okay is not going to cut it.

Another very serious deficiency of this government's financial management of our state is that they genuinely believe that it does not matter how much damage they do to our economy, that as long as they are re-elected it is worth it, even when they know that each and every South Australian will eventually have to pay the very high price attached to Labor doing whatever it has to do to stay in power, to look after itself rather than the state. How sad that is for the people of South Australia because the reality is that a lower price up-front is much better than a much higher price later, and that is what Labor is doing to the people of South Australia.

State Labor is now trying to blame all of its deficiencies on the federal government. An example of this is the Minister for Education, who recently visited the electorate of Stuart. I welcome all ministers to the electorate of Stuart. I genuinely try to help them; I make my office, my staff, anything I have, available to them so that their time in the electorate can be productive and useful. But instead of trying to be productive and useful, unfortunately on this occasion the Minister for Education continued this rhetoric of blaming federal funding decreases for the current government's situation with regard to the budget.

The reality is that, over the next five years, the federal government will actually increase its contribution to South Australian state government schools by 37 per cent. It will go from \$334 million in the 2013-14 year up to \$558 million in the 2017-18 year, a 37 per cent increase. That is very significant and very important, but still the government tries to paint it as if it is decreasing. The state government had already announced \$240 million of its own cuts to education before the federal budget was handed down.

The Minister for Education, who, no doubt, has done this in other electorates too, came to Stuart identifying specific amounts of money that would be taken away from every single school in the electorate of Stuart as if that was the federal government's doing. Every member of this house knows that it is the government, the minister and the education department that identify how much

money will be taken away from every school. So, to try to put a dollar value to school A, school B and school C as if Tony Abbott has somehow come in and wielded the axe in that school is deliberately misleading. It is the state government that makes that decision; it is the state government that has that control.

This type of rhetoric is just not credible, given the existing track record of financial mismanagement this government has: predicting surpluses that do not eventuate; the \$1.2 billion deficit for the 2013-14 year, with no impact whatsoever from the federal budget on that 2013-14 year; predicting a fantasy \$248 million surplus for the same year but delivering that \$1.2 billion deficit—and that is after receiving \$1 billion of extra GST top-up money from other states. The government actually spent well in excess of \$2 billion more in the financial year that closed just yesterday than it had in income.

Nobody believes this government when they try to blame the federal government for their financial mismanagement. We are heading to over \$14 billion of state debt, plus unfunded liabilities, which are real liabilities which the public of South Australia have to deal with. We are going to be well in excess of \$20 billion when you add up all the exposure South Australians have to the excesses, the poor management and the broken promises of this government. It is actually South Australians who have to pay it. It is not the government doing whatever it can do and saying whatever it has to say, pretending to be all things to all people and not caring about the realities of financial management just so that they can get re-elected. Eventually, South Australians have to pay.

This goes straight to the cost of living for every South Australian household and every single person. In the last 12 years of this state Labor government, there has been a cumulative 40 per cent inflation—a 40 per cent CPI increase—yet housing rental has gone up 54 per cent, property charges have gone up 87 per cent, state taxes have gone up 92 per cent, gas bills have gone up 136 per cent, electricity bills have gone up 160 per cent (four times inflation) and water bills have gone up 227 per cent.

I started by saying that this day, 1 July 2014, is a very sad day, for many reasons. This budget comes into effect today. But guess what? So does another 4.4 per cent increase in our electricity prices. This is after the Treasurer forecast, only a few months ago, that South Australians would have a 0.9 per cent decrease in their electricity prices every year for the next three years. The Treasurer said electricity prices would go down by 0.9 per cent every year for the next three years, but they have actually gone up 4.4 per cent just for this year. That is the type of financial mismanagement that concerns me enormously.

The increase in the emergency services levy impacts on all people who pay the emergency services levy in our state and it is an absolutely disgraceful thing to do under the guise of emergency services. It is as if our emergency services professionals and volunteers are somehow at fault. It is just an increase in tax. It is an increase in tax right across the board. It is an increase in property tax: it is essentially the same as a land tax increase.

The emergency services levy increase, which is attracted by the ownership of property, goes to every household that owns a property, every landlord who owns a property, and every person who rents a property (because, eventually, the landlord will have to pass it on). It goes to every small business. It is a tax on small business and a tax on employment. Every business in our state that works out of owned premises is going to pay this extra tax. Every business that works out of rented premises is going to pay that tax, because the landlord will pass it on eventually through the rent.

The business will get this increase in the emergency services levy through its outgoings and commercial tenancy agreement. It will directly pay it straightaway, and it will add costs to that business so that that business is unable to employ people, which is what we really need. We need to be supporting businesses, not dragging them down, so that businesses can employ more people so our economy can grow. Take the handbrake off our economy so that people can have jobs in our state.

**Mr MARSHALL (Dunstan—Leader of the Opposition) (11:23):** I rise to speak on the Appropriation Bill which is before the house at the moment. I indicate that I will be the lead speaker for the opposition and that we will be supporting this budget. In fact, it is the Liberal Party's position, as it has always been, that we will support the Appropriation Bill and always support the Supply Bill. It was nothing more than mischievous for the Treasurer to suggest to the people of South Australia in the lead-up to his bringing down the Appropriation Bill that we planned to block supply.

He was indicating to the people of South Australia that the Liberal Party had some evil plan to stop paying doctors, nurses, teachers and public servants here in South Australia, and nothing could be further from the truth. We never indicated that we would be blocking supply. We never indicated that we would be blocking this Appropriation Bill.

There are plenty of things that we are not happy with in this budget and there are plenty of things that the people of South Australia are not happy with in this budget, and we will have more to say about that when the Budget Measures Bill is introduced to this house, and I foreshadow that we will be talking extensively regarding some of the items contained within the Budget Measures Bill. However, I make the point that we will be supporting the Appropriation Bill, as we supported the Supply Bill.

South Australia is in an absolute world of trouble. Between last year's budget and this year's budget we have lost in excess of 19½ thousand jobs here in South Australia. That is absolutely shameful. We went to the election and both major parties said that the most pressing issue for South Australia was unemployment. We have the highest rate of unemployment in mainland Australia at 6.8 per cent and growing; the May figures saw a significant growth in unemployment in South Australia from 6.2 per cent to 6.8 per cent. It is going backwards under the failed policy settings of this government here in South Australia.

It is not just employment that is a problem here in South Australia, it is also our domestic economy. We know, from the ABS, that our state's domestic economy has shrunk in the last two quarters; in the December quarter we contracted, in the March quarter we contracted, and, guess what? We are on track—with these poor policy settings put in place by Labor—to have a further contraction in this June quarter. That is costing us jobs here in South Australia.

Not only do we have a contracting domestic economy and increased unemployment but our young people are leaving South Australia. Last year, in a single year alone, we had a staggering 30 per cent increase in net interstate migration. Our young people are giving up hope in South Australia, and that is why it was so important for this budget—this most important budget, the most important document brought down by government each and every year—to favour the business community, to favour jobs creation here in South Australia, and to favour our next generation.

We went to the election saying that we needed a budget in South Australia that backed business to grow the economy, that had substantial tax reforms in place, that reduced regulation, that focused on population growth, that focused on supporting our exporters out of South Australia, and that focused on a better framework for spending our finite capital here in South Australia. There is a way forward. There are six states in Australia, and five of them are currently governed by Liberal reformist governments. Guess what is happening in each and every one of those states? They are growing employment.

I have just spent the weekend with Liberal premiers from around Australia, and I can tell you that they are very exciting times in those states. On Saturday morning, I spent some time with Dennis Napthine; he has actually created 18,000 jobs in the 12 months to the end of May. Sound familiar? We have lost 19,600 and guess where they went? Victoria; 18,000 jobs have been created in that state.

Let me tell you what was contained in their state budget, which was brought down in the last couple of weeks: reduction in payroll tax. Why? Because they want to further grow their economy, they want to further grow employment in their state, they want to keep their young people in Victoria—more than that, they want to take our young people from South Australia into their state. Well, enough is enough.

This is a government that should know better. It should have some better economic policies in place to try to grow our economy. That is why we were all very excited about the budget coming down; we thought that here was an opportunity for this government, this 12-year-old government, to recalibrate and put the right policy settings in place to substantially grow our economy. Did they do that? No, they did not. We had more of the same, old, failed Labor policy settings in South Australia, more of the settings that have put us into the situation we are currently in here in South Australia, more of those failed policies put in place for another 12 months.

Let me tell you about them, Madam Deputy Speaker. It is a massive betrayal of the people of South Australia. What did we see in the budget? We saw a stream of broken promises and

increased cost of living pressures on everyday South Australians, broken promises that were made to the people of South Australia in black and white only three months ago when we went to the election.

Let's take a look at some of them. It is interesting that the Minister for Health is currently in the chamber; I think he should hang his head in shame—I think he is actually doing something on his iPad, but anyway his head is hung and we will interpret that as hanging in shame—because this is a government that has shelved the Modbury Hospital expansion, a \$27.8 million dollar expansion shelved.

We cannot even get a straight answer from this government. We cannot get a straight answer as to whether they are even going to keep that hospital open. The Premier was asked in the media this morning, point blank, 'Will you be closing Modbury Hospital?' Well, guess what? No answer. We have had no answer from the minister, we have had no answer from the Treasurer, we have had no answer from the Premier.

The people of Florey and the people of Newland need to know: is this a government which supports the continuation of the Modbury Hospital in South Australia? The Liberal Party supports the continuation of Modbury Hospital, and it is about time the government stood up and told us their plans for health here in South Australia.

But it is not just Modbury Hospital, Deputy Speaker—which I know is an important institution for you and your constituents in Florey, and I will not pester you on that—but it is also the people who live in the south. The Flinders Medical Centre \$100 million expansion has also been shelved, The Queen Elizabeth Hospital \$125 million expansion has been shelved, and the Noarlunga Hospital \$31.3 million expansion has been shelved.

We had a whole pile of promises before the election and a whole pile of changed circumstances after the election—and that is just typical of Labor. It is a budget filled with broken promises, but it is not just broken promises in terms of health expenditure. Do not forget that before the election the Premier went to some length to say that there would be no substantial privatisation here in South Australia. I do not know anything more substantial than the Motor Accident Commission; if there is, let us know—that might be in next year's budget with this lot.

Before the election, they made it abundantly clear that there would be no significant privatisation. Three months later, changed circumstances, and guess what? The Motor Accident Commission has gone. We have no indication whatsoever whether this is a good deal for the people of South Australia. The government, to try to avoid using this word 'privatisation', are just going to wind up the fund. They are going to wind up the fund in two years' time and magically there is going to be \$500 million sitting there on the balance sheet which is going to be given to Treasury to try to bolster our terribly underperforming state budget here in South Australia.

How do we know that the taxpayers in South Australia are getting the best possible deal? It is a significant asset. Surely there should have been an exploration of the various options. If the government made up their mind to sell that, and if they want to deceive the people of South Australia, fair enough, but what about giving some options to the people of South Australia? How do we know that we have the best deal? We have no idea whatsoever.

We saw the SA Water debt transfer and we had the Treasurer telling us that we are going to reduce the overall debt in South Australia. Rubbish, absolute rubbish! Let me tell you what they are doing with the debt: they are taking it off one balance sheet and sticking it onto another balance sheet. The net debt in South Australia continues to go up. What did Dick Blandy say about this? What did he say about it? He said it was a fraud. He called them out. He said it was a fraud. The government does not care—take it from one balance sheet, stick it onto another balance sheet, the pea and thimble trick. Let me tell you that the people of South Australia are not in any way, shape or form convinced by this government.

Let's look at the big daddy of them all, the emergency services levy. That is what it is currently being called but let me tell you that it is a land tax, it is a sneaky land tax, and it was first envisaged by the member for Playford when he was the Treasurer. We have had a lot of treasurers lately; in fact, we have had three in the last 18 months, but certainly the member for Playford was one of my favourite of the three. When he first envisaged putting a land tax on the family home, he said that we would have a conversation with the people of South Australia. There was no conversation. He said

that we would take it to an election. Well, guess what? He did not take it to an election. There was no conversation, it was not taken to an election, and now that is exactly and precisely what we have in South Australia.

We have a land tax on the family home, and what a massive increase it is. If you have a house with a capital value of \$400,000, you will now be paying \$241 per year. It is a 163 per cent increase and it is not paid once but every single year. If you have a \$750,000 house, you will be paying \$408 per year—a 219 per cent increase. The top rate, if you have a more significant property, continues to go up and up and up. There is no end to this whatsoever.

The revenue increase from this emergency services levy increase is \$384 million, but guess how much of that is actually spent on emergency services? There is only \$8 million worth of new programs envisaged in the budget, but \$384 million worth of new revenue included in the budget. It is a shameful situation, and the Treasurer and the original architect of this land tax on the family home (the member for Playford) should hang their head in shame because it is just putting an added burden on the people of South Australia.

Of course, my favourite component—and I wait for it every single year—is the statement by the Labor Treasurer; it does not matter who it is because we have had three in the last 18 months and they all say exactly the same thing when they bring down the budget. They say, 'Look, this is a tough year. It's a very tough year but, don't worry, in two years' time we return to surplus.' That is one of the greatest frauds, one of the greatest fantasies perpetrated on the people of South Australia, and it is the same tune every single year. Of course, this year when I sat down here on budget day I was not disappointed because the Treasurer—bang, up he popped—said, guess what, 'It's a tough year but, don't worry, in two years' time we are going to be returning to surplus.'

Let me tell you about the accuracy of this government's projections in terms of surpluses. Since the global financial crisis, which occurred in 2008, we have had seven predictions of surplus, and they add up to a total of \$2.6 billion. This is a government, on that side of the chamber and on the Treasury benches, which has said, 'We are going to deliver for the people of South Australia'—between 2008 and 2014-15 (next financial year)—'\$2.6 billion worth of surpluses'. Remember that number; that is what they promised.

What have we actually got when we look at how they have performed over those seven years? It is \$3 billion worth of deficits. The number is around the same, it is just that there is a big fat negative in front of it: \$2.6 billion worth of surpluses promised but \$3 billion worth of deficits delivered. That is the problem. So, the Treasurer goes to his budget lockup, he stands up in the house on budget day and says, 'Well, don't worry, it has been a tough year, but in two years' time we return to surplus.' Why should we believe this government? Why should we believe them when they have let us down time and time and time again—overpromising and underdelivering.

Let's take a look at what the other Liberal premiers are doing around the country. I had a great opportunity to meet with Campbell Newman over the weekend and look at what he has done. When we look at what he promised and what he has delivered, they are two completely different numbers, but they are not in the wrong direction: they are actually underpromising and overdelivering. When we look at the original budget net operating balance when he came to power, they were running deficits in that state, after the dysfunctional Labor government had essentially ruined their budget position, of around \$4.5 billion per year. In the 2013-14 year, the year we have just finished, they set a budget to reduce that down to \$3.7 billion. They were going to bring it down to \$3.7 billion.

Let me tell you that when they finally brought down the budget, guess what the deficit had reduced to? It was \$2.2 billion. They have actually outperformed by \$1.5 billion in a 12-month period. They are underpromising and overdelivering, and guess what is going to happen next year? They are going to return their basket case budget in Queensland to surplus. Next financial year, Queensland, which has been running these massive deficits for an extended period of time, is going to be returning its budget to surplus.

I will tell you another statistic about Queensland; this is a really important one, and I hope that the Treasurer is listening to this. Campbell Newman has returned his budget to surplus, they have reduced their wasteful expenditure, and guess what happened to jobs in Queensland? You would never guess it, you would never predict this, but let me tell you that in the 12 months to the

end of May the Queensland economy grew the number of jobs in that economy by 60,800 people. They have returned their budget to surplus and created jobs.

We have exactly the opposite situation here: we have these unrealistic, fanciful return to surplus predictions and increased unemployment here in South Australia. You have got it wrong. You have every single one of your policy settings wrong and every single South Australian is paying the price for your ineptitude. Sixty thousand jobs in Queensland; we lost nearly 20,000 jobs here in South Australia.

Let me tell you about the financial year that just ended. Labor promised that we would make—I can hardly say this with a straight face—a \$480 million surplus last year. Well, guess what? It was a \$1.232 billion (\$1,232 million) deficit, the largest deficit in this state's history. We are heading in the wrong direction. We are heading in the wrong direction because we have a government which has not put its policy settings in the right place and every single South Australian will be paying for it.

This current financial year we are in, when this was originally forecast, they told us that we would be making an \$840 million surplus, but every single announcement since then has diminished the size of this surplus to the point that we are now predicting a \$479 million deficit this current financial year. They predicted \$840 million in surplus, but they are now predicting—changed circumstances—a \$479 million deficit. But that is not the end of the bad news. They have never delivered on one of those budgets yet. It is going to be significantly worse because they do not have the backbone whatsoever to bring their budget in as they have actually forecast it and that is the problem.

If we look at last financial year, there was \$311 million in a single year of unbudgeted expenditure. Each year the government sets its budget. It is not like in a company where often the managing director will set a divisional manager's budget, 'Right, you've got to achieve that.' That is very hard to achieve, but it has been forced down. Here, they set their own budget, and each and every year they do not see it as a budget, an upper limit, they see it as a target and they blow it out of the water every single year. They go over and above every single year, but the problem is that they go over and above on their expenditure because they have no fiscal discipline whatsoever and that is the problem for South Australia.

Since they came to power, we have had almost \$4 billion worth of unbudgeted expenditure. Imagine where our state would be if we had that unbudgeted expenditure back in our Treasury. Imagine where we would be. We could have bought the new Royal Adelaide Hospital with cash. We could have paid for it with cash. What are the holding costs? Four billion dollars worth of unbudgeted expenditure over this state is absolutely incredible and that is what is holding our state back; a complete and utter lack of fiscal discipline by this government over an extended period of time.

How are they going to achieve this budget? Well, there are not that many people out there who think they have any shot whatsoever. This is a budget which produces a whole range of predictions. We know there is no economic modelling capability within Treasury. For some reason that has been hived off to the DPC. We are trying to find out why this is the case because we are not served well. We are not served well with the forecasts that are being brought down. In this current financial year that we have just started, South Australia's taxation revenue growth is predicted to grow by 6.2 per cent. I thought, 'Well, let's just do a bit of a comparison. Let's go and do a comparison with every other state.'

I was genuinely amazed to read that South Australia is predicting the fastest revenue growth of any state in Australia. We have just had two successive quarters of domestic contraction in our economy, but for some unknown reason we are going to have massive taxation growth in South Australia. That is not where it ends. The South Australian housing market will be—are you ready for this?—the strongest of all states, with stamp duty growing the fastest of all states in the country at 9.4 per cent.

What is driving this? South Australia's payroll tax revenue growth is going to be stronger than that in Queensland and Victoria. How can that possibly be? Victoria grew their employment last year by 18,000 people. Queensland grew by 60,000 people, yet their payroll tax growth is going to be lower than South Australia, which lost 19,000 jobs.

*Members interjecting:*



**Mr MARSHALL:** It is just completely and utterly, voodoo economics as the member for Unley says, and, as the member for Flinders says, it is seance economics—let's just hold hands, sing *Kumbaya*, and hope that somehow magically our economy here in South Australia can improve.

I thought that the words of Dr Julie Novak were particularly sage, as reported in *The Australian* last week on 26 June. She said that the forecasts were simply 'make-believe', completely and utterly. It must break his heart to read what the real economic commentators are saying about this budget: it is make-believe. In fact, Dr Novak went on to say:

It is just inconceivable that South Australia, which historically has a proven track record of low growth, would actually suddenly have a residential property boom and an employment boom that will yield such high growth revenues.

'It is just inconceivable'—and that is exactly and precisely what it is: it is completely and utterly inconceivable. When we look at the growth forecasts that are factored in we might as well switch the channel and watch the Disney Channel because it is a complete and utter fantasy.

This year the government is saying that we are going to grow our economy by 2.25 per cent; next year it is going to go up by 2.5 per cent. Let me tell you what other people are saying. The South Australian Centre for Economic Studies said that there is no way that we are going to have 2.5 per cent economic growth next year; it is predicting 1.75 per cent. If you go to Deloitte it is predicting less than 1 per cent—less than 1 per cent growth—that is all that this government can manage.

Let me tell you what Queensland is predicting next financial year. It is predicting a 6 per cent growth in a single year because they have a Liberal reformist government that wants to reduce taxes, reduce red tape, spend its finite capital on productive infrastructure which is going to grow the economy—not as we have here in South Australia, where we have increasing taxes, increasing fees, increasing charges, increasing red tape and no framework whatsoever to spend our capital on productive infrastructure which is sorely needed here in South Australia.

Let me talk about the jobs growth forecast figures in the budget: they are absolutely and utterly appalling. For the 2013-14 year, the year we have just started, the government said that we were going to have a 1.75 per cent increase in employment. As I have already pointed out, it does sound good but, unfortunately, it is completely inaccurate because they are now saying that we are going to have a jobs loss from last year of 0.75 per cent. So instead of creating 1.75 per cent of new jobs we went backwards here in South Australia.

The government very clearly went to the 2010 election and said, 'We will create 100,000 new jobs.' I think it is really important, because this is going to be delivered—are you ready for this?—by February 2016 which is coming around extremely quickly. We are over two-thirds into the time that the government allocated for this great new jobs focus. What we have in South Australia is a situation where, after four and a bit years of the government's six-year program, we have actually lost jobs. We have 800 fewer people employed in South Australia now than when they made the promise.

We agree with the government—the most important thing that it could be concentrating its efforts on is growing our economy, creating jobs, keeping young people here in South Australia. We agree with the objective but what is the government doing to achieve it? As I said, it is seance economics: let's hold hands, sit around the ouija board, let's make a couple of policy announcements and just hope for the best. Well, it is not good enough. The people of South Australia—and I see the Treasurer over there laughing. He is laughing at the people of South Australia who have lost their jobs. They have lost their jobs because of the ineptitude of you, sir, and your government—not you, Deputy Speaker, they would certainly not be laughing at you.

There was no plan for infrastructure whatsoever. The government went to the election saying, 'We are going to build, build, build.' Consequently, on budget day we thought, 'I wonder how much bigger this capital investment is going to be from this government.' It is an incredible situation: it is diminishing, it is coming down. They are not going to be building, building, building: they are going to be cutting their capital expenditure and certainly not prioritising around productive infrastructure.

The only thing that they seem to be building with any great consistency whatsoever is state debt. On that front, they are certainly building, building, building. No other state in Australia is as effective at building debt as the current Treasurer, the current Premier and the current tired 12-year-old dysfunctional Labor government here in South Australia.

When they came to power, we were diminishing our debt year on year. It was going down and down and down. Of course, when the Labor Party formed government, to their credit they continued to reduce the debt levels in South Australia. Of course, they were somewhat aided by this 'rivers of gold', as we refer to it, GST revenue into South Australia—which, by the way, they opposed. They opposed this money coming into South Australia, but to their credit they continued to pay down the debt. But now, year after year, we seem to be increasing our debt.

You would not mind if that debt was incurred to build the productive capacity of our state, to put that productive infrastructure in place which was going to improve the productivity of our state and help our exporters send goods and services out of this state; but it is not. As I pointed out, \$4 billion—\$4 billion in just the last 12 years—has been incurred in terms of debt just from unbudgeted expenditure.

Let me tell you what the former treasurer, the member for Playford, said. He said, 'To take on debt merely to pay for the running costs of government is tantamount to stealing from our children.' They are emotive words, but never a truer word has been said in this parliament; never has a truer word been said. That was said in his own budget speech in the 2011-12 year. I repeat, 'To take on debt merely to pay for the running costs of government is tantamount to stealing from our children.' But that is exactly and precisely what this government has done.

The business community is suffering. The Sensis Business Index, which was released only the week before last, paints a very gloomy picture. Everybody talks about the importance of the small business sector here in South Australia; everybody knows that it is the backbone of our economy, but nobody on that side of the house wants to do one single, solitary thing to help small businesses which are struggling—struggling with the highest business taxes in the nation, struggling with the highest electricity prices in the nation, struggling with the highest water prices of any capital city in the nation, and struggling with a WorkCover regime which is completely and utterly broken. We are paying over double the national average in terms of our WorkCover rates in South Australia, and businesses are doing it extraordinarily tough.

The Sensis Business Index, which is a longitudinal study of small business confidence, shows a further deterioration—a further deterioration, Deputy Speaker—in small business confidence here in South Australia. This index also rates individual state and territory governments and you would not believe it—in fact, you would believe it, Deputy Speaker—we are the lowest rated state in the country. Let me tell you which jurisdiction jumped in the last quarter.

**An honourable member:** Tasmania.

**Mr MARSHALL:** Tasmania. Tasmania now has the highest business confidence for the small business sector in their state in the nation—in the nation! In fact, they have not even had that metric in positive territory since 2006.

I make this point because a lot of people say, 'Well, it is doom and gloom out there.' Sure, we have the economic settings wrong here in South Australia, but if you put a Liberal reformist government in place you will increase confidence in the business sector, you will create economic growth, you will create jobs here in South Australia and you will put your state back onto an even keel. That is exactly what we need in South Australia. We need that; we need business confidence and we need a government that has the right priorities for our state.

Let me tell you that this is a government which does a lot of talking—a lot of talking, but not a lot of action. One area which is particularly important to us on this side of the house is agricultural expenditure. Despite their recent visit to the Riverland, this government have absolutely no interest in the regions in South Australia. This a problem for South Australia, because we know from those economies that are growing that a lot of that growth is coming from the regional economies. We have such an opportunity, such an incredible opportunity, in South Australia, by putting a focus on our regions, to create jobs. But what does this government do? They are actually going to take jobs from the regions. Have a look at their marine park legislation. I have never seen anything more inane in my entire life.

Nobody would have a problem whatsoever if the sanctuary zones were put in place on a threats basis. If there is a threat to the marine environment, sure, put a sanctuary zone in place. In fact, put in an aquatic reserve; you can do it under the Fisheries Act and we have been doing it for years. If you want to put in a sanctuary zone, put it in place, but our sanctuary zones here in South

Australia are not based on threats like every other set-up right around the country. Ours are based on creating (are you ready for this?) a representative sample of our state waters locked up in a conservation framework. Give me a break!

When we asked the chief executive in the select committee, 'Is fishing doing any damage to these pristine marine environments?' he said, 'No.' 'Sorry, so they are pristine, fishing is not doing any damage, but we're going to put in a sanctuary zone?' 'Yes.' 'Why?' 'Because we want to have a conservation framework in the water.' We do not want a conservation framework in the water. What we want is regional jobs in South Australia. If there is any damage to the marine environment, put a sanctuary zone in place but, if not, do not take jobs away from our regions. We can ill afford it, and that is why we find ourselves in the situation that we are in at the moment.

The Premier is always talking about clean green food to be exported overseas, and we support the objective, but let's look at what he has delivered in the budget in South Australia for agriculture. The state agriculture budget now is down to \$59.8 million; that is just 35 per cent. It is essentially a third of what we were spending five years ago. Every single year, we cut the elements of our budget that can create exports and can create jobs. That is what we are doing in South Australia. We have no problems with having unbudgeted expenses of \$311 million in a single year, but to spend some money supporting our farmers, to spend some money to support our exporters to increase exports and create jobs—no way. No, that has got to go. There is no way we are going to be doing that.

Have a look at our state mineral resources budget: that has actually fallen. The government goes on and on about this, but it has fallen from \$88 million in 2012-13 to \$76 million in 2014-15. There is a lot of talk, and this is a government which still supports the carbon tax and the mineral resource tax. Ask the Premier—actually, why not ask the Treasurer? I think he might have a slightly different answer to that. Certainly the chief executive of his department last year let the cat out of the bag. They do not support it whatsoever. Why? Because it drives investment out of our state, and that has been our problem. That is what stalled our investment here in South Australia in the minerals sector, that and our complete lack of productive infrastructure, because this is a government which has put favour to their pet projects in marginal seats around electoral cycles rather than putting some investment into the productive infrastructure which is going to grow exports out of our state.

But the most heinous crime of all has been the massive cut in support for our exporters out of South Australia. There are only a few ways to grow the size of our economy. There are only a few ways to create increased employment here in South Australia. We can grow our population, or we can increase investment into this state, but the most obvious opportunity and the thing that every other Liberal reformist government around Australia has focused on is growing the size of exports.

Every time you send a good or a service across your border, you are going to be bringing somebody else's money in to grow the size of your economy, and that is what we needed to have been focused on, but this is a government with no plan. They have a couple of glossy brochures, but they have no plan whatsoever to substantially grow the size of our export value out of this state. They are completely and utterly dependent on having a good rain. Let me tell you that you cannot have an export strategy which is just weather dependent, but that is exactly what we have had in South Australia under this government for an extended period of time.

Let's take a look at the 2012-13 year. There was a \$750 million reduction in merchandisable exports out of this state, so not agricultural products—sure, have a bumper crop, fantastic, love it—but in terms of merchandisable exports we went backwards \$750 million in a single year because the programs that the government have put in place simply do not work and, not only that, they continue to cut the budget. Yes, they have a new minister. I think this is the third or fourth minister we have seen in the last couple of years. None of them has been much good, and I do not hold much store for the current one, but let me tell you what budget he has been able to deliver into this area.

In 2011-12, the program, which was called Globally Integrating the South Australian Economy, received a budget allocation of \$30 million. We need to grow the size of our exports, so we were thinking in this budget it might go from \$30 million to \$40 million, or, even better, if it could go from \$30 million to \$60 million. Well, what was the actual outcome? I will tell you what it was: it was down to \$15 million. They have halved the budget to support our exporters.

Let me tell you what the New Zealand Prime Minister told me. The New Zealand Prime Minister told me that in New Zealand they have a saying that you cannot grow the prosperity of New

Zealanders by simply selling to themselves. You cannot grow the prosperity of the nation by selling to itself. That could simply apply to South Australia: we are not going to grow the size of our economy by selling to ourselves. Let me tell you that every other state is coming here to try to take a piece of the action.

When it comes to the state government, even if it is just buying a simple thing like a flag, sure, Victoria—come and buy one! Take it out of our state! We do not believe in exporting our jobs. We believe in exporting goods and services and bringing in somebody else's money to grow the size of our economy, grow employment and to keep our young people here in South Australia.

The Treasurer said, when he brought down the budget, 'This is not the budget I wanted to bring down'. I can tell members that he is not the person the people of South Australia wanted to be bringing down the budget. In fact, when we look at the election result it was quite a clear result. The Liberal Party had one of its best results in the history of its party.

*Members interjecting:*

**Mr MARSHALL:** They might laugh! There is the Treasurer laughing uncontrollably, but again he is laughing at the people of South Australia and is laughing at democracy. He is laughing at democracy! There was an overwhelming mood for change. The Liberal primary vote was in excess of 25 per cent higher than Labor's vote, and the will of the people was completely and utterly ignored by the result which was delivered in March.

I foreshadow that later today I will give notice of a bill to establish a statutory inquiry into our electoral system in South Australia. This is not something I am doing because the Liberals are having a whinge about an electoral result. I am arguing on behalf of the people of South Australia, who wanted a change in government and were denied by the electoral system in place in South Australia at the moment. I am arguing on behalf of the people of South Australia, and that is exactly what needs to happen. Their voice needs to be heard. One of the great things about our society is that it is underpinned by a democracy.

Let's be very clear about this: in three of the last four elections the people of South Australia did not want Labor, but at all four they have been lumbered with Labor, and look at where we are as a state. We are absolutely going backwards: increased unemployment, young people leaving our state, population growth half the national average. Imagine where we could be if we had a Liberal reformist government in South Australia. I put to you that every single day that this tired, divided, dysfunctional, incompetent government remains in place is another day that South Australia does not get its act together, another day that we do not create jobs, do not get our economy moving in the right direction and another day that our next generation completely and utterly gives up hope.

**Mr TARZIA (Hartley) (12:03):** I support the comments of our leader. This is a shameful budget, which has been put out by an illegitimate government, a government with a two-party preferred vote of 47 per cent. It should not have had the right to be in government in the first place. It is a terrible budget.

I will summarise the budget before I go on: six deficits in seven years—another budget expecting deficit; a debt exceeding \$14 billion; interest on debt over \$1 billion in 2017; total liabilities of over \$25 billion; state taxes which are the highest in the nation; capital city water charges, 220 per cent of which have been increased under Labor since they came in to power; a terrible workers compensation system; a terrible workers compensation levy scheme, which is the highest in the nation at 2.75 per cent, compared with 1.76 per cent on average across Australia; \$2.3 billion of government work continues to flow and go interstate each year; and a shameful credit rating which keeps deteriorating under this government.

We in the Liberal Party understand that a strong credit rating is important and that lower interest rates are the result of a better credit rating: the state can borrow at much better rates, investors are attracted to state securities if interest rates are better and the credit is much more secure, and people have more acceptance of risk and investment in the state. We understand that investors will be better attracted to the state's securities, and that is why a strong credit rating is important. We understand that it shows the public and the private sector that the government means business and that it has a fiscal discipline in its economic strategy.

I see the increase of public-private partnerships. The public are not stupid. They understand why the government has to go to equity. It has to go to equity because it cannot pay its debts on time and, as we have heard already, the government is currently borrowing even to pay wages.

Madam Deputy Speaker, happy new financial year! I trust you had a good financial new year; I certainly did. Here we are: one Australian dollar is worth US94¢. The RBA cash rate is 2.5 per cent. As our leader alluded to, across the country in Australia we have Liberal state governments which are turning around their respective states. As the leader pointed out, their economic credentials are getting much better, because the thing is that this is a terrible budget, and as Liberals we understand economics. We understand supply and demand, the two fundamental variables in economics. We understand that one cannot spend what they do not have. The government keeps spending what they do not have. They have kept doing it. Six out of seven deficits they have delivered.

