

## HOUSE OF ASSEMBLY

Tuesday, 4 July 2017

*Parliamentary Procedure*

### **SPEAKER, ABSENCE**

**The CLERK:** I advise the house of the absence of the Speaker. I call the Deputy Speaker to take the chair.

The Deputy Speaker took the chair at 11:00 and read prayers.

**The DEPUTY SPEAKER:** Particularly in NAIDOC Week 2017, 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.

*Parliamentary Procedure*

### **VISITORS**

**The DEPUTY SPEAKER:** I would like to acknowledge the students from Tanunda Primary School who have come to visit us today and who, I presume, are guests of the member for Schubert. I trust they have had a wonderful time in parliament so far and enjoy the morning's proceedings.

*Bills*

### **PUBLIC INTEREST DISCLOSURE BILL**

*Conference*

**The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Justice Reform, Minister for Planning, Minister for Industrial Relations, Minister for Child Protection Reform, Minister for the Public Sector, Minister for Consumer and Business Services, Minister for the City of Adelaide) (11:01):** I move:

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

Motion carried.

### **APPROPRIATION BILL 2017**

*Second Reading*

Adjourned debate on second reading.

(Continued from 22 June 2017.)

**Mr MARSHALL (Dunstan—Leader of the Opposition) (11:02):** I indicate that I will be the lead speaker for the opposition on this bill. Let's stop mincing words. South Australia is in deep economic trouble and this budget offers no solution, because it will destroy more jobs and deter future investment in our state. This government continues to smash our economy with its wrecking ball of higher taxes and budget waste and mismanagement. Labor is ruining the future prospects of our children.

We have to restore confidence and we need to restore opportunity in our state. To do that, we must have lower taxes to encourage investment and job creation, much less red tape and unnecessary regulation, ensure government spending remains within budget, a growing private sector, an efficient public sector, higher productivity in our private and our public sectors, strong and sustained export growth right across South Australia, more investment in productive infrastructure and greater support for our regions.

All these measures and more are necessary if we are going to get the South Australian economy growing at an acceptable rate. A Liberal government's aim will be to lift South Australia's economic growth so that it is in line with the national rate.

*Members interjecting:*

**Mr MARSHALL:** They say that it is higher, but let's look at the facts. The economic growth rate in this state over the last five years while Jay Weatherill has been the Premier has averaged 1.4 per cent. That is less than half the national average rate, and it is just a fraction of the fast growth states in Australia. Jay Weatherill, Tom Koutsantonis and this entire Labor government have completely and utterly failed the people of South Australia.

When you turn 16 in life, most people start to accept responsibility. I see many students here in the gallery with us today. I have two children of my own and I know that when you turn 16 you become more mature. There is the onset of some wisdom as you anticipate the next phase of your life with greater energy and enthusiasm. Well, this is the 16<sup>th</sup> year and the 16<sup>th</sup> budget of this dysfunctional Labor government and there is no acceptance of responsibility by this government for the economic failures they have inflicted upon the people of South Australia.

There is no maturity for a solution, there is no wisdom about our future, no sense of energy or enthusiasm about what is next for South Australia, no reason given to the 16 year olds of today to believe they can get on in South Australia by staying here in this state. After 16 budgets in a row, South Australians are entitled to expect that Labor had grown up and learnt something, but the simple fact is that Labor has learnt nothing whatsoever.

In fact, the Premier, in particular, has learnt nothing because he has been the only member of every ministry that has framed those 16 failed Labor government budgets. His fingerprints, more than anyone else's, are all over what Labor has delivered for our state. As this budget confirms, in all that time Labor has not learnt a thing about how to grow our economy.

All Labor has left is to pick fake fights in the hope of hiding its own failures: fights with the businesses in South Australia that are trying their level best to grow employment and create opportunities for the next generation; fights with Canberra, which continues to provide more than half the money in our state budget; fights with the independent energy market operators who are doing whatever they can to deliver reliable power to South Australians when the government has failed them. I am all for the fight when it means that South Australia wins the fight that matters to it, but this government continues to lose the fight on the things that matter: growing our economy and growing jobs here in South Australia.

In this budget, our economy needed the stimulus of lower taxes to support investment and job creation. Instead, what do we get? Higher taxes, more deterrents for investment and fewer jobs created moving forward. The budget should be a time of reckoning, a reflection about the things that are going wrong and about what needs to be done to put them right, but this budget is nothing more than Labor spin; more arrogance, more delusion.

It was spun, as you would recall, Deputy Speaker, as a jobs budget, just like the one before and the one before that. At least this year there is an element of truth in the spin; this is about jobs, two jobs in particular, that of the Premier and that of the Treasurer of this state. The truth, of course, is that this is nothing like a jobs budget. This is unequivocally a tax budget. It raises almost \$420 million in new taxes and increased government charges in real terms, when wages are not growing and household and business budgets remain under severe pressure because of our flagging economy.

Let me tell you about the dirty little secret that is contained within the pages of this Labor budget. Let me tell you why there is another massive Labor tax grab in this budget. The reason is on page 14 of Budget Paper 3. There, table 1.5 reveals that tax revenue over the forward estimates has been written down by a staggering \$438 million since last year's budget. Tax revenue is declining because the economy, under Labor, is sliding. So what does Labor do? They do what they always do: they think the solution to any problem in our state is to increase taxes. Well, we know that this will only slow our economy and slow job creation even more.

This budget rips \$370 million out of the banks and out of the pockets of businesses and the people of South Australia. As we know, Labor has form with playing with people's bank deposits and home loans. This is the same shameful Labor Party that bankrupted the people's bank, the State Bank. This is the same party that engaged in pre-election manipulation of the interest rates charged by the people's bank not once, not twice, but three separate times. That is the political culture the

Premier and the Treasurer were raised in, so we should not be surprised about how they have gone about trying to impose the latest Labor tax.

This is a budget that tries to repair broken promises but then goes on to make many more, like creating jobs. You do not have to read far into the budget papers to learn this. One per cent jobs growth is what is promised in this budget. This is less than half that of Victoria. It is not even anywhere near that of Tasmania. Within a week, we have had the South Australian Centre for Economic Studies come out and say that, despite the fact that already the prediction is the lowest jobs growth rate in the entire nation, we are not even going to achieve that.

The independent umpire has said that this is certainly not a jobs budget. After the money this budget allocates to job creation, South Australia will continue to go backwards relative to the other states in Australia and compared with their own jobs forecast. There is no permanent solution offered to South Australia's jobs crisis. We should not be surprised, because it is the same Labor government that promised a staggering 100,000 jobs to the people of South Australia in the lead-up to the 2010 election. How much have they fallen short by? By 80 per cent. They have got nowhere near their own promised jobs creation—80,000 jobs short of what they promised the people of South Australia.

This is a government that has given us the highest priced electricity in the world, the least reliable grid in Australia, a child protection system that has continually failed the most vulnerable children in our society, a mental health service that has neglected and abused the elderly, while the ministers who repeatedly disown responsibility for their failures shamelessly take people on tours of buildings, cut ribbons and unveil monuments to themselves. Labor has been given too long—long enough to grow our economy, long enough to create jobs in this state, long enough to ensure that our families should not be continuing to struggle with the ever-increasing cost of living. It is now time for Labor to go.

It is time for South Australians to have a government delivering what they need and what they pay taxes to expect: health, education and other key services provided as efficiently as possible and, importantly, businesses given as much incentive to create jobs as possible. Governing well is as basic as that. When you are governing well, you do not need to spend the people's money trying to tell the people what you claim to be doing for them. But the day after the budget was delivered, our morning newspaper had three full-page advertisements, paid for by the people, with more on television and more again in the weekend press, and last week, and again this week, and again this morning. It promises them that we are investing for the future.

Do people really want to pay taxes to have lies told to them here in South Australia? The truth is that this budget will actually cost jobs; it will cost investment and it will not create them. Taxpayers meeting the bill for Labor propaganda is what we now have in South Australia. Under a Liberal government, this shameful behaviour will stop. In the interests of truth in advertising, the only advertisement that this government should take out is an apology to the people of South Australia for the sky-high energy costs, for our unreliable grid, failures to protect our children, failures to protect the elderly and, of course, the jobs crisis that they have now inflicted upon the people of South Australia. Labor is out of time. There is no future in repeating more of the 16 years of failure.

Let's consider for a moment Labor's performance over the last four budget cycles, not just the four years of the forward estimates or indeed for the last four years, because Labor habits never die. In particular is the habit of taking more and more of people's money—more and more taxes; less and less money in the pockets of ordinary South Australians. When Labor was elected in 2002, South Australia actually had low debt. The hard work of the Liberal Party had restored the financial position destroyed by the Labor's State Bank financial crisis. Labor also came to office with property values rising quickly, turbocharging state-based taxation revenue. It has received the continuing advantage of much more federal money through the allocation of GST revenues, but Labor has squandered its luck and failed all South Australians.

During Labor's 16 years, South Australia has fallen behind the rest of the nation. We have come well off the pace of growth on all major measures. If South Australia had retained the share of the national population that it had back in 2002, almost 180,000 more people would be living in this

state. Of course, this is the reason why our demand is falling. We have not kept pace with the rest of the nation. At every single reporting period, we fall further and further behind.

In the last figures that were available to the people of this state, we saw a staggering 6,903 people in net migration to other states. This is a terrible, shameful indictment on the future that is being projected in this state after 16 failed years of Labor administration. This government has now abandoned its target of increasing our population to two million by 2027.

If we had retained our jobs share, about 100,000 more people would currently be employed in South Australia. In fact, that is the number that Labor themselves promised back in 2010 but, over the past two years alone, our rate of jobs growth has been only half the national jobs growth figure. There has been no growth in full-time private sector employment for seven years. For seven years, there has been no growth whatsoever in full-time employment in South Australia in the private sector.

We have 16.6 per cent of our labour force either underemployed or unemployed. That is 150,000 people in this state who are either unemployed or looking for more hours. We have the highest seasonally adjusted unemployment rate in the nation, at 6.9 per cent. We have had the highest trend unemployment rate in this state for 30 consecutive months. The rate for 15 to 24 year olds is 17.2 per cent, which is again the highest in the nation. Almost one in five children in this state is out of work, and these are not just statistics. Behind them are countless individual stories of lost hope and lost opportunity for our state.

One reason why many more people are not in jobs is our lagging export performance in South Australia. If we had retained our share of the nation's merchandise exports from 2002, we would be exporting \$9.6 billion more per year, and this of course would translate into tens and tens of thousands of additional jobs in this state. Over the last 12 months alone, our exports fell 5.2 per cent to just over \$11 billion when the government themselves set an exports target this year—a guaranteed target this year—of \$18 billion. It will hit only \$11 billion.

At the time Labor came to office back in 2002, South Australia's economy was growing at an annual rate of 4.9 per cent. If we had continued at that rate, our gross state product would now have hit \$150 billion per year. Where are we? We are at approximately \$100 billion. Labor's target was to exceed the national economic growth rate to 2020—another comprehensive failure by this government. As I said previously, during this Premier's time in office we have only had economic growth of 1.4 per cent against a national average that is almost double.

If we had just kept pace with the national growth rate over this same time, our GSP would be \$10 billion higher, which of course is 10 per cent when you are looking at a \$100 billion GSP. As I emphasised at the beginning of my reply, a Liberal government will have a fundamentally different approach to restoring economic growth and creating investment and jobs in this state, and I will come to that slightly later in my address. What all this tells us is that Labor has failed to deliver on the basics, not only in helping to create jobs but in the management of the budget, which is fundamental to a confident, outward-looking, growing economy. The 2017 budget is just more of the same.