When you look at the Budget Overview, it is a beautiful, lovely glossy paper. It is colourful, it has cartoon characters in it, lovely simple spelling. It reminds me of a cartoon, and I would say that the economic credentials of this government are almost Disney-like. I am reminded of a fairy tale, Aladdin, where there is a bottle and a genie, and the genie comes out of the bottle. At the moment, it looks like the government are rubbing their bottle, they have been rubbing the bottle—

**The Hon. T.R. Kenyon:** It's a lamp.

**Mr TARZIA:** —hoping that after 12 years maybe this genie will pop out—

**The Hon. T.R. Kenyon:** It's not a bottle, it's a lamp.

**Mr TARZIA:** —and reveal itself, this magical being and eradicate the 12 years—

**The Hon. T.R. Kenyon:** Genies come out of lamps. Everybody knows this.

**Mr TARZIA:** —of waste and irresponsible spending, and I can hear the member for Newland interjecting. Thank you, member for Newland, for coming to Hartley last weekend and showing exactly where we need spending at IVF Campbelltown, but I will get to that in a second. But they think they can be like Aladdin and that a magical genie will come out of the bottle, the economy will do what they want just like the genie in Aladdin did but instead there is a bad genie that has been let out of the bottle, and it is all bad and I will explain why it is bad. The bottle that is the state economy has been rubbed up the wrong way for too long.

I would like to talk about two broad areas of the bill. One is the state budget at a glance and two is how it relates to Hartley in particular. At a glance, as we have heard, South Australians will be paying over \$2.2 million in interest every day on Labor's debt which rises to \$14.3 billion. The emergency services levy will cost the average household \$150 per year and \$8 per year for motor vehicles—a direct contradiction to what was promised the people of South Australia before the state election.

We have heard that fees, charges and fines will increase by 2.7 per cent. We have heard that council rates concessions for pensioners and concession card holders will be cut. These are some of the most vulnerable in our society and these concessions will be cut which is absolutely shameful. We know that the government has taken a knife to the health sector. It has broken a number of key election commitments, as our leader also explained. Small business continues to take a hit, which I will explain, and I will explain how that relates to the small businesses in Hartley.

Of course, we in the Liberal Party understand that small businesses are the engine room of South Australia with over 100,000 small businesses. We understand it is the engine room. We understand that it is business that will get us out of the rut in this state, but the government? What are they looking to do? No, they want to punish small business. They want to punish small business because they think that the government can keep spending money, that we can spend our way out of this trouble. I tell you what: it has not worked. You have had 12 years and it has not worked. The budget has no plan to create or grow the economy, and this government has certainly—correct me if I am wrong—promised to create 100,000 jobs by 2016. Former premier Mike Rann promised 100,000 new jobs in South Australia by 2016. It would take a significant genie to make that happen.

Under this budget, South Australia's fiscal position is in serious decline. Our credit rating has continuously deteriorated. Over the past year, the government has delivered a total of \$2.9 billion of deficits. They spent when they did not expect to spend. They spent \$2.9 billion and they have racked up \$14 billion worth of debt, a \$4 million increase in debt accumulation every day, when you break it

down, Deputy Speaker, every day for the last eight years. South Australia has a ratio of net debt as a proportion of gross state product which continues to lag behind all comparable states.

The commonwealth government contributes to basically half of this state's revenue when you factor in the GST. Put simply, it is a government that is addicted to debt and it is addicted to handouts from the commonwealth and basically anyone they can get it from. I reiterate what the leader was saying, that we would not mind if this debt was being spent to facilitate growth in the constructive component of our economy. We actually would not mind it; but, no, it is not being done.

One only has to look at the recent projects the government is considering such as the O-Bahn, whereby it scrapped a much smaller proposal several years ago because it could not justify the spending. Here, we see a much larger spend in the project with no cost-benefit analysis, no net present value. It is absolutely shameful that we are wasting taxpayer resources when we cannot justify them, economically, being spent.

I spoke in my maiden speech and on the Supply Bill about the gradual decline in revenue that the state has been facing over the last 12 years and the importance of expanding our export market particularly in the resources sector to assist the replacement of this revenue shortfall. In Australia, we export, it is estimated, over \$300 billion in goods and services each year, and that number is expected to grow.

Well, let me give you some interesting facts, Deputy Speaker, about how much the other states grow in exports and then let's examine how we go. Here is our comparison with Western Australia, a state population-wise which you would have considered at one point in time was a pair with South Australia. Western Australia currently exports over \$130 billion—\$130 billion. South Australia, \$12.3 billion—12.3. It is absolutely ludicrous. When you compare the pair there really is no comparison. The other mainland states tell the same story: New South Wales exports, over \$63 billion; Queensland, \$55 billion; Victoria, \$36 billion; yet South Australia, \$12.3 billion. We actually account for just 4.3 per cent of all exports in Australia.

Why are exports important? Because exports are usually generated by small businesses. Goods go out of Australia, money comes back into Australia. Why is that important? Because when money comes back into South Australia companies are able to create jobs. I looked at the census business index, which released its report in June 2014, and it actually highlights the proportion of small/medium enterprises exporting in the last year by state and territory.

It is fitting to note that South Australia lags behind every single state and territory in Australia except Tasmania. We lag behind every single state; we are second only to Tasmania. Business confidence, as the leader explained, has dropped significantly: 14 percentage points in South Australia alone. We have a serious crisis on our hands in this regard. We were hoping that some productive resources would be put into exports and into this part of the economy, but it just did not happen in the budget.

It is not as if we do not have the capabilities or the opportunities in South Australia. We currently sit on what is said to be the world's largest reserve of uranium; so, there is so much potential there. Just think about how our state could be transformed with some bipartisan vision, perhaps, if the Olympic Dam expansion had gone ahead and other potential energy sources are looked at. Just think of what we could achieve as a state if the people had a government that was prepared to work with companies like BHP to secure our future revenue base, not to tax them out of the market, which is what they did with taxes like the mining tax and the carbon tax.

This government stood hand in hand with the federal Labor government of the time and said, 'Yes, we are happy with these taxes.' It is an absolute disgrace. BHP have gone now—they have gone. They are in South America, they are in Africa, and they are in Canada. They are in all these other countries where they seem to have more success negotiating with a government, whereas this government just does not understand the concept of sovereign risk. Companies want to come here; they want a reason to come to South Australia, but how can they do business with a government which just does not understand economics, which just does not understand supply and demand and which just does not understand that no-one is going to shop with you if you have the highest prices in town? It is beyond me, and it needs to be fixed.

Well, what would you expect, Deputy Speaker? We actually have a government that the people did not want. Only 47 per cent of South Australians voted for this government—here we are.

One thing I will ask this government to do, since they are in government, is to stop blaming everyone else for their problems. Stop blaming the federal government for your problems. Stop blaming the high Australian dollar for your problems.

There are states in Australia that seem to be getting on with the federal government. There are states in Australia that seem to be increasing their exports much more rapidly than South Australia, even with a higher Australian dollar. There are states in Australia that are booming at the moment, and it is an absolute disgrace to see that we are not following the lead.

I am asking the government for some leadership here, please, not just for the people of Hartley but for the people of South Australia, and in particular for the youth who are unemployed. I see young professionals, day in day out, coming to my door in my EO in Hartley who do not have jobs at the moment. It is tough out there at the moment. Have a look at the accounting graduates, the law graduates, the tradespeople, the nurses and the teachers who cannot get jobs at the moment because the economy is contracting.

There are a few projects in the budget that do concern Hartley in particular, and I wish to elaborate on them. The Paradise Interchange—I, along with the member for Morialta, I am sure, would certainly welcome an upgrade of the park-and-ride spaces at the interchange. I will just point out, that the member for Morialta and I have fought tooth and nail, lodged a petition over the years, doorknocked the entire area, and made sure that this government does take the people of Paradise seriously. I welcome the member for Morialta's efforts on this who, along with myself, championed the issue and what they have been able to do.

I am a passionate supporter of Neighbourhood Watch, and I would like to mention that the government is looking to spend \$2 million over the forward estimates to reinvigorate the Neighbourhood Watch program. There are a number of hardworking Neighbourhood Watch groups in Hartley, including Campbelltown, Magill, Auldana/Magill/Skye, Paradise, Tranmere and Kensington Gardens. They have deep roots in the community, they are an integral part of the community, and they contribute greatly to the harmony of the area. I applaud the government's proposal to spend more money in Neighbourhood Watch—a great community organisation which goes to improving rates of crime standards in our area.

The failures of the budget are many in Hartley, but I wish to talk about a few issues in particular. Payroll tax changes that were proposed by the state Liberal Party for small businesses were welcomed by the public in Hartley on several fronts; however, they have been rejected by the government because the government does not understand that the small business sector is so fundamental to the growth of this economy.

The emergency services levy, which is effectively a new land tax, has also been flat out rejected by the people of Hartley, and I ask the government to consider scrapping that proposal. It is an absolutely shameful proposal and it needs to go. The government had a conversation about it over a year ago and it was flatly rejected at the time. Let me just say that it has been rejected on the whole down the track.

There are a number of issues that I have brought to the house's attention that have not been addressed by the Treasurer, and I wish to elaborate on what they are. A road traffic management plan needs to be established—the new McNally development. We have asked that this be done; it still has not been done by the government. Furthermore, a road traffic management plan for Newton Road and St Bernards Road was recommended many years ago by a former member of Morialta, before the current one, but still we see no funding for the upgrade of Newton Road and St Bernards Road. I certainly implore the Treasurer to consider that.

At Lochiel Park in Campbelltown, we still have a gross pollutant trap which does not work, and I call on the government to spend some money to fix that. In regard to Felixstow, the Felixstow master plan is a fantastic project which I have spoken to in this place before. I would also ask the government to consider contributing funding to assist councils in that project. Payneham Road is a road that has been abandoned by this current government for many years now. I would also ask the government to consider a proposal, a report and an upgrade to the Payneham Road area.

In addition, the Glynde substation is a huge issue; the previous member for Hartley had words to say about it, the Treasurer has had words to say on it in the house, and I have raised this in question time. It is sad to see that there has been no allocation of funding in this budget to relocate

the Glynde substation to an alternate site. It is shameful, and it shows total disregard and disrespect for the people of Glynde who want this substation moved. I will continue to fight for the local residents to ensure that we do all that we can as an opposition to hold this government to account on that particular issue.

There are a number of failures in this budget. Overall, I will be supporting the bill. In a nutshell, this budget simply does not allow for the improvement of the productive capacity of the state, and that is the biggest failure here: no vision, no plan for our future.

**Mr KNOLL (Schubert) (12:21):** I rise today to support the Appropriation Bill that is before the house. Can I say that the Thursday of the last sitting week was quite a surreal experience for me, sitting here through my first budget speech. As somebody who has been involved in politics for quite some time and seen the commotion that happens during and after budget time, to be able to sit here in the chamber was quite a different experience.

Towards the end of the speech, when I was realising more and more that there was not more and more coming, the more underwhelmed I became by the whole experience. Normally, openings of speeches talk about the future of South Australia. I want to give a brief history of some of the speeches I have been lucky enough not to hear personally but to be able to understand and appreciate as an observer from the public over the last four years.

Last year, the Premier affirmed his love of big government. He affirmed his love of paternalising the South Australian business community by suggesting that they needed direct interference to grow. He exposed himself as an old-world leftie socialist big government man who believed that business needs to do what it is told and government knows best.

In the 2012-13 speech, which I called the 'counting your chickens before they hatch speech', the member for Playford, who was then the treasurer, said, 'South Australia will be a very different place in a few years [time].' If he is listening in his office, he is suggesting that he said '10 years' time', but I have the opening words from his speech and it does very clearly say 'a very different place in a few years [time]', just to correct him on his sotto voce contribution not that long ago.

In 2011-12, again it was the member for Playford, and it is good to see that he was able to do two budgets in a row. The member for Playford talked about supporting the AAA credit rating, which I thought was fantastic. Again, that was another prediction and another priority of this government that has gone by the wayside. He talked about supporting the AAA credit rating, supporting major infrastructure and increases to disability services. On points 2 and 3, we would certainly applaud major infrastructure and we would applaud increases to disability services, but he stood here in the 2011-12 budget speech and talked about supporting the AAA credit rating and then 12 months later, on 31 May 2012, towards the end of that budget year that credit rating was lost.

In 2010-11, the member for Port Adelaide, who is no longer in this place (and I feel this place is all the worse for that), talked about dealing with the ongoing global financial crisis and our response to it in those earlier days of the GFC. What I found quite interesting about the current Treasurer's speech was that it gave no vision for South Australia. It gave no understanding of where we are going to head. Indeed, the Treasurer spent the first 10 minutes of his speech blaming someone else for his own government's mismanagement. It was an extraordinary attempt at abrogation. If they think that ordinary South Australians can be duped into thinking that this is anything other than a 12-year-old government lying in a bed of its own making, then they really need to take a good hard look at themselves.

I am still waiting for the Treasurer, the Premier and anybody opposite—the member for Newland is sitting there; he can take responsibility—to stand up and say, 'I am from the government of South Australia. I am taking responsibility for this mess, and I will do what I can to fix it,' but not once has that happened. In fact, given the amount of time that has been devoted to talking about other people's influences on this state budget, one would think that we were sitting in the federal parliament in Canberra rather than being here in the South Australian parliament talking about South Australian problems.

This budget has pain, and there was an attempt to hide some of the subsequent pain; certainly, the Treasurer was good enough to talk about some of the big whacks he gave to people in the state budget. There is the increase to the emergency services levy which, for a medium-price house, will be \$150 per annum. There is the cutting of council rate concessions next year for



pensioners and low-income earners by \$190 per annum and for Seniors Card holders by \$100 per annum.

Small businesses are set to lose payroll tax concessions next year, which will cost businesses up to \$9,800 per annum and I thought it was quite a cynical way to raise money. It attacks our small business sector, our pensioners, our low-income earners and our Seniors Card holders, those who in my opinion have the least ability to deal with cost increases—those on fixed incomes and those in small business who are the ones trying to create jobs to fulfil Mike Rann's 100,000 jobs promise. These are the people the Treasurer tried to attack in this budget.

I think the people of South Australia could wear pain if there were gain. We would understand that in straitened economic times we need to cut our cloth to be able to look after and afford the services we want to provide whilst trying to create reform to create a better set of circumstances in South Australia. I think that is an argument the government could have run, but that is not the argument they are running: they are arguing that we should have pain with no gain. In fact, this is pain to keep the status quo. When we are talking about employment growth of 1 per cent—a measly 1 per cent—we cannot be talking about anything more than the status quo.

There is no reform in this budget. There is no plan in this budget, and it is interesting that, over this last four years as an interested observer, I have seen recurring themes in budgets delivered by state Labor treasurers and the blueprint is as follows: put all the public sector reform in the out years. That is job No. 1. Job No. 2 is to lock in fantastical growth projections that show a paper surplus. Those two things are important to understand why it is always years 3 and 4 of the out years that show budget surpluses whilst the current year shows ever-increasing deficits. Job No. 3 on the list is to blame someone else. We are going to blame the weather or the dollar or the federal government. We are going to blame everybody else except ourselves.

The fourth is to pretend that the current settings will lead to future prosperity. There is a saying—and it has been attributed (I think, incorrectly) to Albert Einstein—that the definition of insanity is doing the same thing over and over again and expecting a different result. Can I say that this is exactly what we have here. We have a budget that looks extremely similar to a series of Labor budgets where all the reform is in the out years and all the fantastical growth projections are in the out years and there is no true plan to get us back to surplus and to deliver reform.

The people in South Australia voted for a different result. I affirm the comments made by the Leader of the Opposition earlier today that the people of South Australia did not vote for the member for West Torrens to be the Treasurer of South Australia but we have *Groundhog Day* and it looks like we are going to have *Groundhog Day* for the next four years because certainly I would have thought that the first budget after an election would be the prime time to stand up and discuss reform in South Australia—reform that is so desperately needed.

I want to take a few minutes to talk about my beautiful electorate of Schubert that the Minister for Agriculture happened to visit in the last couple of weeks. He was welcomed with open arms, and we talked about a number of projects that would be great for my area. However, what is missing from this budget—and my staff and I spent almost two weeks trying to find any mention of it—is the beautiful electorate of Schubert.

I come from an optimistic family—I have quite an optimistic outlook on life, and I am not somebody who naturally likes to carp and whinge—but unfortunately, speaking to my local media last week and the week before, there is not much good news that I can tell them. In fact, there is no good news. The few bare mentions that we could find that somehow roughly relate to my electorate is the upgrading of ferries along the river from wooden-framed hulls to steel-framed hulls.

Whilst that is something that I am very appreciative of, it is not something that delivers more for Schubert—it is something that really maintains the status quo. There is some funding that will go into the Para Wirra Recreation Park which abuts onto the southern end of my electorate, but that is not anything new. Again, that is about maintaining the status quo.

I have been encouraging local businesses, community groups, councils and the like to apply for grants under the Regional Development Fund, but that is not something that is secured in this budget. What I do think it means—and here is an admission I am willing to make to the house—is that I am going to have to work harder. As the local member for Schubert I need to work harder to make sure that I can deliver for my electorate.

As a warning to ministers (and certainly the Minister for Agriculture), I will be putting the case in the strongest terms for the people of Schubert—and annoyingly so at times. I will be here to represent their best interests, and first cab off the rank will be the Barossa hospital. Given all the rhetoric that the Barossa has been waiting 20 years for a new hospital, and the contributions I have made in my short time in this place, you could be forgiven for thinking that there was no money being spent in regional hospitals. Alas, when I look at the capital statement, there is money being spent in regional hospitals—just not in Schubert.

I am going to list a number of projects, and can I say they are extremely worthy projects—there is no doubt about that—and I applaud the money being spent. But on behalf of the people of Schubert I would ask, 'Please, can we have some?' These projects include:

- the Berri Hospital redevelopment to the tune of \$36 million—a project that has been ongoing and will be completed at the end of the year, and the last half a million dollars is there to be spent;
- the regional dialysis service for Gawler—as someone who would like those regional dialysis services to be moved a bit further north into the Barossa, I do still applaud them for at least investing more in the northern suburbs and the northern part of our state;
- the Mount Gambier health service redevelopment for \$26 million;
- the Murray Bridge Community Dental Clinic for \$3.8 million;
- the Port Lincoln health service redevelopment for \$39 million;
- the South Coast primary health care in Victor Harbor for \$10 million; and
- the Whyalla Hospital redevelopment for \$68 million.

These are significant sums of money, and on behalf of the people of Schubert I would like to say that we have been waiting for 20 years to get this underway. I would say there is money being spent around the place, and the people of Schubert would say, 'Please, ignore us no longer. We are deserving, we have a strong business case and we are here ready and waiting for a little bit of focus.'

There are a number of local roads sealing projects and upgrade to freight routes that I could talk about, but the list is long and endless. Today, as an opposition member and as the member for Schubert, I would like to announce an ad hoc tax. I announce that I propose a tax on any minister who comes to the Barossa and wishes to be wined and dined. I propose a tax that is paid for by way of infrastructure projects for my local area.

The first cab off the rank could be the Barossa hospital; it could be sealing a small portion of Stelzer Road; or it could be turnout lanes for the Eden Valley to Springton Road. Whatever it is, I am going to set a price and I expect that price to be paid in exchange for the use of the beautiful Barossa—one of the most beautiful places in South Australia—as a place to come and visit.

I think I am going to start one of those funding boards. I have seen one for Carers' Link in the Barossa, which raised \$600,000, of which they raised about \$400,000 to \$450,000 themselves, to get a new building developed to support those who care for other people in the Barossa community. We will have one of those nice boards, and every time a minister comes, I am going to add \$10,000, \$15,000 or \$20,000; by the time the next election rolls around, you never know, we might have the \$40 million to \$45 million we need to get the job done.

Should the budget return to the black and, at some point, it will—hopefully, sometime before my 22-month-old daughter finishes high school—it will be on the back of the hard work and sweat of the regions, such as the Barossa and the Murraylands. But they will not be rewarded for their contribution by this Labor government, which sits comfortably here in its ivory tower. Every time the budget comes out, the belt is tightened and it is the regions that end up paying more and more. As the member for Schubert, I say that it is not good enough and it needs to stop. But it is more broadly than the electorate of Schubert that is being hit; regional South Australia and agriculture have been hit, and I direct these comments to the member for Frome.

From 2012-13 to this budget, there have been 90 job losses at the South Australian Research and Development Institute (SARDI); their funding has been cut by \$3 million in this budget, after a cut of \$1.4 million last year. Biosecurity SA has been cut by \$6 million, after losing \$1.9 million last

financial year, with a loss of 13 full-time staff. The natural resources management fund will be reduced by \$900,000 annually, while regional service delivery will be cut by \$5.3 million in this budget, and at least two tree projects will be lost for a combined \$2.2 million.

Regional SA has a \$1½ million budget (we managed to find that tucked away there quietly), but it seems to be nothing more than lip service to the member for Frome. I implore him to say, 'We are here, we are ready to work with you so that we can turn around these cuts, that we can start to deliver local road projects for South Australia.'

The member for Light has been strangely quiet on this topic—and this is something very dear to the people of Schubert who commute to Adelaide via the Gawler train line—and that is the Gawler train line, which is constantly the punching bag of the Labor Party when it comes to deciding what to cut from its budget. On 5 June 2008, Labor announced electrification of the train line to Gawler. On 31 May 2012, coincidentally the same day that the Labor government lost the AAA credit rating, Labor scrapped electrification to Gawler.

On 6 June, Labor announced electrification to Dry Creek. For those uninitiated who do not understand what happens north of Gepps Cross, Dry Creek is a little bit further back towards Adelaide than Gawler. On 3 December, Labor scrapped electrification to Dry Creek. Then on 16 February 2014, Labor announced electrification to Salisbury, to be commenced in 2015. On 19 June 2014, Labor again delayed work on the start of the electrification of the line; it will not commence now until 2017-18.

The people of the northern suburbs—the people of Gawler, the people in Light—as well as the many hundreds of commuters in Schubert, are right to question whether or not this project will ever happen. It has been announced and scrapped and modified so many different times our heads are spinning; we do not understand what is going to happen. All we know is that we are waiting longer and longer for the vital services and infrastructure that we need.

In my last few minutes, I would like to talk about some real reform. Again, in the spirit of not wanting to stand here and whinge for the entire time, I would like to talk about some things that I discussed in my maiden speech about fixing the fundamentals, which is code for reform, code for some of the things we need to do to deliver employment growth maybe beyond the 1 per cent that the budget talks about.

First cab off the rank, as nominated by the government, is WorkCover, to help to give reform and savings to the South Australian economy. The \$180 million savings figure quoted by the government is laudable, and I look forward to seeing what is put on the table, because in South Australia we have an average levy rate of 2.75 per cent compared with 1.76 per cent across the nation. Even though our scheme is the most expensive, it is still only 67 per cent funded compared with the 112 per cent national average. We take vastly more sums of money from businesses, yet we still deliver them a scheme that has an increasing unfunded liability. It is an absolute disgrace. I look forward to making a strong contribution on this topic to ensure that we do get real reform and that the system delivers better outcomes for employees and for employers.

If we expect these conditions to improve, we need real reform, and the first cab off the rank, as the Leader of the Opposition stated earlier, should be payroll tax so that we can increase incentives for businesses to give them confidence. This, I think, should be one of our first priorities. We need real reform in the public sector to reduce the cost burden on businesses, making sure they can comply in the most efficient way. We need reform that will lead to confidence, that confidence will lead to investment, and that investment will lead to jobs. For those opposite, that is the way the link works. You need to have reform first to build confidence that leads to investment that creates jobs.

This government has botched that linear progression at every turn. The Premier and Treasurer have been in the media in recent times saying, 'The state needs business to get its act together and come up with the big ideas, even though we don't necessarily want to talk about them. The state needs business to create jobs.' Can I say that it is nice to see that at some deep, dark, subconscious level there is an understanding that it is business that creates jobs rather than governments. Instead, the government is pleading with businesses to get on and do that job alone, without reform by government, without relief from government and without any help from government.

That is not a true partnership. That gives lie to many of the statements made inside and outside this place by members opposite about the fact the government is here to work with business. Can I say that, if you are genuine in that partnership—if the Labor government is genuine in that partnership—there would be a real desire for reform, a real desire for tax relief and a real desire for reduction in red and green tape. There would be a real desire to deal with WorkCover reform.

They are the issues where we can start to deliver some real benefits that will lead to better outcomes here in South Australia so that next year, or the year after, or the year after that, maybe the blueprint that Labor has put down over the past four years can be changed so that we can start to see a credible path back to surplus and credible growth projections, and a South Australia where young people are not leaving in droves to find better opportunities interstate but have confidence that there are businesses here creating jobs that can deliver for South Australia and enhance our prosperity.

**Mr WINGARD (Mitchell) (12:42):** I rise today to speak on the Appropriation Bill. While I support the bill to ensure our hardworking public servants in South Australia are paid for the great work they do for the state, I do have some reservations about the measures the Weatherill government has put in place in this bill. If you look around the country, and even beyond our shores across the Tasman Sea to New Zealand, you will see a number of jurisdictions led by liberal reformist governments which are growing and succeeding without burdening future generations with ever-expanding excessive debt.

The plans these states and nations are implementing, with great success, all harbour similar trademarks. They all hold dear a key focus on responsible economic management—not a sexy term, but one that has taken these jurisdictions forward. Their overarching plans all have common themes—ensuring expenses growth does not exceed long-term revenue growth, investigating cost-benefit analysis on major projects, working towards regaining a AAA credit rating to reduce the cost of borrowing, and ensuring fiscal responsibility as a part of every action that their governments take. These liberal reformist governments also talk about building for the future and building for our children's future, not building just for election promises.

With a framework for success which has been revitalising jurisdictions across the land and, as I said, across our seas, we take a look at where South Australia sits in comparison. Since coming to power 12 years ago, the state Labor government has taken South Australia's state debt from around \$3 billion to fast approaching \$14 billion. Whilst that figure is not comfortable, it is the rate of growth in recent years which is of most concern, and the lack of control of the budget year on year which should have alarm bells ringing for all South Australians.

In the two most recent financial years, the Weatherill Labor government has produced two of the largest deficit budgets in South Australia's history. In 2012-13, this Labor government predicted a \$30 million surplus but instead produced a \$950 million deficit. That is right: they missed the mark by \$1.25 billion. It is hard to see fiscal responsibility there. If that was not bad enough, in the following 2013-14 year, Labor forecast a \$480 million budget surplus and they returned a \$1.2 billion deficit. This time, they missed the mark by \$1.5 billion.

It does not take much imagination, when you look further ahead, to see anything better, because it is not there. Initial promises were for an \$840 million surplus but the latest estimates are looking at a \$500 million deficit—again, missing the mark by more than \$1 billion. State Labor has had six deficit budgets in the past seven years after promising surplus budgets on every occasion; for seven years it promised surplus budgets and it delivered deficits on six occasions. So as other states and jurisdictions with Liberal reformist governments focus on fiscal responsibility, this Labor government in South Australia has totally lost control of that spending.

A great measure of a state government's economic management is its state's credit rating. Back in 2012 South Australia had a AAA credit rating. It was downgraded at that stage and it has continued to slide down to a AA rating since then. At that time the Premier explained this away, and was quoted on ABC radio, saying that the government had 'made those choices deliberately' to downgrade our credit rating. So the Premier deliberately made those choices to lose South Australia's AAA credit rating.

That begs the question: he is the man in charge, why? The Premier said, in the narrative that followed, that the state's credit rating was falling to create more jobs. That was his reasoning—to create more jobs. The Premier claimed that his Labor economic policies would create more jobs by

dropping the credit rating, but in reality it has hurt jobs here in South Australia. State debt has increased by \$6.4 billion since the 2010 state election and there were 800 fewer jobs in South Australia. So there it was: drop the credit rating, create jobs. There is the fact: there are fewer jobs.

Since losing the state's AAA credit rating the government's jobs growth forecast has declined. The jobs growth forecast has fallen from plus 1.75 per cent to minus 1.25 per cent on the back of the two record deficits that I spoke about earlier. Financial commentators have also estimated that the downgrade of South Australia's AAA credit rating to AA+ would cost the state \$20 million a year in higher interest repayments. Now that it is down to AA that is just increased, all adding to the narrative of this government's lack of financial and fiscal responsibility.

When you are constantly spending more than you are earning and blowing your budget by billions of dollars, what do you do? According to this Labor government you do not take responsibility; no, you start sheeting the blame to others and you get tricky. You do not become more responsible with your economic management, you find more creative ways to take more cash from the back pockets of South Australians through taxes and charges. Tax revenue has increased by 106 per cent under this state Labor government. This means that under the Weatherill Labor government South Australia has become the highest-taxed state in the nation, a fact confirmed by two independent reports. One of these, the Commonwealth Grants Commission, states that South Australia's land tax was levied at 31 per cent, the worst of every state.

We have talked about this before in this place. We used to play against the big states; we used to play against Victoria, we used to play against New South Wales, we used to play against Queensland. Now we are in the second division, the second tier of competition, and we are struggling to play against Tasmania

*Ms Redmond interjecting:*

**Mr WINGARD:** You are right; Tasmania is starting to kick ahead, and that is a concern. The Premier has even admitted here in this chamber, in June 2012, that 'We are a high-cost jurisdiction.' They are the words of the Premier back in June 2012, that we are high-cost jurisdiction. He admits it.

I take the house back to those states and jurisdictions with Liberal reformist governments, those states that turned themselves around after being wracked with debt and deficit budgets under Labor governments. Did they make themselves high-cost jurisdictions, as the Premier said here back in June 2012? No, they did not. They did not go about increasing taxes and placing excessive burdens on families and businesses, but that is exactly what the Weatherill Labor government is doing. State taxes are up 92 per cent after 12 years of Labor, gas bills are up 136 per cent in 12 years of Labor, electricity bills are up 160 per cent in the 12 years, and water bills are up approximately 230 per cent. It is phenomenal; it adds to the cost of living and it is why we are struggling here in South Australia.

Water prices are a case in point. As I said, they are up 230 per cent when CPI increased by 40 per cent in the same duration. Adelaide has the highest capital city water charges in the country. The average household will now pay almost \$600 more for water than they did when state Labor came into power; \$600 more a year. That is phenomenal.

It is timely to think back to the federal Auditor-General's Report, which showed that SA Water undertook a cost-benefit analysis on a proposal to double the size of the desalination plant. Bearing in mind that 230 per cent increase in water bills, and here we have the federal Auditor-General's Report showing that there was a cost benefit analysis done, as far as the desalination plant was concerned, and that there was no cost benefit from doubling the size of this plant. Well, the government went ahead and doubled it anyway. The plant has now been mothballed but the cost still sits with us—paying back \$2.2 billion—and it is hurting South Australians.

They are some of the increased taxes and charges that hit and hurt families and businesses through the essentials, but then the tricks began as we saw in the recent budget. One of the sneakiest, one that made me chuckle, was labelled the 'fun tax'. It is not funny at all. Call it the tax on fun, the entertainment tax or the 'we want you to stay at home tax'—I am not sure which way it works and you can call it what you will.

I will let the state Labor government call it what they like, but before the election the government spruiked their free public transport to push people into the city. I am sure they spoke

about it on at least three occasions or possibly at all four of the openings of the footbridge. Before the election they could not push their free public transport offer enough but after the election they came clean and admitted that it is not free at all. Not only are they looking to add charges to the users of public transport who are going to the events, but they are also going to charge the people who do not use the public transport for the services through the levy on ticket holders.

They did not take this to the election but they saved it up to spring it on families afterwards. So, there will be a levy on tickets of over 5,000 for those going to events in the city that are turning a profit for an event organiser. If you buy a ticket, you will pay the levy, and if you catch the train or the bus or public transport you get to use it. If you take your car and you park in the city, you not only get slugged for the transport levy, but you potentially get slugged for the car park tax.

The government is just trying to fix their mismanagement and take and take from families in every way possible, and it is not helping South Australia and it is not helping save South Australian families either. It is another way for the Weatherill Labor government to claw back funds. It is another new tax to pay for their financial mismanagement over the past 12 years.

Sadly, folks, it does not end there. This Weatherill Labor government is in such a mess and has made such a mess of South Australia's finances they have also hit all South Australians with a rise in the emergency services levy. On average, they will hit every household to the tune of between \$150 and \$190 per year. This government cannot help but put its hand in people's back pockets and take cash from hardworking South Australian citizens to pay for its ongoing mismanagement of the state's finances. Again, nothing was mentioned about this before the election but, in effect, it is a land tax hitting every South Australian through the emergency services levy rises, and it is another way for this Weatherill Labor government to take money out of the pockets of South Australians.

You will hear them blame the federal government, but do not be fooled. The state Labor government put the state in this alarming financial position well before the federal government handed down its budget. Both of the last two budgets, as I pointed out earlier, produced deficits in the vicinity of \$1 billion each and the Treasurer has admitted on radio that these horror results have nothing at all to do with the federal government. It is all as a result of the current government and their financial mismanagement.

That leads me to the transport mess that this government has created. During the election they rolled out a wondrous transport plan with pretty pictures of trains and trams rolling through North Adelaide, Prospect and The Parade at Norwood. The pictures are wonderful, and the cost is estimated at about \$40 billion over 40 years—an ambitious estimation I think—but there has been nothing in the budget to achieve this.

There is the O-Bahn tunnel plan, but how long will it be, how much time will it save and how much will it cost—\$60 million or \$160 million? Will it save four minutes? Will it save 10 minutes? Will it be 500 metres long? Will it be 700 metres long? Will the cost be the same if the distance changes? No-one really knows. So these things are put in place but no-one has done the cost-benefit analysis to give us a true indication of what it is going to cost and what it is going to save the state.

On the back of that it is hard to know how this government will operate and what they will do because over time there have been cost blowouts with so many other projects. When you look at this plan, it looks pretty on paper—\$40 billion over 40 years—but can they explain where the money is going to come from? Can they say whether they will stay on budget when history says they have struggled to do so in every way shape or form?

While I am talking about public transport, I join my colleague, the member for Schubert, in talking about the Gawler rail extension. This is an absolute classic case in point and I feel for the people of the north. Initially they were promised the electrification of the Gawler rail line. Funds were pulled by this state government because they overspent in other areas—again, in other mismanaged projects. They overspent in other areas so they had to pull their funding from the Gawler rail line. It was promised, it was taken away; it was promised again at Dry Creek, and it was taken away. It was promised again at the last state election, and they are claiming that they are doing it in this next budget.

The cost is \$152 million—let's be clear on this. That is the budgeted cost as we sit here today. Again, let us hope that the budget figures are right, but who knows with this government. However, let us take their word that it is \$152 million. They have promised in the last year of forward

estimates \$60 million towards the project. I feel for the people of the north. It has been put in front of them and taken away, put in front and taken away, put in front again, and I say it has been taken away. They are promising \$60 million in the last year of forward estimates—\$92 million unaccounted for. They are not committing to this project. They are not getting this project done. They are just teasing the people of the north and they are treating them with disrespect, and I think they need to be called to account.

Speaking of public transport, a survey was done recently, with 50 per cent of users saying that they felt that public transport in South Australia was unreliable. If you want to get a public transport system to work, you must have reliability; it is first and foremost. There have been three million fewer public transport boardings since Jay Weatherill became Premier. That is a result of this unreliability, and the latest stats say that 20 per cent of people on trains are fare evaders as well. The system is not working. I note that there is money in this latest budget to try to prevent fare evasion but, again, this was a whole project that was being done. The electrification of the rail line should have included contingencies to cover all that. So, really, this is just another cost blowout of a few more million dollars added to this project.

However, reliability is the big issue here. If we want people to use our public transport system, we must make it more reliable and more efficient, but over time people have come to realise that it does not work. The other thing is that 50 per cent of public transport users said that it was unreliable where, in fact, so many people have left the system and have given up on public transport, and they were not even surveyed. What are they saying and why have they left? I put it down to the unreliability of the system. We need to make it better, and I do not know that this government has the fortitude to do that.

Road safety is another issue. We have talked about the sale of MAC: \$500 million ripped out and another \$5 million taken out to put into the general coffers so that this government can pay down the debt and deficit that I have talked about, which they have accrued over their 12 years in power, and more recently with two deficits in the vicinity of a billion dollars. Road safety figures have improved over time, and I commend the people who work in MAC for that. They do a marvellous job with their programs to try to make people more aware of road safety issues. In fact, I was delighted to read in the paper today that they have been commended for some of their advertising work and the advertising that they have done.

As I look through the budget, I see the money coming out of MAC and I see the money going. I was interested to read also last week that Roger Cook, who is a motorsport aficionado and has been involved heavily with MAC over the journey, also has concerns about where the money is going to come from to keep funding MAC. The suggestion is that, as they privatise CTP and other companies pick up the CTP insurance, there will be another levy put on motor users in registration, to tax the CTP operators so that funds will be shuffled back into MAC.

That is a suggestion of how they are going to keep funding MAC. I call on the government to explain how much money will go into road safety and into the programs that have been working so successfully to bring down the road toll number. What is the figure that is going to be taken again through motor registration, or where is it going to come from to keep funding the MAC program and to make sure that road safety is still very high on the agenda of this government?

As has been said, roads are another issue. There is a \$400 million backlog in road maintenance over the journey that has been created under this government. This is another area that needs fixing and another area that has been so poorly mismanaged by this government over time. Letting the roads be neglected and letting this backlog accrue has done more damage to road safety. This is something that this government must address and must address fast. I seek leave to continue my remarks.

Leave granted; debate adjourned.

*Sitting suspended from 12:59 to 14:01.*

#### **TRAVEL AGENTS REPEAL BILL**

*Assent*

His Excellency the Governor assented to the bill.

**ADMINISTRATION AND PROBATE (REMOVAL OF REQUIREMENT FOR SURETY)  
AMENDMENT BILL**

*Assent*

His Excellency the Governor assented to the bill.

**SUCCESSION TO THE CROWN (REQUEST) BILL**

*Assent*

His Excellency the Governor assented to the bill.

*Parliamentary Procedure*

**PAPERS**

The following papers were laid on the table:

By the Premier (Hon. J.W. Weatherill)—

Remuneration Tribunal—Determination No. 3 of 2014—Conveyance Allowance—Judges,  
Court Officers and Statutory Officers Report 2014

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

Regulations made under the following Acts—

- Associations Incorporation—Fee Increases
- Bills of Sale—Fee Increases
- Births, Deaths and Marriages Registration—Fee Increases
- Burial and Cremation—Fee Increases
- Child Sex Offenders Registration—Disclosure of Personal Information
- Community Titles—Fee Increases
- Co-operatives—Fee Increases
- Coroners—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—Reminder and Warning Notices
  - Fee Increases—Unpaid or Unrecovered Amounts
- Fees Regulation—Public Trustee Administration Fees—Fee Increases
- Freedom of Information—Fees and Charges—Fee Increases
- 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
- State Records—Fee Increases
- Strata Titles—Fee Increases
- Summary Offences—
  - General—Fee Increases
  - Weapons—Fee Increases
- Supreme Court—Fee Increases
- Worker's Liens—Fee Increases
- Youth Court—Fee Increases

Rules made under the following Acts—

- Environment, Resources and Development Court—Amendment No.1
- Magistrates Court—Civil—Amendment No. 5



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

Regulations made under the following Acts—  
Development—  
Acts and Activities which are not Development  
Fee Increases  
Referrals and Concurrences  
Private Parking Areas—Fee Increases

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

Regulations made under the following Acts—  
Dangerous Substances—  
Dangerous Goods Transport—Fee Increases  
Dangerous Substances— Fee Increases  
Employment Agents Registration—Fee Increases  
Explosives—  
Explosives—Fee Increases  
Fireworks—Fee Increases  
Security Sensitive Substances—Fee Increases  
Fair Work—Representation—Fee Increases  
Work Health and Safety—Fee Increases

By the Minister for Health (Hon. J.J. Snelling)—

Lifetime Support Authority Code of Conduct and Participant Service Charter 2014  
Regulations made under the following Acts—  
Fees Regulation—Incidental SAAS Services—Fee Increases  
Food—Fee Increases  
South Australian Public Health—  
Legionella—Fee Increases  
Wastewater—Fee Increases

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

Mental Health Act 2009, Review of—by the Chief Psychiatrist of South Australia May 2014  
Regulations made under the following Acts—  
Controlled Substances—Pesticides—Fee Increases  
Tobacco Products Regulation—Fee Increases

By the Minister for Education and Child Development (Hon. J.M. Rankine)—

Regulations made under the following Acts—  
Adoption—Fee Increases  
Children's Protection—Variation of Schedule 1—Fee Increases

By the Treasurer (Hon. A. Koutsantonis)—

Emergency Services Funding Act 1998—  
Declaration of Levy and Area and Land Use Factors Notice  
Declaration of Levy for Vehicles and Vessels Notice  
Regulations made under the following Acts—  
Emergency Services Funding—  
Remission of Levy on Metropolitan Primary Production Goods Vehicles  
Remission of Levy on Residential Land  
Land Tax—Fee Increases

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

Regulations made under the following Acts—  
Petroleum Products Regulation—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  
    Transitional Provisions  
Opal Mining—Fee Increases  
Petroleum and Geothermal Energy—Fee Increases

By the Minister for Disabilities (Hon. A. Piccolo)—

University—  
    Adelaide Annual Report 2013  
    Flinders Annual Report 2013  
Regulations made under the following Acts—  
    Authorised Betting Operations—Fee Increases  
    Building Work Contractors—Fee Increases  
    Conveyancers—Fee Increases  
    Disability Services—Assessment of Relevant History—Fee Increases  
    Gaming Machines—Fee Increases  
    Land Agents—Fee Increases  
    Land and Business (Sale and Conveyancing)—Fee Increases  
    Liquor Licensing—  
        Dry Areas—Ceduna and Thevenard  
        General—Fee Increases  
    Lottery and Gaming—Fee Increases  
    Plumbers, Gas Fitters and Electricians—Fee Increases  
    Residential Tenancies—Fee Increases  
    Second-hand Vehicle Dealers—Fee Increases

By the Minister for Police (Hon. A. Piccolo)—

Regulations made under the following Acts—  
    Firearms—Fee Increases  
    Hydroponics Industry Control—Fee Increases  
    Police—Fee Increases

By the Minister for Emergency Services (Hon. A. Piccolo)—

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

By the Minister for Agriculture, Food and Fisheries (Hon. L.W.K. Bignell)—

Regulations made under the following Acts—  
    Aquaculture—Substitution of Schedule 1—Fee Increases  
    Brands—Fee Increases  
    Fisheries Management—  
        Fee Increases  
        Licence Permit Application—Fee Increases  
    Livestock—Fee Increases  
    Plant Health—Fee Increases  
    Primary Produce (Food Safety Schemes)—  
        Citrus Industry—Fee Increases  
        Eggs—Fee Increases  
        Meat Industry—Fee Increases

Plant Products—Fee Increases  
Seafood—Fee Increases

By the Minister for Local Government (Hon. G.G. Brock)—

Regulations made under the following Act—  
Local Government—General—Fee Increases

By the Minister for Social Housing (Hon. Z.L. Bettison)—

Regulations made under the following Act—  
Housing Improvement—Section 60 statements—Fee Increases

By the Minister for Ageing (Hon. Z.L. Bettison)—

Regulations made under the following Act—  
Retirement Villages—Fee Increases

By the Minister for Manufacturing and Innovation (Hon. S.E. Close)—

Regulations made under the following Acts—  
Botanic Gardens and State Herbarium—Fee Increases  
Crown Land Management—Fee Increases  
Environment Protection—  
Fee Increases  
Insertion of Regulation 86B  
Heritage Places—Fee Increases  
Historic Shipwrecks—Fee Increases  
National Parks and Wildlife—  
Hunting—Fee Increases  
Protected Animals—Marine Mammals—Fee Increases  
Wildlife—Fee Increases  
Native Vegetation—  
Fee Increases  
Variation of Regulation 5—Exemptions  
Natural Resources Management—  
Concept Statements and Public Consultation  
Financial Provisions—Fee Increases  
General—Fee Increases  
Insertion of Regulation 43B  
Pastoral Land Management and Conservation—Fee Increases  
Radiation Protection and Control—  
Ionising Radiation—Fee Increases  
Non-ionising Radiation—Fee Increases  
Water Industry—Fee Increases

By the Minister for the Public Sector (Hon. S.E. Close)—

Regulations made under the following Act—  
Public Sector—Application of Part 7 of Act

By the Minister for Transport and Infrastructure (Hon. S.C. Mullighan)—

Regulations made under the following Acts—  
Heavy Vehicle National Law (South Australia)—Expiation Fees—Fee Increases  
Motor Vehicles—Expiation Fees—Fee Increases  
Passenger Transport—Fee Increases  
Rail Safety National Law (South Australia)—Fee Increases  
Road Traffic—Miscellaneous—Expiation Fees—Fee Increases  
Roads (Opening and Closing)—Fee Increases

## Valuation of Land—Fee Increases

*Ministerial Statement***GOVERNOR, APPOINTMENT**

**The Hon. J.W. WEATHERILL (Cheltenham—Premier) (14:06):** I seek leave to make a ministerial statement.

Leave granted.

**The Hon. J.W. WEATHERILL:** It gives me great pleasure to inform this house that on 26 June I announced that Her Majesty the Queen had approved the appointment of Mr Hieu Van Le as the next Governor of South Australia. Mr Le will succeed His Excellency Rear Admiral Kevin Scarce on 2 September.

Mr Le has a story of great significance to South Australia from arriving as a boat person in 1977, advancing his education, establishing a family, and rising through the ranks of business and community leadership to become the Lieutenant-Governor of South Australia.

Now the next chapter in Mr Le's long journey will be written when he is sworn in as Governor of South Australia. This is a fantastic step in recognising and celebrating our multicultural society as well as encouraging people of all backgrounds to aspire to roles of leadership in our community. Mr Le has already demonstrated an outstanding level of service to the community and I have no doubt that he will continue to serve in this role with great distinction, as he has done in the role of Lieutenant-Governor since 2007.

I can also inform the house that Professor Brenda Wilson, Chief Executive of the Cancer Council of South Australia, will be appointed as Lieutenant-Governor of South Australia, succeeding Mr Le. Professor Brenda Wilson has made it her life's work to serve the health sector, supporting the health and wellbeing of thousands of South Australians. She has risen through the ranks to serve as the Chief Executive of the Cancer Council of South Australia for the last 10 years, where she will continue her passionate advocacy for cancer awareness and research.

While there will be more official opportunities to do so, I would also like to pay special tribute to His Excellency Rear Admiral Kevin Scarce, as well as his wife, Liz Scarce, who have been outstanding advocates for South Australia in their roles. I know many South Australians appreciate the contribution he has made as patron of more than 200 charities and organisations across the state.

His Excellency has been tireless in his efforts to support the economic and social wellbeing of South Australians with a particular focus on the wellbeing of young people and the Aboriginal community. His leadership in the defence industry and continued focus on South Australia's economic future has also been of great value.

On behalf of all South Australians, I offer my sincere gratitude to both His Excellency and Mrs Scarce and look forward to paying them both further tributes in the coming weeks.

**Mr MARSHALL (Dunstan—Leader of the Opposition) (14:08):** Upon indulgence, sir, I would like to also offer my congratulations to His Excellency Hieu Van Le, the Lieutenant-Governor of South Australia on the recent announcement that he will be installed as the Governor of South Australia following the retirement of His Excellency Kevin Scarce.

The Lieutenant-Governor has served for seven years and we, on this side of the house, commend him for his outstanding service to the people of South Australia and, in particular, his very keen interest in multicultural activities here in South Australia. We are absolutely sure that he will do an outstanding job in this most important role for South Australia and we wish him all the very best.

We also wish Professor Brenda Wilson all the very best in her new role as the Lieutenant-Governor of South Australia, and we join with the Premier in offering our congratulations to the retiring Governor of South Australia, Kevin Scarce and his wife Liz Scarce who have done an outstanding job representing and serving the people of South Australia over the past seven years.

### LIFETIME SUPPORT SCHEME

**The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Arts, Minister for Health Industries) (14:12):** I seek leave to make a ministerial statement.

Leave granted.

**The Hon. J.J. SNELLING:** Today marks the commencement of the Lifetime Support Scheme in South Australia, a landmark change to accident compensation for people who sustain the most catastrophic injuries from car accidents. The scheme will provide lifetime treatment, care and support for people with very serious disabilities, injuries like paraplegia and quadriplegia, severe brain injury, whole limb or multiple amputations, major burns, and blindness.

From midnight last night, people who previously could only seek compensation if there was someone else to blame for the accident—more accurately, someone they could sue for damages—are now covered. The Lifetime Support Scheme is a no-fault scheme and will not be retrospective. Prior to its commencement, serious lifelong injuries sustained by drivers in single vehicle accidents or when a car hit a kangaroo did not qualify to receive support for their ongoing treatment and care. The difference between those who were compensable and those who were non-compensable has been described to me by people directly affected, their families and the disability sector as a system of haves and have nots. This inequality no longer exists.

When I first became aware of the potential to improve the outcomes for people who sustain the most catastrophic injuries in motor vehicle accidents, I was determined to see things change. It was pretty clear that the compulsory third-party insurance scheme needed reform. Early in this journey, I came to realise a no-fault scheme for the most critically injured would not only dramatically improve the situation for people who previously did not have a claim but it was also apparent that people who had the ability to make a claim for compensation often found the money they received was not enough or was not available early enough in their rehabilitation because it was held up in courts.

I very clearly recall a conversation with a woman at the Hampstead Rehabilitation Centre who, despite being compensable, was not able to be discharged because her claim had not been settled and she could not get the assistance she needed to support her in her own home. It is a situation that will not happen again for people who are permanently injured in car accidents, as the support they require will be available once accepted into the Lifetime Support Scheme—support like personal care workers, hoists, wheelchair, medical equipment, and home modifications.

Yesterday, I attended a launch where powerful stories were told by people advocating for this scheme—people like Cheryl Mason and her husband, Dean Fyfe. Cheryl lives with a serious brain injury caused by a motor vehicle accident in 2006 and has worked incredibly hard through her rehabilitation and returned to home and work. Cheryl and Dean have told their story many times, and to many different audiences in recent years, and have been strong advocates for a no-fault compensation scheme.

We also heard from Neil Lillecrapp, a peer support worker with Paraquad SA who is based at the Hampstead Rehabilitation Centre several days a week to talk with people in the spinal unit, many at the early stages of their rehabilitation. His genuine emotion about the availability of the Lifetime Support Scheme was humbling. His personal story, which he generously shared, was compelling and his passionate support for the scheme was very clear. By so generously sharing their struggles and their triumphs, Dean, Cheryl and Neil and many others have given us an invaluable insight in to the challenges faced by people who live with permanent disability from car accidents and the need for this important scheme.

Reforms to compulsory third-party arrangements have been implemented over two years, with the first stage (a reduction in CTP premiums) occurring in 2013-14. From today, a levy to fund the scheme has been introduced on vehicle registrations, along with further reductions in CTP premiums. If we did not make any changes to the CTP scheme, a typical motorist in South Australia registering a passenger metropolitan vehicle would have been \$140 worse off over two years.

Now that the changes are complete, the cost of the Lifetime Support Scheme levy plus the CTP premium for South Australian motorists is still lower than the CTP premium alone was two years ago, and South Australia now has a fairer system of support for people—

*Mr Marshall interjecting:*

**The Hon. J.J. SNELLING:** —with lifetime disabilities. I am happy to support people with disabilities. The Leader of the Opposition can support who he wants in this debate.

#### NATIONAL DISABILITY INSURANCE SCHEME

**The Hon. A. PICCOLO (Light—Minister for Disabilities, Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (14:22):** I seek leave to make a ministerial statement.

Leave granted.

**The Hon. A. PICCOLO:** Today marks one year since the beginning of the National Disability Insurance Scheme trial here in South Australia, an historic reform which will give people living on disability and their families hope for a better future. South Australia was the first state to sign up to the NDIS and one of the first to commit to the full rollout of this historic reform. This government is committed to social justice.

We have been working, over the past 12 years, to provide the services that people living with disability need to lead rich and fulfilling lives. The NDIS continues the government's commitment to disability services which has seen the state's total disability budget rise from just \$123 million in 2002-03, when we entered government, to more than \$550 million 2014-15 before reaching \$723 million in preparation for the full implementation of the NDIS in 2018-19.

The first year of the trial included children aged zero to five, with over 1,000 South Australian children now receiving services of the National Disability Insurance Agency. I am pleased to inform the house that the most recent quarterly report shows that satisfaction among participants is high, and package prices are falling in line with predictions.

Despite some recent reluctance from the commonwealth government to honour the bilateral agreement, I am pleased that we now have reached an agreement paving the way for year two of the NDIS trial. This year the trial will expand to children aged under 14 years, covering thousands more children with disability. Children who currently receive disability services will be transitioned throughout the year, and children who have not previously received disability services can apply at any time to the NDIA to be part of the second-year trial.

This government is committed to the full rollout of the NDIS here in South Australia. This reform is something which governments across the country can be proud of. I am confident that the NDIS trial will continue to change the lives of people living with disability for the better. I encourage members who are interested in the second year transition in South Australia to visit the following website, [www.ndis.gov.au](http://www.ndis.gov.au), for further information.

**Ms CHAPMAN:** Point of order: if I may ask the minister to table the quarterly report that he has referred to in his ministerial statement.

**The Hon. A. PICCOLO:** Mr Speaker, the quarterly report is actually prepared by the NDIA, and it was published sometime ago. It is available on the website.

**The SPEAKER:** So it's readily available.

**The Hon. A. PICCOLO:** And I am sure your opposition spokesman would have known that, had you asked him.

#### FORESTRYSA

**The Hon. L.W.K. BIGNELL (Mawson—Minister for Agriculture, Food and Fisheries, Minister for Forests, Minister for Tourism, Minister for Recreation and Sport, Minister for Racing) (14:24):** I seek leave to make a ministerial statement.

Leave granted.

**The Hon. L.W.K. BIGNELL:** I wish to update the house on the progress of the restructure at ForestrySA, which is being undertaken to ensure it remains competitive and is in the best shape to secure the contract to maintain the plantations in the Green Triangle after 2017. In May this year, ForestrySA opened offers of voluntary separation packages to employees in the South-East and Mount Lofty Ranges. That offer, which was initially for 60 packages, closed yesterday.

I can inform the house that 66 people, comprising 32 field staff and 34 staff working in administration and supervisory roles from across the Green Triangle and Mount Lofty region, have accepted separation packages. We have worked closely with the three unions representing workers at ForestrySA and a range of support services are in place for affected staff and stakeholders.

ForestrySA continues to operate its business in the Mount Lofty Ranges, Mid North, and in the South-East of South Australia. There are no staff changes planned for ForestrySA's Mid North operations. The state government has kept its promise to ForestrySA workers that there would be no forced redundancies. The workers who do wish to leave have been offered very fair redundancy conditions.

While ForestrySA is reducing its direct workforce, the timber industry in the South-East is experiencing one of its brightest periods in years and there are many jobs being offered in the local area. There is a strong base of private contractors offering forest management services for a range of plantation owners. The state government has already provided more than \$16.5 million in assistance to the private sector for capital investment in the state's timber industry, with a further \$10.5 million committed to support future projects. This money for innovation is helping secure and create jobs in the South-East as well as increase the opportunity for us to be able to value-add here. It is much better for our state's economy and jobs to have finished products made here for the local and export markets rather than sending logs overseas only to come back as imported timber goods.

I will be in the South-East again for most of next week to continue working with all parties in the region, including the member for Mount Gambier, to ensure ForestrySA is in the best position possible to continue to provide services under the plantation management agreement.

#### **COMMISSIONER FOR PUBLIC SECTOR EMPLOYMENT**

**The Hon. S.E. CLOSE (Port Adelaide—Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for the Public Sector) (14:27):** I seek leave to make a ministerial statement.

Leave granted.

**The Hon. S.E. CLOSE:** I inform the house that Mr Warren McCann resigned as Commissioner for Public Sector Employment with effect from 30 June 2014. Mr McCann's term as Commissioner was due to expire in October this year. I would like to take this opportunity to place on the record in this house the government's thanks to Mr McCann for his years of service to the South Australian public. After working at senior levels in the commonwealth and Victorian Public Service, Mr McCann played a key role in implementing many of the major reforms undertaken by this government in the past 12 years.

I am also pleased to inform the house that the Governor has approved the appointment, effective today, of a new Commissioner for Public Sector Employment, Ms Erma Ranieri. Her appointment to this important role completes the reform process to streamline the central government work on public sector management that began with an election commitment to merge three existing administrative units, including one run by Ms Ranieri.

After the completion of a review of the best way to manage the merger and structure of the new office, I advised the house on 3 June that Ms Ranieri would lead the Office for Public Sector Renewal. I can now report to the house that, along with that role, Ms Ranieri has been engaged also to perform statutory functions as commissioner.

Her appointment as Commissioner for Public Sector Employment is of the greatest interest across the public sector, as is the process undertaken to select the appropriate candidate to replace Mr McCann. On 6 May, I indicated to the house that I had not at that point turned my mind to the process to best ensure that the candidate to be recommended to the Governor for this position was of the highest merit.

I can now inform the house that, acting on advice I subsequently received, the selection of the recommended candidate was determined by the establishment of a subcommittee of the Senior Management Council, chaired by the Chief Executive of the Department of the Premier and Cabinet. This subcommittee identified suitable candidates and undertook a due diligence process appropriate for a position of this nature.

Ms Ranieri was identified by this process as an eminently qualified candidate for the role of commissioner. She acted as commissioner for an extended period last year, has been chief executive of the Office for Public Sector Renewal and deputy chief executive of the Department for Manufacturing, Innovation, Trade, Resources and Energy. Ms Ranieri's appointment will contribute to the realisation of the government's goal of rationalising public sector renewal, workforce relations and public sector review functions, and supporting the development of a more innovative and higher performing public sector that consistently delivers excellence.

*Question Time*

### **PUBLIC TRANSPORT**

**Mr MARSHALL (Dunstan—Leader of the Opposition) (14:30):** My question is to the Premier. Why is the government seeking to impose a car park tax to get people onto public transport but then imposing a public transport tax to keep them at home?

**The Hon. J.W. WEATHERILL (Cheltenham—Premier) (14:31):** I must say I was fascinated to see the analysis undertaken by the Hon. Robert Lucas. He is out there with some numbers that seem to imply that somebody is actually going to drive to work, stay in a car park, then presumably take the bus home and take the bus back again to pick up the car they had parked in the car park. It is the only way their analysis stacks up. You have just been caught out exaggerating the effect of the state budget on ordinary, everyday South Australians.

*Mr Marshall interjecting:*

**The SPEAKER:** The leader is called to order.

**The Hon. J.W. WEATHERILL:** The thing that you miss in all of this is that the levy goes directly into improving the quality of public transport. We unashamedly—

*Mr Marshall interjecting:*

**The SPEAKER:** The leader is warned for the first time.

**The Hon. J.W. WEATHERILL:** We have the largest number of car parks per capita than any other state in the nation. There are car parks everywhere in this state. I know those opposite want South Australia just to be that sleepy old country town that you drive through where you can get a car park out the front of Harris Scarfe's, but those days are over. If you have an ambition to be a modern metropolis where you move people and goods and services effectively in and out of your city, what you need is a high quality public transport system. That is why we are investing in a high quality public transport system.

That is why, when we came into government and found a public transport network which was on its knees—we had our train network effectively running on splinters—we decided to re-invest in it. We put in concrete sleepers throughout the whole of the network, extended the network out to Seaford, reintroduced trams into the centre of the city and invested in lifting the quality of our public transport.

Those opposite are stuck back in the 1950s with old Sir Tom Playford, who drove the trams out of the state because he did the business with the car companies—it seemed like a good idea at the time, everyone was doing it. You can't blame him because everyone was doing it. They turned their back on trams and public transport in favour of the motor car. Every self-respecting capital city in the world is reintroducing trams into the centre of their city. They are investing in public transport because that's what modern, international cities do. That is driving the vibrancy of our city. Just for once, get on board.



**PUBLIC TRANSPORT**

**Mr MARSHALL (Dunstan—Leader of the Opposition) (14:33):** Supplementary, sir. Does the government agree with the KPMG report which indicates that the government's proposed car park tax will reduce state economic activity by \$12 million per year?

**The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy, Minister for Small Business) (14:34):** No, sir.

*Mr Knoll interjecting:*

**The SPEAKER:** The member for Schubert is called to order. Treasurer.

**The Hon. A. KOUTSANTONIS:** Sir, it didn't have those impacts, I am advised, in every other state—

*Ms Chapman interjecting:*

**The Hon. A. KOUTSANTONIS:** And personal insults are beneath you, Vickie: you can do better than that. If the Leader of the Opposition's guiding lights are independent accounting agencies' reports, perhaps he can look at the Pitcher Partners report when he talks about South Australia having the highest taxes in the country because they say the opposite. Also, KPMG says we have a very low cost of doing business in this state. He ignores those, but he is happy to cherrypick the ones that suit his argument.

The reality is that the Leader of the Opposition has dragged everyone over there into opposition because he follows the advice of property developers and not his own members. He knows that the TDL is good policy, and it is good policy because it invests in public transport. It decongests our city. It encourages city workers to catch public transport to the city, leaving more car parks available for shoppers and investors who are coming into the CBD. But the Leader of the Opposition can't see past his friends in the Property Council, can't see past big business, to support families who want to work and live in the CBD.

**PUBLIC TRANSPORT**

**Mr MARSHALL (Dunstan—Leader of the Opposition) (14:35):** A supplementary. Given the Treasurer's answer and given that the car park tax report undertaken by consultants Property and Advisory stated—

Demand for spaces in Council operated parking facilities is expected to fall by about 6% following the introduction of the levy.

has the Treasurer modelled the corresponding decline in economic activity in the CBD, and if so what are the results?

**The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy, Minister for Small Business) (14:35):** I don't see how a reduction in people driving to the city by catching public transport into the city is going to impact on company growth. In fact, if anything, it will give them disposable income to spend. They won't be spending as much on car parks. I have to say that I really think that the Leader of the Opposition should take the advice of the member for Waite and offer an alternative vision, rather than constantly complaining, constantly whingeing. Give us the alternative.

How do we spend more on public transport? How do we invest more in public infrastructure to get people off our roads and on public transport coming into the CBD, decongesting our city? What is the answer? What is the solution? All we hear from members opposite are complaints. All they are is complainers; that is all they do. What we need is a bipartisan effort. Work with us. Don't just complain all the time.

The election is over; that is done with. Now work with us. Take a leaf out of the two Independents' book who are working with the government. They want to be productive members of this parliament, they want to contribute to the debate, they want to have a say in the future of South Australia. They don't want to just knock South Australia. So how about just once, pretty please with a cherry on top, you are constructive.

**PUBLIC TRANSPORT**

**Mr MARSHALL (Dunstan—Leader of the Opposition) (14:37):** A supplementary.

*Members interjecting:*

**The SPEAKER:** Before we have the supplementary and before I decide whether to accept the 'pretty please with a cherry on top', I call to order the members for Chaffey, Adelaide, Unley, Hammond and the deputy leader. A supplementary, the leader.

**Mr MARSHALL:** My supplementary is to the Treasurer, who has outlined to the house the public transport renewal program that the government has underway at the moment. Can he perhaps update the house on how many people are actually using public transport in South Australia now compared to two years ago?

**The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy, Minister for Small Business) (14:37):** Obviously the transport minister will have more information on it. Again, this goes to show you how cynical the Leader of the Opposition is. He knows—

**Mr PISONI:** A point of order, sir. In the minister's opening statement he said he was not going to answer the question and now he is entering debate.

**The SPEAKER:** No, I don't think he is, and accordingly I warn the member for Unley for the first time for a bogus point of order. Treasurer.

**The Hon. A. KOUTSANTONIS:** Anyone living in the southern suburbs of Adelaide would have seen the immense undertaking in electrifying our rail. We had one of our most patronised services down while we were upgrading it. People turned to alternative forms of transport to get to and from work and, alas, a lot of people got into their cars while we were upgrading our Seaford line and extending it out from Noarlunga to Seaford.

Those are now changing; that is now changing. What the opposition is doing is pointing to a time where there has been unprecedented investment in public infrastructure while those services are down and then say, 'See, it's not working.' Well, what they should be doing is comparing the next set—

**Mr Marshall:** We will! We will!

**The Hon. A. KOUTSANTONIS:** And I look forward to it—but also since 2002 (and the transport minister will have more to say about this) no government in this state's history has invested as much in public transport as we have in buses, trams, trains—unprecedented levels of investment. Every single time we attempted to invest in public transport or that infrastructure, we had members opposite complaining. All they did was attack it. When we invested in trams, they said it was a waste of money. When we invested in electrifying our rail, they said it was a waste of money. Whenever we invest in infrastructure, to quote the Leader of the Opposition, he says, 'false economy'.

I have to say that when a government's record is spending on infrastructure and improving public transport services and then you attempt to critique the government during the period when those services are down while you are upgrading them, it is obviously not going to give you an accurate representation of what is going on, but that is what the Leader of the Opposition attempts to do. He cannot be honest about it. He cannot bring himself to be honest about it. Our investment in public transport is working and the transport development levy will improve that.

**Mr MARSHALL:** I ask the Treasurer to withdraw that remark.

**The SPEAKER:** I do not think the Treasurer actually made an imputation that—

**Mr MARSHALL:** He said the leader cannot be honest about this matter.

**The SPEAKER:** Did the Treasurer say—

**The Hon. A. KOUTSANTONIS:** For the benefit of the house, I will withdraw.

**The SPEAKER:** Thank you.

**The Hon. A. KOUTSANTONIS:** He cannot bring himself to accept; how is that?

**Mr MARSHALL:** Further supplementary, sir.

**The Hon. P. Caica:** That's four.

**The SPEAKER:** That would be four supplementaries; the member for Colton is correct. How about just asking a question?

#### **PUBLIC TRANSPORT**

**Mr MARSHALL (Dunstan—Leader of the Opposition) (14:41):** This question follows on directly from the previous question. The Treasurer has made it very clear to the house that the upgrade to the Seaford line has been what has driven down the numbers. If we exclude the Seaford line and look at the rest of public transport in South Australia, can you update the house on the actual usage of those non-Seaford line public transport routes in South Australia?

*Members interjecting:*

**The SPEAKER:** Before the Treasurer answers, the member for Heysen has been interjecting repeatedly, but because she has been making a perfectly valid grammatical point about number versus amount I am not going to warn her. Treasurer.

**The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy, Minister for Small Business) (14:41):** I think it is fair to say that the Leader of the Opposition is unfairly claiming that the only upgrade that we have made is to the Noarlunga line and the extension of Noarlunga to Seaford. The reality is that our dedicated bus lanes, the infrastructure money we have been spending on our trams, the new upgrades to the railway stations—

**The Hon. J.J. Snelling:** The park-and-rides.

**The Hon. A. KOUTSANTONIS:** —the park-and-rides we are building, the upgrade to the O-Bahn, the re-sleepering of the Outer Harbor line, the Noarlunga line and, of course, the Gawler line, have all seen disruptions in public transport. Those new stations and that upgrade work—while those works have been undertaken—have driven people away.

I suppose it is like upgrading a school. If we closed classes and moved those students to another school while we did the upgrade, the Leader of the Opposition would walk in and say that enrolments in that particular school are down, therefore the government has failed, rather than actually understanding that we are investing in the school, we are building new classrooms and we have relocated the students to another school so that we can upgrade the school. What he is attempting to do is forget all the money, the investments and works we have done in upgrading our public transport while trying to bring up figures while that construction period is underway. It is completely disingenuous to say so, and he knows it.

**Mr Marshall:** Is that your answer?

**The Hon. A. KOUTSANTONIS:** Yes. It is your question.

**The SPEAKER:** The Treasurer is called to order.

#### **SOUTH ROAD UPGRADES**

**Ms DIGANCE (Elder) (14:43):** My question is to the Minister for Transport and Infrastructure. Can the minister inform the house about the latest developments of the South Australian government's Torrens to Torrens project?