The government has been running fake budget surpluses since it decided, despite previous promises not to do so, to privatise the compulsory third-party insurance market. In the 2016-17 financial year, distributions from the Motor Accident Commission impacted the net operating balance to the tune of \$297.8 million when the overall budget surplus was just \$239 million. In other words, it turned a deficit into a surplus.

For the 2017-18 financial year, another \$321.7 million is budgeted in dividends to a budget that is only going to be in surplus by \$72 million. This is a structural deficit propped up only by the sale of government assets. Since Labor's election in 2002, it has increased the total tax take by a staggering 112 per cent. On the spending side of the budget, however, Labor has spent \$6 billion above budget during its 16 years in office. Labor has kept spending within budget only twice in 16 years. I will return to the spending side of the budget in a few moments, but let's take another look at the revenue that the government is now receiving.

Total revenue is projected to grow in real terms across each year of the forward estimates. This includes, of course, payroll tax. Over the next four years, the budgeted payroll tax revenue is almost \$5 billion. That is a \$5 billion tax on jobs. Against that is a \$200 million jobs fund—it is not much at all. The government tries to make a virtue of what it has done with payroll tax and payroll

tax concessions, but reducing the rates and providing concessions is not cutting tax in the way the government wants the people of South Australia to believe. It is just more tinkering, just collecting a little less tax than the government otherwise would.

The very need to provide rebates and concessions confirms that this tax penalises job creation here in South Australia. The adjustments over the forward estimates to the payroll tax rate for small businesses amount to less than 1 per cent of revenue forgone from total budgeted payroll tax collections during the four years of the forward estimates. Pre-budget, the government also made much of its adjustments to the Job Accelerator Grants, suggesting it was putting a lot more into the whole scheme. What we find, however, is that these grants are not being extended beyond an increase for apprentices and trainees.

If the government had put as much thought into doing what it could to be effective for all businesses in South Australia as it has into its advertising campaign and the tinkering it has done, South Australia's future economic prospects would be much, much better. As well as real increases in tax revenue over the forward estimates, the government is also budgeting for 20 per cent more revenue from regulatory fees in this state. The majority of fees and charges will increase in real terms.

Revenue from TAFE increases by a staggering 27.8 per cent, from Metroticket sales by 13 per cent and from driver's licence fees by 28.5 per cent. The average annual water bill in South Australia is now \$787 per year and another \$429 for sewerage. During its 16 years in office, Labor has increased the average household water bill by 232 per cent. Labor has driven up the cost of living for all South Australians, refusing to exercise budget discipline in the way that all households have been forced to do because of the pain that has been inflicted upon them by this government.

This government has pretended to be at constant war with Canberra even though the federal government has continued to provide well over 50 per cent of the total budget revenue it receives, not to mention the thousands of jobs it will deliver to South Australia through the naval shipbuilding contracts. In 2017-18, Canberra's contribution to total state budget revenues will be a staggering 55 per cent. That is \$10.5 billion. Over the forward estimates, this will increase by \$700 million to \$11.2 billion per year—so much for being short-changed by Canberra. This has been one more fake fight waged by this government, this increasingly desperate government, in the hope of concealing the ineptitude and mismanagement that they have inflicted upon South Australia.

It is now time to turn to one further example: the bank tax. With the juvenile glee of a shameless populist, the Treasurer attacked the banks. He wants to raid them as though he has an automatic entitlement to some of their customers' money. The bank liabilities to be taxed are the deposits made by hardworking mums and dads in South Australia. Even school savings, accounts of children, are not exempt from this, nor is the superannuation of grandparents trying to make ends meet in retirement. The Treasurer seems to think that he can put his hands in the pockets of anyone at any time he feels.

He tells us the impact of this tax will not hit bank customers, but nobody believes this Treasurer. Who would? He constantly parades as a man able to decide better than anyone else how the people's money is to be spent—by confiscating more and more of it in increasing taxes. Let's consider some simple truths this Treasurer simply does not understand. Tax is money earned by the people, earned by businesses and spent by governments. It is as simple as that. Accordingly, a good government does not raise any more tax than is necessary to provide the services people need, imposing discipline on itself to keep pressure off the cost of living and to encourage investment and job creation. It is as simple as that.

A bad government does not care how much money it raises through taxes, nor how much people's money it mismanages and wastes. It is as simple as that. Labor wants to impose this bank tax because it is being lazy—a hopeless manager of our budget for more than 16 years. It is as simple as that. This issue is not about the behaviour of businesses. This issue is not about the behaviour of the people of South Australia. This is about the behaviour of this tired government. The response to this proposal has been completely unprecedented. It cannot be ignored by anyone interested in protecting and preserving South Australia's reputation for fair and responsible government here in this state.

Unlike Labor, which did not even conduct any consultation with its own Economic Development Board and its own Investment Attraction agency, we have listened to the concerns of the people of this state: individuals, organisations, businesses. Labor simply has no mandate whatsoever for this measure. It breaches the Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations, signed in 1998. In return for GST revenue, South Australia agreed to stop applying a range of taxes on financial institutions. This government has been a beneficiary ever since, through much of the massive increase in the GST distribution to this state. A future Liberal government will continue to honour that original agreement.

Since the announcement of this tax, it has become clearer by the day that it has consequences—very serious consequences—so adverse to South Australia that it should never, ever have been proposed. It threatens the conduct of orderly federal-state financial relations that benefits all South Australians. It threatens the deposit and home loan interest rates of all customers who bank here in South Australia. It threatens, of course, future investment in South Australia. It threatens job creation in South Australia, now and into the future. It threatens the loss of business here in our state.

Labor must be prevented from adding to the cost of home mortgages and business loans and to pressure on jobs. A big new tax is the last thing that the people of South Australia need. We must not threaten investment in South Australia at a time when we can least afford it. When many businesses are struggling to survive, let alone expand, we must protect South Australia's reputation in the eyes of the rest of Australia and, indeed, in the eyes of the rest of the world. This government prefers to trash that reputation because it has not been able to manage its own budget. You cannot on the one hand introduce a big new tax and on the other promise to create a lot more jobs.

I therefore confirm that we will move in this house for the deletion of this tax from the budget measures. If we are unsuccessful, we will support its removal in the upper house as well. I give this commitment today: a Liberal government will never behave in the way this government has over this tax. I assure investors that they will not be exposed to sudden major tax policy changes under a Liberal government. I assure all South Australians that taxes will be lower under a Liberal government. Our tax system has to be efficient and competitive to support economic growth and job creation. Our tax policies must be stable, not suddenly imposed. We need significant investment from business over the long term. We will not get that with short-sighted, short-term populist policies.

All taxes add to the cost of living in some way or another. Far from relieving that pressure, this budget of course increases it, not only with real rises in taxes and charges but with government spending that is also continuing to increase in real terms. There is \$2 billion worth of new spending outlined in the 2017-18 budget to be introduced over the next four years. But Budget Paper 3 tells us on page 26 that there are no new savings measures in the 2017-18 budget to offset that higher spending. The government has ignored—again ignored—proper budget management because there is an election approaching here in South Australia.

In health, the government dishonestly advertises a \$1.1 billion hospital works program. In fact, the budget itself shows new hospital capital projects will cost \$844 million, not \$1.1 billion, and about a quarter of this spending—almost \$200 million—is required for blow-outs in Transforming Health budgets or attempts to deal with problems emerging from the toxic Transforming Health. Exposed and embarrassed by what Transforming Health has not delivered, the Premier now says that the process is at an end, but it has not ended. The Premier only says that in an attempt to hide the fact that Transforming Health has continued to be a massive failure for the people of South Australia.

Eight Transforming Health projects were announced in the 2015-16 budget and only two have been delivered; the other six are running a total of 2,460 days late and running tens and tens of millions of dollars over budget. The budget paper fails to reflect improvements in performance as a result of Transforming Health. For example, the proportion of urgent emergency department cases seen within the target of 10 minutes has gone backwards—between 2 and 8 per cent—in the three local health networks.

The real story in health under this government is that hospitals have been closed, hospitals will be closed and services for the people of South Australia will continue to be cut. There is constant anxiety about waiting lists and quality of treatment, with reforms in health care not delivering what

the government has promised. This government does not understand that health is not just about infrastructure. It is fundamentally about care; it is fundamentally about people.

While the government's taxpayer funded advertising flashes figures about budget allocations for hospital and other infrastructure, the actual performance remains another matter altogether. This budget in fact confirms that since 2011 actual spending on infrastructure has fallen more than \$1 billion short of the government's own financial projections. This is further evidence that the government, under this Premier, simply cannot manage its own budget.

The story is, of course, the same with the government's failed energy plan. When the Premier and Treasurer announced this plan, they said that their new gas-generated power station could be in place by this summer, but the budget papers show a completely different story just three months later. Sixty per cent of spending on the plan in 2017-18 will be for operating expenses, not building the promised power station. This means the facility will not be available before the summer and in fact will not be available until the summer after next at the very earliest, but the government hopes the public will not realise how much its energy plan is already slipping behind, despite the possibility of further interruptions to the power supply over next summer.

Despite previous promises to do so, the government has not given the full breakdown in its budget of how the energy policy is going to unfold, the timing of the major components or the cost of the major components of this energy strategy. However, we know that the operating cost projected in 2017-18 suggests that the backup diesel generators are going to cost far more than the government has been willing to admit.

Why will the government not come clean with the people of South Australia? Why will it not tell the people of South Australia how much its diesel-fired generators are going to cost the people of South Australia? The government had a perfect opportunity to keep the Alinta Northern power station open for the cost of \$8 million per year: \$3.5 million would come, of course, in payroll tax and mining royalties; the net cost would be \$3.5 million. Because of ideology it said no. Now, of course, we are faced with the highest energy prices in the world and the least reliable grid.

While the budget was being announced to the house the federal Coalition government in Canberra was completing an historic agreement on education funding. That agreement means that before the ink on this budget was dry what it said about education funding was, of course, misleading. This government still argues that funds from the federal government should be compared with those promised by the Gillard government, but those funds were never budgeted, and they were never legislated prior to the 2013 federal election. In fact, the deal done between this government—this Premier—and the Gillard government was such a poor one that Gonski 2.0 will see increases in funding for South Australian schools at a more rapid rate than any other state, except for Western Australia.

A Liberal government will always seek to get the best outcomes in education for South Australia. Even from opposition, we have been able to push successfully for an improved outcome. As a result, the transition from our schools to reach the funding levels of the Schooling Resource Standard will be quicker than initially announced. A state Liberal government will also fund its part of the equation. We have previously supported increased state funding to meet that need and we will continue to do so into the future.

Most importantly, we need to spend that money where we will get the best outcomes for our children. This is where Labor has failed in South Australia. Our school students continue to do worse than their interstate counterparts when measured in the annual literacy and numeracy testing. Twenty years ago, we led the nation in educational standards and also did well by most international benchmarks. With policies such as our Literacy Guarantee, a Liberal government will ensure that South Australia, once again, has the best schools in Australia.

I now turn to the forgotten people of this budget. The government says with this budget Father Christmas came to the metropolitan area, but all the regions got was Scrooge. The people of our regions contribute over \$25 billion to our gross state product and represent 29 per cent of South Australia's population. However, according to Budget Paper 3, page 109, this budget provides only \$74 million of new operating initiatives for the regions over the next five years. That is less than

11 per cent of the budgeted spending on all new operating initiatives, about a third of what it should be for the regions based upon their share of the state's population.

There is no new funding for regional roads. There is no new funding for regional hospitals. The regions are getting less than 2 per cent of the annual capital spend on health. This budget has written down surpluses over the forward estimates by \$926 million since the 2016-17 midyear review. However, the regions get next to nothing of this increased spending. Perhaps the government has given up on the member for Frome retaining his seat, because this outcome shows how utterly ineffective he has become in getting a fairer share of government funds for our regions. Gross regional product over recent years has grown at close to twice that of the entire state. As the backbone of our economy, the regions in South Australia deserve better. Only a Liberal government will ensure that this happens and becomes a reality.

At each election since 2002, Labor has promised it would do better for the people of South Australia. At the last election in 2014, the Premier walked around for a month with a plan in his hand saying it contained the answers for our future. It is increasingly evident that they were not the right answers, because Labor's performance has got even worse since he ambushed his predecessor. When a government of the same political persuasion has been in office for a long period, there is an increasing risk of attitudes and approaches becoming entrenched on both sides of politics.

As Liberals, since the last election in 2014, we have addressed this risk and done something about it, unlike the government. Fifteen months ago, I released '2036', a comprehensive plan identifying nine separate areas that we think that good state government in South Australia is based upon. We talk about our values and our reform agenda in each of these nine important areas—a vision for what South Australia can be, a vision for what South Australia should be under a good government. It is also a platform on which we have continued to build our specific policies for the next term of government.

The structure of the shadow ministry ensures that, should we have the honour of being elected at the next state election, there will be a much more intense focus on the issues that are of highest importance to our state. We do not need more ministers to do that, but we do need more effective ministers with a clear sense of purpose and direction, and most importantly, accountability. As Premier, rebuilding jobs and restoring pride in our state will have my undivided attention. There will be a minister and a government agency solely focused on supporting our exporters and encouraging investment into South Australia.

Similarly, we will have a minister exclusively responsible for energy and mining policy in this state, and importantly, a minister with the sole responsibility of cleaning up Labor's mess in terms of child protection. These are critical areas of differentiation with this government. Our health and education ministers will not be distracted by other portfolio responsibilities. The government currently has 52 ministerial portfolios. This just does not make sense. It is one outcome of being too long in office. Labor, for a long time, has lacked any focus. It has jumped from one crisis of its own creation to the next.

It has been our duty as an opposition to expose those failures, but we have been doing much more as an alternative government for South Australia. Already, we have announced more than 40 excellent policy initiatives. We have committed to reducing the emergency services levy, which costs all homes and all businesses in South Australia. We will introduce the capping of local government rate increases. We will pursue the Globe Link project to encourage more exports through faster, safer and more efficient rail, road and air links with existing and potential markets. We will also ensure much more effective overseas representation for South Australia to maximise support for our important exporters.

We will deregulate shop trading hours, because the government and unions should not stand in the way of consumer choice and the times that businesses want to open for their customers. We will introduce major reforms to our health system. Under Labor, head office administration has grown at four times the rate of the clinical staff on the front line of service delivery in our hospitals and health centres. Our reforms will give local communities and health professionals much more involvement in decisions affecting service delivery at the local level.



We will move year 7 to high school and establish four entrepreneurial specialist schools. We will give principals, parents and governing councils much more say in what happens at the local school level. We are committed to our literacy guarantee, because every child in South Australia must be given a strong foundation in literacy and numeracy: with that, everything else follows.

There is nothing more important to South Australia's future than having a government committed to economic policies and policy settings needed to arrest the current slide and restore prosperity and a hope for our future: only a Liberal government will deliver on that. We will bring to the task an unyielding focus on productivity and infrastructure. Lifting productivity and ensuring more productive infrastructure go to the heart of ensuring the economic transformation and creating the sustainable jobs that will provide work for next generations of South Australians.

From day one in government we will move on the most urgent issues affecting both productivity and infrastructure in this state. We will also embrace the best available advice from outside, as well as within, government to guide our long-term priorities. Nationally, the public sector accounts for a quarter of GDP. In South Australia the government employs about 100,000 people: it is our single largest employer—a big ship to steer in a new direction, but change course we must if our state is to sail into warmer waters. South Australia continues to trail the national average of labour productivity.

As foreshadowed in my '2036' plan, I will appoint a South Australian productivity commission. The commission will be an independent body to review economic and regulatory issues, and propose policy reforms to drive economic growth, lift productivity and improve living standards across South Australia. The commission will provide high-level advice on regulatory reform, removing red tape, improving government service delivery, improving the state's financial position.

In conducting its work, the commission will be tasked to make recommendations for increasing public and private sector productivity, increasing private sector employment and improving living standards through alleviating cost of living pressures. The commission will be a small statutory authority, staffed by experts in their field, who will draw on the resources and expertise of the public sector to assist them in their work. Its advice will be made available to the parliament and to the public.

If our economy is to become more productive, it is essential that we have a plan and a program for more efficient infrastructure in this state. Infrastructure is central to everything that good government does, whether it is growing our economy, getting our exports to market on time, building our schools, our hospitals, our roads, protecting our environment or enhancing cultural and sporting facilities. We must plan for the long term. To do this as effectively and efficiently as possible, we must make the most of the expertise South Australia has. We must better coordinate the efforts of the public and private sectors. This means the use of not only expertise within government but also in the wider community to guide and implement our infrastructure planning and ensure it is not derailed by short-term political considerations.

A Liberal government will establish Infrastructure South Australia as an independent body to develop a long-term state infrastructure strategy and ongoing infrastructure plans that prioritise major projects. The work of Infrastructure South Australia will be directed by a board of not more than five members. It will have an independent chairperson and up to two other people appointed in recognition of their industry experience. The board will determine the general policies and strategic direction of infrastructure in South Australia.

If the government makes any amendment to the strategies and plans of Infrastructure South Australia, the board will be able to advise the government that it does not agree with the amendment and make that advice public. This will ensure full transparency and accountability. At least in its early years, Infrastructure South Australia will also have a senior officer based in Canberra to ensure effective and ongoing liaison with federal departments and agencies and avoid delays in assessment of South Australian major project proposals.

My plans for a productivity commission and Infrastructure South Australia will embrace the public and private sectors because I believe in collaboration to get things done, in making the most of the expertise that we have here in our state, unlike the current government, which has a Premier and Treasurer who have spent most of the current term looking for fights with business. No

government can have all the answers. No government by itself can deliver the growth and productivity gains required or the dynamism and innovation that our economy so desperately needs here in South Australia, nor should any government seek to impose such a heavy hand on the economy that there is serious risk of investment drying up because of political uncertainty.

I will relish this fight with Labor at the next election, a fight between a Liberal government, committed to doing as much as it can to support business growth so that we can create the jobs that South Australians are looking for, and Labor, which has only one way to govern—through higher taxes, which destroy jobs and destroy investment in our state.

After 16 years of Labor, South Australians are fearing the long-term consequences of rising and sustained unemployment. This is Labor's legacy to South Australia, a legacy that was entirely avoidable. The uncertainty and job insecurity are driving a pessimistic outlook for our entire state. There is a real fear that, as a state, we will not be able to rebuild our industry and our business base. This puts at risk hope for a future in South Australia for our children.

The Premier has tried to convince people that he has been powerless to withstand the economic forces working against his government and against the people of South Australia. He has tried to convince South Australians that Labor is not to blame. He acts like a victim at every single opportunity, refusing to take or accept any responsibility for his government's failures. South Australia needs a government that will take responsibility to lead our state to a better future, a future that empowers our people, gives hope and opportunity and rewards hard work and effort.

Labor's bits and pieces approach to job creation has failed us. Labor's targets change, Labor's priorities change, but the results are always the same. After three so-called jobs budgets, enough is enough. We need fundamental structural change to the state's economy to drive opportunity and investment and reward risk and effort. South Australia offers an enviable lifestyle, but South Australians know that if the economy does not lift more will be left with no choice but to leave our state, and this is the tragedy of 16 years of Labor.

Do we want to lose the best of this generation? Do we want to lose the best of the next generation? I am passionate about South Australia and I am passionate about the people of our state. This is a great state of opportunity, of skilled, clever thinkers and of creative, artistic and talented people. We are a state built on hard work, resilience and innovation. We need to have faith in our abilities to work together to achieve a better future, and we need a path to get there. We need new leadership and we need new direction here in South Australia.

Labor has had more than a fair go. It has been in the driving seat for 16 long years and we know exactly where that has delivered South Australia. Anybody who has owned a business or managed a team of people knows that the hardest thing that you will ever have to do is to lay off a member of your staff, but this is happening too often here in South Australia. The problem needs much more than Labor's constant excuses and Labor's constant bandaids. It is time to be honest about the challenges that face our state. We need to restore hope and trust in each other. We need to develop real solutions to get us back on a path of recovery.

This government is the problem. The solution lies in fighting for the future of South Australia's needs, which Labor has failed to deliver. The solution is a change of government. The solution is a Liberal government here in South Australia that will deliver lower taxes to encourage investment and job creation, much less red tape and overregulation, ensuring government spending remains within budget, a growing private sector, an efficient public sector, higher productivity in our public and our private sectors, strong and sustainable growth in our exports, more investment in productive infrastructure and greater support for our regions. These are the things that we must fight for. These are the things that only a Liberal government will deliver.

**The Hon. J.W. WEATHERILL (Cheltenham—Premier) (11:50):** What we have seen today is typically empty rhetoric from the Leader of the Opposition—45 or 50 minutes of contribution and not one new positive initiative outlined in his reply.

**The Hon. A. Koutsantonis:** Not one.

**The Hon. J.W. WEATHERILL:** Not one. What we saw in the last 11 days was not an analysis of the South Australian budget but a pantomime played out within the Liberal party room.

What we saw was the Leader of the Opposition doing what was orthodox and we expected him to do, and that was to support the state government's budget measures. He said he would do that, including specifically, when asked, that he would support the government's banking tax.

Of course, what happened in the period after that is that a full court campaign was waged upon him and the Liberal Party. It was funded by the banks through full page ads. It included a bodgie poll, which tried to create the impression that many South Australians did not support the bank tax, and inexorable pressure was placed on the Leader of the Opposition and the Liberal Party.

What essentially occurred during that period was that the true character of the Liberal Leader of the Opposition was revealed. The essential true character is one of weakness and, because the Leader of the Opposition has anxiety about his own weakness, during the course of this time as the pressure mounted on him he began to shift his position. His position shifted day to day as the pressure was ramped up on him personally.

In an attempt to strike out and create the impression of strength, he decided to shift his position and oppose the state government's central taxation measure, which supported many of the spending initiatives in the budget. It is important to reflect upon this because this goes to the heart of the way the Leader of the Opposition would govern if he were ever in the position of being Premier of South Australia. What it reveals is that a well-funded campaign using the mass media to place pressure on the Leader of the Opposition and ask questions about him personally could cause him to shift his position.

He knew what the principal position was. The principal position is that the government should have their budgets because, to have an orderly working system, governments should be able to promote their budgets, promote their programs and expect to have them pass the parliament. That is the orthodox position. It has been respected for hundreds of years and is the central element of a working parliamentary democracy, so why would you set that aside? Why would you set aside that basic principle in return for a cheap cheer that you thought you were going to get because there was some public pressure brought upon you. It lies in the Leader of the Opposition's anxieties about his own stature and his own willingness to stand up.

When he was asked on radio why he shifted his position when we had our little discussion on Friday, his first instinct was to actually not tell the truth. The first thing he said was that he denied shifting his position, but it was obvious on the face of the record. He said he would support this budget measure, but by that time, in his long journey to the complete capitulation we saw yesterday, he decided to open the door. Once having opened the door, of course the banks thought, 'We've got him. He's our man.' The banks now have their man in South Australia. In fact, I was a little harsh on the banks when I said that they closed 21 branches; in fact, they have opened a new one—the Liberal Party of South Australia.

The banks now have their man here in South Australia and he fell for it hook, line and sinker. This is the Leader of the Opposition who has been hiding from public view in the last five years. We saw what the strategy was in the lead-up to the last election. They thought that they were ahead by the length of the straight and that they would bundle him into the boot, try to drive across the border and reveal him at the other end and he would be the Premier. That was the strategy and it did not work.