**The SPEAKER:** The speaker is particularly interested in this answer and it will be heard in silence. Minister.

**The Hon. S.C. MULLIGHAN (Lee—Minister for Transport and Infrastructure, Minister Assisting the Minister for Planning, Minister Assisting the Minister for Housing and Urban Development) (14:43):** Thank you, Mr Speaker, I know you have a very keen interest in this project. Today the government released the Torrens to Torrens project assessment report which includes the latest project design. Mr Speaker, as you in particular would be aware, this is a very significant project, particularly for the local areas involved. The project assessment report is an extensive body of work that outlines the crucial economic benefits that this major project will have for South Australia through reduced travel times, particularly for freight.

The \$896 million Torrens to Torrens project has a cost-benefit ratio of 2.4:1, which of course means that the project delivers very significant value for money and benefits to the state. The report also summarises the environmental, social, economic and engineering assessments that have been undertaken by the Department of Planning, Transport and Infrastructure.

Since the release of the initial concept design back in May 2013, the department has been very busy consulting with the local community through the project's community liaison groups, as well as undertaking further design, engineering and economic investigations. There are a number of significant modifications that have been made to the initial design following community consultation and further detailed investigations.

An important modification to the original design has been the reduction in the length of the planned rail overpass for the Outer Harbor passenger rail line. As I am sure you are well aware, Mr Speaker, there were significant community concerns about the effect that the original design would have on the aesthetics and the amenity of the Queen Street precinct in the Croydon area.

This original design would have also meant extensive disruptions to commuters on the Outer Harbor line during the construction period. The government has listened to these concerns and through further engineering investigations has been able to shorten this overpass to reduce the impact on this area and reduce the construction period for this part of the project, in turn reducing the impact on commuters.

Other modifications include: altering the alignment of the north and southbound surface roads to be on either side of the lowered road, improved pedestrian and cycling facilities, improved traffic management for local roads such as Hurtle Street, as well as being able to bypass the Croydon electrical substation, which will substantially reduce the project's construction time frame.

Members of the public, community and industry organisations, as well as local government, will be able to access the project assessment report and provide further feedback to the department. Submissions will be accepted until the close of business Monday 11 August 2014.

Overall, there is substantial interest in this project, as there is with the \$620 million Darlington upgrade. Just last week I attended the government's industry briefing for these two projects. The briefing was attended by approximately 250 representatives from industry, including planners, engineers and contractors. The briefing outlined the scope of the projects and the likely work packages available to tenderers across both projects, and the government's commitment to local participation and employment outcomes. The government's tendering processes will include assessment weighting of up to 10 per cent for respondents with local industry participation plans, and we also require employment targets to be delivered.

This approach was successful with the Southern Expressway duplication project, which is very much nearing completion, employing close to 90 per cent South Australians and approximately 56 per cent of workers from the southern suburbs. I look forward to continuing to update the house as these two significant projects on our north-south corridor develop.

### **SOUTH ROAD UPGRADES**

**Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (14:47):** My question is to the Minister for Transport as a supplementary. Has the minister informed the member for Croydon that his constituents when driving will not be able to turn right from South Road onto Port Road under the revised Torrens to Torrens project?

*Members interjecting:*

**The Hon. S.C. MULLIGHAN (Lee—Minister for Transport and Infrastructure, Minister Assisting the Minister for Planning, Minister Assisting the Minister for Housing and Urban Development) (14:47):** It is a very good question. As the deputy leader has alluded to, there has been a significant change to traffic management at the intersection of the two surface roads that will remain along South Road and Port Road. Currently, people who drive up South Road have had to bank in the middle of the intersection, two or three cars only involved at that point of banking in the middle of the intersection turning right onto Port Road.

A revised traffic treatment, which is part of the project assessment report, which was released today, will enable traffic to instead, if they were turning right from South Road onto Port Road, turn left, enter into part of the median strip which will allow a U-turn and drive down Port Road instead.

This provides far greater capacity for people to access the intersection and make those traffic movements. Time savings, I am advised by the department, on the completion of the project will be 20 seconds per intersection movement, and 2031 traffic modelling shows that the time savings then will be in the order of 100 seconds or a minute and 40 seconds.

**The SPEAKER:** I am pleased to tell the deputy leader I was informed some weeks ago and I will be doing a direct mail into Croydon, West Croydon and West Hindmarsh as soon as I can escape this place.

#### PUBLIC TRANSPORT

**Mr MARSHALL (Dunstan—Leader of the Opposition) (14:49):** My question is to the Premier. Will the government charge the corporate sponsors of the free Australia Day concert at Elder Park to fund free public transport for this event?

**The Hon. S.C. MULLIGHAN (Lee—Minister for Transport and Infrastructure, Minister Assisting the Minister for Planning, Minister Assisting the Minister for Housing and Urban Development) (14:49):** It's nice for me to get a question about transport. Unfortunately, I don't often get the benefit of being asked a question about transport from the Leader of the Opposition. It's only been recently that he has had a revelation that apparently lots of people use public transport in South Australia. In fact, it was only yesterday, when it was pointed out to him—the Leader of the Opposition talks about millions of people using public transport infrastructure and yet he was—

*Mr Marshall interjecting:*

**The SPEAKER:** The leader is warned for the second and final time.

**The Hon. S.C. MULLIGHAN:** And yet such an inadequate attempt it was to provide a public policy position on transport at the last election he didn't even put one policy out about public transport—didn't put one policy out about public transport.

**The SPEAKER:** The member for Morialta.

**Mr GARDNER:** It's 98: he has had a bit of a go but we would like the answer to the question now, please.

**The SPEAKER:** Is the Minister for Transport finished?

**The Hon. S.C. MULLIGHAN:** Sure.

**The SPEAKER:** Good. A supplementary from the member for Mitchell

#### PUBLIC TRANSPORT

**Mr WINGARD (Mitchell) (14:50):** We will go to the Premier again and see how we end up. Will the government impose their public transport cost recovery tax on the Stadium Management Authority or the AFL for finals at the Adelaide Oval this year?

**The SPEAKER:** As the member for Heysen would say, the government will impose 'its' charge not 'their' charge.

**The Hon. S.C. MULLIGHAN (Lee—Minister for Transport and Infrastructure, Minister Assisting the Minister for Planning, Minister Assisting the Minister for Housing and Urban Development) (14:51):** I thank the member for Mitchell for his question. He seems to be the only person capable on that side of framing a decent question about public transport, so I thank him very much. You can see why he had such a swift elevation, Mr Speaker—because he's doing a far better job than the leader or deputy leader have been doing.

*Members interjecting:*

**The SPEAKER:** Leader, you are on two warnings.

**The Hon. S.C. MULLIGHAN:** Come on, mate, get yourself thrown out—go on. That would be good, wouldn't it?

**The SPEAKER:** Leader, I would not want to eject you from the chamber for any length of time.

**The Hon. S.C. MULLIGHAN:** As I say, it is perfectly clear—the way the special events cost recovery measure is outlined in the Treasurer's budget makes clear—that we will be seeking to recover the costs for large commercial events from venue managers. Venue managers can then talk to the people who are operating the events or people who are attending the events. We will be conducting negotiations with each different venue manager for each different commercial event which will be held over the course of the year. They are required to give us at least six months' notice.

We will sit down with them and we will identify whether additional public transport services are required for their event and, if they are required, we will also identify whether it would be in the event's interests to have regular public transport services or, indeed, free public transport services, as we do have for the current AFL matches at Adelaide Oval. Each one will be different, and we will be working through that with the venue managers, who will then talk to the event hosts and also the people who may be attending and purchasing tickets.

#### **PUBLIC TRANSPORT**

**Mr WINGARD (Mitchell) (14:53):** I have a supplementary question. Given the amount of money this tax is budgeted to return to the government—

**The Hon. S.C. Mullighan:** It's not a tax.

**Mr WINGARD:** Well, we can split the difference as to whether it's a tax or a levy—call it whatever you like, the 'fun tax', as people have been labelling it—which other events will be hit by the fun tax or the public transport cost recovery tax, as you put it? Which other events—can you let the South Australian public know?

**The Hon. S.C. MULLIGHAN (Lee—Minister for Transport and Infrastructure, Minister Assisting the Minister for Planning, Minister Assisting the Minister for Housing and Urban Development) (14:54):** There is no tax. A tax implies a consistent charge across the board levied on a broad number of people. As has been made abundantly clear, particularly to the people on the other side of the chamber, there is no consistent charge. It will be up to the singular discussions which occur for each separate event, each commercial profit-making event with attendances estimated to be over 5,000.

#### **EMERGENCY SERVICES LEVY**

**Mr TARZIA (Hartley) (14:54):** My question is to the Treasurer. How much will one of my constituents, who owns two \$350,000 investment residential properties, as well as their \$500,000 family home, have to pay for emergency services levy this financial year?

**The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy, Minister for Small Business) (14:54):** If the member for Hartley wants to give me the exact values after question time, I will get him an answer today on the exact amount. I don't have the tables here with me now, but I can get them for him. There is going to be an increase. The government has not hidden the fact that there will be an increase in the emergency services levy; in fact, we hid it so much that I sent the increases to the member for Unley.

*Mr Pisoni interjecting:*

**The SPEAKER:** The member for Unley is warned for the second and final time.

**The Hon. A. KOUTSANTONIS:** Every Economic and Finance Committee is sent the prescribed rate and the effective rate. It was in the report that was sent to the Economic and Finance Committee, which the member for Unley is a member of, and he is obviously a diligent reader of those reports. Perhaps if I had put it anonymously in his pigeonhole, he might have read it then, but because it was sent to him he didn't bother reading his papers.

If he had bothered to read those papers, he would have noticed that the government would be announcing the remissions to the emergency services levy on budget day, which might have sparked his interest. Alas, he didn't bother reading his committee papers. That's a question for him and the Liberal Party, to decide whether or not he is derelict in his duty as a member of the Economic and Finance Committee.

**Mr GARDNER:** Point of order: the question was about the emergency services levy chargeable on those three houses.

**The SPEAKER:** I return the Treasurer to his text.

**The Hon. A. KOUTSANTONIS:** Yes, sir. I understand that the member for Hartley's constituents may feel aggrieved by the increases that they will have to pay to the emergency services levy. Just to give the house a quick update on what exactly it is we are doing, every year, as the authors of the emergency services levy would know, we calculate the cost of the emergency services budget. We have a levy in place and we impose a 50 per cent remission on everyone.

Given the question that the member for Hartley asked, I suppose it would depend on their principal place of residence and if they were a concession card holder, because, as members opposite would be aware, concession card holders are exempt from any increase—as they should be, given what happened to them in the commonwealth budget, when they were so deceitfully attacked by the commonwealth government after their promises not to touch the pension, not to touch pensioners. Of course, we have seen dramatic changes to the pension and pensioners, and we are doing all we can to try to immunise pensioners from the cruellest of the cuts that the opposition's counterparts in Canberra are making.

What we have done is that the remissions we used to offer the emergency services levy recipients, we have now taken that money out of the emergency services fund and put it into health and are raising the full amount of the emergency services levy, excluding pensioners. Yes, there is a new impost to constituents. Yes, I understand people's anger and frustration about it. I do say that I am prepared to reverse these increases.

The government has made it very clear that if the Leader of the Opposition and members opposite join with us in a campaign to reverse the cuts of the commonwealth budget to health and education, we will reverse this increase. My advice to you and your constituent is that he should ring Chris Pyne and he should say to Chris Pyne, 'Reverse your \$5½ billion worth of cuts to health and education,' and he won't have to pay this increase in the emergency services levy.

#### **CITRUS EXPORTS**

**Mrs VLAHOS (Taylor) (14:57):** My question is to the Minister for Investment and Trade. Can the minister inform the house of the progress being made to develop new markets for citrus in China?

**The Hon. M.L.J. HAMILTON-SMITH (Waite—Minister for Investment and Trade, Minister for Defence Industries, Minister for Veterans' Affairs) (14:58):** I thank the member for her question about our exports. Last week, I had the pleasure of visiting Impi Highland in Renmark. Impi is a citrus producer and packing company established by the Cant family in the 1960s, harvesting grapefruit, easy-to-peel mandarins and navel oranges from a 500-hectare property (including 100 hectares under orchard) at Lindsay Point in north-west Victoria, as well as sourcing supply from a further 100 hectares nearby.

The company has grown significantly since its formation, and the family now harvests 6,000 tonnes of fruit, half of which is exported to premium markets in China, Japan and the US, and the other half of which is distributed to Coles and Woolworths. Two years ago, Impi Highland moved to a new \$5.5 million packaging plant at Renmark which is equipped with the latest in citrus technology.

I was particularly impressed with the focus Impi has on exports, to China in particular. It was great to be in a business that was literally booming and could barely meet supply. It is an absolutely fantastic success story and one that needs to be heralded. Here we have a company which is investing in technology and equipment to meet the stringent export requirements in relation to size and quality, a family-run business which is a shining light for others to follow. It is a market which is rapidly growing to the point where Mr Cant says the demand is literally exceeding supply: he can't get enough fruit to export.

Companies such as Impi's are also greatly appreciative of the government's work in keeping South Australia fruit fly free, and it was wonderful to see the positive feedback during the recent Riverland cabinet where the government was congratulated for its efforts in that regard, particularly my colleague the Minister for Primary Industries. Our fruit fly control in this state is world-class and positions us well for most markets. It is a credit to the vigilance of the staff at PIRSA, who staff the roadblocks. I look forward to the Department of State Development working with companies such as

Impi to take advantage of export opportunities and importantly create jobs and wealth in the South Australian regions.

**Mr WHETSTONE:** Supplementary, Mr Speaker.

**The SPEAKER:** Supplementary, member for Chaffey.

### CITRUS EXPORTS

**Mr WHETSTONE (Chaffey) (15:00):** Minister, what are you doing to help that business be recognised for being fruit fly free in China?

**The Hon. M.L.J. HAMILTON-SMITH (Waite—Minister for Investment and Trade, Minister for Defence Industries, Minister for Veterans' Affairs) (15:00):** The government is involved in extensive activities to promote our primary produce in China. As a matter of fact, over the past few years, the government has made a point of our clean, green primary produce and, frankly, it is a great success story. If the member has some constructive suggestions about what else can be done, provide them. Come up with an idea. We are waiting to see an idea—any idea will do. So, if he has one, tell us what it is.

*Members interjecting:*

**The SPEAKER:** The deputy leader and the Treasurer are both warned for the first time. Member for Ashford.

### ADVANCE CARE DIRECTIVES

**The Hon. S.W. KEY (Ashford) (15:01):** My question is directed at the Minister for Health. Minister, since the implementation of the advance care directives, how can South Australians influence their future health and care choices?

**The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for Mental Health and Substance Abuse, Minister for the Arts, Minister for Health Industries) (15:02):** I thank the member for Ashford for her question and acknowledge her particular interest and advocacy for people who are in the terminal phase of an illness. The new advance care directive commences today and simplifies arrangements for future decision-making for healthcare living arrangements and personal matters, not just end-of-life decision-making. It replaces the existing enduring power of guardianship, medical power of attorney and anticipatory direction with a single advance care directive form and will enable people to record their wishes, values and instructions for future healthcare, residential, accommodation and personal matters, as well as appointing substitute decision-makers to make decisions on their behalf in case their decision-making capacity is impaired.

Enduring powers of guardianship, medical powers of attorney and anticipatory directions will still have legal effect as if they are an advance care directive under the act. There has been significant consultation and collaboration with consumers, consumer organisations, health practitioners (including doctors and nurses), aged care and disability care staff, justices of the peace and lawyers to ensure we meet the community's needs in this area.

There is a new advance care directive website with information for consumers, substitute decision-makers, witnesses and professionals who have an interest in advance care directives. Over time, it will also contain e-learning modules for both consumers and health practitioners to learn more about advance care directives. The new ACD form is now available on the website to download for free and soon it will be able to be completed online using the new online interactive form, which will also be smartphone compatible.

To help consumers complete the new advance care directive, a do-it-yourself kit has been produced. Both the advance care directives form and the do-it-yourself kit can be downloaded either together or separately for free from the advance care directives website. The kit can be purchased from Service SA for \$5 and the form can be purchased separately for \$1.

To raise community awareness about the importance of planning ahead for future health care, personal matters, financial matters, organ donation and wills, the inaugural annual Planning Ahead—Your Life, Your Choice, Your Voice Day will be held on 4 September.

Finally, can I take a moment to thank all the staff and volunteers who have been involved in putting the ACD together. A lot of consultation has taken place to make sure that this is a useful and



meaningful document. I would like to thank Kathy Williams, Alicia Wrench-Doody and Sinead O'Brien from SA Health, as well as the members of my end of life advisory committee, chaired by former minister for health Martyn Evans.

I would also like to acknowledge in particular the great work the member for Taylor, the parliamentary secretary, has put into bringing this to fruition. This is a significant advance. You go around to other jurisdictions around the world and tell them what is happening here in South Australia, and they are always surprised about the significant advances we have been able to make in this particular area. We truly lead the world when it comes to reform of these areas.

#### EMERGENCY SERVICES LEVY

**Mr PEDERICK (Hammond) (15:05):** My question is to the Treasurer. How much will one of my constituents, who owns a farm near Murray Bridge valued at \$1.5 billion, have to pay in emergency services levy this financial year?

**The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy, Minister for Small Business) (15:05):** Sir, I'm assuming the constituent of the member for Hammond is not a pensioner?

*Members interjecting:*

**The Hon. A. KOUTSANTONIS:** No, not a pensioner.

**Mr Pederick:** He's a consumer. Tell us the differences.

**The Hon. A. KOUTSANTONIS:** For a \$1.5 million primary production property, the possible increase to the emergency services levy is \$420. But, sir, the member for Hammond would be happy to know that the regional factors in place for the emergency services levy remain; that is, if you are in the regional cities and towns—I know the member for Unley is probably on top of all this after having read the report front to back, probably the day after the budget, after they realised it was hidden there in plain sight—it is reduced by a factor of 20 per cent.

If you are in a regional city—that is, towns like Berri, Goolwa, Kadina, Loxton, Millicent, Mount Barker, Mount Gambier, Murray Bridge, Naracoorte, Nuriootpa, Port Augusta, Port Lincoln, Port Pirie, Renmark, Tanunda, Victor Harbor, Whyalla—you get the 20 per cent discount. If you are in a council country area outside the list of major towns, you get a 50 per cent discount on your bill. And, if you are outside all council areas you get a 90 per cent discount on your bill. Those discounts remain in place to recognise the impact that is on regional communities, especially those who are probably unable to access volunteer services, or who have a major dependence upon it, or are volunteers themselves. What we are actually doing with this budget measure is fully funding our emergency services operations.

But, there's good news, Mr Speaker, there's good news. All the member for Hammond has to do for his constituent who is not a pensioner and who owns a \$1.5 million rural primary production property, is call his friends in the commonwealth government and tell them to reverse their cuts to health and education and I'll reverse mine.

*Members interjecting:*

**The Hon. A. KOUTSANTONIS:** A very simple equation, Mr Speaker. Call Chris Pyne, call Rowan Ramsay, call the senators, call them up and say, 'Reverse your cuts, stand with this Labor government, stand with Campbell Newman, stand with the New South Wales government, stand with Dr Naphthine, stand with us, oppose these cuts,' and we'll reverse our increases to the emergency services levy. It's only a phone call away.

#### LEGAL PROFESSION CONDUCT COMMISSIONER

**Mr PICTON (Karna) (15:08):** My question is to the Attorney-General. Can the Attorney-General inform the house about added protections for consumers of legal services following the establishment of the Legal Profession Conduct Commissioner?

**The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Justice Reform, Minister for Planning, Minister for Housing and Urban Development, Minister for Industrial Relations) (15:08):** I thank the honourable member for his question. Yes, I can provide

the house with some information. As of 1 July 2014, the Legal Profession Conduct Commissioner will replace what was the Legal Practitioners Conduct Board as South Australia's regulatory body for lawyers.

The Legal Profession Conduct Commissioner is the state government's response to address concerns about the regulation of the state's legal industry. The new commissioner represents a robust regulatory system for legal practitioners in the state that will protect consumers. The commissioner has a range of tough but flexible powers at his disposal to deal with complaints and matters of misconduct, while consumers will have enhanced protection measures.

A feature of the new body will be a public register of lawyers who have been disciplined by the commissioner. A great deal of work went into creating a system that is well defined, accountable, transparent, and fair for legal practitioners and members of the community who use their services. The commissioner will provide a process whereby people can lodge complaints either about conduct or overcharging as well as providing confidential conciliation services to assist in resolving complaints and investigating complaints. The commissioner will take disciplinary action in cases where misconduct has occurred.

Mr Greg May was appointed to the role of Legal Profession Conduct Commissioner earlier this year. Mr May brings nearly 30 years' experience as a legal practitioner into the role. In his new role, Mr May will provide a sturdy pathway for complaints against misconduct of legal practitioners. The new commissioner will ensure that the community will have confidence that matters of legal misconduct will be handled fairly and efficiently.

Although cases of misconduct among the legal profession are rare, engaging the services of lawyers can be daunting to some people. The implementation of the Legal Profession Conduct Commissioner will allow consumers to approach the legal profession with confidence.

#### EDUCATION SYSTEM

**Ms HILDYARD (Reynell) (15:10):** My question is to the Minister for Education and Child Development. Can the minister update the house about negotiations with the commonwealth regarding independent public schools?

**The Hon. J.M. RANKINE (Wright—Minister for Education and Child Development) (15:10):** I thank the member for Reynell for her question. Let me start by being very clear with the house: this government will never introduce an unfair two-tiered system in our public schools, nor will we badge any of our schools as 'independent public schools'. That is a complete oxymoron.

Members would know that South Australian public schools already enjoy a high degree of delegated authority. David Gonski acknowledged that South Australia had one of the most autonomous school systems in Australia, and it was only last week that Peter Mader, Acting President of the Secondary Principals' Association, said:

...the reality is that in South Australia Christopher Pyne's 13 years too late, we've actually achieved all of the autonomies that he has been talking about in this program.

I can confirm that we are considering participating in this scheme, but in a uniquely South Australian way.

Again, I make the point that we will not badge schools as independent public schools. We will not have an unfair two-tiered system; we will roll out reforms across the whole system, and I understand that Victoria has taken up exactly the same position as South Australia, and I expect New South Wales is doing the same.

We have put a proposal to the federal government which includes streamlining performance management processes and providing governance training to school governing councils. Principals already have the ability to employ the teachers they want after the permanent teachers in temporary positions are placed. What we will do is make sure the performance management process is clear, that it has a time limit, and that principals are supported by the performance management specialists with an education background through the process.

The training for governing councils will be informed by the recommendations from the Pike review. We are still waiting for Mr Pyne's approval. We will need whatever funding we can find, given Christopher Pyne's cuts to education—in South Australia, \$335 million in 2018 and 2019.

The independent public schools funding of \$5.5 million over four years is dwarfed by the Gonski cuts. In the meantime, we are focusing on improving educational outcomes for students and empowering school communities. We are providing \$50,000 specialisation grants to local partnerships which will help them develop specialisations that reflect the aspirations of the local community and link in with local businesses and industry. This could include science, sport, languages, or even entrepreneurialism. We are building specialist schools to create the skilled workforce of the future: Seaview High School will have an advanced manufacturing specialisation, The Heights High School will specialise in defence industries, and Hamilton College will have a STEM specialisation.

Members opposite might be interested to hear that schools in the electorates of Adelaide, Bright, Chaffey, Flinders, MacKillop, Mount Gambier and Stuart all stand to lose more funding, resources and support from the cuts to the last two years of the Gonski agreement than the entire system will receive for the independent public schools program over four years.

#### COMMISSIONER FOR PUBLIC SECTOR EMPLOYMENT

**Mr MARSHALL (Dunstan—Leader of the Opposition) (15:14):** My question is to the Minister for the Public Sector. How many suitable candidates for the position of public employment commissioner did the subcommittee of the Senior Management Council identify?

**The Hon. S.E. CLOSE (Port Adelaide—Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for the Public Sector) (15:15):** I know that there were numerous ones. I only saw the final four. I will endeavour to get an answer about how many they considered.

#### COMMISSIONER FOR PUBLIC SECTOR EMPLOYMENT

**Mr MARSHALL (Dunstan—Leader of the Opposition) (15:15):** Supplementary, sir. Did the subcommittee of the Senior Management Council actually recommend Erma Ranieri for the position?

**The Hon. S.E. CLOSE (Port Adelaide—Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for the Public Sector) (15:15):** They did recommend Erma Ranieri, yes.

#### COMMISSIONER FOR PUBLIC SECTOR EMPLOYMENT

**Mr MARSHALL (Dunstan—Leader of the Opposition) (15:15):** Just for clarity, they didn't just say that she was just suitable for the role: they specifically selected her. That was their decision?

**The Hon. S.E. CLOSE (Port Adelaide—Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for the Public Sector) (15:15):** No, the decision for a position of that nature is for the Governor. Cabinet makes a recommendation to the Governor, and I put forward that recommendation. The committee's job was to identify a suitable pool and to identify candidates who would be able to be recommended.

#### COMMISSIONER FOR PUBLIC SECTOR EMPLOYMENT

**Mr MARSHALL (Dunstan—Leader of the Opposition) (15:16):** In other words, Erma Ranieri was only one of several people who the subcommittee actually recommended for the job?

**The Hon. S.E. CLOSE (Port Adelaide—Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for the Public Sector) (15:16):** That's correct.

#### COMMISSIONER FOR PUBLIC SECTOR EMPLOYMENT

**Mr MARSHALL (Dunstan—Leader of the Opposition) (15:16):** Did the minister take a submission to cabinet on 7 April 2014 which indicated that she proposed in a future cabinet submission that Ms Erma Ranieri be appointed as Commissioner for Public Sector Employment?

**The Hon. S.E. CLOSE (Port Adelaide—Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for the Public Sector) (15:16):** I won't be commenting on cabinet matters.

### RIVERLAND HOUSING

**Ms WORTLEY (Torrens) (15:16):** My question is to the Minister for Social Housing. Can the minister tell the house how a new project highlights how Housing SA is supporting people in the Riverland?

**The Hon. Z.L. BETTISON (Ramsay—Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Multicultural Affairs, Minister for Ageing, Minister for Youth, Minister for Volunteers) (15:17):** I am very pleased to report to the house that a new collection of personal stories from Housing SA clients living in the Riverland has been released in both booklet and calendar form. The new publication, *Home, where we are*, features stories from 24 Riverland locals, detailing their housing hopes, struggles and experiences. While their experiences—

*The Hon. A. Koutsantonis interjecting:*

**The SPEAKER:** The Treasurer is warned for the second and final time. Minister for Social Housing.

**The Hon. Z.L. BETTISON:** While their experiences are quite different, one thing they have in common is how important to them their home is. Launched in Berri a month ago, the booklet is the result of a series of interviews with tenants conducted by local Riverland Housing SA staff. Mr Speaker, can I say how pleased I was that so many people candidly shared their personal stories for this project.

The stories are often very raw and very revealing but, ultimately, very uplifting. Whether it is the mother whose children have finally been able to settle in at school or the family that has been reunited because they now have safe, affordable accommodation, these are inspiring stories from South Australians who have faced many challenges. Sharing their experiences also provided the participants with an opportunity to reflect on and articulate their stories of struggle and change. A common thread throughout the booklet is a strong love for the Riverland, and the tenants proudly speak about the many things they love about the region.

Reading these very personal accounts makes you appreciate your own feelings about home and enables you to identify with the very human need to be safe, comfortable and connected to a community. Many of us will have something in common with the people who have so generously shared their stories. If I may, Mr Speaker, I would like to share with the house a little bit about one of the people who told his story.

James Buick moved to the Riverland three years ago from the Barossa Valley, where he lived in a small caravan in a friend's backyard. James had lost his own house after a relationship breakdown, and he struggled to find work due to an acquired brain injury. Tragically, the injury was the result of an assault in 1993 by a group of people. James explains how he has since built a strong connection to the local community through the Barmera Men's Shed, how he enjoys giving back to the community by fixing things and providing transport for locals without a car. I urge members to visit the ABC Riverland website and listen to presenter Narelle Graham's excellent interview with James.

These stories also highlight Housing SA's successful history of helping vulnerable South Australians and they demonstrate how Housing SA's blueprint for 2013-18 and its vision of connecting people to place is working to improve lives. As the social housing minister, I sincerely thank everyone who generously contributed their stories. I would like to personally thank the dedicated staff at Housing SA in Berri for collecting and collating these inspiring stories. After visiting the Housing SA office in Berri during country cabinet last week, I was impressed with the dedication of the staff to the housing needs of the vulnerable living in the Riverland.

### ASYLUM SEEKERS

**Mr GARDNER (Morialta) (15:20):** My question is to the Minister for Police. Can the minister advise the house what is being done to find the group of young asylum seekers who are reported to have fled their homes in northern Adelaide this week?

**The Hon. A. PICCOLO (Light—Minister for Disabilities, Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (15:20):** I

thank the honourable member for his question. As the honourable member would know, that is an operational matter. I have full confidence in the police that they are doing their utmost to locate them.

#### ASYLUM SEEKERS

**Mr GARDNER (Morialta) (15:21):** A supplementary. Can the minister advise if he has received a briefing on this matter?

**The Hon. A. PICCOLO (Light—Minister for Disabilities, Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (15:21):** I thank the member for the question. When I became minister I sought briefings on a whole range of matters, as you would. I also sought a briefing on how many incidents occur a day or how many activities occur a day. There are approximately between 1,700 and 2,000 taskings a day. I do not seek 2,000 briefings from the police every day.

#### ASYLUM SEEKERS

**Mr GARDNER (Morialta) (15:21):** A supplementary. Is the minister saying that he does not consider reports that seven young people, children and students at school, fleeing their homes and potentially being vulnerable is not worthy of seeking a briefing from the police who have been making comments on behalf of the government?

**The Hon. A. PICCOLO (Light—Minister for Disabilities, Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (15:22):** Not at all. I have the utmost confidence in the police to do their job properly. If I was to seek a briefing on one matter and not another, I would then be accused of saying that one matter is more important than another. The police—

*Ms Chapman interjecting:*

**The SPEAKER:** The deputy leader is warned for the second and final time. Minister.

**The Hon. A. PICCOLO:** I trust the police to bring matters to my attention which require my attention.

#### ASYLUM SEEKERS

**Mr GARDNER (Morialta) (15:22):** A supplementary, sir.

**The SPEAKER:** Isn't this a fourth supplementary?

**Mr GARDNER:** I will rely on you for that information, sir. Can the minister perhaps confirm that he will seek a briefing on this matter and establish in particular on what basis—and I quote the police spokesman saying that there are 'no concerns for the safety or welfare of any of those missing'—that has been made—at least to the minister's own personal satisfaction and confidence that that has been made?

**The Hon. A. PICCOLO (Light—Minister for Disabilities, Minister for Police, Minister for Correctional Services, Minister for Emergency Services, Minister for Road Safety) (15:23):** Mr Speaker, I thank—

*Ms Chapman interjecting:*

**The SPEAKER:** The deputy leader, if her lips move out of order again, we will be without her for an hour. Minister for Police.

**The Hon. A. PICCOLO:** I would have thought that at least the member for Bragg being a lawyer would understand the difference in the way the police—

*Members interjecting:*

**The Hon. A. PICCOLO:** I am out of my depth? You're over there, I'm over here—I'm out of my depth?

*Members interjecting:*

**The SPEAKER:** The Minister for Health is called to order. The Minister for Education is called to order and warned a first time.

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

**The SPEAKER:** And warned a second and final time. Minister for Police.

**The Hon. A. PICCOLO:** Clearly, the member for Morialta doesn't have any confidence in the police because he has asked me the question. The question was—

**Mr GARDNER:** Point of order.

**The SPEAKER:** Point of order?

**Mr GARDNER:** As per the standing orders I take offence to the comments and ask that the minister withdraw them.

**The SPEAKER:** It is simply not offensive for a minister in an answer to say that he thinks a member does not have confidence in the police. If the member for Chaffey wishes subsequently to make a personal explanation, I am sure he will be granted leave. The member for Morialta's point of order was an impromptu speech for which he should be removed, but since he was removed unjustly not long ago I will let him off. The member for MacKillop has either a point of order or an impromptu speech?

**Mr WILLIAMS:** I am seeking clarification, sir, on the ruling you just gave, that somebody can suggest during question time that they think somebody else does not have confidence—

**The SPEAKER:** In the police.

**Mr WILLIAMS:** In the police or anybody else. Sir, wouldn't that constitute debate, when they are expressing their opinion about somebody else? Shouldn't the minister therefore be ruled out of order?

**The SPEAKER:** No, because the line of questioning carries the imputation that the minister should have sought a briefing and the minister is saying the reasons he does not think he should have sought a briefing, and one of those is that he has confidence in the police about operational matters.

**Mr WILLIAMS:** But he expressed another member's—

**The SPEAKER:** It is germane for the minister to say what he is saying and the remedy is not a point of order: the remedy is a personal explanation.

**Mr WILLIAMS:** Sir, I come back to my original—

**The SPEAKER:** You mean you are going to repeat the point of order I have just declined?

**Mr WILLIAMS:** No, I was not making a point of order. I was seeking an explanation as to—

**The SPEAKER:** And I have just given you one.

**The Hon. J.J. Snelling:** Sit down!

**The SPEAKER:** Who said 'sit down'?

**The Hon. J.J. SNELLING:** I did, sir.

**The SPEAKER:** The Minister for Health is warned for the first time, but I thank him for his confession. The member for Napier.

#### ICT AWARDS

**Mr GEE (Napier) (15:27):** My question is to the Minister for the Public Sector. Can the minister inform the house about the SA iAwards and the way these awards encourage the use of ICT to transform service delivery in government?