**Mr van Holst Pellekaan:** Can we talk about the budget today?

**The Hon. J.W. WEATHERILL:** No, we know we are talking about character. I would be making a different speech if it was you because you have some character. Madam Deputy Speaker, I heard the Leader of the Opposition in silence and would ask for a similar courtesy.

**Mr Marshall:** We were making points relevant to the bill.

**The Hon. J.W. WEATHERILL:** Well, I am making a point that is fundamental to the bill.

*Members interjecting:*

**The DEPUTY SPEAKER:** Order!

**The Hon. J.W. WEATHERILL:** The point fundamental to the bill is that parliamentary democracy cannot be hijacked by large powerful interests. There could not be anything more fundamental than this chamber, this house—parliamentary democracy—people who are elected to come here and govern for the people of South Australia not being overborne in their will by a media campaign and large powerful interests.

*Members interjecting:*

**The Hon. J.W. WEATHERILL:** There could be nothing more fundamental to parliamentary democracy.

**The DEPUTY SPEAKER:** Order! I am on my feet. The Premier is entitled to be heard in silence, as were the remarks of the leader. I do ask the house to observe the standing orders and give every courtesy to the member on his feet. Premier.

**The Hon. J.W. WEATHERILL:** Thank you, Madam Deputy Speaker. Why should we be surprised? The Leader of the Opposition has form in this regard. When we were campaigning against the closure of Holden's and running our More Than Cars campaign—and we have a little more information about this, courtesy of a new member of our front bench—there was an attempt to get the opposition to take a much stronger line in relation to defending the loss of the car industry in this state.

The Leader of the Opposition (shadow minister for manufacturing as he then was) refused to stand up and assertively campaign against the federal Liberal government's decision to close the car industry. We knew it was coming and we campaigned against it. It was a disastrous decision and it is central to many of the economic challenges that we are facing here in South Australia. Almost half the jobs have gone now in General Motors Holden, with half of the supply chain having gone—

*Mr Marshall interjecting:*

**The DEPUTY SPEAKER:** Order!

**The Hon. J.W. WEATHERILL:** —and we are now facing—

*Mr Marshall interjecting:*

**The DEPUTY SPEAKER:** Order!

**The Hon. J.W. WEATHERILL:** I know the Leader of the Opposition has a glass jaw and that he compounds his crimes and adds to his weakness by not being prepared to listen to some honest criticism of him and his performance.

*Mr Marshall interjecting:*

**The Hon. J.W. WEATHERILL:** We are talking about why you are voting down, in breach of every parliamentary principle of respecting, a budget measure—and the reason you are doing that is that you lack character. You lack character and you are weak.

The Leader of the Opposition has demonstrated that he is in the pockets of the banks and that they will whistle him up whenever they want, and you can expect more of that in the future, just as we saw when he slipped on the T-shirt about More Than Cars and pretended to be with us and then snuck off a little way down and did a media conference suggesting that the commonwealth's \$500 million cut was okay by him. This is the two-faced element of the Leader of the Opposition that demonstrates his essential character, that he is not fit to govern for the people of South Australia.

Then, of course, there are the federal health and education cuts—leaders around the nation, Liberal and Labor, standing up against the \$80 billion cuts to health and education, led by South Australia. Where is the Leader of the Opposition? Nowhere. He is just making excuses, slinking around in the shadows and making excuses for his federal colleagues as they rip \$80 billion out of school and hospital funding across the nation.

He asks why would we be looking at revenue measures to deal with the holes created by the federal Liberal government and has the temerity to suggest that we should not be asking the most profitable sector in the nation that does not pay a GST on financial services to make their fair share of contribution to those massive cuts that have been put in by the federal Liberal government. How

dare you point the finger at us when you did not raise a finger when those cuts were being made by your federal Liberal colleagues.

Probably the most abject failure, which demonstrates the essential weakness and lack of character of the Leader of the Opposition, was when Senator Johnston snuck down to ASC, in the shadows of the federal election, when we were campaigning for a commitment for 12 new submarines at Techport. What did he do? Senator Johnston snuck down there with the Leader of the Opposition next to him and he said, 'Yep, 12 new subs here in South Australia built at ASC. No worries. I've got to get on my plane. See ya.'

That is what happened. He snuck into town. It was on the eve of the federal election. They wanted to clear that one off. He stood next to the Leader of the Opposition and actually made that commitment. The same bloke in the federal parliament, under pressure, said that the ASC could not be trusted to build a canoe and set the groundwork for that craven retreat, where they were going to build the submarines overseas, in Japan. I know for a fact that they were going to because I sat opposite the then prime minister and he told me as much to my face.

What do we hear from the Leader of the Opposition? What do we get from the Leader of the Opposition? Not some outrage that the bloke who had stood next to him had actually turned turtle and broken that promise. He just waved it through. He left all the heavy lifting to me, to the federal Labor Party and to a few other fellow travellers who got involved to actually fight the fight on behalf of the people of South Australia. That is the essential character—I know he cannot take his lumps—of the Leader of the Opposition.

He is prepared to actually have somebody lie to his face about promising submarines and, when they break that promise, he is not there to hold them to account. Why? He is afraid of his federal Liberal colleagues and the consequences that might actually be involved in speaking up.

*Members interjecting:*

**The Hon. J.W. WEATHERILL:** That's right. He takes his directions from the Black Hand. The Black Hand tells him what he can and cannot criticise the federal government about. Christopher Pyne put him in this job and Christopher Pyne will take him out of the job and give him his instructions in the meantime.

Of course, there is then the shameless chorus of those opposite, led by the Leader of the Opposition, when we suffered the calamity of the statewide blackout. What a disgrace that a state Liberal leader would stand up and join the federal Liberal government in seeking to damage and disparage this state because of a false claim about a blackout being caused by renewable energy. This is a claim that has been demonstrated as being false by AEMO, as being consistently and utterly discredited every time it has been made.

The Leader of the Opposition joins the chorus of abuse that is being directed at South Australia. He is not standing up for South Australia. He is not prepared to actually stand there and advocate and be proud of our leadership in relation to renewable energy; rather, he joins in with the coal lobby—

**Mr Whetstone:** We are not proud of your leadership. We are not proud of your government. You are a useless government, all of you.

**The DEPUTY SPEAKER:** Member for Chaffey!

**The Hon. J.W. WEATHERILL:** —that controls the federal caucus, and that then reaches back into South Australia and dictates to the Leader of the Opposition what he can and cannot say about this critical issue of energy policy. This is a man who has form about weakness in the face of pressure and the inability to stand up for South Australia.

If there is one thing that people around the world are asking for, it is authentic political leadership that stands up and represents citizens. This is the animating dynamic of modern international politics and you are seeing it all around the world. Why? Because people understand that there are large powerful forces that are coming to bear on them and their communities. They have lost faith in even their national governments, let alone their subnational governments, in being

able to stand up against large international forces that are robbing them of their dignity and their control of their own communities.

That is what is going on internationally. That is what is going on in politics all around the world. What are people looking for? They are looking for somebody to stand up and be on their side. They are looking for somebody to take control of their future. They are looking for somebody to map out a way forward for them and their families, and it is a worrying time here in South Australia. The forces that are washing over us are significant.

*Members interjecting:*

**The Hon. J.W. WEATHERILL:** They are very significant. What we are seeing is a once in a generation—

*Members interjecting:*

**The DEPUTY SPEAKER:** Members on my left, I will have to start calling you to order if you cannot observe the standing orders.

**The Hon. J.W. WEATHERILL:** What we are seeing is a once in a generation recalibration of our economy. What we are seeing is that the old Playford model is being unwound in a very powerful fashion, and on 21 October, it will come to a dramatic stage in its unwinding. That has been going on for some decades now, but a very substantial stage will be reached. The fact that, as of May 2017, South Australian total trend employment is 6,900 higher than a year ago, with 4,500 extra full-time jobs and 2,400 part-time jobs, is extraordinary in this environment.

With all of this change, all of this transformation, the washing out of almost half of our car industry—the single largest component of what traditionally was the single largest sector in our economy—for our manufacturing sector to actually still soak up all those jobs and create jobs on top of it is something that we should be proud of. Is it enough? Of course it is not enough, and that is why our budget is about jobs.

That is why it is about doubling down on those sectors of the economy that are growing, like the shipbuilding and the defence sector, the renewable energy sector, the tourism, food and wine sector, our health and biomedical research sector and our IT and advanced manufacturing sector. We are investing in jobs, together with the private sector, by using intelligently designed public policy, which will pick up the gaps where banks and other financial institutions are not prepared to invest. We are prepared to give grants and loans for businesses that are growing because we want them to grow even faster and because we understand the nature of the challenge.

We understand that this is an exciting time for those growing businesses but a deeply worrying and challenging time for those businesses that are in retreat. What we are seeking to do with this budget is to not only invest in those businesses but also give an opportunity for any business that wants to take on a new apprentice \$15,000 to do so, so that we can ensure that those young people who are seeking to change their careers and retrain will have an opportunity to get these jobs in the growing sectors of the economy.

We are going to support them every step of the way, and in the course of it we are going to give the lowest payroll tax in the nation for small business. A \$200 million jobs fund, a \$15,000 Job Accelerator Grant for apprentices and the lowest payroll tax in the nation for small business—these are the positive plans that we are advancing to create jobs and opportunities in the South Australian economy. We are proud of budget and we commend it to the house for its support.

I want to say a word about the campaign that has been waged against us, which has been cravenly acquiesced to by the Leader of the Opposition. In 2015, as I mentioned, in the aftermath of the campaign that was launched by the federal Liberal government against all states and territories with the \$80 billion, essentially, cut to health and education, we embarked on a national conversation about revenue. We were joined by premier Baird, an honest premier who acknowledged that the fundamental issue was a lack of revenue for the states in circumstances where cuts had been made by the federal government. So, we advanced an increase in the GST on banks. Banks are the only sector of the economy—

*Members interjecting:*

**The DEPUTY SPEAKER:** Order!

**The Hon. J.W. WEATHERILL:** —which essentially does not pay taxation—

*Members interjecting:*

**The DEPUTY SPEAKER:** Order!

**The Hon. J.W. WEATHERILL:** —so we have been deprived of the revenues which will assist us to actually make a contribution to our budget.

*Members interjecting:*

**The DEPUTY SPEAKER:** Order!

**The Hon. J.W. WEATHERILL:** All we are doing in relation to this tax is taxing one-third of 1 per cent of the profits of the banks, in circumstances where they have been having a holiday since the year 2000 in relation to their GST liabilities. It is a modest tax that simply does what any sensible person putting together a budget would do, that is, work out what your imperatives are and find a way in which they can be funded, which is what we are doing.

Every single dollar of this tax will be paid out to small and medium-sized businesses to create jobs and opportunities in the South Australian economy. Those opposite, by actually privileging banks against ordinary South Australians, are now going to impose this budget pressure on ordinary everyday South Australians. In a choice between the banks or ordinary everyday South Australians, he chose the banks.

**Dr McFETRIDGE (Morphett) (12:10):** This is my 16<sup>th</sup> budget, and the budget papers are a disappointment in their lack of detail. I remember that in my first budget papers there was an extraordinary amount of detail that you could get into and see exactly what was happening in South Australia. You could see where the money was going. You could see where the pain was and you could see where the pleasure was, but these budget papers do not give that detail. They continue to be a nightmare for the ordinary South Australian to look at.

Some states put out an extra budget paper. They put out a budget paper that allows people to interpret their budgets, but not this state, which is something I would like to see changed. This particular budget, the 16<sup>th</sup> budget by this state Labor government, really is not a budget for the future. It is a budget about the short-term future of the Labor government. It is not a budget for the future of this state.