**The Hon. S.E. CLOSE (Port Adelaide—Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for the Public Sector) (15:27):** The iAwards, now in its 20<sup>th</sup> year, is a national competition that recognises organisations and individuals at the cutting edge of technology. The host partners of the iAwards, the Australian Computer Society, the Australian Information Industry Association and the Pearcey Foundation, strongly advocate the importance of recognising the innovation and productivity which ICT delivers across all facets of Australian life.

Significantly, the iAwards are judged by the ICT industry. The South Australian iAwards presentation was held last Friday, 27 June 2014 and our public sector was well represented with a record eight nominations submitted for judging.

South Australia has excelled at the iAwards over the years. This year, the Premier attended the awards ceremony and presented the inaugural Premier's iAward. This award is a new feature of the annual South Australian iAwards program and it is the first time in the program's national history that a premier has recognised the ingenuity, creativity and innovation work of their public sector employees in this forum.

I would like to formally acknowledge all of the entrants in this year's iAwards and give a special mention to the South Australia Police project, Mobile Fingerprint Scanning, which won the Premier's iAward.

The SAPOL Mobile Fingerprint Scanning Solution is an android smartphone-based application developed by NEC. It enables SAPOL officers to scan the fingerprints of persons of interest at the scene, checking against the national database within 90 seconds.

The application, which is currently on trial by SAPOL, is a fantastic example of technology making a real difference to service delivery. As the Premier said about the winning project, 'Mobile fingerprinting will enhance policing capabilities to keep the community safe' and it is another example of public sector employees increasingly using state-of-the-art ICT solutions to improve their customer service and drive productivity in government.

Our state iAwards winners go on to represent South Australia and compete in the national phase of the iAwards, hosted in Melbourne on 27, 28 and 29 August this year. Winners at the national level then have the opportunity to compete internationally through the affiliated Asia Pacific ICT Alliance Awards program. All South Australians should be proud of their public sector, and we wish the SA iAwards winners all the best for their national competition in August.

#### **COMMUNITIES AND SOCIAL INCLUSION DEPARTMENT SCREENING UNIT**

**Ms SANDERSON (Adelaide) (15:29):** My question is to the Minister for Communities and Social Inclusion. Why has it taken more than two months for Mr Warwick Piper to finally receive a police clearance that will enable him to drive cabs?

**The Hon. Z.L. BETTISON (Ramsay—Minister for Communities and Social Inclusion, Minister for Social Housing, Minister for Multicultural Affairs, Minister for Ageing, Minister for Youth, Minister for Volunteers) (15:30):** The DCSI screening unit is an important service which protects the most vulnerable members of our society from harm, including children, people with a disability and older South Australians.

As I have spoken about before in the house, we have had a significant increase in the number of screenings, and we have received approximately 112,000 applications for clearance in the past year—a 66 per cent increase. I understand that the process of and the time involved in obtaining employment screening clearance can be frustrating to applicants; however, our government makes no apology for ensuring that every effort is taken to protect some of our most vulnerable members of society from harm.

Where no relevant information is identified for an applicant, the turnaround time for processing an application is around 20 business days. I am advised that around 80 per cent of applicants are cleared within this time frame.

*Mr Knoll interjecting:*

**The SPEAKER:** The member for Schubert is warned for the first time.

**The Hon. Z.L. BETTISON:** Where any relevant information is identified requiring further assessment, an application may take more than eight weeks to process. These time frames are clearly disclosed on the DCSI website. The number of applicants requiring further assessment represents about 20 per cent of the total number of applications.

In 2013, the screening unit received an additional \$1 million for an extra 11 full-time equivalent employees to assist in increases in demand for services, and in the state budget in 2014-15 we will invest an extra \$500,000 to enable service improvement initiatives, such as online application processes, that will benefit all applicants. This investment is to encourage efficiencies.

One of the key issues we have is when people fill out forms incorrectly and we have to send them back. So, one of the key aspects as we move towards an online system is to reduce that time back to others.

*Members interjecting:*

**The SPEAKER:** The member for Unley has been warned twice.

**Mr Gardner:** Kick him out for the rest of question time, sir.

**The SPEAKER:** I am considering levying just that penalty. Minister for Social Housing.

**The Hon. Z.L. BETTISON:** We understand through discussion with DPTI that drivers of all passenger transport facilities are required to undergo child-related employment screening, and if this person was seeking to be a taxi driver that is the process they would have gone through. They need to attain the accreditation through the DPTI's Accreditation and Licensing Centre.

I make no apology for the deep process that we go through. We have a very robust screening process and, without going into further detail about this specific inquiry, I think that we have been clear about the processing times that this may take.

*Personal Explanation*

#### **ASYLUM SEEKERS**

**Mr GARDNER (Morialta) (15:33):** I seek leave to make a personal explanation.

Leave granted.

**Mr GARDNER:** During question time, the Minister for Police made an accusation about me to which I took offence. I make it clear to the house that I have every confidence in our police officers and our police force. If I have any scepticism, it is directed entirely at the minister's own level of capacity.

*Grievance Debate*

#### **PARADISE INTERCHANGE**

**Mr TARZIA (Hartley) (15:34):** I rise today to speak about fighting to secure funding for more parking facilities at the Paradise Interchange in and around the electorate of Hartley, which is of great concern to my constituents, particularly in Paradise, Campbelltown and Felixstow, in the northern part of my electorate.

The Paradise Interchange is an essential part of the O-Bahn infrastructure that principally services Hartley and Morialta constituents but also many more across the state. Many of my constituents use the interchange every morning to commute to and from work, to and from the city and other places. The interchange currently features several hundred car parks, and it is one of the biggest in the metropolitan area in that part of the city. Its last major upgrade, believe it or not—

*The Hon. S.C. Mullighan interjecting:*

**Mr TARZIA:** I will get to that, the member for Lee. I am getting to that. If you will just wait your turn and stop interrupting me, I will get to that. It is one of the biggest in the metropolitan area, as I said. Its last major upgrade was an extension in the 1980s. Unfortunately, in recent decades, though, the park-and-ride spaces at the interchange have reached capacity, and it is in desperate need of expansion. Congestion is a problem coming to and from the interchange, and it has been a source of growing concern for commuters and the Campbelltown council for some years now.

In 2013, a proposal to upgrade the southern car park of the interchange by developing new parks along Walker Avenue adjacent to the interchange was rejected. It was rejected while I was a hardworking candidate for the Liberal Party in the area, before the member for Lee was a member of parliament. Before he was parachuted into his safe seat, I was fighting tooth and nail, side by side with these poor people who did not have adequate parking facilities. The proposal was rejected at the time because the government was planning to get rid of open space, Walker Avenue Reserve, and it was rejected at the time.

I put to the government that if there is a plan down the track please put it to local residents. Do not just make decisions without consultation with local communities, without consultation with



local families. Do not build things at the expense of open space in an area where there are young families who take their children to play in this residential area. Please create a solution that is acceptable to residents, council and the community, and let's take the community with us.

In 2012, the member for Morialta and I distributed a petition calling on the government to provide funds to upgrade the car parking facilities at Paradise for people who regularly use the interchange. I am pleased to say that we received more than 1,000 signatures, which I note the member tabled in the last parliament. I would like to acknowledge the efforts he has made over the last four years to lobby the government to improve public transport for these electorates. If we can succeed, I will certainly pay tribute to him in due course, and I am sure that it would be largely due to the community and the council who have worked together with myself and the member for Morialta.

In addition, I want to acknowledge the hard work of the people who have supported us during this time to help find public land that could also be used for a potential upgrade. I will continue to rely on the support of these people as I go about seeking funds and public land that can be utilised to potentially build and upgrade the existing parking infrastructure.

It was a feature of the Appropriation Bill, as the member for Lee points out, that there is \$7.5 million in new funding for upgrades for park-and-ride spaces at interchanges across the city. I welcome this, and it is my goal—and I am sure it is the member for Morialta's goal—to work with the government now, to work with council, to work with the local community to ensure that the upgrade goes ahead for parking in the right area.

I hope that over the next four years of this parliament the member for Morialta, myself and the government can work together to deliver better transport services to all residents who use this facility at the Paradise Interchange as part of their daily routine. I call on the government to support me and the member for Morialta and give our constituents the public transport services and parking facilities that they deserve.

#### **NAPIER ELECTORATE**

**Mr GEE (Napier) (15:39):** I stand today to speak about education. Since my election, I have visited most of the schools in my electorate. These consist of eight public and one private primary school, one public high school, three private birth to year 10 schools, one private senior school (which means just year 12), and one public and one private birth to year 12 school. In addition, we have the Adelaide North Special School and Para West Adult Campus, which I will speak more about later. Having said that, I look forward to more schools in my electorate in the future.

Napier has a very broad educational landscape, including public and private schools whose graduates regularly attend university. In fact, a number of schools in my electorate are providing the majority of university places now. At the other end of the spectrum are primary schools where young people do not have basic life or learning skills when they start school, and grade 1 and 2 students who are suffering with serious mental illnesses. These people live very complex lives.

However, it comes through loud and clear from all the teachers and school leaders I have met that there is an absolute commitment to providing quality education to these students. They refuse to accept that because a student lives in a particular postcode they should have less opportunity than other students in the state. I am very pleased that Treasurer Koutsantonis has announced that South Australia will honour its commitments to our students through the Gonski funding, unlike the Abbott government. This additional funding will provide great benefit to students in my electorate.

I am now going to turn members' attention to the Para West Adult Campus, which celebrated its 25<sup>th</sup> birthday last month. The Para West Adult Campus is the oldest of South Australia's adult re-entry schools and over the last 25 years it has built a very successful education focus community, with adults attending from Gawler to Gepps Cross and most places in between. The Para West Adult Campus was conceived in 1989, when Lea Stevens was appointed as principal and given the task of transforming the then Elizabeth West High School into Elizabeth West Adult Campus under the banner of Inbarendi College.

In 1995, the Elizabeth West campus became the Para West Adult Campus. The school name will likely change again next year as it moves from its current site to a purpose-built facility adjacent to the Elizabeth TAFE. The school has chosen a new name, which is currently awaiting departmental

approval. The move to the TAFE site is very exciting for the staff and students, for whom it will provide a smoother transition from the adult campus to the Elizabeth TAFE.

Para West has provided a second chance for many people, young and not so young, to complete their education and move forward to further study. A good education and a good job are essential ingredients to a successful life. The young mums program at Para West, which developed into the family learning curriculum, has been very successful. These programs not only allow mums to learn the essentials about parenting, but also improve their literacy, budgeting skills and much more.

An on-site antenatal service with a senior registered midwife and an on-site creche make remaining at school during pregnancy and returning to school after the birth easier for mums. Para West also offers support for Indigenous students. There are youth workers for students under 21 and coaching and tutorial support are available to students who require extra assistance. The current principal, Colleen Abbott, shared stories of great achievement at Para West during the recent birthday celebrations.

They include stories about Emma and Stacey, who returned to school as young mums and are now both youth workers; Jalina, a new arrival who now works as an event coordinator and is studying a masters in business information and management; Marcia, Louisa and Michael, early school leavers who have now become school leaders and teachers; Malcolm, a disenchanting factory worker who now works with Aboriginal people in the Coorong and is studying for a masters in internet studies and information management; and Jason, a juvenile offender who now has a law arts degree and following completion of a masters program in philosophy at Adelaide University.

These are truly inspiring stories, and I am sure there will be many more over the next 25 years. I will conclude by thanking all teachers, principals, and school services officers who are committed every day to the quality education of our young people.

#### **RIVERLAND CABINET**

**Mr WHETSTONE (Chaffey) (15:44):** Today, I rise to speak about the recent visit by the country cabinet up to the Riverland. After 12 years of neglect up in the Riverland, I cautiously welcomed the cabinet to the region, but it was with hesitation that I welcomed the Labor state cabinet to my electorate, and it was on the promise that the visit was not another talkfest. Labor ministers travelled across the Riverland, making re-announcements, officially opening facilities that locals have been using for months.

On Sunday, I attended a community forum and it raised a number of questions in a very short time frame, but most of those questions were not given answers. Most of those questions were given political spin. Locals did welcome the opportunity to ask questions directly to ministers on which they had rung officials and written letters, waiting months for replies, and many were still to be given answers. So, it was a good chance for locals to look those ministers in the eye and just reflect on the lack of commitment those ministers had given them.

A local media report read that winemaker Eric Semmler, Australia's Winemaker of the Year, from 919 Wines, asked the Treasurer and the Minister for Energy what could be done about power prices, which continue to rise and take significant margins out of irrigators' revenue. While the answer from the Treasurer was essentially a nothing answer, Mr Semmler was happy that he had the chance to ask the question. That basically summed up the entire meeting. After 12 long years, it was good to have recognition that Labor is aware that the Riverland is still on the map, albeit only three hours' drive from Adelaide.

In the overall wash-up of the visit, it was clear that we did not really get much out of it. In fact, the regional development minister said on radio that it would take 90 days to respond to issues and questions, which I find quite amazing. On the Berri Bowling Club land issue that has been going on for seven years—seven long years of uncertainty for those people—the Premier said that that would be addressed before the cabinet left town. That issue has not been addressed. These are the reasons I am sceptical.

Labor was very quick to distribute these happy media releases and continually blame the federal government for the state's economic situation. I had the education minister detailing that I had no concept of regional education. Minister, you are so wrong. I have 54 schools in my electorate, three that have closed in the last three years. You did not even address the issue of a school which

partially burnt down in October of last year but which still has not been repaired. Would that have happened in Adelaide? I think not. So there are issues that the minister, with her flippant press releases, simply blames on the federal government budget cuts, without any understanding of what impact this government is having on regional education.

When the whirlwind trip was over, it was hard not to feel that it was nothing more than a PR exercise. Now it will be up to the government to prove that it was not and for the region to see tangible results, not token gestures, in an area that has one of country SA's highest rates of unemployment, but is still South Australia's foodbowl.

During the visit, the Premier called the Riverland 'tiger country' and said that Labor barely gets a vote in the Riverland. Well, Mr Premier, there is a reason for that: that is 12 years of neglect, 12 years of not stepping outside the boundaries of metropolitan Adelaide, and 12 years of defunding and budget cuts around supporting the foodbowl. It is about supporting regional South Australia that this region has not seen for an extended period of time. So, Premier, one visit does not make up for the fact that, year after year, this government continues to show that it does not care for regional South Australia.

We have seen the importation of a regional development affairs minister, and 'all things will be fine in the regions of South Australia now that we have a minister', but I can assure the house that that is not the case. This government continues to look a gift horse in the mouth. The economic driver for South Australia is in regional South Australia. This government must understand the importance and give the recognition that regional South Australia deserves.

#### **TONSLEY PARK DEVELOPMENT**

**Mr PICTON (Karna) (15:49):** In the southern suburbs, hidden behind buildings, hidden from view on South Road, an exciting new industry in education development is taking shape. When it is fully developed, it will employ and educate thousands each year and boost the ability of South Australian industries to compete with the rest of the world. The development is at Tonsley, in the member for Elder's electorate, on the site of the former Mitsubishi Motors plant.

Last week, I was delighted to undertake a tour of the Tonsley development, together with the member for Reynell. I know that the Minister for Manufacturing and the Minister for Communities were also both at Tonsley last week, and I know that the member for Elder is regularly there as part of her visits around the electorate.

This is a site that could have very easily become just a warehouse. When Mitsubishi closed, that would have been the status quo option. A commercial property manager could have easily purchased this site in 2009 and converted the massively wide and tall buildings into warehouse space that would have created very few jobs and not advanced any particular industries for South Australia.

Instead, the government decided to take action. We negotiated with Mitsubishi to purchase the land so that we could create a new centre for innovation and employment in the southern suburbs. We did this because there was both a significant need and an opportunity and also because it is the type of investment that only government can deliver. Piece by piece, over the past few years this development has been taking shape.

Firstly, TAFE has established a new large campus at the Tonsley site, the Sustainable Industries Education Centre. This centre, which is now open, is the most advanced of its kind in Australia and will educate over 6,000 students each year; over 800 are now on site every day. The centre is designed to encourage openness and collaboration. Just walking around the centre, you can see what is happening in classrooms and practical areas all over the building.

Secondly, Flinders University is completing construction of its new Tonsley campus to house computing, engineering and mathematics teaching and research. The university's programs in medical devices, nanotechnology and a new venture, commercialisation, will also be headquartered on the site. Thirdly, new developments are underway by the private sector. Siemens is soon to start construction of an energy technology maintenance and repair facility, and Tier 5 has under construction a massive data centre using new energy efficient technology.

Further investments have been announced by Signostics Limited, Basetec Service, Zen Energy Systems, MAN Diesel and Turbo Australia. In addition, the government is establishing the new Drill Core Library and Onshore Petroleum Centre of Excellence that will give Tonsley a

competitive advantage in the mining and resources sector and helps position our state to grow our mining services sector.

Between all these sites, in the centre, is the former main assembly building of the factory, and that will be the heart of the new Tonsley precinct. The massive structure has been retained but is being transformed. The asbestos has been removed, light has been brought into the building, and it will host a variety of flexible industry, commercial and recreational centres. The aim of this is to be the centre for collaboration and clustering on the site, leading to new opportunities where researchers, technicians, students and entrepreneurs combine ideas and energies.

The site is conveniently located next to the new electrified railway on the Tonsley line and along Adelaide's major north-south corridor that will be improved, as the new Darlington project starts soon. I am told that it has seen much interest from governments and businesses interstate and overseas impressed with the vision and the delivery on the site.

I congratulate both ministers, old and new, on their commitment to seeing this vision realised. I also want to publicly congratulate some public servants who have worked tirelessly on this project: Len Piro from the Department of State Development, who helped conceive the initial vision for the site and who has been instrumental in its delivery, and Megan Antcliff, the new project director, who is working tirelessly to ensure that that vision is realised.

I know that my constituents and others across the south are very excited about the development underway and the opportunities for more jobs and investment in the southern suburbs.

#### **LIONS CLUB OF HALLETT COVE AND DISTRICTS**

**Mr SPEIRS (Bright) (15:53):** On 21 June this year, I had the pleasure of being inducted as a member of the Lions Club of Hallett Cove and Districts, a vibrant and dynamic service club which encompasses all that is good about my community and which works tirelessly to serve the Hallett Cove district, which roughly covers the southern suburbs of Hallett Cove, Trott Park, and Sheidow Park, the latter two suburbs being ably served by the member for Mitchell.

I was delighted to become a member of this club. It is a club that I have had a long association with from my time in Marion council and during my many years of living in and around Hallett Cove. Because this is my local community, I have been able to see firsthand the way that this club delivers for its community with members who know their community, identifying need, rolling up their sleeves, and getting out and about, working to fulfil that need.

Not only did I become a member of the club but my wife, Hannah, became the club's first honorary member in its 25-year history. This says a lot in itself because since the election, after 18 months of loyally attending many community events, Hannah has put her foot down and become very selective about what she attends. Fair enough, I say, but the events held by the Lions Club of Hallett Cove are a drawcard for Hannah, so much so that she delayed her trip to Millicent (where she is undertaking her five-week nursing placement) to stay an extra night and attend the club's changeover dinner. Why would she do this? Because, like so many people in the Hallett Cove area, she looks at the Lions Club and she is drawn to its people, because a club is only worth the sum of its people. She is drawn to its camaraderie and the sense of fun the club oozes, and she was genuinely moved to be named as an honorary member.

In 2014, the club will be ably led by Mrs Jill Kimber, the newly inducted president. She takes over from her husband, Tom Kimber, who becomes the immediate past president. The first vice president of the club will be Dennis Connor, the second vice president will be long-term Lions Club stalwart, Mr Graeme Botting, and they will be assisted by club secretary, Tina Sutherland, and by club treasurer, Neil Wood. The club's executive is made up of those who have put up their hands to serve this year, but in the Lions Club of Hallett Cove everyone is equal, and there are many other incredibly worthy members and their families who are contributing spades of effort to this club.

One of the club's more important activities in recent years has been the establishment of its home base at Perry Barr Farm on Quailo Avenue, Hallett Cove. Until recent years, Petty Barr Farm was a collection of largely disused sheds and buildings owned by the City of Marion. However, not any more—the place has been brought to life. Leased and transformed by the Lions Club, it is now a place they have dramatically reinvigorated. It is a place where the Lions meet and where the Lions run its 'Books and Things' garage sales on Thursday and Saturday mornings, giving the club a

successful source of revenue which allows fundraising efforts to be further ploughed into the immediate community.

One such example of the Lions Club funds being put to excellent use was a recent case, when the club heard of a young girl who suffered from regular and violent seizures preventing her from attending school. Her seizures were violent and her mother had to look after her 24/7. The Lions Club heard about dogs which are being bred and trained in Queensland which have specific seizure response skills. These dogs cost about \$20,000 each: \$10,000 is subsidised, but the user needs to bring another \$10,000 to the purchase. The Hallett Cove Lions Club and the Brighton Lions Club joined forces to raise funds and had the dog brought to South Australia. Club members now regularly see the young girl attending the shopping centre with her mum and dog. It has transformed her life.

Another project the Lions Club of Hallett Cove has taken a lead role in is the centenary of the Gallipoli landings commemorations which are to be held on the Hallett Cove foreshore on ANZAC Day 2015. The Lions Club has worked hard with the local community and the City of Marion to ensure that an ANZAC memorial is constructed on Hallett Cove's foreshore; here, it will organise a commemorative service and youth vigil to mark this important occasion. Special mention must be made of Lions project officer, Mr Graeme Botting, for his role driving this initiative.

The Lions Club is a fixture at Hallett Cove community events, including the Australia Day breakfast, which it coordinates in conjunction with another great Hallett Cove club, the Rotary Club of Hallett Cove. The work that is done by the Lions Club of Hallett Cove has huge value, both socially and monetarily. There are many ways to calculate how much a volunteer hour is worth. The Office for Volunteers calculates this at \$27.45 an hour, but can you put a price on volunteering? I would say that the Lions Club of Hallett Cove, and all the benefits it delivers to our community, is truly priceless.

Time expired.

#### **RAJAH STREET COMMUNITY HOUSE**

**Ms DIGANCE (Elder) (15:59):** First of all, I thank the member for Kurna for sharing his recent visit to Tonsley; it really is worth the visit if anyone has the chance. Last week, the Public Works Committee—including myself as presiding member—visited the site to look at where the State Drill Core centre would be going.

I want to talk now, though, about the Rajah Street Community House. Last Wednesday night, I had a great night with around 60 or so people gathered at the Rajah Street Community House for their weekly dinner. It is well patronised and, in fact, is a weekly event that many in the area really look forward to, and some even admit that they do not really need to go but they just love the companionship.

There are some wonderful devotees of this community whose beliefs keep the heart of this community burning. To Jean, Colleen and Mark and all your helpers who every week provide a wonderful barbecue meal in summer and a soup meal in winter, your energy and belief in what you do is a joy to be a part of. Every Wednesday night, these ladies and gentlemen prepare a meal for those in the local area to enjoy. First, they go and shop for the ingredients and then prepare the ingredients either at the house or in their own homes and bring them in.

It is a wonderful opportunity for the community to come together and chat over a meal. It is here I have the opportunity to meet and talk with locals such as Helen and Darren, and I discuss with them in an informal setting and a very relaxed way the issues that face all of us in our everyday lives.

The Rajah Street Reserve Project, opposite the Rajah Street Reserve in Oaklands Park, involves around 410 households. This project brings residents together with activities ranging from working on a community garden, which they are in the process of reinvigorating, cooking healthy meals and organising children's games to offering a bank of computers for people to hone their skills. There are over 70 events or activities in a year and these include coffee mornings, Mothers Day and Fathers Day meals, Christmas parties, outdoor movies and live music. It is really worth attending, and I have enjoyed many of these events.

Rajah Street brings people together to enjoy these activities and each other's company. It serves to rediscover the meaning of neighbour and neighbourhood. It gives residents a chance to join together to swap stories and support each other in an accepting environment, and it has given them ways to meet the challenges of their lives and improve their lives. The group includes people

from low socioeconomic areas and culturally diverse backgrounds as well as individuals who describe themselves as socially isolated.

Rajah Street provides the means to break down barriers and create a friendly, caring community looking out for each other. They are always thinking about the next activity that the community members may enjoy. It is an active dynamic program, as it engages each community member and adds to the meaning of their lives. Community members themselves have acknowledged, through an evaluation session conducted by the council, that almost 90 per cent of people believe they now live in a better place and feel safer.

In addition to this community house, only a few months ago the Rajah Street Reserve was transformed from an underused reserve into a multi-use sport and recreation ground, thanks to a makeover spearheaded by Roger Rasheed through the Roger Rasheed Sports Foundation. The rejuvenated reserve includes: two multipurpose sports courts; a 40-metre running track; new landscaping, a grassed area and soccer goals; play equipment; and picnic and barbecue areas.

Roger set up the Roger Rasheed Sports Foundation with a view to improving the physical and mental wellbeing of disadvantaged children. Mr Rasheed sees provision of opportunity, equipment, facilities and funding as advantageous to those with disadvantaged backgrounds. He sees that, with the impetus of encouragement, the catalyst for changing these young people's lives is enormous, and I certainly would agree with him when I have seen the change and transformation that has taken place in this reserve.

With the upcoming school holidays, there is an activity and sports program being offered on this reserve. This will add to the use that is already occurring. Most days and afternoons we see runners practising on the track, tennis players, basketballers, in-line hockey players and families using the facilities. The Rajah Street Reserve Project is a great and practical project contributing positively to the rich fabric of my electorate of Elder, and I love spending time there and with the people and the community.

#### *Bills*

### **SUPPLY BILL 2014**

#### *Final Stages*

The Legislative Council agreed to the bill without any amendment.

### **CRIMINAL LAW (SENTENCING) (CHARACTER EVIDENCE) AMENDMENT BILL**

#### *Final Stages*

The Legislative Council agreed to the bill without any amendment.

### **APPROPRIATION BILL 2014**

#### *Second Reading*

Adjourned debate on second reading (resumed on motion).

**Mr WINGARD (Mitchell) (16:05):** I have already pointed out a number of broken election promises from this Weatherill Labor government. There are too many to mention them all right here right now. I must mention that they have impacted on my electorate. State Labor has confirmed cuts to the tune of \$100 million to the Flinders Medical Centre and \$31.5 million to Noarlunga Hospital. Again they have tried to pass the blame for this onto the feds, but state Labor has not been financially responsible for the last two budgets at least and could have committed to these projects 20 times over had they not run such big deficits.

I also call on the Labor government to honour the Seaview High School promise, the Sheidow Park toilet block and the Trott Park dog park. I look forward to working with the government to deliver these as soon as possible, but the big concern in the Mitchell electorate is jobs, employment and opportunity. In the last 12 months 23,500 jobs have gone and the unemployment rate has risen from 4.5 per cent to 7.4 per cent in southern Adelaide. SA Labor promised 100,000 jobs by 2016—another mismanaged commitment from the government that has struggled to add up. To meet this target the government needs to create 4,800 jobs a month to meet the target that they promised a number of years ago.

The people of Mitchell voted for a Liberal reformist government, and for that I thank them. On their behalf I am committed to turning this state's flagging fortunes around. No state or jurisdiction has taxed its way to prosperity and, as hard as the Weatherill Labor government has tried, the numbers show it is not working. Reform is needed and a reduction in payroll tax, the tax on jobs, would be a great place to start. I note this government is withdrawing its payroll tax relief in 12 months' time, giving business no surety or certainty to grow and employ. I call on this government to stop ignoring business and start helping. SA investment contracted by 2.6 per cent in the March quarter in 2014 and by 5 per cent in the past 12 months.

I urge this government to take the lead of the Liberal reformist governments right around Australia, and over in New Zealand as well, and ensure fiscal responsibility for the good of South Australians. That is what I ask for from this government and that is what the people of Mitchell are looking for as well. I mentioned at the start that ensuring the expenses growth does not exceed long-term revenue growth is one of the key overarching themes this government must look at. Investing in cost benefit analysis on major projects is another thing the government must assure the people of South Australia of, to ensure spending is not forced out of control again.

Working towards gaining a AAA credit rating to reduce the cost of borrowing is another key facet this government must address, and ensuring fiscal responsibility as part of every action they do is something this government could aspire to, as I said, like so many of the Liberal reformist governments around the country that are turning their jurisdictions around and giving hope to their constituents. We hope that can happen here in South Australia as well and we will be working very hard to make it happen.

**Mr PENGILLY (Finniss) (16:08):** I take the opportunity to make a few comments in relation to the Treasurer's speech and appropriation and budget bills. I picked up on some comments by Professor Dick Blandy on the radio in the last week or so when he actually pooh-poohed the Treasurer's speech and the state budget and indicated it was for all intents and purposes a sham, although I do not think those were his words, and that the people of South Australia were being hoodwinked.

I also find it interesting that we now find that the state has gone that far backwards and they have killed off the private sector so much that we are now being drip-fed by other states through the GST. Instead of proudly contributing even more to the GST, we are siphoning off money from the other states, which they are not all that happy about, and you can hardly blame them given the fact that the leader spoke this morning about the situation the other Liberal states now find themselves in. What a pathetically sad state we live in.

I want to make some broad comments. I think the very fact that South Australian families are now going to be \$1,100 out of pocket as a result of the Labor government's budget is appalling. I wonder where on earth they are going to find this money. I could not believe that on Friday the member for Waite, when speaking to the Press Club, said that Liberal Party parliamentary members need to get out and talk to working class families. Let me tell you, Madam Deputy Speaker, and the house, that you can rest assured that every member on this side talks to them pretty regularly.

I do not know how often the member for Waite goes to country footy or suburban footy, or whatever—I suspect he would sit up in the grandstand, in the corporate box at Adelaide Oval—but I talk to people and, more to the point, I actually listen to people in my electorate all the time. Country footy or country netball is a great place to listen to what people are saying. If I go up and down the main street of Victor Harbor, Yankalilla, Kingscote, or wherever, I get constant feedback. So I take some offence at the member for Waite's comments last Friday, but I am not sour, bitter and twisted, I might add.

The increased taxes and charges on bus tickets—that is if you have public transport by way of buses; we do not have them in our area, I can assure you—electricity bills, the emergency services levy and motor vehicle registrations are going to hurt ordinary everyday South Australians. Regarding buses, let me just say that I do not have public transport, but through the auspices of the KI Futures Authority they have put in a highly unsustainable bus service, which appeals to some people (and I appreciate that), but they spent \$100,000 putting a bus stop in the middle of nowhere. So, if that is the answer, it is a damn stupid question in my view; however, I will move on.

If we delivered six deficits in seven years in private business, we would be broke, we would be out the door and gone, but this mob seems to think they can get away with it. I think over and

above anything, the reintroduction of land tax on the family home is a disgrace. The Tonkin government did away with this tax when they were elected to government in 1979, in the period 1979-82.

They actually went in, as I recall, on the back of a catastrophic bus strike in the lead-up to the state election and they got into government and did quite a few good things. They removed the land tax on the family home. This state Labor government, under Premier Weatherill and Treasurer Koutsantonis, has reinstated a land tax on the family home. Nothing is more certain than the fact that the people of South Australia will not forget that. They will not forget it. They will not be allowed to forget it. I think that both the member for Frome and the member for Waite will have a bit of explaining to do in their constituencies over that.

I was interested to hear the Treasurer's response today to some questions on the ESL, which he referred to fairly rapidly, but then he could not answer some other questions. We will wait to see what comes back to the house on that. There is no doubt that the rise in the emergency services levy as a land tax is an outrageous impost on the good people of South Australia. How the government has the nerve to put that in place absolutely defies comprehension. They say that under the act it must go under emergency services. I will be very interested to follow that through, and I am sure that the opposition will follow that one with a great level of interest.

Equally, the removal next year of a \$190 concession on council rates will also be a huge impost on pensioners and people on low incomes who cannot afford the rates. On that issue, this is a government with successive local government ministers (and God knows how many we have had lately) who have not grappled with this issue of councils going along swimmingly and sticking up rates 5 and 6 per cent year after year after year when the CPI is down around 3 or 4 per cent. It makes my blood boil. I have to say that in a former life I was in a position where we put up rates, and one year we actually held rates static. Now, however, they seem to think it is a badge of honour to be able to put up rates double the CPI or around that amount.

I was interested to read in *InDaily* recently a printout of the salaries of chief executive officers of local government authorities around South Australia. I have no doubt that many of them probably earn their money but, more to the point, I do not know how small communities can subscribe to large salaries for CEOs, and I will give a couple of examples.

In a couple of councils in my area, the salaries are pretty close to \$200,000, and both these councils have around 4,000 people as residents. We just cannot afford it, so I have given my university intern this year a study to do which should be quite interesting. I have asked him to do a study on amalgamating the Kangaroo Island, Yankalilla, City of Victor Harbor and the southern portion of the Alexandrina Council into one council to see what he comes up with.

I am sure there will be some snorting and roaring and whatever, but this is a project for a university student; it is not set in concrete that it is enacted or anything else, but I think it will be a useful exercise for the intern to go out and speak to councils, to officers, to mayors, to elected members and to the general community and just see what sort of a report comes back, and I look forward to reading it.

I have no preconceived ideas of what the intern will bring forward, but it is constantly put to me (indeed, I think the member for Bright talked about this just recently) that we need to get rid of more councils and bring some councils together. It is not policy the opposition is not pro amalgamation, but I think in this instance I look forward to that report.

Another thing I find highly interesting is this misguided approach, particularly by the Treasurer lately, that all South Australia's financial woes are attributable to the federal government. Given that the federal government has only been there since September last year, I think it is a bit rich to try to put all that on the federal government. They were left with an unholy mess by the successive disasters we had in power in Canberra—Rudd/Gillard/Rudd and the assorted entourage they had behind them and what they did to the nation.

The federal government has to make hard decisions, and some of them are not popular decisions. I am sure that they are very firm in their intent to fix up the national economy, but it is time that the Treasurer and this state government stopped blaming the feds for the mess they have got themselves in: it has been all their own work.