Let's get to the elephant in the room straightaway, because people are talking about what the Independents are going to do with the bank tax. Let's talk about the banks for a minute. The banks are doing very, very nicely at the moment, and that is a good thing. Two of the sayings I always ran in my business were, 'Turnover is vanity; profit is sanity.' If you are making a profit, you are staying in business. You can build your business, you can employ people, you can take on extra people and you can expand your business. You can spend that money in other businesses.

The banks are doing very, very nicely. Let's have a look at the first half-year profit for the banks. The banks made \$15.5 billion in the first half of the year. Each individual bank did exceptionally nicely. The Commonwealth Bank made \$4.9 billion, ANZ made \$3.4 billion, NAB made \$3.2 billion and Westpac, which of course owns the Bank of South Australia, made \$4.02 billion. They did very, very nicely.

Return on equity is something that we all in businesses look at. You want to get some return on your investment. It is a good thing that you are getting healthy returns on investment, and banks in Australia are doing exceptionally well. I think they rank second in the world on return on equity. The NAB is 14 per cent, Westpac is 14 per cent, ANZ is 12.5 per cent and CBA is 16 per cent. The banks are very, very powerful businesses and they are doing exceptionally well.

The problem is that with that power comes responsibility, and they are not acting in a responsible manner in the way they have addressed this state bank tax. They have all passed this tax on to the mums and dads. It is a disgrace that they are using the mums and dads and the businesses of this state as a human shield to protect their profits.

Yes, they have on one hand the duty to look after their shareholders, to protect their profits, to pay the dividends and to reinvest in Australia through all the various investments they have. That is a good thing, but they admit that they will pass this tax on to the businesses and the mums and dads of South Australia, and that is the reason that I cannot support it. The reason you cannot support a tax like this is that it is a retrogressive tax. It is back to the BAD tax, the FID tax, the pre-GST taxes. You cannot tax people this way.

I know the government and the Treasurer will say that they can protect South Australians from the banks, but they cannot. We know they cannot, and that is the whole problem with this tax. If the Treasurer could put this tax in another frame, where the mums and dads were not being put in jeopardy and businesses were not being put in jeopardy, you might want to take another look at it, but this tax is not a tax that South Australians should accept. It is not a tax that South Australians should be paying the penalty for, because they will pay the penalty.

Do not forget that the banks are backed by the federal government: \$250,000 for every account. We did not engage in quantitative easing, we did not print money during the global financial crisis, but the banks were guaranteed by the government. They are still guaranteed by the government. Wouldn't that be a nice position to be in? The banks, their hypocrisy and their crocodile tears of saying, 'Well, this is a terrible tax. This is setting a terrible precedent.' That may be, but they are making incredible returns on their investment, and I think there is some need there to show a little bit of social conscience, not just the financial conscience they are showing.

I would like to remind the house of a huge issue in South Australia. I am glad the member for Giles is here today, because Arrium is a massive issue for South Australia. I know that the member for Giles is very concerned about this and is working very hard in his electorate over Arrium, because the future of Whyalla is at stake. Let us just look at what Robert Gottlieb, an economic commentator, has said in *The Australian* about Arrium and about the goings on with the banks and Arrium. The people who are looking at buying out Arrium—and good on them, I hope it works and I hope it goes really well—are being backed by both federal and state governments, by taxpayers' money.

Look at what happened with Arrium when Arrium was going ahead and wanted to develop. Who backed Arrium then? The four banks backed Arrium then. They backed Arrium with unsecured loans, and when Arrium went down the tube they dropped \$1 billion. The banks dropped \$1 billion on Arrium. That was not good business, that was not smart business. But now the banks are looking at the taxpayers of Australia, the taxpayers of South Australia, to bail them out, and then they are expecting the state and federal governments to come and help Arrium—which we want to happen.

The banks cannot have it both ways. They cannot threaten the people of South Australia with increased levies, taxes, duties, fees and charges because of the so-called state bank tax and at the same time have their hands out to accept taxpayer funds to prop them up because of their mismanagement of their unsecured loans with Arrium. The banks are not being fair here, they are not being straight—and we know why people call the banks what they call them.

This is a terrible position for the state to be in in the first place. We should not have to be going down this path, looking at putting in retrogressive taxes, old taxes that we got rid of years ago. We should not be doing that. The state should be better than that. In my first budget in this place we had rivers of gold, rivers of GST coming into this state, but it was mismanaged and misspent. The Premier went on about parliamentary democracy, that this house should uphold parliamentary democracy. Well, we would like to, but have we ever seen any ministerial accountability? None at all, never.

I have been thrown out of this place twice because I was so disgusted about the lack of ministerial accountability. We are not seeing that now, we have not seen it in the past, and I doubt very much whether we will see it in the future. So, Premier, do not come in here telling us about parliamentary democracy when you are not willing to accept ministerial accountability. I understand the bank tax will be blocked in the upper house. It will be an interesting discussion with the Treasurer and with the Premier on how they going to manage that hole in their budget.

They created the mess and it is now up to them to fix it. They knew this was not going to work. A lot of people have said that the bank tax was just a convenient diversion away from Oakden,



away from the new RAH, away from the increased prices and taxes people are paying in South Australia and—let us not forget—the highest electricity prices in the world. How could we get to that? How could we get to the highest electricity prices in the world? This is a country that is the largest exporter of natural gas in the world with massive coal reserves. How could we get to the stage where we have the highest electricity prices in the world?

There are a lot of questions and a lot of answers needed on this, because South Australian businesses cannot afford this. Just recently, we saw the example of a recycling company's power bill going from \$80,000 to \$180,000. I know people who are shutting down their air-conditioners, shutting down their heaters, because they cannot afford the power. I know that my constituents down in Jetty Road at Glenelg are really struggling with high rent and high overheads, and one of those high overheads is high power bills—the highest power prices in the world. The government should hang their head in shame. They cannot blame other people for their own inadequacies, their own ideology has brought us to this state.

Let's look at the budget itself in a bit more detail. We have spoken about Transforming Health a number of times in this place, and time and time again we have looked at the cost of health. I remember former minister John Hill saying in here that the health inflator was about 8 per cent, and then treasurer Kevin Foley said that, no, it was up about 12 per cent. The costs of running a health service are exceptionally high, but when you go and build the third most expensive building in the world down the road here, the world's most expensive hospital, that might be a desirable thing to do if you have the funds, but if you are committing the state to 30 years of interest payments on the building, it is going to create a massive black hole for the finances of this state. That is not good management.

The Liberal Party at the time had exceptionally good proposals to redevelop the old Royal Adelaide Hospital. I travelled to Singapore and England to look at redevelopments when I had the health portfolio. It was possible but, no, we went down this ideological road and we've got what we've got. I remember standing on a chair holding up a list of the outpatients departments at the old Royal Adelaide Hospital, asking the then minister, John Hill, whether we would have the outpatient departments at the new Royal Adelaide Hospital. He said, 'Yes, yes, yes, yes, yes.' Well, it is no, no, no, no, no. What we do have is going to be shunted all over the metropolitan area.

We have seen terrible toing and froing. We have seen the on-again, off-again redevelopment of our hospitals. We have seen an absolute debacle in the handling of the waiting to get in and waiting to get out issues in our hospitals. There is the issue of ramping. I recall the number of times I went down to the hospitals and did television interviews in 2009 and 2010. It is worse now. In 2008, the Australasian College for Emergency Medicine put out a report saying that 1,200 Australians died as a direct result of delays in emergency departments. Our share was about 120—more than the road toll.

What are we seeing now? We are still seeing delays in our emergency departments. We are seeing them overflowing into the white zone on the government's own dashboards, which is 125 per cent capacity. You cannot allow these things to continue, yet this government is allowing them to continue and saying that it will all be right come September when they open the new doors down the road. Well, it will not be alright. I just rue the day that South Australians have to pay for the new hospital down the road and still not get any better services.

My son is a doctor working in the public health system, and I know how hard he works. I know how hard every nurse, every doctor, everybody employed in those hospitals works, but this government really has not been doing them any favours at all. It is a disgrace to see our health service in the state that it is now.

Emergency services is an area that everybody in this place knows I am passionate about, as a life member of the Country Fire Service. I look at the budgets and I see the pressures that the emergency service providers have been put under. The MFS, CFS, SES, just to speak of a few, are under more and more budgetary pressures. They cannot continue to deliver the services they are without being given the support they deserve here in South Australia.

There was one moment when I thought that we could perhaps support the bank tax, if the bank tax was going to be hypothecated to reinstate the emergency services remissions, put those

remissions back. That was one time when I thought that perhaps if the government came up with that proposal, I could probably support the bank tax. There is still the problem of the banks passing on their fees and other South Australians paying again, one way or another. That is the problem the Premier has.

Only dead men and fools never change their minds, so it is not bad in this place to reconsider your position and change your mind. That is a genuine thing to do. If you are not doing that, you are not paying attention to what is going on around you and reconsidering the facts with. If the facts change, surely you need to change your opinion. Changing your mind in this place, Premier, is not a bad thing; it is a very good thing. It takes courage to stand up and change your position and justify that change. It takes courage to stand alone in this place as an Independent. That is what I am doing now and that is what I will continue to do in this place as long as I possibly can, as long as the people of Morphett want me.

The electorate of Morphett is a classic example of what we have in South Australia and what we can have in South Australia. I have one of the biggest industries in South Australia in my electorate of Morphett. We talk about Holden, we talk about mines and we talk about agriculture, but there is also the experience industry, which involves tourism, sport and recreation, performing and visual arts. Within walking distance of my office in Byron Street, Glenelg, I have 106 restaurants and cafes. Morphettville Racecourse is just up the road, and do not forget that horseracing in South Australia employs 2,500 people. They are full-time jobs, good jobs.

Couple that with the 1.3 million tourists who come down to the Bay every year plus the whole of the state's tourism industry. The experience industry is the biggest industry we have. People will come and experience South Australia. It is a wonderful place to have that experience in. If you provide good five-star experiences, they will pay five-star fees, and you can pay good wages, not just back of house, washing dishes wages. They will be really top wages for jobs that cannot go anywhere else. Those jobs cannot be exported anywhere.

Let's not be all doom and gloom at the demise of some of our other more traditional industries. It is terrible. We have to transition to a new economy and new jobs. Certainly, looking outside the sphere is something I am doing, making sure that South Australians have a future, my kids have a future and, more importantly, my grandchildren have a future, because that is what we are here for—to make sure we have long-term solutions to long-term problems.

When I became an Independent, the Labor Party became much more friendly to me, which was really nice. Actually, they were always nice to me, but they were a little bit more cooperative in wanting to know whether there were any particular issues I would have liked to have seen sorted out in my electorate. I put a few of them down on paper and sent them to the Treasurer as a wish list. 'If wishes were horses, beggars would ride,' my mother used to say. Unfortunately, I am still looking for that horse.

The electorate of Morphett is a wonderful electorate, but nearly 30 per cent of kids at Glenelg Primary School are on School Card. There are some serious issues down there still. Public transport, with the upgrade of the trams, is really great. The trams are much smoother and much quieter now for everybody down at the Bay, and that was done exceptionally well.

But one of the big problems we have down at the Bay, which I first saw as a newly elected member here in the middle of winter—we have seen the rains in the last couple of days, but we have not had much of a winter—is the flooding at Glenelg North where 200 homes were flooded. This is not life-threatening perhaps, but it is certainly life-changing for many, many people.