They go on about infrastructure. That is fine; however, it is fairly useful if you have a few dollars to pay for this infrastructure before you roar into it. Adelaide Oval has been highly successful—Kevin Foley's pet project. I did hear that Kevin wants a statue of himself put down there, but that probably will not happen, given the current Premier's love for Kevin Foley. Adelaide Oval is successful: tens of thousands of people are going there, and a million people have been there. We will see what comes of that in due course.

However, let me tell you, Madam Deputy Speaker, that infrastructure is sadly lacking in regional South Australia and that is the issue I pick up on. I am going to find it hard not to continue keeping the government to account on their absolute failure to spend money in regional South Australia, apart from the electorate of Frome, I might add, which seems to be getting its fair share. However, we need some incentive. Useless things like spending \$1 million to appoint a commissioner for Kangaroo Island (which will come up in some legislation) is one thing, but that \$1 million could have been far better spent.

As to the Fleurieu side of the electorate, I note that some money has been put aside for investigating the road system, Adelaide to Victor Harbor, and I look forward to discussing that matter with the Minister for Transport. I look forward to seeing just what comes out of that. I have been of the view for some time that the worst part of that road is the Cut Hill section from the top to the bottom of the approach to Victor Harbor. The rest of it is not too bad in many spots.

As everyone in this chamber knows, without being political about it, a lot of the problems on the roads relate to many of the drivers, and that is a major part of the problem. I read in the paper, I think yesterday, about the poor couple from the Riverland who were hit by a driver, and the lady is paralysed and the gentleman has sustained major injuries. These things are not going to go away, but I commend the money put to the Adelaide-Victor Harbor road, and I will be interested to see what happens.

It is like trying to get blood out of a stone when trying to find out what will be done about problems such as the Encounter Centre and the Southern Fleurieu Cancer Support Group, matters which I have raised in here before. The Encounter Centre, which caters for people on the South Coast with disabilities, cannot get an answer about future funding. It would be an appalling thing if it had to shut down or substantially curtail its activities which are in the best interests of those people who need it most.

The centre has been there a long time and it fulfils a great need. It has great people, volunteers and paid staff who work there. I say to the Minister for Health, 'Get the review done quickly,' because his department is doing a review, 'and keep that functioning properly'. Likewise, I want to see some answers around the Southern Fleurieu Cancer Support Group, a transport system that brings people back and forth to Adelaide.

Just on the issue of blowout costs, while the state government wants to blame the federal government for everything, one issue that needs substantial investigation, in my view, is the Royal Adelaide Hospital project. It was outrageous that this was never brought to Public Works where it could keep some sort of monitoring. They said it would cost \$1.7 billion originally (the former premier of blessed memory Mike Rann and his treasurer, Kevin Foley), but it is now going to cost about \$2.8 billion. If it is true that it is 10 months behind schedule—and I do not trust the union officials very much on their statement and I would like to get to the bottom of it—there should be an investigation. Whether one of the parliamentary committees involved in finance can get into it I am not sure, being a public-private partnership, but it does need some investigation.

Likewise the Southern Expressway: there were initial budget costs there of \$370 million and now it has blown out to \$407 million. Just while we are on the Southern Expressway, let me remind—

*Ms Hildyard interjecting:*

**Mr PENGILLY:** Well, speak up; you can have your turn. Just let me remind those on the other side that this was a key, core election promise of theirs in 2002, that they would move straight in and do the Southern Expressway—12 years later and it is still not open. It was promised in the 2002 election but it still has not happened—12 years late. You can shake your head and do what you like but it was a core promise in 2002 and you failed to deliver, even now.

I was on the Southern Expressway several times over the weekend, and I would suggest it looks to be as far away from opening as ever. The cost has blown out so there is another one—that

has blown out \$37 million on the initial budget cost. They just do not seem to be able to count. I thought about buying the Treasurer an abacus for a present before the budget.

**The DEPUTY SPEAKER:** An abacus?

**Mr PENGILLY:** An abacus, yes, but I do not think he would have been able to count even with that. Madam Deputy Speaker, let us turn to the Motor Accident Commission. This was never going to happen. We were never going to privatise anything more. That is going—going, going, gone. Car registrations will probably cost extra out of that: \$400-odd, nearly \$500. Jobs growth has decreased to minus 1.25 per cent in South Australia. I am just appalled at what is happening with jobs in this state. The only area of jobs growth seems to be in ministerial officers, appointments to those positions and to the spin crew in the Premier's own office. That seems to be the only employment around the place.

We have the highest unemployment rate compared to any other mainland state in Australia. To me, that is just a disgrace, quite frankly. Just on jobs, the current 2014-15 budget reveals that the current government is not doing anything to create jobs and investment opportunities to help places like Victor Harbor, Yankalilla, the South Coast and Kangaroo Island—nothing at all; nothing at all. 'Aha,' they say. 'Yes, but we are putting in a walking trail on Kangaroo Island.' Let me tell you, that the \$5 million or so to put in the walking trail will only benefit the government's own business activity in Flinders Chase. That is what it will do; it will benefit their own business activity.

It is a great place for a walk—if it has not burnt down due to the incompetence of the Department of Environment—but it will benefit their business enterprise. Yes, it will also benefit the carriers, the sea carrier or the air carrier, to the island so people can get there, but that will be a minimum cost compared with everything else. I have no doubt that what a lot of those people will do is they will bring their own supplies. They will have specialised suppliers. It will disappear; that spending will take place on the mainland before they even get there.

I cannot see them spending a lot. My view is that they will come over on the ferry (let us use the ferry as an example), they will disappear down to Flinders Chase, they will do this several-day walk over the 50-odd kilometres, they will take their time, they will camp in the government's own camp grounds along the way, they will pay a fee for that, and then when they have finished they will jump back into their vehicle, drive back and go back to the mainland.

It is worth what Paddy shot at, quite frankly, to the island and the economy. I cannot see that they will have guides. I do not know; we will get more information on this in due course, I would suggest. I spoke earlier about infrastructure needs on the Fleurieu. What the island needs is infrastructure. I will have more to say on this in a debate on another bill, but infrastructure is the thing that is missing and infrastructure is the thing that we have to have.

I mention the \$190 pensioner concessions that are disappearing next year on council rates. I think this is a really important issue because I can see a double whammy here. Not only will people struggle to find the money, but councils will struggle to pick up that revenue because it will be lost when they cannot pay it, so that will be built into council rates. There will be, no doubt, outstanding rates and interest charged because many people simply cannot afford to pay that insidious cost. I could go on for a long time, but my time is up.

**The DEPUTY SPEAKER:** Yes, it is. The member for Mount Gambier.

**Mr BELL (Mount Gambier) (16:28):** I would like to rise to make some comments and support my colleague the member for Finniss in his comments. Before the budget, I was really looking forward to a build, build, build budget, a budget that would stimulate our economy, a budget that would have this state moving forward in the right direction, and a budget that would deliver for all South Australians, in both metropolitan and regional South Australia. I was mildly excited to see what type of investment and developments were going to be made by this Labor government. In their own words, 'Build, build, build.'

It will come as no surprise that I was mightily disappointed with the budget handed down a fortnight ago and disappointed for a number of reasons. I will concentrate locally to start off with, but it ended up, in my opinion, being a cut, cut, cut budget with undoubtedly no real upside at all. I think what the government needs to realise is that people will endure some fiscal pain, some inconvenience, if they can see that in the long term those cuts and adjustments to fiscal policy needed

to be made to get our state going again, to get the jobs occurring, to keep South Australians in South Australia and to keep our young people engaged in this wonderful state.

Disappointment comes in many forms, and first of all it came in the form of local cuts. As people may or may not know, there is some funding for the drainage scheme down in the South-East. People need to realise that the drains there comprise 2,500 kilometres. That is an amazing amount of drainage network that needs to be maintained year in, year out—2,500 kilometres. It is like driving from here to Mount Gambier and back, and back to Mount Gambier, back up here again, and then back to Mount Gambier a fifth time. It is an inordinate amount of drainage network that needs to be maintained.

The estimated costs for maintaining that drainage are around \$7 million a year. What does the state government put in? Prior to this budget, it had been putting in \$2.1 million, so a shortfall of about \$5 million, give or take \$100,000. But after the budget did we see an increase in funding for the drainage network anywhere close to the \$7 million that is required? No, the complete opposite: we saw a \$500,000 cut to the drainage network scheme. So, that takes the budget from \$2.1 million back to \$1.6 million.

I work with many constituents in my area, many of them are farmers, and the complaints that come out of a poorly maintained drainage scheme are enormous. Productive farmland is now being flooded. Farmers for generations have owned and been using pastoral land that is now underwater, and it all comes down to a lack of maintenance. There is no doubt that there is a deliberately-run scheme by the Labor government, and they are deliberately withholding funding from this scheme.

Why, you might ask? Why would a government do that to a community? Why would a government do that to the rural community which it has a newfound love affair with, which has only been sparked due to Mr Brock's joining their group? Well, the reason is that they want to put a levy on farmers. They want to make up the \$5.4 million shortfall with a levy.

The people of the South-East contributed to the River Murray levy scheme, even though we never use the River Murray for our water supply. We have a wonderful resource called the Blue Lake, which is where our water comes from but, through a time of drought and state need, the people of the South-East (I would say reluctantly; I would not say openly) paid the River Murray levy, even though we had no connection at all to that source of water.

I have had conversations with minister Hunter about the \$5.4 million shortfall, and the only word that comes out of his mouth is 'levy'; that is, 'You need to convince your community that a levy is needed to raise the \$5.4 million.' In my opinion, there has been a deliberate act of withholding funding so that the only way forward for our community, the only way forward for our farmers to get that land back under productive use again, is the use of a levy. In Mr Hunter's own words, 'Why don't you just convert the River Murray levy into a drainage levy?'

The true intent of raising a levy on the farmers of the South-East or, may I say, the whole community in the South-East, is there for all to see. Beyond that, we have the South East Forestry Partnerships Program, with \$10.5 million still in the fund that needs to be allocated. I encourage the government to allocate this money at its earliest convenience, because our community is reeling at the moment and we need that infrastructure.

The forest was sold in 2011, and the Forestry Partnerships Program was established in around 2012, and we are now into 2014, with \$10.5 million unspent. Worrying to me are some reports that in the budget papers they can see only \$7 million attributed to the South East Forestry Partnerships Program, an issue that I will be taking up with vigour with our Minister for Forests, Hon. Mr Bignell, during his trip to the South-East next week. If indeed that \$3.5 million is missing, I will be demanding, in this house, to know where it has gone; but, as I say, I will take that up with the minister next week.

Going into jobs, as I was saying before, people would understand that cuts need to be made and you need to trim your cloth in rough times to get an outcome that the state needs. In 2010—and I do not want to repeat a lot of these figures because they have been mentioned by other speakers—the government came out and said that it was going to deliver 100,000 new jobs by 2014. Of course, 2014, here we are, and that has been pushed out to 2016—100,000 new jobs. Might I say, that target is pretty aspirational.

Maybe we should let the government revise the figure because at the moment we are 800 jobs behind where we were in 2010. I would suggest an aspirational figure might be one new job—one new job by 2016, and I think from where we are now that would be a good target to achieve. If they do not mind, I will rewrite their policy and hold them to account that one new job by 2016—we will even give them two more years—will be a good start. However, do not panic everybody because we are predicted to come back into surplus. We have a record deficit this year of \$1.232 billion, but do not worry we are coming back into surplus, and we will come back into surplus in a couple of years' time. Just don't you worry about it, we have it all under control.

Deputy Speaker, as you would be well aware, four years ago this government predicted that this year there would be a \$480 million surplus; and, here we are, this year, with a \$1.232 billion deficit. It is interesting that if we take last year's deficit, which was \$948 million—so not quite the billion (and if we had gone through their predictions four years out from that budget it was meant to be a \$304 million surplus and delivered a \$948 million deficit)—and factor in one clear thing, and that is the sale of the South-East's forest for \$670 million, which went to the bottom line, that \$948 million deficit translates into a \$1.6 billion deficit. It is little wonder that they needed to sell the forest to keep the deficit under that billion dollar threshold that they were looking for.

Of course, next year they were predicting an \$840 million surplus; that was four years ago. It is now revised downwards to a \$479 million deficit. I guess the problem I have is that I do not believe a word of it. In a couple of years' time we are going to hit—wait for it—a \$406 million surplus. If you have been following my speech (and many might be asleep) you will notice that this has been promised before. Four years ago \$480 million in surplus—now a \$1.232 billion deficit. So I hold very grave fears for the future of this state. I hold very grave fears that we will not get into surplus in 2015-16. Why do I hold those fears? Not because history tells me, but because their budget bottom line is a fiscal fantasy.

At the heart of the Treasurer's figures is the assumption that the South Australian tax revenue will rocket along at 6.2 per cent—the largest of all the states in Australia. Our housing market is going to be turned into the fastest growing in the nation, with stamp duty revenue growth at 9.4 per cent. Now come on. We are lagging and we have been lagging for years. Then all of a sudden, overnight—because the Treasurer says so—we are going to turn into the nation's leader in terms of tax revenue and stamp duty. Unfortunately, Deputy Speaker, I do not believe a word of it. As the South Australian University Adjunct Professor of Economics, Dick Blandy, says, the state budget assumptions are 'really very, very unconvincing'. He does say a few other words, but I do not want him to be sacked (which he probably will be for saying those words) so I will move on.

Of course, the real pain will be felt by the residents of South Australia, if the prediction is true that the people of South Australia will be \$1,000 worse off, and that is on top of gas prices that have gone up 136 per cent, electricity prices that have gone 160 per cent, and water prices that have gone up 120 per cent. The residents of South Australia have genuine concern to be alarmed at this budget, and the Minister for Social Housing and Welfare is going to see that firsthand. This will impact those at the lower end of the socioeconomic income levels the hardest and first of all.

Of course, we have the ABS regional labour force data saying that in May this year alone, 2,500 SA jobs were lost in Adelaide and 1,400 jobs were lost in regional South Australia. These are really worrying figures and something that we need to be concerned about, particularly because we have a net interstate migration of 36,000 people since this Labor government came into power. So they are very concerning statistics. But as always, I try and come with some solutions. I come to help, and I have some ideas, some examples of government contracts that have been awarded to interstate companies over the last couple of years. These include:

- \$2 million worth of paving contracts to a Brisbane-based company for the Adelaide footbridge—that could have stayed in South Australia;
- a \$600 million Housing SA maintenance contract over eight years awarded to two interstate companies;
- a \$100 million plumbing contract for the new Royal Adelaide Hospital awarded to a Victorian company;
- a contract to develop the master plan for Adelaide's Riverbank Precinct awarded to a Victorian consortium (because obviously we could not do that ourselves);

- school bus contracts awarded to Victorian companies;
- TAFE's student management system awarded to London-based SunGard;
- stone pavers for the redevelopment of Rundle Mall imported from China;
- the associated economic modelling for the government's economic statement awarded to a Victorian company; and
- a \$1.4 million SA Brand contract awarded to the Victorian graphic designer, Ken Cato.

And it gets better with state flags—the one true patriotic thing that we can have as our state pride—being shipped out to Victoria to be made. So we have \$2.3 billion of work which has gone interstate. That is the first thing the government could do to keep jobs in South Australia: look to award state money to state companies. But, of course, the biggest thing is that they could understand the fundamental problem with the South Australian economy and that is \$14.3 billion worth of debt. Debt alone I have no real issue with, but debt needs to be serviced, and the way it is serviced is with interest—\$2.6 million a day, every day, walking out of this state.

When you really think about it, we have a bucket and it has got a big hole in it. The hole is the interest repayments that are leaking out every day—\$2.6 million a day. You just give my region one week's worth of interest repayments and I would be a happy member for Mount Gambier—just one week's worth—but that is leaving our state every single day.

Combine that with the number of contracts we let walk out of this state and award to overseas or interstate companies and you have a bigger hole in the bucket—that is where we are. We need to work together to make sure that we can start plugging some of those holes. You can do it two ways: start awarding your contracts to state-based companies and, secondly, pay down the debt so that the interest repayments come down and the money stays here in South Australia.

I am running out of time, but I just want to finish on cuts to the Natural Resources Management Community Grants program. This will have a major impact in my region where rabbits, foxes, feral cats, goats and a wide range of invasive weeds are already having a devastating impact on the productivity of farms across my electorate. These cuts will result in these pests extending their grip on our productive land.

What did the government do to address some of these issues? It has cut the budget to \$59.8 million, which is about 35 per cent of what was spent on the program some five years ago. The cuts to the NRM Community Grants program and the agricultural food and fisheries program make a mockery of the Premier's claims that he intends to reconnect with regional South Australia.

I will finish on the federal government because it gets a mention in here every single question time. I think it is about time we laid a few facts on the record. Fact: over the next four years, the Australian government is increasing funding to hospitals by \$333 million, which is an increase of 34 per cent. It is increasing funding to schools in South Australia by \$275 million, which is an increase of 27 per cent, and total funding to South Australia will increase by \$1.8 billion over the next four years, which is an increase of 23 per cent.

Fact: the Abbott government is also investing \$2 billion to build 21<sup>st</sup> century infrastructure in South Australia. If we really want to analyse things, that is \$2 billion out of a \$50 billion bucket. I think the Premier could have done a lot better by attracting more of that money to South Australia. We have always been the 10 per cent state; 10 per cent of \$50 billion is \$5 billion. We have been short-changed by this Premier to the tune of \$3 billion, by my calculation. So, Deputy Speaker, I will finish on that note, and thank you for your time.

**Mr PEDERICK (Hammond) (16:48):** I rise to speak to the Appropriation Bill. Obviously, on this side of the house, we support the passing of the Appropriation Bill, but that does not mean we are happy with everything that is happening in the budget. When we look at what has happened over 12 years of Labor, we have seen deficits and budget blowouts, but what we have also seen, and what Labor does not tell us, are the GST payments that the Labor government in this state received for many years—\$500 million a year—which was not budgeted for, but then was blown. It just blew into debt.

That \$500 million extra that was not budgeted for is pretty handy cash. We have these pie-in-the-sky fiscal projections. We have multiple broken promises about where we are going to end up.

As our leader said today, every Treasurer who comes into this house says that in two years we will be in a surplus. It has been a long two years waiting for a surplus in this state.

We look at the fiscal ineptitude of this state Labor government. We will have a \$14.3 billion debt in 2015-16. For a state that is sustained on a budget of around \$16 billion, that is a massive debt. It is clearly totally unsustainable, in my mind. We look at the deficit for the financial year that has just ended, 2013-14, of \$1.2 billion. These are big numbers. These are huge numbers for a state with a population of about 1.6 million or 1.7 million people to sustain.

What we see on the other side of the house is a government that can only come up with blaming the federal government to cover state Labor's own incompetence. But what the government will not tell you about is the \$2 billion of extra money flowing into the state over the next four years from the federal coffers. They forget to tell you all of that. That will be vitally needed to shore up our services, whether it be health, education or other support services, especially in the regions. I note the federal regional policy and program that has been announced in the federal budget of \$1 billion for Growing Stronger Regions, but you will not hear that from the other side.

We have had promises of 100,000 new jobs by 2016. Not only will this promise be broken but it will be broken spectacularly. We have actually had job losses in this state. We have seen, in recent times, more and more people go elsewhere to find work because it is just too hard; and it is too hard for the business sector to operate in this state, with the regulation burden, so they can hire more people.

We have a government in this state that promised no privatisation and no selling-off of assets. Well, we had the forest forward rotations for around 100 years sold off recently for the giveaway price of \$650 million. What a bargain. The Canadian superannuation scheme that picked up the forests must be rubbing their hands with glee. This is a \$1 billion asset, minimum. The state government basically gave away an asset that was bringing back to government—it was not costing them anything—\$43 million a year, but the story we hear from the Premier and others on the government benches is that it was high risk.

I have run a farm business, and I reckon if I were getting \$43 million a year the last thing I would be doing is calling that high risk. It is just about how you manage a business, and obviously this government does not have that capacity. We saw the Lotteries Commission sold, and tens of millions of dollars that used to come into state coffers are gone. That is high risk as well: it is high risk to own anything. It is just crazy politics.

The icing on the cake is the Motor Accident Commission. This is a government that proudly has been stating that they were not going to privatise, but here we are: compulsory third party will be run by private operators if this goes through. The government are hoping to realise \$500 million from the sale of the Motor Accident Commission. We understand it could be a lot more than that; it could be double that. It could be \$1 billion. Where will that money go? Will that just be sucked into the state's coffers, just like all the other asset sales, to pay for burgeoning debt? As I understand it, it is supposed to go into road funding, but I will not hold my breath to see that that happens—but that amount of money could easily be spent in South Australia on road funding. The legacy of this budget is broken promises, higher taxes and job losses. That is the legacy.

We have the highest capital city water taxes in the country. Not only that, we have a very high operational cost for farmers to do business. Farmers in my electorate and the member for MacKillop's electorate—and even the member for Frome with his Clare winegrowers—are screaming about the cost of water which has just gone to \$3.32 a kilolitre on the industrial rate. It is killing business and it is going to kill business for SA Water. I have tried to explain to people in government that more and more people are putting in private systems out of Lake Albert to access their water.

I know there is very serious discussion on another major proposal that will cost many hundreds of thousands, and what money will the government get out of that scheme? Nothing. Zippo. The government does not like it because people are looking for other schemes and it might end up with a stranded asset like the emergency pipeline that went around Lake Albert during the River Murray drought. What they forget is that these people are used to having water at irrigation allocation rates to water their stock and for the irrigation of their properties, but people are spending hundreds of thousands at the minimum and some people are putting in schemes worth close to \$1 million to sustain their businesses.

We have a state that has been landed with the highest business taxes coupled with incredibly low consumer and business confidence, the highest electricity prices, and extremely low economic growth. South Australia is already the highest taxed state in the nation, and this budget means that South Australian residents will be out of pocket by a further \$1,100. It is just out of control and it is outrageous.

One impact not just in the seat of Hammond but right across the state is the emergency services levy rise. It will hit farmers and people with multiple property assets the hardest. It will bring into the budget about \$80 million to \$90 million a year and we heard only today from the Treasurer that a farm worth \$1.5 million—and some people might think that is a lot of money but I can assure you that a \$1.5 million property is probably only just viable in this day and age of high costs and high inputs, and that also depends a bit where it is—has gone up \$420. There is another cost. That is around a tonne of urea that that farmer cannot buy because he has to pay this inflated emergency services levy.

We look at how it hits passenger vehicles, with another \$8 per vehicle rise in costs to those vehicles. We also see in the budget that concessions on council rates disappear from 1 July 2015, so that is another hit to people right across the state. Another cost impact we see to people across the state is the vehicle registration rise of between 10 and 15 per cent which just keeps going up. We see speeding fines and licence renewals rising.

I note that we hear from the police minister that there are no quotas but that there are benchmarks. I am not sure what the difference between a benchmark and a quota is, but I reckon they are pretty closely related and there is no other reason why there are increased amounts put into budget lines for income from speeding fines and licence renewals, but especially speeding fines. Yes, it is easy: if you do not speed, you do not get caught, but we are all only human. I know people have said to me that they have not gone far over the limit and it is \$400. I said, 'I'm sorry. You're not going to get any concession, but I take your point.' It is a large fine and it really hits people hard.

Small business and business conditions, they are extremely tough. We see the car park tax. We also have the 'fun tax' that has come in, the tax on supporting the so-called free public transport, as the Minister for Transport said, to make public transport viable. Well, it has never been viable. Public transport is subsidised at the rate of about 80 to 85 per cent, and I am probably on the low side. It has never been viable and charging people \$1 extra a ticket or whatever the number may be is never going to make public transport viable.

We have an urban-based Treasurer, who I assume went up to the Riverland this week with the cabinet, and I am sure he saw all those vital public transport links from the Riverland from Berri and Renmark through to the city because, when he came in here today and talked about getting more people on public transport and into the city, he showed he has absolutely no idea of what it is like in the real world. What does he think people from the seat of Hammond are going to do? They do not have a bus to get on to get into the city. They do not have a tram to get on to get into the city. They do not have a train to get on to get into the city.

When people come into the city, whether they are country dwellers or city dwellers, they want to come in and take part in the retail shopping or business in Adelaide, Rundle Mall and other places. They might have to pick up some large items and have quite an amount of shopping to take home. It is very difficult on public transport if you have a lot of goods to take home and it is very difficult if you live in a place like Coomandook like I do and there is no bus to take you there anyway. There has to be some reality of what happens in the real world.

Now because of this cash-strapped government we have the 'fun tax' that is going to impact on all our public events, and it is just another tax, along with the car park tax, that will turn off people attending. There is a reason the AFL wants to structure games from Thursday night to Monday night. That is because they are starting to focus on television rights. I know it is great to be at the game. I was at the game on Sunday and, sadly, the Power lost.

*The Hon. S.E. Close interjecting:*

**Mr PEDERICK:** And I hear a sigh from the member for Port Adelaide. We are both brother and sister in arms in regard to Port Adelaide, I will say that. Quite opposite politically, just for the record.

**The Hon. T.R. Kenyon:** We didn't know that.

**Mr PEDERICK:** You didn't know. I was just helping you out, Tom. It is great to watch but, as taxes make it harder for people to attend events, they will just stay home and view it at their own leisure. We see no new money for regional roads, yet we keep hearing about impacts of speeding and that sort of thing and we just see a government that wants to reduce speed limits. That is their answer for not spending on roads, to take the 110 km/h limit down to 100 km/h.

We have SA Water, with \$19.5 million of dividends that will not be passed back to consumers. We have health care for people in the regions, and I think of my constituents around Goolwa on the Fleurieu Peninsula who obviously utilise the Flinders Medical Centre and people from other areas in Hammond and the cut back by the state government to the \$100 million in funding for that hospital. There are a couple of things you could say are positives in the budget.

*Mr Goldsworthy interjecting:*

**Mr PEDERICK:** Hard to find, member for Kavel. There has been a long debate by this government which has tried to inflict the cost of those vital ferry services throughout our electorates in the country, and certainly in Hammond, onto local government. An outrageous amount of time and effort has been put into this where the government, I feel, have a duty to pay for those ferry services, and thankfully we are seeing three of the five ferries to be replaced.

We see \$7.5 million going to the Tailem Bend Motorsport Park; that is fantastic. It will be the place with the Shahin family and the Peregrine Group for motorsport in the future in South Australia. I think it will be an absolutely fantastic facility and, for the record, we on this side of the house would have supported that as well.

Sadly, there was a policy the leader came down to announce during the election campaign about the Murray Bridge Racing Club. They have spent towards \$20 million putting in a new venue and, because of regional lending issues and that kind of thing, it has become very tough to progress that project at the rate that it should be progressing. This is not so much about racing in South Australia; this is about unlocking the potential for up to 4,000 houses in the Murray Bridge area—3,500 on the new race track site, the new Gifford Hill site, and another 500, potentially, in a couple of other areas, which will unlock a new sporting precinct, unlock a new bulky goods precinct and, over 30 or 40 years, will unlock, I believe, at least \$1 billion of investment over that time.

I will reflect now on the agriculture and SARDI cuts in the budget. PIRSA's 2014-15 budget is \$59.8 million, down by \$26½ million. Funding has fallen to 35 per cent of 2010-11 levels. This is the smallest operating budget for agriculture in over a decade, and this is coming from a government that talks about clean, green food from our farmers and our agricultural community. Well, I say: where is the support?

On top of the significant job cuts in PIRSA that have happened over the years, a further 40 jobs will go in 2014-15. Biosecurity South Australia will lose 13 full-time employees, and its budget will decrease by \$5.5 million, yet we have seen the Minister for Manufacturing, Innovation and Trade getting excited about biosecurity in here today. Well, there is nothing to be excited about biosecurity when it is losing that amount of funding. Only last financial year, the budget for biosecurity was cut by \$2.6 million.

The haemorrhaging at the South Australian Research and Development Institute just goes on. Over the last two years, 90 full-time positions have been shed, and the institute's budget will drop by \$3 million. It is interesting to note that, with the voluntary separation packages that are being offered at SARDI, an additional \$600,000 has been allocated. SARDI simply cannot afford these cuts, and its reputation as one of the world's premier research and development facilities is at risk if any further cuts to services occur.

Sadly, SARDI has been a target in successive budgets, resulting in low employee confidence and vital staff being let go. The agricultural industry vitally needs more R&D to increase productivity, and industry has been calling for increases to funding, not further cuts. Sadly, I am going to run out of time, but I seek to make some further comments in a grievance when I get the opportunity.

**Mr GOLDSWORTHY (Kavel) (17:08):** I wish to make some comments, and to highlight some issues, in relation to the budget that has recently been brought down, really to provide the house with an overview of things. I think that it is important to reflect on what the government has promised South Australia and what it has failed to deliver. I think that the government has lied to the



people of South Australia because, at the state election, it promised to build the state, but what we have seen it deliver is some pretty significant cuts.

I want to explain some of the costs that we have seen in this budget. The government has failed to deliver on its promises, and I think that is a disgrace. Expectations are built within the community leading up to and including a state election and the people expect those commitments and those promises to be delivered. Unfortunately, we see the exact opposite in relation to this budget.

As I said, I do not think I am pushing the line too far in saying that the government has lied to the people of South Australia. Households will feel the full impact of this budget. The people that we look to serve, those families all around South Australia that we look to serve here in this parliament, will feel the full impact of this budget, and I will expand on that as time goes on.

However, the first area I want to touch on is that of the emergency services levy. The leader highlighted in his speech earlier today—and other members on this side of the house have certainly highlighted it—the increases in the emergency services levy that will cost the average household at least \$150 extra each year. That is on average. We will obviously have some that will be a bit lower but also some that will be significantly higher and a couple of questions were put to the Treasurer today about the impact of the increase in the emergency services levy.

The government is also increasing fees, charges and fines by 2.7 per cent and cutting council rate concessions for pensioners and concession cardholders, costing them at least \$190 per year from next year. Labor has also taken the knife to the health sector and broken a number of its key election commitments and promises. Before the election they said there would be no privatisation of government-owned assets—well, we have seen that completely blown out of the water—and that 100,000 new jobs would be created by 2016. We heard the leader highlight the complete failure of the government in delivering its policy direction and policy predictions. The leader very eloquently highlighted how appalling the government has been in creating new jobs. In fact, jobs have gone backwards here in South Australia. As I said, the leader highlighted that in his speech earlier.

We know that the \$27.8 million upgrade to Modbury Hospital was a highly contentious issue. Funding into Modbury Hospital leading up to and including the state election was our strong policy position. We were going to maintain the paediatric ward in the hospital, but the government made the decision to close that ward. You know yourself, Madam Deputy Speaker, that that was a very important issue that affected your electorate and all those electorates in the north-east: the electorates of the members for Wright, Newland, Florey and Torrens—all those seats out in the north-east.

Even the member for Morialta's electorate and my electorate of Kavel were affected. I know that some of my constituents in the north-west of the electorate have used the services of Modbury Hospital. So, it is far reaching. The effects in relation to the government's budget cuts, broken promises and lies to the people of South Australia are far reaching. It is not just in a couple of electorates but over quite a number of electorates, particularly in relation to Modbury Hospital.

We then go down to the south, to the Flinders Medical Centre: a \$100 million upgrade to the Flinders Medical Centre shelved; a \$125 million upgrade to The Queen Elizabeth Hospital; and a \$31.3 million upgrade to the Noarlunga hospital. We see massive cuts to the health sector, not just in the north-east but to the west and to the south. It is not hard to work out how many constituents and how many electorates are affected significantly in an adverse way by this budget.

There is also no good news for small business, with taxes remaining the highest in the nation. South Australia has the highest business taxation in the nation, rising by 10 per cent from 1 July. Payroll tax concession is being removed next year and, as we know, the car park tax is being introduced. The leader has spoken about this, and we are opposing the car park tax when we get to the other piece of legislation.

The government talks about wanting to enhance the vibrancy of the inner city, but that is not just closing off a couple of streets, painting some lines on another couple of streets, opening up a few pop-up bars here and there and other things; it is more than that. You have to give people an incentive to want to come into the city and spend money. As the leader has extremely effectively communicated, the car park tax is a handbrake on the CBD's economy.

I have spoken about jobs, and one of the worst parts of this budget is that there is no plan to create jobs or grow the economy. In fact, as I said, in the budget forecast, Labor will break its promise to create 100,000 new jobs by 2016. I could provide the house with a whole range of statistics provided by economic analysts, Deloitte Access, and a number of other analysts, but I will push on. The leader in his contribution spoke at length about jobs and about how dismal the government has been and will continue to be in delivering jobs for South Australians.

Let's look at the budget position and outlook. Labor has delivered six budget deficits in seven years, from 2008-09 to 2014-15, including a \$948 million deficit, the second largest in the state's history, and this year a \$1.232 billion deficit, the largest in the state's history. If we cast our mind back, those who are old enough, to the State Bank crisis, the State Bank debacle plunged the state's economic situation into crisis, and we are in a worse situation now than we were then in terms of debt and deficit.

This position we find ourselves in is totally and wholly the responsibility of this state Labor government. In a speech I made to the house a couple of weeks ago, I said that the Treasurer was trying to lay the blame for their ineptitude and their failings in relation to managing the budgets, the economy and the finances of the state, at the feet of the federal government. The Treasurer himself has admitted that the position he finds himself in, in relation to this budget, has nothing to do with the federal government's situation and how they are dealing with an absolute shambles they were left with by the previous federal government.

We could expand on this a bit in relation to how this government has mismanaged the budget over the 12 years it has been in power and look back over some figures in relation to expenditure. An accumulative figure of \$3.9 billion dollars has been spent above budget. I can break it down year by year, from 2002-03 to 2013-14, and it ranges from \$184 million 12 years ago to \$670 million in 2008-09, and it peaked out at \$670 million. This is spending above their budget. This is a real life example of how the government has never delivered on its budget. It has never delivered on its budget forecasts.

On the other side of the ledger, when you look at revenue—and we have repeated time and again ad nauseam every year the budget has been brought down on this side of the house—the government has never had a problem with revenue because I can tell you that the revenue above budget over the 12-year period has been \$5.4 billion, so we have \$3.9 billion spending above budget over the 12 years. We have \$5.4 billion revenue exceeding budget.

If you make that simple calculation, it is a \$1.5 billion difference, so why are we in deficit to the tune of \$1.2 billion plus and heading towards a \$14 billion debt? Well, I can tell you why. It is the absolute failing of this government over the 12 years it has been in power. They have never been able to correctly manage their budgets. They have never delivered on a budget forecast because their whole approach to the state's finance is all wrong. It is all wrong and it has been since they took office in February 2002. I have highlighted previously to the house that the government is working on an old economic model. They are working on an outdated old economic model of taxing, borrowing and spending.

We have seen how successful governments can operate. Reformist governments, reformist Liberal governments, operating successfully in the other states and the leader highlighted in his speech earlier today, as I said, how successful governments are operating. They are taking the handbrake off the state's finances, off business and off the economy. They are not taxing, they are not borrowing and they are not spending above their budget because, as I have highlighted before—and I am happy to table these graphs and put them in *Hansard*—the government have never managed to achieve their expenditure budget.

In 2008-09, we had a massive blowout of \$670 million; the following year 2009-10 was \$599 million, and pretty much there was one year when they underspent, and hence that is an example also of not being able to meet your budget forecast. But, as I said, they appear to be stuck in a time warp. They are using this old outdated economic model. It might have worked back in the sixties and seventies when we had protectionist regimes in place, but it does not work any more and it is clearly evident the results of it not working. We have got record debt and record deficit.

As I said, the leader has highlighted what is occurring in other states and the fundamental principle that is seeing resurgent finances and economies in those states—Liberal governed states—is the support for business. The government has strangled business here in South Australia to the

point of extinction through their high taxation regime, through their excessive red tape and bureaucratic interference, but what do we see? What did we see a couple of weeks ago or it might have only been this last week?

The Treasurer wants to re-engage with business, and the Premier said in a statement he made to the house two weeks ago, 'We want to re-engage with business. The Treasurer says, 'We want your ideas; tell us what you want. It doesn't matter how unpalatable it might be, but we want you to talk to us. Tell us what you want.' Well, Deputy Speaker, business has told the government what they want: they wanted a change of government in the March election; that is what they wanted.

They voted for a change, as did 53 per cent of all South Australians. That is what they wanted: business wanted a change in the government. I can tell the Treasurer what business wants: they do not want him in charge of the state's finances, the budget and the economy, nor do they want the Premier or the whole Labor government. In their attempt to re-engage with the business community, they are playing catch-up.

Cast your mind back a couple of years ago to when the leader held an economic forum in the Convention Centre. It was an absolutely outstandingly successful forum, and over 400 people attended; it was great. The businesses told the Liberal Party what they wanted, and that, to a great extent, went to how we formed our policy positions. We supported business; they knew it, and they wanted a change of government. But what did we see? We saw, through some inconsistencies and failings within the electoral system, that that was not achieved, even though the Liberals achieved 53 per cent of the state vote.

To that extent, the leader has stated in the house just today that we are moving for a statutory inquiry into our electoral system. Pretty much everyone I talk to in the community shakes their head and says, 'How can you win 53 per cent of the vote and not win government? There has got to be something wrong with the system.' All this ballyhoo about marginal seat campaigns, they do not believe it, and neither they should. They realise what has taken place and they support a really thorough investigation into the electoral system.

Just in the last couple of minutes I have left to speak, what the Treasurer was projecting in relation to his budget, it was described in the house this morning as voodoo economics, or what was the other—

**Mr Treloar:** Seance.

**Mr GOLDSWORTHY:** Seance! Seance economics. I do not know much about seances—they are all a bit freaky—but I understand there is some glass put on the board. I think the Treasurer has his hand on that glass, pushing it as hard as he can to the budget surplus side of things, because he is predicting a budget surplus in excess of \$400 million in two years. I think the reality of the situation is the glass is being pushed back even harder.

Time expired.

**Mr TRELOAR (Flinders) (17:28):** I too rise today to make a contribution from the opposition benches on the Appropriation Bill. I must say, harking back to budget day, when the Treasurer delivered his budget speech, I found the speech incredibly disappointing. There was a time when the budget speech detailed where the money was coming from and where it was going. There was none of that in this speech; it was blatantly political and sought to lay blame everywhere that it possibly could be right throughout the speech. It was a dismal performance.

Looking through the budget papers, we will no doubt have time to dissect them more thoughtfully and interrogate ministers on individual budget lines during the estimates process, which we are looking forward to immensely.

Deputy Speaker, before I comment on the budget itself I am going to take you to Budget Paper 4, Volume 4, page 77 right down the bottom, talking about the highlights within the information economy subprogram. These budget papers are full of such diatribe but I am going to read this into the *Hansard*. This is one dot point in the information economy Targets 2014-15—one sentence:

Embed the scope and priorities of the information economy programs within the broader education skills and industry development initiatives of the Department of State Development focusing on the up-skilling of businesses and individuals in support of increased state productivity and skills acquisition.

That is one sentence. I do not know who writes this stuff, but I guess if you sat down and dissected it you could come to a conclusion about what it may or may not mean. The budget papers are full of such stuff. It is exactly the *séance* economics that the member for Kavel and the leader have been talking about today. It is a term you are going to hear more and more because I believe it is active and it is simply the result of a Treasurer and a government that have lost any control that they might have had over the state's economy.

Unfortunately, the budget is emblematic of a Labor government that is well past its use-by date. It is a budget of broken promises which will only put more pressure on South Australian families who are already struggling with the skyrocketing cost of living. Many points have been raised today and I will come to them also. This government has taken every single opportunity to put pressure on families. It is undoubtedly the worst state budget that I have seen since I was elected in 2010.

As I said, the Premier and the Treasurer have been caught out (in the Treasurer's budget speech) trying to blame their own financial management on the federal government. After 12 years—and highlighting particularly the last six—our fiscal situation has deteriorated to the point where we cannot see a way out of it. After 12 years it is clear that they are unlikely to take responsibility. They have not yet and they never will. It is quite sad for South Australia and I feel sorry for South Australians—they have another four years of this. It is obvious that nothing will change while this government is in power.

However, the opposition will continue to set the record straight and demand that the Premier and the Treasurer admit that the financial mess we are in is largely as a result of their financial mismanagement and incompetence. How can they possibly refute that? We have the largest debt we have ever had as a state. People talk about the State Bank disaster, the State Bank debt—and in hushed tones. It was a low point in our state's history. We have now exceeded that point and we now have a \$1.2 billion deficit forecast this year which will increase our state debt to \$14.3 billion—State Bank proportions.

Imagine how we could use the interest payments: \$2.2 million each and every single day this year is going on the state's interest bill. It is an extraordinary amount of money—\$2 million every day. Imagine what that could do for schools and hospitals. As I said, it is simply the result of their financial mismanagement.

Today, we heard from the leader and many other contributors about 100,000 new jobs by 2016. It was a key government forecast. We have heard the government talk about key capital health upgrade projects, for example, Flinders Medical Centre, The Queen Elizabeth Hospital, Noarlunga health service, Modbury Hospital, and we have heard about no privatisation of government-owned assets, but what about the Motor Accident Commission? We have heard about the Gawler rail electrification project—all have been delayed, shelved or mothballed. So their forecast of a \$406 million surplus in 2015 simply does not have a shred of credibility.

I say that to you because six out of the last seven budgets have forecast exactly that—a surplus—but what have they delivered? Deficits every time. We have graphs which the member for Kavel highlighted and we are happy to table these graphs: six budget deficits in seven years. It is not a pretty picture and there is a lot of red on those graphs. The people of South Australia are the ones who are going to hurt as a result.

Much has been made of the renewed interest of the government in the regional areas of South Australia. We all know that the engine room of this state's economy is well and truly within the regions, and always has been, might I add. There has been renewed interest, so it would seem, from the government in how the government can assist businesses and people in the regions. However, unfortunately, from 2012-13, up to the current budget, there have been 90 job losses in SARDI and funding cuts to SARDI of \$3 million in this year's budget alone.

SARDI is critical in the development and research of new technology that both farmers and fishermen use. This is what underpins our regional economy. This is what underpins the state's exports. Over 50 per cent of this state's exports still come out of the regions, most of all from primary production, so it really makes a mockery of what they are saying about their newfound commitment. Their actions speak far louder than words and, when it comes to backing our agricultural sector and investing in innovation and R&D, they are sadly lacking. I really feel that R&D is just so critical, because it instils the ability within primary producers to access and implement new technologies. For

150 years, this state was at the forefront of agricultural development around the world, particularly in dryland agriculture, and it saddens me to see that number one place disappearing.

There is also a million dollars worth of cuts across the state to our natural resources management boards. I was a member of the inaugural natural resources management board on Eyre Peninsula. I was proud to take my place as a community member on the board and we did a lot of good work. We established the board. We set up protocols and committees, and really set in stone how we might operate.

Somewhere along the line those boards were transferred into the Department of Environment and really the community lost a lot of control and input into those boards from then on. That said, they still fulfil a role, and in many cases a very important role, with regard to natural resources management, and do work with landowners on various issues: on on-ground projects and managing the landscape, because it is critical that our landscape is managed, to remain productive. If it is not managed properly it will not remain productive and we will lose that edge we have got.

We will have to wait and see what this will mean but, ultimately, I fear that the greatest impact will be on the on-ground projects. What the levy payers, who pay the NRM levy through their councils to help fund these boards, really want to see is on-ground projects, and I fear that we will see less and less of those. There does not seem to be anything in particular for country roads, but especially in my area. I know there is the odd one that was mentioned out towards Gawler, which is fine if you are in the seat of Light, but there is not too much for the people of Flinders.

The emergency services levy has been talked about a lot today. This is a land tax. There is no other way to describe it. Levy, tax—the terminology seems to be somewhat interchangeable, according to the government. Either way, people pay. The suggestion is that the increase in the annual emergency services levy will be up to \$241 for the average household. It amounts to a land tax, as I said, on the family home, pure and simple. It is on the family home. It is a land tax. The member for Playford, when he was the treasurer, said that they would take no such policy to an election. Well, they did not take it, but they have introduced it today. It is completely outrageous and it makes it even harder under Labor to make ends meet.

I received an email from a constituent of mine which I will share with you. He is a landowner, a farmer and also a CFS volunteer, and he is really concerned about what this might mean. I will read this into *Hansard*. This particular constituent, landowner and farmer spoke to RevenueSA when he heard about the emergency services levy going up. He rang my office to give me this information. He thought I might be interested to know that in 2012 his levy on his two farming properties was \$87 and it is now going to be \$550. That is six times what he was paying in 2012. It is a significant increase.

This particular constituent is also actively involved in the CFS and he is saying that 'the poor front-line SES and CFS guys already get heaps from people re the emergency services levy'. These volunteers are going out to attend bushfires and to assist people. We had storms through Adelaide and much of the state last week. The SES was out there at all hours of the night helping people, removing fallen trees, repairing fences and all that sort of thing. They are the people who are putting themselves out there and they are getting criticism from the general public regarding the emergency services levy.

We know that is not fair. It is not the fault of the volunteers—of course not—it is the fault of the government, but this is the perception. This constituent is concerned that the public will really get stuck into them with this new initiative. It is already too hard to get volunteers, he is saying. Why would you be a volunteer only to be abused by the public? I have the greatest respect for these volunteers. They need every bit of assistance they can get. I just wish I had the confidence that all the money that is to be raised with this emergency services levy will actually find its way to helping fund these volunteer organisations. We will wait and see.

It seems that once again our capital city, the City of Adelaide, has become a vortex for this state's economy. All that is produced is sucked in, disappearing forever into building projects such as the bridge across the Torrens, the bridge that was built in between the two other bridges so people can find their way to the new Adelaide Oval. Probably the most disappointing aspect of the budget is the downright absurd revenue assumptions. The reason it is possibly the most disappointing aspect is that it is misleading the people of South Australia.

We have a Treasurer handing down a budget with unbelievable figures such as tax revenue growth of 6.2 per cent, which I would say is the highest of all state forecasts right around Australia, even though we know five, probably six, other states are doing better than we are, almost certainly put down to the fact that they have Liberal governments which have seen their way clear to take fiscal responsibility. We see these forecasts of tax revenue growth at 6.2 per cent and you know that they do not actually believe it. How can they? It is simply not going to be true. Once again, it is seance economics, and you are going to hear that term a lot.

The Treasurer also outlines his fiscal fantasy when it comes to the South Australian housing market, assuming of course, in his understanding, that it will be the fastest growing in the nation, which will deliver stamp duty revenue growth of 9.4 per cent per annum. Again, who believes them? It is deeply deceptive and misleading, and frankly South Australians deserve better.

I was talking only this week with a friend of mine who is involved with real estate. It was in a social context, but she was saying that she is expecting the market to be flat or down in the near future. Everybody has their opinion on markets, of course, and it could do anything from here. With interest rates relatively low still, there is no reason for things to move too much, but she certainly was not optimistic; she certainly was not as optimistic about the housing market as the Treasurer appears to be at the moment.

This fiscal fantasy has been exposed. As the Leader of the Opposition pointed out in his budget speech reply today, Adjunct Professor Dick Blandy from the University of South Australia has labelled the state budget's assumptions as 'really very, very unconvincing'. What was the Treasurer's response? How can he refute this point from a respected economics academic? Professor Blandy also reportedly told Treasury officials at the lock-up that 'this is a fraud'. Sadly, I have to agree with him. It is a fraud on the people of South Australia.

Of course, the other great fraud is the Premier and Treasurer's claim that all the problems confronting the state budget have been caused by the federal budget cuts. The Treasurer was trying to suggest this in that dismal budget speech that he delivered two weeks ago. It is a claim that has been destroyed by the Under Treasurer. The Hon. Rob Lucas, the shadow treasurer, has done an admirable job in countering the Premier and Treasurer's false claim.

In evidence to the Budget and Finance Committee, the Treasury CEO, Brett Rowse, confirmed that federal funds to South Australia will actually increase by \$2 billion a year by 2017-18. The confirmation is that federal funds to South Australia will actually increase by \$2 billion per year by 2017-18, so it completely destroys the credibility of this Premier and his Treasurer. There is even a table within the budget document itself which destroys their claim. They need to fess up; it is their own financial mismanagement that is to blame for a record deficit and ballooning debt.

We have had a quick tally up on this side of the parliament, on these benches, and we have come to the conclusion that there is an annual increase of over \$1,000 in taxes and charges on each and every household from today, 1 July. In fact, it is about \$1,100. There is an increase in motor vehicle registration, an increase in 10-year driver's licence renewals—and despite what the Labor government might think or might wish for, most people do drive a car, so there is an increase for the poor, long-suffering motorist who has to pay every single time—and there is also an increase in public transport multitrip prices.

Of course, there is also the car park tax which I have not even got to yet, but there are only a couple of minutes to go. That will have a significant impact on the way people use this city, and I do not think the government understands this. It is looking to establish a vibrant city but this flies in the face of that ambition. People will be paying every way you look. I have already talked about the emergency services levy, and water bills are going up, electricity bills are going up, gas bills are going up. The list goes on.

There was also some smoke and mirrors involved in the state budget. I will not go into the detail of that here—no doubt it will come out in the grievance debate and through estimates—but a portion of the state debt was shifted from the state's books to the books of SA Water, which loaded it up considerably on its debt carrying on.

The Leader of the Opposition spoke today about other jurisdictions, about what other states in Australia and what other countries are doing to set themselves up to be in a good, sound and robust financial position for the coming decades. We are not in any way at that point or in any way

looking to do that. The leader and I visited New Zealand about a month ago and had a series of high-level meetings. It is extraordinary what they have done in that country, and you will hear more from us about what we see as good economic settings that can actually get a small jurisdiction up and running again.

They do not look to sell themselves; you can never get rich by selling to yourself, you can never get rich by making money go round and round and round all the time because there is no new money coming in. New Zealand has really focused on its exports. It is a small country in a far flung corner of the world which, in a way, makes it a reasonably good comparison with us here in South Australia. It is a country that has addressed the issues of large debt and of budget deficits, and it has done it effectively, simply by having the settings right. I am running out of time, but I hope that people have been interested in the points I have made—

*Mr Whetstone interjecting:*

**Mr TRELOAR:** Thank you very much, member for Chaffey.

Time expired.

*Sitting extended beyond 18:00 on motion of Hon. J.M. Rankine.*

**Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (17:49):** I indicate that I will be supporting the Appropriation Bill 2014 and opposing the first half of the Budget Measures Bill 2014 insofar as it applies to the transport development levy; however, I will be supporting the balance of that bill.

Last week I went to Sydney and visited my son and my—I hope one day—prospective daughter-in-law, who have just acquired a property in Sydney.

*Members interjecting:*

**Ms CHAPMAN:** She is under pressure, let me tell you. They have just purchased their first home in Sydney. Both are employed obviously outside South Australia. Both are unlikely to return to work or live in South Australia, and they represent that large number of people in our community who leave our state every year to pursue employment somewhere else and have no investment future back in this state. That is disappointing, obviously for me as a mother, but also for the future prosperity of our state.

So, it was with great disappointment that I picked up the budget, having listened to the Treasurer's first delivery of his budget just over a week ago, to find that it was a budget with no plans to create any jobs and no growth to the economy. Every year (and I have been here for 12 years now) we listen to budgets being delivered. We have listened to oppositions and many members complain about projects that have been cut, funding that has disappeared, and disappointment at a lack of attention to the things that are important to their electorate. Nothing has really changed in that regard, and from time to time they are completely unfair. Sometimes they are justified, but we will always get demands and requests for expenditure beyond what budgets can provide for.

What is very disappointing, though, is that, when our state is in the grips of being the most inefficiently-run state and most disadvantaged amongst the Australian economies, we are continuing to just stagnate into this pool of lack of opportunities for our future generations in this state. All of that is deeply depressing.

A quick summary of where we are at: the fourth Treasurer under the Labor administration is beginning to make treasurer Foley look like a genius at this point, but he of course reigned as Treasurer at a time when there was an abundance of money available—we were raining money in the state—and was a time of plenty. He spent up big time, of course (still more than what he had budgeted for every year) but nevertheless the fiscal discipline just to maintain a reasonable budget was not as desperate as it is today, and yet we still have this level of ill-disciplined mismanagement that plagues our budget announcements and then the management of the projects that they are to be administering.

We have a deficit in our budget this year of \$1.232 billion, in a year that was predicted to be a surplus of \$480 million. That is an indication of the sort of projections that we have, promises that are made and predictions that are indicated, all of which evaporate and we are given the bad news when it comes to the play. We find that our debt is now approaching over \$14 billion—worse than

our State Bank time in the history of this state—and not only have we had the largest deficit therefore and the largest debt in our state's history, we have a direct impact, of course, on our capacity to be able to provide for others because we are now under that debt level at \$14.3 billion. By the time that we reach that position, we will be paying some \$2.2 million interest every day on that debt.

All that means is that when people come into our electorate offices and say, 'I can't get a wheelchair for my disabled child,' or 'I haven't got provision in this funding and I therefore won't be able to make ends meet,' you feel like saying to them, 'Don't blame me, I voted Liberal.' But the truth is they have been deceived by this government into a false sense of security, as though we are living in some prosperous, panacea paradise in South Australia, as though they are going to keep on building South Australia, that they are doing a great job and that all is under control, but unfortunately that is just simply not the case.

When things do go wrong or they are expected to tighten their belt, what do the government do? In the 12 years I have been here, they have just blamed someone else: 'I lost my pocket money, mum,' or 'The dog's eaten my homework, Ms Teacher.' This is the sort of attitude they have. It is either John Howard's fault, the GFC, or it is now Tony Abbott's fault. In that little wonder-world time, we lived in under the Rann-Gillard administration—it was not their fault, of course, because we were in that period of co-operative federalism at that point, so everything was beautiful and the debts just kept piling up and piling up. But when under pressure, oh no, it is the dastardly decision or inaction or failure to provide by somebody else. Nobody is taking any level of personal responsibility from the government and I find that shameful.

So, the budget increases, notwithstanding promises to maintain their own expenditure within the parameters of reasonable management. Our public service numbers have blown out of control—always way beyond the projected increases. Our budgeted projects have gone completely over the top. We have cost blowouts everywhere. The worst, of course, is the hospital on North Terrace, that is a project that has gone from \$1.8 billion to \$2.8 billion just in the time that I have been managing budgets. That is \$1 billion extra on one piece of infrastructure—

**Mr Treloar:** And it's not finished.

**Ms CHAPMAN:** And it is not even finished; apparently it is late. That is a classic example. The consequence of this is that the government, having got itself into this mess, having promised Gawler electrification three times and then cancelling it, having promised four major extensions in hospitals but they get delayed and put off to the never-never, it simply adjourns these projects to some indefinite time and expects the public to put up with it.

All of that, of course, is most concerning, but on top of that we have the taxation trifecta in this year's budget. We have the transport development levy, which is the car park tax. This is the \$750 on every car park every year. It is to bring in some \$30 million. I do not think the government had expected such a rejection of this across a number of areas. What is puzzling about it is, in its own desperate attempt to plug holes in its budgets, the government has introduced a tax which is going to be in direct contradiction to its purpose—which we have supported—of adding to the vibrancy of the City of Adelaide. So, it is actually implementing a proposal, a policy, a tax revenue measure, in a time of desperation which completely flies in the face of what its objective is in relation to the City of Adelaide.

The Treasurer assumes that people are going to get out of their car, leave it in the garage, catch a bus into town and do their shopping. No. What is going to happen is they are going to get into their car, as they normally would, but instead of driving into the city to do their shopping or go to some event, they will go to the Marion Shopping Centre, West Lakes, Tea Tree Plaza, Burnside Village, or wherever, and they will do their shopping and they will go to other events and activities and not park in the city. That is the blind stupidity of that one.

No. 2 in the tax trifecta is the property tax. This is the increased emergency services levy on fixed and mobile property; revenue of well over \$300 million. Again, allegedly necessary because of the ineptitude of others not themselves. 'This is something we need to do, we need to impose,' they say. It is a blatant property tax, a land tax on some, but on property or mobile property of others. It is inequitable. It flies in the face of all of the initiatives the government has said it has supported in supporting the opportunity for our population, young and old, to have their own home, to have that financial security. Now we are going to be paying \$150, \$200, up to \$1,000 for the right to be able to live in our own home every year. It is just outrageous that that sort of tax should be imposed.



Then, of course, we have had what is described as the 'fun tax', the tax on events, which had been announced by Rod Hook, the former CEO of the Department of Transport, during the election campaign for the provision of free public transport to football events. Whatever will happen with this we are yet to know. Nobody knew about it before the election. Now these major event providers are being told they have to register advice of a future event where more than 5,000 people are likely to attend and then negotiate for themselves to pay for the cost of extra transport. That in itself may not be a bad thing.

What is unacceptable is that the government goes to the election saying that we are going to get free public transport and then weeks later it says, 'Bad luck, you're going to be paying for it.' That is what is so unacceptable. It is duplicitous, it is unfair, it is inequitable. I think it demonstrates how completely untrustworthy the government is in relation to that. If there was ever an example of how duplicitous the government has been with the public it was the statement back in November of minister Koutsantonis that there would be no further privatisations. Well, what is the announcement in the budget to sell off the insurance industry for the privatising of the compulsory third party insurance premium industry?

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

**Ms CHAPMAN:** Oh, it is now being qualified—the minister interrupts—to be of essential services. What does she think third-party insurance is in relation to property? In 1974, the Don Dunstan administration said—Don Dunstan would be turning in his grave!—that this is an essential service. He said that this is a very important service and we need to bring it in-house and we need to have control of it. Do you know what is so duplicitous about this government? Forty years later, after they have collected premiums off South Australia, built up an accumulated fund of over \$2.5 billion, they have snatched the money, they have stripped the asset, and they are selling off and privatising that insurance income stream. That is what they are doing. Don Dunstan would turn in his grave if he thought these maniacs with money—these total maniacs with money—were doing that.

It is totally duplicitous of this government to say to the public that this is an important area, which they brought to this parliament to reform the Motor Accident Commission entitlements in that last year—they came along here and said, 'We're going to reduce registration costs for motor vehicle operators'—a big push prior to the election. 'We are going to reduce the cost.'

How are we going to do that? We are going to reduce the entitlements that people have for injuries from motor vehicle accidents. We are going to separate off the catastrophically injured, the 20 or so people a year who are very seriously injured on our roads, and we will give a separate levy for those, and they will be over in another fund, and we will tick those off. We will make provision for the stripping of this asset; we are going to take the money and we are going to streamline and make saleable the insurance premium industry for compulsory third party. That is exactly what they did.

They took off the catastrophically injured, because that tends to taint the value of a product. It affects the income stream. So what do they do? They peel off that bit, put it in another fund, they strip down the entitlements to claim so that for any insurance company that is looking to buy this business now, which will be offered for sale come 2016 when the government get out of the business of providing this service, it will be a saleable, more valuable asset. They are going to take hold of this money, apparently up to \$1 billion, according to Roger Cook, in relation to those moneys that are there, and they are going to put it into a highways fund. That is what they claim they are going to do.

None of this was disclosed during those debates here last year. None of the proposed investigations as to the modelling and obtaining of advice in March last year for the redesign, reorganisation and ultimate potential sale of this entity and the enterprise it operates—all a secret. That is how this government operates. They do not tell the public that, and it comes as a bit of a surprise package after they have won the election.

So the upshot here is that we now have a situation where our children are looking elsewhere to get a job. Our South Australian businesses have no confidence to expand. There is no relief in this budget, obviously, for them: payroll tax is still a problem and we still have a very high tax environment for them, and we have this massive extra cost that will affect small and other businesses to enable them to be able to offer jobs and to be able to expand.

We have our families suffering under the burden of costs of living. Other speakers have contributed that that will be, with all these extra taxes, cost imposts and rate increases, over \$1,000 a

year per household, and that again raises a enormous extra cost in those circumstances. For our own people who have any money left, what are they going to do? They are going to invest interstate—they are not going to invest here. Why would you invest here: you get clobbered from every direction. As for other investors, unless there is cheap land available in South Australia, who else is going to invest in South Australia?

If there is ever an indication of how bad the situation is, where we have nobody else interested in investing in our state, we have got our best and brightest leaving the state and we have got ever-imposed costs of living here for those of us who are left, it is the Motor Accident Commission itself. I was interested to read its annual report for 2012-13, only to find that, in its investment of the \$2.5 billion, they have a mixed portfolio, as you would expect.

I have stood in this house before and given them some credit for the fact that they have been a very well-managed operation and that the returns they have had on their money have helped supplement the mismanagement of the government here by enabling them to prop up extra road programs. I have given credit to Roger Cook, the board and those who have been managing the portfolios, but what I find in their 2012-13 report is that, of the property which MAC owns and the property which they have invested in, Madam Deputy Speaker, I think you will be surprised to learn that, of the total property portfolio—and we are talking hundreds of millions of dollars invested in this portfolio—only 19 per cent of that property is in South Australia.

We have massive investments in Queensland, Victoria and Western Australia, and a little bit in New South Wales. Just in that financial year, what did our own Motor Accident Commission invest in to provide a secure income, a return, a good investment for the funds that they held on behalf of South Australians? They purchased a 50 per cent interest in a commercial property at 400 George Street, Brisbane for \$195.8 million. They also settled on a property at 990 La Trobe Street, Melbourne Docklands for \$76.4 million.

Even our own government instrumentalities are investing our assets in another state. Why? Because they give a good return. Why? Because they are reliable in the investment product that they offer. Why are they not buying up the commercial buildings in Adelaide, which have got 'for lease' signs or 'for sale' signs all around the metropolitan area of Adelaide? Because they are empty, they do not demonstrate a good rate of return and they are unreliable as an income producing investment. So even our own instrumentalities are acting to ensure that we do not have that focus and investment in South Australia.

The government's action has not only been grossly reckless in its application and management of the money on behalf of South Australia, it has snatched away opportunities for our next generations and it has left those remaining in South Australia—some who are trapped here—in a situation where we have an ever-diminishing pool of people with any resource to get us out of the mess. Fortunately, on this side of the house, we do have faith in South Australia, we do want to turn it around, we will keep fighting for it and we will not let either this government's inactivity or reckless decisions destroy our state. We will keep fighting for us.

Can I leave you with this little gem, which is another little hidden piece in the budget. In their haste to take over the MAC, in their haste to explain away that there will still be road safety campaigns—on which some \$20 million a year is spent by the Motor Accident Commission at the moment, and all of which is going to disappear—minister Koutsantonis has publicly indicated that there is going to be a new levy to be imposed on all privately-issued third-party premiums, and the money will be dedicated to the MAC-funding road safety campaigns and infrastructure.

Well, hello. He did not mention that in his speech. We have another little sneaky tax added in that nobody knows about. I will look with interest to the time that we have in estimates to flesh out some of these proposals. I am grossly disappointed that Professor Dick Blandy got it right when he called this budget a fraud. I think minister Koutsantonis's contribution in this regard has been less than honest, grossly inadequate and recklessly puts the financial future of South Australians at peril. He should hang his head in shame.

**Mr WHETSTONE (Chaffey) (18:09):** I too rise to speak on the Appropriation Bill and will be supporting it. As the member for Bragg has said, I will oppose the transport development levy. I think it is just outrageous that this state is in the economic state that it is.

We would have to really be embarrassed if we looked at ourselves on a national stage. I have recently travelled to Canberra and people have asked, 'Where are you from?' I say, 'South Australia,' and they just keep walking. It is a sad indictment, particularly for me being a very proud South Australian over the course of my life. Everything I have done has been for the betterment of South Australia, whether it has been my schooling, sport or representative sport, not only on a state stage but also a national stage. At world competition, I am a South Australian before I am an Australian. It really does grind my gears just to be part of a state that is in economic freefall.

What is even more frustrating (other than being in opposition) is to think that the government is in denial about having mismanaged the budget, the state's finances, for an extended period of time and that 'everything will be alright, because in a moment we will have a surplus and in a moment we will have a budget that will be good for everyone'.

I am looking across the fence where the grass is greener at the moment. I look at Victoria, New South Wales and Queensland, and even as far as New Zealand, to see at what their reformist governments are doing at the moment, and I am green with envy. It is not the grass; I am just green with envy. We look at Victoria, which has a \$1 billion regional growth plan which is going to support 1,400 projects. Just imagine what that would do to bolster South Australia's economy—noting that regional South Australia is the economic base in this state.

Again, looking at Victoria, they are opening a business office in South Korea. Why are they doing that? They are building on the free trade agreements that have just been announced by the federal government with Korea and Japan. The previous federal government tried it and toyed with it and could not make it work, yet the current federal government has made it work straight away. Not only will the good people of Chaffey benefit, but all of South Australia will see the benefits of free trade agreements with South Korea and Japan.

We look at the Murray Basin Rail Project, a \$220 million regional rail project. At the moment, we have a transport and infrastructure minister sitting on his hands, doing nothing about the state of South Australian regional rail in both the Riverland and the Mallee. He shrugs his shoulders and says that negotiations are underway. Where is the plan? Where is the stimulus to keep that regional rail in operation and keep the masses of heavy transport that is about to—

**Dr McFetridge:** They never had a plan.

**Mr WHETSTONE:** Yes, never had a plan, exactly. The member for Morphett is saying they never had a plan. Well, they haven't. They do not even have it in their 30-year infrastructure plan. There is nothing about freight rail at all. It is all about electrification for people down here in their marginal seats. There is nothing about productive infrastructure. Again, it is so frustrating. We look at New South Wales and how they are helping first homeowners with grants. It is continuing and it is getting stronger. The grant is helping the young ones to live their dream and own their home.

We look at productive infrastructure. New South Wales is saying they are in control of their budget, the budget is not in control of New South Wales. I wish the same could be said about South Australia. We look at Queensland with their Strong Choices platform—people having input to reduce what was the state's \$80 billion debt. It is people power coming in and helping, not a government that is just prepared to sit in freefall. Again, look at New Zealand. Their budget provides \$69 million to help 200 new businesses deal with new export opportunities.

We are looking over the other side of the fence with envy. We are looking over the other side of the fence where there is economic management and a strong future for that state. We are look here in South Australia and this government is in denial. Again, we look at the cuts this budget has provided. It has provided little stimulation for this state's economy. It has provided little stimulation for the confidence for business to go out and invest. I look at the young ones now and, as our leader has said many times, his biggest fear is that we are going to lose all our productive workforce. We are going to lose more of our young people to the interstate workforce. Why? Because there is no confidence; there is no certainty.

Today is a sad day—1 July. Many of the budget measures will be implemented today, such as public transport increases, increases in motor vehicle charges, compulsory third-party insurance, speeding fines and utility costs, such as water—my goodness!—and electricity. It is making this one of the most unattractive states to set up a business. I have had the federal government investment and trade department come and ask me, 'Have you got any shovel-ready projects? Is there any

opportunity in your electorate that we can have international investment or national investment?' I come back and I say, 'We do but it is increasingly hard to compete with the costs of setting up a business in Victoria. We cannot compete with setting up a business in New South Wales.'

It is the high cost of doing business in this state which are having an impact—the taxes, the cost of running a factory, the cost of running manufacturing, the cost of processing fruit, the cost of getting your product ready for an export market. We are just blown out of the water, and what are we seeing? In the almond industry—one of the shining lights in South Australia's economy; South Australia was the powerhouse for many years, the biggest producer of almonds—they are all moving to Victoria and New South Wales. Why? Because the Victorian and New South Wales governments say to those investors and those producers: 'How can we help?'

We look at the Centre of Excellence at the moment. I asked the Minister for Agriculture to sit down and have a briefing about this project. He was more interested in going to the airport and going to the Mid North than he was about a potential \$12 million investment in the electorate of Chaffey. He was in such a hurry that he had to meet someone at the airport. He had to get on a plane and fly elsewhere and I was absolutely flabbergasted that this was business that was prepared to put money on the table and all they wanted was the government to ask, 'How can we help?' No, he was busy. All he wanted to do was get on a plane and get out of the region, so that is just another example of why investors are going elsewhere.