I know the government has been working on a flood prevention program down there. It is an approximately \$9 million program but, with the cost to the insurance companies for the 200 homes that were flooded, it would have more than paid for itself, and it would stop that threat in the future. That did not happen, so I hope that the government can see its way forward either now or in the very near future to announce the flood mitigation program at Glenelg North. It is necessary and overdue. That \$9 million is a significant amount of money but, in the long term, it is a very small amount to pay for people's protection and long-term futures.

We saw the BER all over the place in South Australia, and some schools that have now closed had BER spent on them. At Glenelg Primary School, the BER classrooms were more like

transportables but, instead of being paling, they are now corrugated iron. They are not a really good improvement on the old prefabs we used to get when I was a kid at school, at Salisbury Primary School and Salisbury High School.

The problem we now have is that when they did the BER upgrade they forgot to look around and see that Glenelg Primary School has two storeys. There is no lift in Glenelg Primary School. It is not a huge cost to install a lift. In fact, the school, as I understand it, does not comply with the federal Disability Discrimination Act because there is no lift there. That was the other thing I asked for. It did not happen, and I am disappointed about that.

So, there are local issues for me to keep working on with the government, there are local issues for me to keep pressuring the Liberal opposition to include in their policies for the next election, and I certainly will not be giving up. As an Independent, I have some new-found freedom and a new-found voice. I am able to agree with much of what is going on on both sides, but there are so many issues where there is a need for huge improvement.

This budget is an area where I do not see a massive futureproofing of South Australia. I just see more debt, more deficits and higher taxes. It is a disappointment, and I would like to have been able to praise the budget for being better than it is. I know the Leader of the Opposition has put some things on the record today about what a Liberal government would do, and I am looking forward to seeing that come to fruition, but there is a long time between now and 17 March 2018. I look forward to doing everything I can for the people of Morphett.

**Ms REDMOND (Heysen) (12:29):** Can I say what a pleasure it is to follow the member for Morphett. We met as candidates a couple of years before the 2002 election, so, like the member for Morphett, this is my 16<sup>th</sup> budget. I have to say that each one has become increasingly depressing as this government has led this state into a worse and worse financial position over the entirety of those 16 years. What is more, there is simply no excuse for it because, at least up until the global financial crisis, this government was swimming in rivers of gold, yet they still could not manage their budget.

Every year, the budget would come down and every year, because they were receiving huge amounts of extra money by way of GST and huge amounts by way of stamp duty because we had a bit of a property boom going on, they were getting about half a billion dollars extra. Each year, not only did they not manage to stick to their budget but even with that buffer of half a billion dollars extra they did not manage to balance their budget. So, every year, we would find ourselves in a worse and worse economic situation.

As was pointed out by the leader, our economic growth is at less than 1.4 per cent under this Premier, and that is well less than the national average. I want to make the point that whenever this government talks about their level of growth they are always comparing their level of growth not with that of other states but with their own level of growth. If you have a level of growth of 1 per cent and you manage to increase it to 2 per cent, you can say that you have had a 100 per cent increase and that your rate of growth is therefore much higher than the other states.

The other states might have been tripping along on 3 per cent and more all along, and they might only grow to 3½ per cent so they cannot claim a 100 per cent increase in their rate of growth, but this government always does what is called 'tricky economics' in trying to make the public believe that we are going along swimmingly. The reality, of course, is that in this state we have been falling further and further behind over the whole 16 years because of the mismanagement by this government of its economy.

I put it to you that it largely comes down to a matter of philosophy. If I can just explain, my philosophy as a Liberal is that we have a fundamental responsibility to provide certain services, particularly to protect the most vulnerable and to help in areas that cannot really be done by the private sector. They include not only social services and looking after the vulnerable, whether that be the very young or the very elderly in our community or those with a disability, but also areas like the arts, about which I have a great passion, and areas like the environment.

They are things where there needs to be government input in order to maintain the services necessary to make this state continue as a very livable place. As a Liberal, I believe that, in order to fund those things that government needs to fund, we have to have a sustainable economy ticking

along, keeping the taxes coming in at a reasonable rate, enabling us to fund all those things. I have known the Premier for a very long time—we used to work in the same firm, we were elected on the same day, entered this place on the same day and I was opposite him in my first shadow portfolio many years ago—and I know that he has what I would have to call a socialist approach to the world.

He believes that everything is better done by government. For instance, in the disability sector, when that was my shadow portfolio, I thought the basic fundamental principle should be to make sure that we got the best services out to people, but the Premier's view, as the minister at the time, was that everything is better done by government. Therefore, we will get rid of all these private sectors, all these NGOs, we will get rid of a whole lot of people who are specialists in providing services in particular areas, and we will do it via the government: a one-stop shop where everyone can get what they need.

The reality was that not only could the government not afford that—and it led to a massive increase in the size of the public sector—but it was not efficient at providing those things and it lacked expertise in particular areas. So, we saw the demise of many organisations that had been providing excellent services for many years, all in the name of government being able to deliver services better, which has simply proven not to be the case.

This government has failed across a range of areas, amazingly all connected to the Premier. For a long time, the Premier had the portfolios in the area of child protection, and look at what a disaster we have had in that area. This government should hang its head in shame at the way it has failed the people of this state, in particular the children of this state, in the area of child protection. The Premier clearly was not told by his chief of staff when an eight-year-old child was raped. The chief of staff decided not to tell the Premier about that. It is extraordinary to me that that would be the case. I cannot imagine why one would employ a chief of staff who would think that that was an idea. Nevertheless, the Premier tells us he was not told that that had occurred; he was not aware of it.

We have had other examples of abysmal failure in the area of child protection, but more recently the focus has been on our failure in the area of elder care. Elder care happens to be something about which I am particularly passionate. I have been looking at elder care, elder abuse and issues of ageing in our community since I was 12 years old. I began visiting a local state-run nursing home and visited it regularly right through my teen years. One of the first books I read was a French book called *Sans Everything* (Without Everything), and it was about how people lost not only their possessions but their dignity in elder care.

As the baby boomers come through, I think there are going to be massive questions. People are always amazed when I tell them that there are already over 4,000 people in this country over the age of 100. People are gobsmacked to think that we already have that many. Imagine all the letters the Queen had to sign. The demographers anticipate that by the time we baby boomers get there, by the year 2055, there will be 78,000 people over the age of 100. So, if you think that this is a problem now and it is not worth addressing, imagine what it is going to be like in another generation.

It reminds me that my philosophy is always that you need to be very kind to your grandchildren (we all are, anyway). They are the poor people who, in their 50s, are going to have us in our 100s not yet dying, and ill parents in their 70s and 80s, because we have overindulged them and they have diabetes, heart problems and so on. So, they are going to have the big issues to deal with. But I digress.

The amazing thing about this government is that they have propped up their budget, year upon year upon year, in various ways. The Leader of the Opposition mentioned, this morning, the Motor Accident Commission. I have spoken about that in this chamber before. The Motor Accident Commission had a fund. That fund consisted of the money that we paid to register our vehicles and create the fund that provided the basis for the insurance in case we were injured in a motor vehicle accident. That fund was very well run by a group of people, who I think were probably paid something, but were not paid exorbitant, high-level executive salaries. They managed that fund very well. It was there to accommodate any claims, particularly since the 1970s when we put a very strict lid on the amount that one could get for pain and suffering.

We had a very well-run fund and it had money in it. A few years ago, the government decided, 'Oh, there's money there. We'll just lift \$100 million out of that to prop up our budget.' Having done that successfully, they thought, 'Gee, that went well. Why don't we take the whole lot?' They could not take the whole lot because, of course, there are claims already on foot that have to be met by the fund, so what they said was, 'We'll close down the Motor Accident Commission and that fund and everyone can go off and get their insurance privately,' which may not be as easy as one would hope, or as reliable.

They were going to close down that fund so that they could have access to this pool of money, which was our money as the people of this state driving motor cars and paying, on a compulsory basis, to create the fund. So, they have stolen it from the people of the state. That is how they have first of all propped up their budget—well, not first of all, they did various other things, but that was a biggie. I anticipate that it will be something between \$1 billion and \$2 billion over a period of years, because they are going to deplete that fund of all the money that did not belong to them but made their budget look better.

More recently, of course, they decided they would sell the Lands Titles Office—the Lands Titles Office, Madam Deputy Speaker—of this state. In the corridor outside, there is a picture of Sir Robert Torrens painted by Andrew McCormack, a wonderful portrait artist whose son happened to own my house in Stirling—

**The DEPUTY SPEAKER:** Before you segue along.

**Ms REDMOND:** Before I segue back to Robert Torrens, who created this wonderful system. I will not go through the explanation, which I have given in this place before, about why what he proposed was such a revolutionary idea and so clever that it has been adopted in dozens of countries around the world as the basis for landholding. And what do we do? Instead of shouting from the rooftops about this wonderful system, originated in this state, our government decide to sell off the management of the company—the business of running it—and get some more money. Again, they are just doing it to prop up their budget.

As for Transforming Health, I have to say that health in this state has gone from bad to worse. It has always been more than a quarter of the budget, and I accept that the multiplier the member for Morphett spoke about is indeed higher than the normal CPI. Health costs are going up at an unbelievable rate. That said, this government, at its beginning, employed a chap by the name of John Menadue—I saw him on television just in the last day or so. He came over to this state and did a study about what the health system in this state needed. What he concluded was that we needed to focus on preventative health care and primary health care and specifically not spending lots of money on acute care hospitals.

So, what has this government done? This government, having had that report and having paid Mr Menadue, no doubt, a goodly fee to prepare it—and I am sure he did it with every diligence and every expectation that the government would listen to what he said—has done exactly the opposite. I do not know about your constituents, Madam Deputy Speaker, but certainly my constituents are not complaining about the state of the old Royal Adelaide Hospital, where we had state-of-the-art surgery, a state-of-the-art burns unit and all that sort of stuff, and fantastic doctors. What they complain about is that they contact their GP and they cannot get an appointment until two weeks hence, unless they are prepared to see someone they have never seen before or be on some sort of a queue, or unless they are at death's door, in which case the advice is generally to go to the emergency department.

Instead of focusing our efforts on those areas and providing more capacity for us to have more GPs out in our community—focusing on health care out in the community, on the provision of primary healthcare services and preventative services—this government has spent all this money on what, as again the member for Morphett mentioned, has been the third most expensive building in the world. It is not because of the cost of the actual build; it is because of the way it has been financed, and of course the financing of it is going to cost us \$1.1 million every single day for 30 years.

That is just for the building, not for the provision of medical services or assistance or fantastic operating procedures or anything like that; it is for the building. That just beggars belief, that we could be in a situation of having to pay \$1.1 million every single day for 30 years for this new hospital,

which, again, as the member for Morphett mentioned, does not actually cover all the things that the current hospital does cover.

More importantly, this idea of Transforming Health is actually code for selling real estate. No doubt, Madam Deputy Speaker, you would remember that this government made a solemn promise that they were not going to sell, that they were not going to get rid of the Repat Hospital, and now they are going to do that. Not only are they going to do that, they are doing so in the face of 140,000 signatures of people in this state who are appalled, not just at the breach of the promise but at the fact that we had a Repat Hospital, which has been operating successfully for a long, long time and could have gone on operating, but this government chose instead to breach its promise and to get rid of it because they want to sell the land. That is the reality of it.

It is the same with Glenside. Their own appointment, Jonathan Phillips, who became the CEO of mental health in South Australia, said it is really important. He said that we are the only city that has a mental health facility this close and adjacent to the city with these lovely grounds which are important for the mental health of the people who are suffering from mental illness and require hospitalisation. He gave all sorts of reasons why it was important to maintain Glenside. What have we done? No, this government decided that they were going to get rid of that.

Now they are going to get rid of the old Royal Adelaide Hospital site, a particular bugbear of mine, as you may know, Madam Deputy Speaker. Not only are they going to re-use that land—and I agree that it has to be cleaned up and it has to be put to some purpose—but it is Parklands that belong to the people. How dare this government decide that they are going to sell it into private ownership. I think there are things that perhaps should not have been built on Parklands, but by and large, our Parklands have been used for public purposes.

I am not a purist when it comes to the Parklands. I am not one of those who say you should just have native vegetation around the ring of the city, and that is all, and that you should never build anything. I am all in favour of having ovals, museums, art galleries and all sorts of things in our public space. It is part of the public realm, and I have no objection to re-using that site for the public realm. But what this government has focused on is the financial return they can get from the sale of private residences on that land, in spite of the fact that legally my belief is that it is Parklands. I have looked into it in great detail, but I will not go on about that.

In the couple of minutes left to me I want to mention the bank levy, and I am careful not to call it a tax. You will notice in the budget they call it a bank levy for the specific reason that section 51 of the constitution under the relevant provision says that the taxation power belongs to the commonwealth. No doubt, Madam Deputy Speaker, you would remember that when the GST was introduced there was an agreement that the states would get rid of financial institutions duty and the bad tax as well.

**The DEPUTY SPEAKER:** I am not that old.

**Ms REDMOND:** I beg your pardon, Madam Deputy Speaker. I remember you are younger than I by some amount of time.

**The DEPUTY SPEAKER:** Ten months.

**Ms REDMOND:** I think I am now the grandmother of the parliament. I thought long and hard about this bank levy because I am very much a traditionalist. I move away from the constitutional conventions with great reluctance, but after very long and considered contemplation of this, I am absolutely in favour of attempting to block this provision. It seems to me that there are many reasons for blocking it, the most fundamental of which is that it is going to be a detriment generally to the people of this state.

This government can give no guarantee that it will not affect our sovereign risk. They can give no guarantee that people will not be penalised with their mortgages. They can give no guarantee that people who are shareholders—and I know many people who are Labor members who have shares in the banks, and they are pretty upset themselves with this government. I just cannot believe that the government has decided to go down this path, especially when we are only eight months from an election. This tax—sorry, this levy—is supposed to come to \$370 million, so a quarter of it—

**The DEPUTY SPEAKER:** Over four years.

**Ms REDMOND:** In four years, and therefore over one year, it would only be about \$95 million and over eight months, maybe \$60 million, which is small change in this Treasurer's budget of \$18 billion. I think they are kidding themselves if they think the other states are going to jump on board. Western Australia may also be amending and wishing to get on board, but the reality is that we will make ourselves less of an investment opportunity. It will kill jobs, it will kill opportunity in this state, and I wholeheartedly support the concept that we will reject this in its entirety.

**Mr WILLIAMS (MacKillop) (12:49):** It seems that I am only going to get halfway through my allotted time before we break, and I always hate that because it interferes with the flow of a brilliant speech. Reading this morning's Adelaide *Advertiser*, I am reminded of Samuel Johnson's statement that patriotism is the first refuge of the scoundrel.

We see that the Treasurer of the state has talked about his bank tax and the reasons for it. He is referring to the banks as 'the east coast big banks'. He says, 'And, put simply, this is a tax on five big east coast businesses.' The Treasurer should be a little bit more honest with himself—only a little bit more honest with himself—and he will understand why all the banks come from the east coast: because the Labor Party has a fantastic record in South Australia dealing with banks and in trying to extract dollars from banks.

The Labor Party in South Australia has always believed that the banking system was a soft touch, that there were heaps of money in the banks. 'That's where it's kept,' they say, 'so that's where we'll go to get some more'. They have had a fantastic record of getting money for the people of South Australia from the banks. I am certainly old enough to remember what happened in the late 1980s and early 1990s. I am certainly old enough to remember very clearly—

*Ms Redmond interjecting:*

**Mr WILLIAMS:** —what the Labor Party did to the banks that lived here in South Australia, our own, as the member for Heysen has just said, the people's bank, the State Bank of South Australia. I remember very clearly what the Labor Party did to that because the Labor Party again was delusional about the way the real world works. The Labor Party believed then and still believes that the banks have lots and lots and lots of cash just sitting around not doing much and that we should be able to get our hands on it.

They took over the State Bank of South Australia, the people's bank—they took it over. I have always believed that that was an illegal move anyway, but they took it over and then said, 'We're going to drive this bank, and we're going to make those super profits that we have always been jealous of other people having. We're going to make those within government and we'll have all this money.' What happened? We lost, what was it, \$5 billion? We virtually destroyed the state, and South Australia has not recovered from that.

If you look at the budget papers, and look at the assets held by the various states in this nation, per head of population you will find that South Australia is a very poor cousin only as a result of the collapse of the State Bank and this Labor Party messing with something it knows nothing about. This is the problem. We have a government in South Australia that does not understand what it is doing, and it has not understood what it has been doing for many, many years. Unfortunately, coupled with that, we have had an electoral system in South Australia that has enabled a dysfunctional and useless government to stay in power. Thankfully, I think that has come to an end.

I think we will fight an election next March on a set of electoral boundaries that will give the people of South Australia an opportunity to get rid of a government that they have been trying to get rid of at each of the last two elections. This Labor government has no mandate to do anything, least of all to get back into its old game of trying to rip cash out of the banks. The Treasurer, in his article this morning, made a couple of other comments, but I think his chief comment was that these are big businesses, resident in other states, east coast banks, and that they make super profits.

Notwithstanding the fact that his colleagues destroyed South Australia's bank and drove lots of decision-makers in the banking industry out of South Australia because it was a bad place to do business, he should ask himself: do South Australians have any interest in any of these banks at all? The vast majority of South Australians have a huge interest in the banking system. The vast majority of households have mortgages or investments or superannuation funds—huge relationships with the

banking system. The Treasurer would have us believe that there are billions of dollars sloshing around under some banker's bed. What a nonsense!

One of the fundamentals of this nation and the building of this nation is that we have been short of capital and that we have had to rely on offshore investment in this nation. A lot of that is driven by and arranged through the big five banks that this Treasurer wants to bash and wants to rip money from. This nation is desperate for investment from outside our own economy because our own economy has not got to the point where it can generate enough capital to meet the needs of capital expenditure in this country. That is a fundamental fact of the Australian economy.

The banks are there to help get that cash flowing into this country and to help get it out to those people who want to invest and grow the economy of this country, a fundamental economic fact that the Treasurer just does not grasp. The reality is that these banks are not huge repositories of spare cash. They are not. If the Treasurer knew anything about running a business, he might have sat down with a number of bankers and worked out how he might be able to borrow some money to underpin some sort of business investment to create some economic activity.

Unfortunately, I do not think that too many people on that side of the house have firsthand experience of that sort of endeavour, and that is part of the problem. This lot have been in government for 16 years and what do they have to show for it? They still do not understand the basic economics of the way the state and the nation runs. If you look at any of the metrics published about the economic activity and the economic welfare of this state, certainly relative to all the other jurisdictions we have gone consistently backwards for 16 years. We have this Treasurer, this Premier and this cabinet trying to argue that South Australia needs more of them, notwithstanding that South Australia has been trying to get rid of them for at least the last two elections.

The people of South Australia understand a hell of a lot more than this Treasurer does about the way the business world works and what underpins jobs. We have a Treasurer who believes that you create jobs by taxing a business that is successful and giving money to a business that is relatively unsuccessful. He waves around a chequebook and says to businesses, 'I will give you \$10,000 if you take on a new employee.' That is how he thinks you grow employment.

The way to grow employment is to set the business conditions so that people have the confidence to go out and talk to the banks, build a relationship with the banks and borrow some money with confidence that they can make a go of the business enterprise. They will employ people without somebody giving them \$10,000 that has been taken from some competitor or some other business down the road that has been successful off its own bat. This is economics from la-la land.

All of us who are involved in the business world in this state are scratching our heads and asking, 'How can we continue to live under this regime where, if we are successful—and God help us if we make what this Treasurer would call a super profit—he is going to go into our back pocket and rip as much money out of us as he can to give to somebody else who would otherwise be unsuccessful?' I seek leave to continue my remarks.

Leave granted; debate adjourned.

*Sitting suspended from 13:00 to 14:00.*

#### **SUPPLY BILL 2017**

*Assent*

His Excellency the Governor assented to the bill.

#### **NATIONAL GAS (SOUTH AUSTRALIA) (PIPELINES ACCESS-ARBITRATION) AMENDMENT BILL**

*Assent*

His Excellency the Governor assented to the bill.



**ANANGU PITJANTJATJARA YANKUNYTJATJARA LAND RIGHTS (SUSPENSION OF EXECUTIVE BOARD) AMENDMENT BILL**

*Assent*

His Excellency the Governor assented to the bill.

*Petitions*

**WIND POWER**

**The Hon. G.G. BROCK (Frome—Minister for Regional Development, Minister for Local Government):** Presented a petition signed by 602 residents of the southern Flinders Ranges and greater South Australia requesting the house to urge the government to initiate an urgent ministerial development plan amendment that immediately makes windfarms a 'non-complying' development in valuable environmental and scenic areas including the Flinders Ranges, Clare Valley, Fleurieu Peninsula, Barossa Valley, McLaren Vale, coast and state coastal waters, conservation zones and the River Murray corridor; and provides a minimum three-kilometre separation distance between turbines and all dwellings in recognition of the substantial increase in size and acoustic output of wind turbines.

*Parliamentary Procedure*

**ANSWERS TABLED**

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

**PAPERS**

The following papers were laid on the table:

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

Regulations made under the following Acts—

Fees Regulation—Public Trustee Administration—Fees No. 3

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

Regulations made under the following Acts—

Associations Incorporation—Fees No. 3

Burial and Cremation—Fees No. 3

Co-operatives National Law (South Australia)—Fees No. 3

Coroners—Fees No. 3

Criminal Law (Clamping, Impounding and Forfeiture of Vehicles)—Fees No. 3

Criminal Law (Sentencing)—Fees No. 3

District Court—Fees No. 3

Electoral—

Funding, Expenditure and Disclosure

Special Assistance Funding

Environment, Resources and Development Court—Fees No. 3

Evidence—Fees No. 3

Expiation of Offences—Fees No. 3

Magistrates Court—Fees No. 4

Partnership—Fees No. 3

Public Trustee—Fees No. 3

Real Property—Miscellaneous

Security and Investigation Industry—

Fees No. 3

Simplify

Sheriff's—Fees No. 3

South Australian Civil and Administrative Tribunal—Fees No. 2

State Records—Fees No. 3

Summary Offences—Fees  
Supreme Court—Fees No. 3  
Work Health and Safety—Fees No. 3  
Youth Court—Fees No. 3  
Rules made under the following Acts—  
Magistrates Court—Criminal—Amendment No. 61  
South Australian Employment Tribunal—Rules 2017

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

Regulations made under the following Acts—  
Development—  
Fees No. 3  
Open Space Contribution Scheme No. 2  
State agency development  
Private Parking Areas—Fees No. 3

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

Regulations made under the following Acts—  
Dangerous Substances—  
Dangerous Goods Transport—Fees No. 3  
Fees No. 3  
Employment Agents Registration—Fees No. 3  
Explosives—  
Fees No. 3  
Fireworks—Fees No. 3  
Security Sensitive Substances—Fees No. 3  
Fair Work—Fees No. 3

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

Regulations made under the following Acts—  
Freedom of Information—Fees No. 3

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

Regulations made under the following Acts—  
Authorised Betting Operations—  
Fees No. 3  
Taxation  
Births, Deaths and Marriages Registration—Fees No. 3  
Building Work Contractors—  
Fees No. 2  
Simplify  
Conveyancers—  
Fees No. 3  
Simplify  
Gaming Machines—Fees No. 3  
Land Agents—  
Fees No. 3  
Simplify  
Liquor Licensing—Fees No. 3  
Lottery and Gaming—Fees No. 3  
Plumbers, Gas Fitters and Electricians—  
Fees No. 3  
Simplify  
Residential Tenancies—Landlord's notice