Obviously with all the cuts, with all the budgetary measures that have been put in place today, we see just exactly what is happening and why. Unemployment, particularly in Chaffey, is now at 7 per cent; that is another 1,500 people without jobs. Small businesses are closing in regional centres with job losses. Look at Target in Renmark. I am sure that some of the cabinet would have driven down the main street and gone to the bakery for morning tea or for breakfast and they would have seen that Target is about to close. Today, I hear that another national brand hardware store is closing its doors in the region. It is just another example of what is happening in South Australia, but just as importantly it is what is happening to those regional businesses.

Country South Australia's unemployment is at a 14-year high and I think that is just a sad indictment on South Australia. South Australia's jobless rate rose from 6.2 per cent to 6.8 in May 2014 alone—the highest on the mainland. With 4,500 jobs lost in May and with more than 58,000 South Australians now unemployed, that is a damning telltale of what is happening here in South Australia. And yet we have our current state government saying, 'Well, it's not our fault. It's the feds fault. Their budget cuts are making the impact.'

Obviously there is the broken promise. Labor promised in February 2010 to create 100,000 new jobs in six years. There is another promise that has gone down the drain. That is just a sad indictment on this state that they cannot live up to promises. When they put forecasts out there, they make these grand announcements to win elections and then they run away and do other things, marginal seat campaigning mostly.

As for the cost of living, many on this side have said ad nauseam about how state taxes will increase by another 10 per cent, making us by far the highest taxed state in the nation, but again it is driving away the investment. People want to know how much it is going to cost them to run their businesses. Why should they come to South Australia? Give me a good reason why I should invest in regional South Australia or invest in metropolitan South Australia.

It is hard to find reasons when you are making a business investment in a particular area. It is hard to find reasons to attract people here when you have other states under reformist Liberal governments with the advantage. They have made the hard decisions and their economies are starting to move along. Again, I call on the government to look at where they are concentrating their focus, on their budget bottom lines, and put the money where it is going to make jobs, where it is going to make a difference, where it is going to make South Australia a better place.

As to the impact of the rise in motor vehicle registration costs, in particular in the regions, a lot of the primary producers, farmers, food producers and food manufacturing sector do not just have one car. They do not have just two cars per house. They have multiple vehicles, so they are going to be hit multiple times.

**Dr McFetridge:** They can't catch a tram.

**Mr WHETSTONE:** They can't catch a tram, they can't catch an electric train. They do not have public transport. Where are the priorities? It really beggars belief. The emergency services levy is going to impact on vacant blocks as a result of the small block irrigator exit packages, particularly in Chaffey, where if you have an empty irrigation property you are now going to pay full tote odds on the emergency services levy. It is absolutely outrageous.

Pensioners and low income earners will have their rate concessions abolished. I feel for a lot of them because at the moment they are already doing it tough. The cost of living is a tough gig here in South Australia. As many of us know, many pensioners and those on concessions cannot afford to have heaters on, they cannot afford to have the luxuries of having a light on when they get up. They are using torches. They are making do with what they have, yet this government continues to make things harder—more taxes, higher cost of living. The pressures are just building, and I think it is a sad indictment.

For young people looking to buy their first home, stamp duty is a huge cost, so the government needs to look at ways of stimulating the economy. The average household will pay almost \$600 more each year for water than they were in 2002. Obviously that stems from drought proofing the state, building a desal plant twice the size it should have been. The state government made building a desal plant at taxpayers' expense a priority but we will still keep on taking water out of the River Murray because it is cheap, but we will have the unused desal plant as well.

We have had a Premier who has fought for more water for South Australia, built the double desal plant, and yet he continues to take everything he can out of the River Murray. I think it is outrageous that we have a minister who, when asked where the management plan around the desal plant is—the \$2.3 billion desal and pipe project—said, 'Oh well, we haven't got one of those yet. We are going to make one. We are going to get one organised.' When are you going to turn the plant on, minister? 'Well, we are going to get a plan and we will get that organised.' Where are their priorities?

I guess the really big issues tend to be how we will make money, how we will attract new money and how we will stimulate the economy. As the member for Flinders said, South Australia's spending is on merry-go round basis. We need to bring in new money and stimulate an economy that is just gasping for oxygen. It is gasping for some financial support.

As we see it today, we see the minister for investment and trade say that he has been up to see a citrus property or a citrus packing house. I asked him a simple question: how are you going to make trade easier into China, how are you going to give recognition to fruit fly? He said, 'You come up with the ideas.' Hasn't the government got any ideas? He is the man with the ideas. He invented ideas. He rewrote history on Friday to say that no-one else has ideas bar him, yet today he is asking for ideas. That is someone who continues to rewrite history and, if he looks back into the history books, he will understand why he might not be in the history books in time.

It is good to see that Labor did stick to its promise to create a trade strategy for South-East Asia. As a citrus grower and wine grape grower for over 25 years, I sent fruit to South-East Asia for all that time. We have been building markets for all that time. Now we have the lights come on. The minister has said that we are going to take up a strategy to South-East Asia. Well, minister, you need to get on your bike and get over there quickly, because we have been dealing with South-East Asia for 30 years. We have been building those markets, we have been building trust, yet now the light has just come on, and Labor claims we are only now going to do great business over there.

The minister has said that he will lobby for that program at \$275,000 annually to a region that has huge potential, yet he has to lobby for more money next budget to continue that program. Outrageous! Where is the ideas light on that one? As we speak, other states have aggressive trade strategies. As I have said, Victoria is setting up a trade office in South Korea. Where are our trade offices? That's right, we got rid of them, we sacked the staff.

We do not have trade offices because we now have delegations and a minister for trade and investment. They are doing these delegations, these great things, but where are the producers? These delegations that go over there, it is just politicians looking at one another, going 'Great job!', patting each other on the back and saying 'Everything is going to be okay.'

You have to take the business delegations, you have to take the people over there, and let people look one another in the eye. Gain the trust, build a relationship, build a bridge. That is the only way you are going to get trust, particularly with the Chinese, the Indians and the South-East

Asians. They need trust before they can act in the way we need them to act. We continually deny ourselves the opportunities to look at a bigger picture rather than what we have already seen a lot of.

In 2011, South Australia decided to put all its eggs in one basket and focus on markets in India and China. It closed \$2.7 billion worth of trade in trade offices, including many across South-East Asia. Why? In 2012-13, our trade to South-East Asia dropped by \$500 million. That is the equivalent of 4,000 jobs. It beggars belief. What is the thinking—to save money? Are you going to make money? No. You have to utilise money wisely to make money. In export markets, it is critical.

Labor promised \$25 billion worth of exports for 2013. Then it went to 2014 and now it is 2020. Again, what I ask is: where is South Australia's face in the marketplace? That is the reason we are losing export opportunities.

I would like to move away from trade just a little and talk about sport. Primary school students will receive a \$50 voucher from next year to help pay for sports club fees, costing about \$7.7 million over four years. To deliver \$50 to every one of those 152,000 primary school children in South Australia could cost upwards of \$30 million over four years. I think the Treasurer needs to get out his calculator and push the right buttons this time.

*Dr McFetridge interjecting:*

**Mr WHETSTONE:** Yes, he has to take them off. Having met with sports organisations, I know that they are fearful that this might not deliver. In relation to volunteers, something the Riverland and the Mallee rely very heavily on, they are going to have a 33½ per cent increase in background checks. That is outrageous. In relation to PIRSA and biosecurity, we had the minister stand up and pat himself on the back about fruit fly eradication in the Riverland, yet he has just cut \$5.5 million of spending in 2014-15 out of that program. That is outrageous. In relation to roads, I see that the Treasurer and the Minister for Transport went to the Riverland via the Karoonda Highway. I bet they had a bumpy ride; it is one of the worst bitumen roads in the state.

Time expired.

**Dr McFETRIDGE (Morphett) (18:29):** In my first budget speech some 12 years ago I talked about economic forecasts, meteorological forecasts and how people complain about those. Well, they should never complain about those when looking at the Treasurer's forecasts for this state and for this budget. It is just an absolute—what did Professor Dick Blandy say? It is a fraud.

This budget is a deficit and debt disaster, to use the Prime Minister's words about the state of the budget left by the former Rudd/Gillard government federally. What we are seeing here after 12 years of hard Labor is a debt and deficit disaster. The state of the economy in South Australia is in a disgusting state, which is exemplified not only by all the speeches by my colleagues in this place but by what the South Australian Centre for Economic Studies said in a media report just recently. The report states:

Manufacturing investment has fallen over the past year to be at its lowest level in 20 years...A contraction in public sector investment and slower growth in public and household consumption...ongoing soft labour market conditions and a decline in household confidence.

It goes on about the realities of what is going on in this state, not the fantasy that has been put out by this government. The University of South Australia's Professor Dick Blandy, as I said, said to Treasury officials last week, 'This is a fraud' when talking about this budget. The report continues:

It forecasts growth rate of 1.75 per cent in Gross State Product while also recognising a fall in employment.

Professor Blandy goes on to say:

There is no discussion of what will drive the economy. There is no evidence for economic change.

It is just a fiscal fantasy, to quote the shadow treasurer, the Hon. Rob Lucas, in the press release he put out for all to read. I would like to think that members opposite have actually read and digested this to have a reality check. The shadow treasurer said:

...the Treasurer's dodgy figures is the assumption that South Australian tax revenue growth will rocket along at 6.2 per cent, the largest of all states.

It is just a fantasy. It is a fiscal fantasy. The bottom line in South Australia is that we have the lowest average economic growth and the lowest average jobs growth of all the mainland states. Well, can I

just say something about that? You watch Tasmania. With a reformist Liberal government, you watch where Tasmania goes. It will be a crying shame if this state is at the bottom of not just the mainland states but all the states in this nation.

According to the Treasury forecasts, the South Australian housing market will be the fastest growing in the nation with stamp duty revenue growing at 9.4 per cent, but the reality is that BIS Shrapnel described the Adelaide residential market as challenging with the 5 per cent increase actually representing a 4 per cent decline in real terms. Once again, just another example of the fiscal fantasy that we are being given by this government.

The Treasury forecasts are just completely wrong. Of course, they have been going down the fear and greed path because we know that the fear factor is one of the most influential ones that a politician can put out there. They have been blaming the federal government for their cuts, but what did Treasury CEO Brett Rowse tell Budget and Finance Committee just a few days ago? According to a media release by the Hon. Rob Lucas:

Treasury CEO Brett Rowse confirmed federal funds to SA will actually increase by \$2 billion per year by 2017-18. In evidence to the Budget and Finance Committee, Mr Rowse agreed total federal grants to SA in 2017-18 will be \$9.9 billion, an increase of \$2 billion over the \$7.9 billion received in 2013-14.

So there is a significant increase in federal funding coming into South Australia. It is not the Monopoly money that the Rudd/Gillard government was promising: it is real money. This is real money. This is a managed budget on behalf of the federal government by the Prime Minister, Tony Abbott, and the federal Treasurer, Joe Hockey. They are dealing with real money, not Monopoly money like we have had promised in the past.

Unfortunately, unlike other Liberal governments interstate, this Labor government here has taken that Monopoly money and tried to spend it. They have tried to go down to the store and spend it. Well, it is going to be rejected just like this government should have been rejected at the last election. Other than just the 53 per cent vote—we know all about that—this government here now should have been more strongly rejected than they were even back then by the total of South Australians voting against them.

Just going to the budget overview, let's have a look at what this government has been promising in the past. They have been promising a build, build, build program. We saw that, and we saw the election posters but what is the reality? It is cuts and cuts and cuts. We have heard the health minister going on about the so-called cuts to health and I will talk a bit more about those in a few moments.

The bottom line, though, is that we have the biggest tax increases in this state that we have seen for a long time. The emergency services levy is really a tax on land and it is a toll on transport. Every time you want to get in your car and drive down the road, you are not paying a toll to drive on a new road, you are paying a toll, you are paying a fee, you are paying a levy, you are paying a duty, an impost just to drive your car in the form of an increased emergency services levy. It is a disgrace.

I will talk a bit more about some of the impacts on volunteers, people in the disability sector and, despite what Business SA says, the impact on businesses in South Australia because of the significant increases in screening costs for not only volunteers but paid employees in South Australia.

These are just some examples of the broken promises in this budget. As Kevin Foley said many years ago, it is obvious that this crowd have moral fibre—but the moral fibre to go back on your promises? I am not so sure that that is what South Australians really want. When they said no privatisation of government assets and the creation of 100,000 new jobs by 2016. The Modbury Hospital, Flinders Medical Centre, The Queen Elizabeth Hospital, and Noarlunga Hospital have all had upgrades scrapped.

We still have dear old Salisbury, where I grew up as a kid, waiting at the Chidda Railway Station for the trains, and the old red hens coming past. There will still be old diesel trains coming back and forth because they are not going to get electrified for a long time out there. If you live north of Salisbury, it is the old chug-along diesels that should have been taken out of action a long time ago.

This state government is trying to pull the wool over people's eyes, but I just hope South Australians are a bit more astute than they give them credit for. The budget predicts massive growth in revenue. They predict that there is going to be a massive turnaround in the fortunes of South

Australia, and it is just not going to happen. It really is just not going to happen. The Treasurer and other ministers in this place keep saying that there is a light on the hill and that there is a new horizon for South Australia; we have heard that so many times, and I have heard it for the last 12 budgets in this place.

Fortunately for this Labor government, with their first few budgets there were the rivers of gold coming in from Canberra and they were able—despite their overspend on budgets every year—to maintain a reasonable outlook, but that has changed quite dramatically and now our grandchildren will be paying off the credit card that this government is running up.

Looking at the changes in tax revenue from 2001-02 to 2014-15, payroll tax has gone up 95 per cent. Even after CPI, there is a 39 per cent change in payroll tax, a 55 per cent increase in conveyance duty after CPI, and a 195 per cent increase in land tax, even after CPI. Other property taxes have gone up by 79 per cent. The only one that has gone down is gambling by 0.8 per cent. The taxes on insurance, motor vehicles and total taxation, even after CPI, it is 47 per cent. It is a sad indictment on the financial mismanagement of the finances of this state by this Labor government.

I will talk a little about what I was saying before about health expenditure because we have heard so much about it. We even saw the ANMF coming out and saying we should have a \$100 levy on every house, whether that is a poll tax or something like that. I do not know how the government would like to sell that but I think they did discount it. The fact is, even in the Treasurer's own press release, the spending on health is actually increasing. On Thursday 19 June—budget day—there it is, Treasurer Tom Koutsantonis at the top of this state budget press release:

South Australia continues growing its investment into Health.

Treasurer Tom Koutsantonis said the State Government would be spending \$315 million more in Health in 2017-18 than it is now.

...we will be growing it at a slower rate than we have in the past...

As I said before, the Victorian government did not factor in the Monopoly money that was in the out years that the Rudd/Gillard government had promised. They just factored in the real expectations and look at what their budget is.

I challenge anybody and everybody on that side to read the budget speeches from the Liberal treasurers around Australia and see the difference, and read what Treasurer Koutsantonis had to say in his press release. Health spending is going up; federal funding is actually going up. It is going up by quite a significant amount: \$332 million is the figure that I recall that it is actually going up over the next few years.

I will point out one thing that has happened. We talk about the privatisation of the MAC at the moment, but people have forgotten about the privatisation of the Lotteries Commission. I understand, from going through some of the annual reports of the Lotteries Commission, that in 2001-02 the Lotteries Commission put \$74.7 million into public hospital funding. In 2013, the last annual report, \$111.8 million from the Lotteries Commission went into the hospital fund. Over those years that is a total of about \$1.1 billion from lotteries that has gone into our hospitals over the term of this government, but they have gone and privatised it; they have sold it off.

Also, the Lotteries Commission sponsored Footy Express. I do not know what the monetary amount was, but I know over 100,000 people were using Footy Express from the figures I have seen. Now we have a fun tax coming in and we have this government trying to recoup that money because they made a decision to sell the Lotteries Commission off for \$427 million, according to an ABC report.

Where is the money that was being put into hospitals coming from? Where is that going to come from in the future? I think that is one of the cases where there was a real opportunity to maintain that in government hands and continue to have that recurrent funding coming into our hospitals to support the spending that is obviously going up, the costs that are going up and the demands that are going up. There is going to be a need to spend more in that area, yet this government again and again has mismanaged it. A classic example of how they have mismanaged it is the \$430 million on the EPAS project which they have stopped, and I bet they do not continue with it.

Quickly looking at some of my portfolio areas, let's look at the Department of Communities and Social Inclusion. You try to be bipartisan wherever you can in these areas, but the screening



costs have gone up in a huge way. Even today we saw some regulations coming out about children's protection fees, and do not think for a moment that we question in any way, shape or form the need to have the highest levels of vigilance when it comes to the protection of our children, those with disabilities or those with needs, or just having the checks generally and making sure we do not have people who should not be there.

We do not want the Rolf HARRISES of this world going around undetected, so be vigilant and have screenings, but why are you charging these volunteers? Why are you charging businesses so much? There is a cost to business, and Business SA should know that there is a significant increase in fees for people who are in paid employment. It is \$82.50, including GST, for all forms of screening for paid employees, so to say there is no increase in taxation, levies, costs, imposts, duties or fees for businesses in this budget would be completely wrong.

The increased fees for volunteers in the disability sector are I think absolutely disgraceful. The need to have those checks—and we put increased security in here with legislation not too long ago—is vital. It is absolutely vital that we have that in place, but that fee will increase by 74 per cent, as I understand it from the minister's regulation today. It has gone up from \$57. It says 'Delete \$57 and substitute \$90.50.' They have not put the GST in there because it is really \$99. That is a 74 per cent increase, and it will raise over \$14 million over the forward estimates. That is what they are trying to gouge out of volunteers.

Let's remind the house and the people who might want to read these contributions about minister BETTISON and former ministers for volunteers have stood up on Volunteers Day. We try to be bipartisan about this, and we very proudly laud our volunteers and the work they do. Minister Bettison has said several times, in front of me, that she has the most important portfolio and the biggest portfolio. It is a \$5 billion portfolio because that is what volunteers give to this state—they put \$5 billion into this state, and what does this government do? They do not value those volunteers, other than putting a value on what they can gouge out of them and what they can get when Treasury puts its hand in the volunteers' pocket.

To exemplify the effect of this increase on screening costs, let me just read a little bit from a letter I have been given by the member of Chaffey from some of his volunteers. They are involved in the Riding for the Disabled organisation, which we all support in this place, but this government does not value the input. Let me just state some numbers from that organisation and the impact that this increase in screening fees is going to have:

Riding for the Disabled SA is a volunteer organisation that has 13 centres across the state and 700 volunteers. As a group we contribute \$3.5 Million to South Australia each year.

I will say that again: 'As a group, we contribute \$3.5 million to South Australia each year.' They continue:

Recent changes now mean that VOLUNTEERS are now forced to pay for the Department of Community and Social Inclusion police checks a \$43 each, they have been provided free of charge to volunteers previously. If RDA centres pay for these checks it will be at a cost of \$30100. This is money taken away from programs that benefit riders.

There is a real risk that some of these activities could close down. This government really do need to think about what they are doing with this increase in screening fees. It is not just about what money they can get out of you; it is about the benefit of your supporting those volunteers. A bottom line rule in business is not what it costs you but what it saves you or makes you, and what this government is doing by imposing this cost on volunteers is costing the state of South Australia the goodwill and the value those volunteers put into our economy.

There are a range of areas I deal with in a very bipartisan way, including disabilities and Aboriginal affairs, and I will question the ministers in estimates about those because there are a lot of issues we need to talk about. Certainly, in the area of emergency services, we know what this government thinks about our CFS volunteers, with the cancer compensation and the real debacle they are trying to bring upon us by treating CFS volunteers as second-class firefighters; it is just not on.

Let's look at page 9.4 in the Report on Government Services 2014—Real revenue of fire service organisations (2012-13 dollars). When you go state by state, which is the only state that has reduced funding for fire service volunteer organisations? In 2008-09, South Australia put in \$193.4 million; in 2012-13, \$178.5 million—a significant decrease. When you go to the budget papers

and look at the net cost of running these services, you have no significant increases at all, so in real terms emergency services are going backwards.

We know from the Report on Government Services 2014 and from their own budget papers that they have decreased their funding. We will be going into this in estimates, and I can promise the minister a lot of good questions on this. They are being undervalued and underresourced, and South Australians deserve a whole lot better from this government. The evidence is there: it is in black and white. It is not just the opposition talking about the state of this state; others who are far more qualified than I in this area are out there criticising the fiscal fantasy—the debt and deficit disaster—we have in this state which is being presented again and again by this government.

Time expired.

**The Hon. M.L.J. HAMILTON-SMITH (Waite—Minister for Investment and Trade, Minister for Defence Industries, Minister for Veterans' Affairs) (18:49):** By any measure, I think an impartial observer would have to commend this budget to the house. For a Labor government in particular, at this particular juncture, this is a very brave budget. I say that because it does not squib the tough decisions. It has revenue measures but, more importantly, cost cuts that will bite, and it will bite hard and it will not be easy for a lot of people. It does not extend the credit card and try to gloss over some fairly vicious federal government budget cuts by putting yet more on the credit card. I think, for that alone, this government needs absolute congratulation.

You cannot comment on this budget without considering the context. First of all, the Roxby Downs/Olympic Dam expansion did not proceed. The automotive industry collapsed from under our feet. There has been a global financial crisis which has created mayhem right across the state. We have been through some very difficult years. To be fair to the government, the Premier and the cabinet made a tough decision and that was to invest in infrastructure and to extend debt for a period to keep the economic momentum going and to create jobs to cover that gap—that yawning gap that was created by the failure of Olympic Dam to proceed, issues with manufacturing and the GFC.

As the Premier has said time and time again, imagine what sort of a state we would be in if we did not have the Adelaide Oval, the Citibank redevelopment, the South Road Superway, the Southern Expressway and various other developments that are underway. If those jobs and that enterprise were not underway imagine what the civil contractors would be saying, imagine what the workers would be saying, imagine what small businesses would be saying. The pain would have been even more extreme and we would have a bigger hole and other problems that we would have to dig ourselves out of. It was the right thing to do given the circumstances: you must consider the context.

Of course, you must also consider, as the budget has, the crushing effect of the federal government cuts. The federal government has its own issues and, to be fair, it inherited a lot of them and previous federal governments must take some of the responsibility for that. However, the bottom line is that you cannot rip that amount of money out of the economy without it having an impact—\$898 million worth of commonwealth cuts are significant; \$655 million to health funding alone, let alone concession funding, skills and education cuts. They are painful.

Instead of running those dollars onto the credit card, the government has made appropriate cuts. They have been honest and frank with people. The government has delivered on its promises but it has not tried to sucker people along. It said, 'We are going to take those cuts and extract them from the budget'—and it has done that. I think the government is to be commended for it, because an irresponsible budget would have been to simply further extend debt.

I want to go to the question of debt and deficit because when you look at the opposition's attacks on the budget they boil down principally to three things: the debt is too high, the deficit is too high and that taxes and cost of doing business is too high. That is the essential thrust of the opposition's attack.

Let me work through them one by one. Yes, debt is a significant sum, but I would simply say that a debt level as per the budget of \$6.887 billion across a budget of \$16 billion is quite a different equation to, for example, a debt of \$11 billion at the time of the State Bank across a budget that was significantly smaller—around \$6 billion to \$8 billion. As a percentage of budget, a debt level of \$6.887 billion just is not as big or as alarming as has been claimed. It is a manageable amount of debt.

We all know that it will kick up due to the new Royal Adelaide Hospital to \$7.1 billion around 2015-16 but drops down to \$5.2 billion by 2017-18. Importantly, the net debt to revenue ratio by 2017-18 will be 28 per cent. That is quite a significant and positive achievement, and I commend the Treasurer for it. Can I also remind the house that a surplus of \$406 million is anticipated by 2015-16.

As a member of the government, I acknowledge now that we have to achieve that surplus. We have to get there, and that is not going to be easy, because it is not always easy to achieve your savings targets. There are thousands of jobs within the Public Service the government has said it will TVSP. There are other significant savings measures there and we have to find those cuts. That is going to be hard for all of us in the government, both cabinet and on the government backbench, because we are going to have to explain that to our constituents.

Some of them are not going to like it, but we have to make those savings. If we can get that surplus of \$406 million in 2015-16, what we will enable the Treasurer and the Premier to do is to consider the next part of the problem, which is tax reform. Without the surpluses you cannot have the tax reforms that business so carefully needs.

I have looked through the opposition's response to the budget today, and I say to the opposition: what is their plan? I have been asking that for years. What is their plan to raise the revenue or make the cuts and the savings to improve further on what the government has achieved with this budget? I have not heard that today. I have not heard a plan. All I have heard is criticism. Criticism is fine, but we need an alternative vision. We need an alternative; if there is a better one out there, let us hear it.

I would simply say that, if the Treasurer is able to achieve the surpluses that he has set, then we will be in a position to talk about tax reform. If you look at this budget, it not only has debt at reasonable levels and net debt revenue ratios at very reasonable levels before the next election but it also has significant surpluses which will then be available to bring about the sort of reform that business is looking for.

My first point is that the debt is not quite as bad as the opposition would have us believe. Any level of debt is always alarming—I would like it to be zero—but it is not a debt crisis. The second point is that the deficit is well above what any of us would like it to be, but the budget does set out a pathway to surplus. We know that the deficit is high at the moment because of these deliberate decisions that the government made to build infrastructure which, frankly, were the right decisions. Just ask the people whose jobs and livelihoods depend on that building work. It was the right thing to do. I think the budget is in many ways a very brave budget.

Before starting to close, I want to mention the government's commitment to WorkCover reform: \$180 million worth of savings passed directly on to business is no mean feat. The government is going to have to hold its nerve on this. This, again, is going to be a tough decision, particularly for a Labor government, which I am now part of.

I will be encouraging and urging everyone in the government to hold their nerve, because it will not be easy. It has to get through caucus, it has to get through the union movement—it is a tough call. With other states paying about 1.5 per cent levy rates on small business, we have to head in that direction—it has to have a '1' in front of it. Small businesses are just working-class people—working people, mums and dads—who have mortgaged things to build their businesses.

I know I have to leave a minute at the end for something, so I will be very brief in closing. Give the government some credit would be my point. I commend the Treasurer, the Premier, the rest of cabinet and the caucus for getting behind this budget. It is a tough budget, but it sets the state up to get back into surplus and to get debt under control in this term of government, and I think that is commendable. On that, I would simply like to say that I will enjoy spending the small amounts of money the budget has given me in the investment, trade and defence industries portfolio to create jobs for the future. I would like to have some more, but that is a conversation for another day.

Debate adjourned on motion of Ms Digance.

**STATUTES AMENDMENT (LEGAL PRACTITIONERS) BILL***Introduction and First Reading*

Received from the Legislative Council with a message drawing the attention of the House of Assembly to clause 8 printed in erased type, which clause being a money clause cannot originate in the Legislative Council but which is deemed necessary to the bill. Read a first time.

*Second Reading*

**The Hon. M.L.J. HAMILTON-SMITH (Waite—Minister for Investment and Trade, Minister for Defence Industries, Minister for Veterans' Affairs) (18:59):** I move:

That this bill be now read a second time.

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

Leave granted.

The *Statutes Amendment (Legal Practitioners) Bill 2014* seeks to amend the *Legal Practitioners Act 1981* and the *Fair Trading Act 1987* to address a number of minor inconsistencies and omissions in the *Legal Practitioners (Miscellaneous) Amendment Act 2013* identified during the drafting of regulations to support the operation of that Act.

The principal object of this Bill is to clarify that the Commissioner's costs, including the salaries and associated employment costs of the Commissioner and the Commissioner's staff, are able to be met from money in the Fidelity Fund. It was always the intention of the Government to continue the current practice of funding the regulatory body from the Fidelity Fund and these amendments make that intention explicitly clear.

This Bill will also make minor amendments to the *Legal Practitioners Act* as amended by the *Legal Practitioners (Miscellaneous) Amendment Act*. These uncontroversial amendments will clarify the policy intent of the identified provisions and ensure that the provisions operate as originally intended by the Government.

A definition of corresponding authority will be inserted into the interpretation section of the Act to address that omission from the *Legal Practitioners (Miscellaneous) Amendment Act*.

New section 77H will also be amended to make clear that the reporting obligation in that section only relates to offences committed by a legal practitioner or former legal practitioner. The obligation to report suspected criminal offences was always intended to apply only to offences committed by a legal practitioner (and not, for instance, his or her client) as is evident from the previous incarnations of this provision.

The current wording of section 77H(2) could have unintended consequences if left in its current form. For example, it could result in the unintended waiver of legal professional privilege, by imposing an obligation on the Commissioner to report any information or evidence of a criminal offence that comes into the Commissioner's possession in the course of a disciplinary investigation, if it is not limited to the conduct of the legal practitioner who is being investigated.

Clause 19 in new Schedule 4 of the Act will also be amended to clarify the intention of that provision. Firstly, clause 19(3), which sets out the circumstances in which confidential information obtained in the course of a trust account investigation, examination or complaint investigation may be disclosed and by whom, is amended so that it also refers to information obtained in the course of an Incorporated Legal Practice compliance audit.

Clause 19(2), which permits the disclosure of confidential information in certain circumstances, is also amended to include a reference to the Council. This ensures that members of the Council, which is the other party to a section 77A agreement with the Commissioner, have the same protections when divulging information to the Commissioner and the Commissioner's staff under that agreement.

The final amendment to the *Legal Practitioners Act* is to section 95. This section sets out how the money collected for practising certificates and the fee under section 23D, which requires an interstate legal practitioner to give written notice to the Supreme Court if they intend to establish an office in this State, is distributed. The intent of the notice requirements in section 23D is to ensure that the Supreme Court and the Society have an up-to-date list of all interstate legal practitioners with an office in South Australia. The notice requirements in new Schedule 1 clauses 4 and 5, which must be accompanied by a prescribed fee, serve a similar purpose.

The Act does not currently set out how the revenue collected under clauses 4 and 5 of Schedule 1 is to be distributed. The effect of the amendment to section 95 is to incorporate the fees collected under clauses 4 and 5 of new Schedule 1 so that the revenue is applied towards the purposes of the Act and is distributed in the same manner as the revenue from practising certificate fees and the fee for giving notice under section 23D. A consequential amendment has also been made to section 57(3) the Act.

Finally the Bill amends the *Fair Trading Act* to insert a new section 25A. This will address an inconsistency between clause 34(2) of new Schedule 3 and section 101(3) of the Commonwealth *Competition and Consumer Act 2010*, insofar as those provisions relate to the period within which an itemised bill is provided.

Clause 34(2) provides that a law practice must comply with a request for an itemised bill within 21 days of the request while section 101(3) of the Australian Consumer Law stipulates that a supplier must give an itemised bill

to the consumer within seven days of the request being made. Without this amendment, the shorter time period specified in the Australian Consumer Law would prevail.

Seven days will be too short a time period for a legal practitioner to comply with a request for an itemised bill, particularly given the complex nature of many legal matters. Furthermore, the 21 day time period is consistent with the position in other States, such as New South Wales, Victoria and Western Australia.

New section 25A, which is modelled on section 227 of the Victorian *Australian Consumer Law and Fair Trading Act*, provides that the Australian Consumer Law (SA) does not apply to contracts for the provision of legal services to which the *Legal Practitioners Act* applies.

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 *Fair Trading Act 1987*

###### 4—Insertion of section 25A

This clause inserts proposed section 25A into the *Fair Trading Act 1987*.

###### 25A—Application of Australian Consumer Law (SA) to bills under *Legal Practitioners Act 1981*

Section 25A makes it clear that section 101 of the Australian Consumer Law (SA) does not apply to a contract for the provision of legal services to which the *Legal Practitioners Act 1981* applies.

##### Part 3—Amendment of *Legal Practitioners Act 1981*

###### 5—Amendment of section 5—Interpretation

This clause inserts a definition of *corresponding law* into the principal Act.

###### 6—Amendment of section 57—Fidelity Fund

This clause recasts paragraphs (c) and (ca) of section 57 by substituting a new paragraph (c). The proposed paragraph makes it clear that the Fidelity Fund includes the money credited by the Society to the Fidelity Fund under section 95.

As a consequence of an additional amendment to section 57, money in the Fidelity Fund may be applied towards the payment of the salaries and related expenses of the Legal Profession Conduct Commissioner and his or her staff.

###### 7—Amendment of section 77H—Report on investigation

This clause amends section 77H of the principal Act to clarify that the Commissioner is required to pass information or evidence suggesting that a legal practitioner or former legal practitioner may have committed a criminal offence on to the Crown Solicitor.

###### 8—Amendment of section 95—Application of certain revenues

This clause makes an amendment to ensure that fees paid by corporations under Schedule 1 clauses 4(1) and 5(2) are brought within the ambit of section 95(1) of the principal Act.

###### 9—Amendment of Schedule 4—Investigatory powers

This clause amends Schedule 4 clause 19(2) of the Act so that the Council of the Law Society is permitted to divulge confidential information in accordance with an agreement or arrangement between the Council and the Commissioner approved by the Attorney-General under section 77A. Clause 19(3) is also amended to extend the ability for a specified person to disclose information obtained in the course of an ILP compliance audit.

##### Schedule 1—Transitional provision

###### 1—Fidelity Fund

This clause provides for transitional arrangements relating to the reimbursement of expenses incurred by the Crown in funding the establishment and operation of the Office of the Legal Profession Conduct Commissioner for the period between the Commissioner's appointment and the commencement of this clause.

Debate adjourned on motion of Mr Gardner.

**CHILD SEX OFFENDERS REGISTRATION (CONTROL ORDERS AND OTHER MEASURES)  
AMENDMENT BILL**

*Final Stages*

The Legislative Council agreed to the bill without any amendment.

At 19:00 the house adjourned until Wednesday 2 July 2014 at 11:00.