Second-hand Vehicle Dealers—  
Fees No. 3  
Simplify

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

Regulations made under the following Acts—  
Food—General  
South Australian Public Health—  
Legionella—Fees No. 3  
Wastewater—Fees No. 3

By the Treasurer (Hon. A. Koutsantonis)—

Regulations made under the following Acts—  
Emergency Services Funding—Declaration of Levy  
Land Tax—Fees No. 3

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

Regulations made under the following Acts—  
Petroleum Products Regulation—Fees No. 3

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

Regulations made under the following Acts—  
Mines and Works Inspection—Fees No. 3  
Mining—Fees No. 3  
Opal Mining—Fees No. 3  
Petroleum and Geothermal Energy—Fees No. 3

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

Regulations made under the following Acts—  
Aquaculture—Simplify  
Fisheries Management—Fees No. 5  
Livestock—Fees No. 3  
Plant Health—  
Fees No. 3  
Simplify  
Primary Produce (Food Safety Schemes)—  
Eggs—Fees No. 3  
Meat Industry—Fees No. 3  
Plant Products—Fees No. 3  
Seafood—Fees No. 3

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

Regulations made under the following Acts—  
Local Government—Fees No. 3

By the Minister for Communities and Social Inclusion (Hon. Z.L. Bettison)—

Regulations made under the following Acts—  
Supported Residential Facilities—Fees

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

Regulations made under the following Acts—

## Retirement Villages—Fees No. 3

By the Minister for Education and Child Development (Hon. S.E. Close)—

## Regulations made under the following Acts—

- Adoption—Fees No. 3
- Botanic Gardens and State Herbarium—Fees No. 3
- Children's Protection—Fees—No. 3
- Crown Land Management—Fees No. 3
- Environment Protection—Fees No. 3
- Heritage Places—Fees No. 3
- Historic Shipwrecks—Fees No. 3
- Marine Parks—Fees No. 3
- National Parks and Wildlife—
  - Hunting—Fees No. 3
  - Protected Animals—Marine Mammals—Fees No. 3
  - Wildlife—Fees No. 3
- Natural Resources Management—
  - Fees No. 3
  - Financial Provisions—Fees No. 3
- Pastoral Land Management and Conservation—Fees No. 3
- Radiation Protection and Control—Fees No. 3
- Water Industry—Fees No. 3

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

## Regulations made under the following Acts—

- Fire and Emergency Services—
  - Fees No. 3
- Heavy Vehicle National Law (South Australia)—
  - Fees No. 2
  - Fees No. 3
- Hydroponics Industry Control—Fees No. 3
- Motor Vehicles—
  - Accident Towing Roster Scheme—Fees No. 3
  - Expiation Fees—Fees No. 3
  - Simplify
- Police—Fees
- Road Traffic—
  - Activities on roads
  - Expiation Fees No. 3
  - Miscellaneous—Fees No. 3
  - Road Rules—Activities on roads
- Survey—Simplify

By the Minister for Disabilities (Hon. L.A. Vlahos)—

## Regulations made under the following Acts—

- Disability Services—Fees No. 3

By the Minister for Mental Health and Substance Abuse (Hon. L.A. Vlahos)—

## Regulations made under the following Acts—

- Controlled Substances—Pesticides—Fees No. 3
- Tobacco Products Regulation—Fees No. 3

*Ministerial Statement***YOUNG OFFENDERS BILL**

**The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Justice Reform, Minister for Planning, Minister for Industrial Relations, Minister for Child Protection Reform, Minister for the Public Sector, Minister for Consumer and Business Services, Minister for the City of Adelaide) (14:06):** I seek leave to make a ministerial statement.

Leave granted.

**The Hon. J.R. RAU:** Last October, Ms Nicole Tucker was tragically killed in an accident caused by a teenage boy who stole a car and drove it at high speed. His behaviour was appalling and inexcusable. In June, this teenager was sentenced to a term of imprisonment of three years, four months and one week. With an 18-month non-parole period, backdated to his arrest in October 2016, he is eligible to apply for release on parole in April 2018. This is notwithstanding his having committed a catalogue of serious offences and the fact that he was being sentenced as an adult due to the gravity of his offences.

This morning, the Director of Public Prosecutions confirmed that he will not be appealing this sentence. His decision, like that of the trial judge, is based on the current law. The problem does not lie with the judge. It does not lie with the Director of Public Prosecutions. The current law is the problem. Based on the DPP's advice, an appeal would be nothing more than a stunt. It would be an abuse of process. I share community outrage about this sentence. The law must change.

I will be giving notice of a bill today to make the necessary changes. Under this bill, when a young offender's crimes are so grave so as to warrant him being tried as an adult, he will be sentenced as an adult too. Community safety and public protection must be paramount. In this case, the judge said the youth's driving could 'simply be described as horrifying' and his crimes 'at the extreme end of seriousness'. However, currently, the Young Offenders Act requires the court to prioritise the youth's 'care, correction and guidance' when imposing sentence. This must change.

If a young offender's offences are so grave so as to warrant them being tried as an adult, then they must be sentenced as an adult. The community expects that heinous crimes committed by youths should be met by stern sentences. I acknowledge the dignity shown by Ms Tucker's family. On behalf of the government, I again offer my condolences to them for their loss.

**NORTHERN ADELAIDE FOOD PARK**

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

Leave granted.

**The Hon. L.W.K. BIGNELL:** The next stage of the Northern Adelaide Food Park is underway, with \$7 million in grant funding now available for food businesses looking to expand and relocate to an innovative, smart and central food and beverage production area. Following extensive assessment and due diligence, as well as engagement with potential new occupants, the food park will be located at Edinburgh Parks, instead of the site initially selected at the nearby Parafield Airport's Cross Keys Precinct. Parafield Airport's Cross Keys Precinct was initially identified as the preferred site for detailed planning of a food park following an open market and site assessment process.

This initial phase was undertaken with an intent from both parties to review the outcomes of concept planning before any further commitment. After site feasibility work, and discussions with the food industry, it was determined the Parafield Airport site proposal did not offer the flexibility of tenure or development opportunities many local businesses were looking for. I would like to thank the management team at Parafield Airport Limited for the work they have done on this project. Both sides worked hard on the proposal, but in the end the businesses we have been talking to found the site at Edinburgh Parks more attractive.

The Edinburgh Parks site is shovel ready and sits within a dedicated growth corridor with connections to key freight and transport routes. This site is within 30.5 kilometres of the Adelaide

Airport, the CBD and Port Adelaide. There is strong interest from industry in the Edinburgh Parks site, and commercial negotiations are currently underway with potential anchor tenants and developers, with a target for the food park to be operational in 2018.

The \$7 million Food Park Business Attraction Fund opens today. Applications require a matched contribution at a minimum rate of dollar for dollar, with maximum funding of up to \$1.5 million per applicant. The Food Park Business Attraction Fund will provide once-off assistance to support food businesses to invest in their growth by scaling up and locating to the food park at Edinburgh Parks. Further details can be found on the PIRSA website.

The food park is one of several initiatives under the Northern Adelaide Economic Plan to support economic growth and jobs in the area. The state government is working in collaboration with the Economic Development Board, City of Salisbury, Food SA, Renewal SA and industry to develop the food park. Gross food revenue from South Australia totalled \$16.52 billion in 2015-16, with finished food values up \$43 million. Total overseas finished food exports increased by \$25 million, to \$2.06 billion. Demand for processed food is projected to increase in coming years, particularly in Asia.

The food park will enable greater innovation and industry collaboration to assist South Australia's food businesses to access international markets. By co-locating and sharing knowledge and services, food businesses will be able to improve their cost competitiveness and generate growth in this vital industry.

#### *Parliamentary Committees*

### **LEGISLATIVE REVIEW COMMITTEE**

**Mr ODENWALDER (Little Para) (14:17):** I bring up the report of the committee, entitled 'Inquiry into the operation and impact of the Graffiti Control (Miscellaneous) Amendment Act amendments to the Graffiti Control Act 2001'.

Report received.

#### *Parliamentary Procedure*

### **VISITORS**

**The SPEAKER:** I welcome to parliament today students from Parkside Primary School, who are guests of the member for Unley.

#### *Question Time*

### **STATE MAJOR BANK LEVY**

**Mr MARSHALL (Dunstan—Leader of the Opposition) (14:19):** My question is to the Treasurer. Why has the government ignored warnings from South Australian employers that the state bank tax will damage the reputation and investment appeal of South Australia, hurting jobs growth and our state's future prosperity?

**The Hon. J.W. WEATHERILL (Cheltenham—Premier) (14:19):** A very timely question, given that The Australia Institute today have just released a media release, and let me quote from it because it is germane to the very point:

The tax simply can't deter investment in SA as it is levied on a proportion of the banks national equity. If revenue raised in this way was then spent on labour intensive services like health and education, it would be a net job creator.

With both federal and state governments suffering revenue problems stemming from tax cuts during boom years, politicians are left with [little] choice: raise taxes on workers, or tax the world's most profitable banks.

When it comes to rewarding their CEOs, the banks don't appear to be feeling as hard done by, paying out \$45 million. That's around half of what the SA levy proposes raising on just five individuals.

For quite some time we've heard Prime Ministers and federal Treasurers calling on states to increase their own revenues. This is a fair, simple and economically responsible way for a state to do just that...

**STATE MAJOR BANK LEVY**

**Mr MARSHALL (Dunstan—Leader of the Opposition) (14:20):** My question is to the—

**The SPEAKER:** Before we get to that, would the leader be seated. I call to order the members for Adelaide, Mitchell and Hartley for interrupting the Premier's answer. Leader.

**Mr MARSHALL:** My question is to the Treasurer. Given Business SA, the Property Council, the AHA, Clubs SA, REISA, Primary Producers, Restaurant and Catering SA and the South Australian Wine Industry Association and, in fact, the Urban Development Institute have all voiced their opposition to the state bank tax, can the Treasurer inform the parliament how many of these industry associations and employer groups were in fact consulted before the tax was put in place?

**The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:21):** None, sir, but what we have done is—

*Members interjecting:*

**The Hon. A. KOUTSANTONIS:** No. What we have been doing since 2015 is advocating for more taxation on the banking sector, and the reason we have been advocating that is because the banking sector is an undertaxed part of the economy. It's not just the government that believes that the banks are undertaxed; it is the commonwealth government that believes that they are also undertaxed. The attacks that the opposition leader is making on the government's levy is an indictment on his own political party.

All the criticisms he makes of us, he must make of the Prime Minister, he must make of Treasurer Morrison, he must make of the commonwealth government, yet when the major bank levy was announced by the commonwealth government was the Leader of the Opposition calling this a toxic tax? Was he out on the steps of parliament calling for it to be repealed? No. He stayed silent. Although, we heard on budget day he said, 'I never liked this tax.' But he had stayed silent. He didn't say a thing during the May commonwealth budget, didn't say a word, too frightened to speak up lest Christopher tell him off, the long Black Hand reaching to the South Australian opposition. What hypocrisy!

If it's about consulting with the community, how about this question in response? We are less than nine months from an election. How many people have the opposition informed of their policies? None—not one person. They are keeping them all hidden.

**Mr GARDNER:** Point of order: debate.

**The SPEAKER:** I uphold the point of order. I also call to order the members for Morialta, Finniss, Kavel and Mount Gambier. I warn for the first time, and the second time, the member for Adelaide. Leader.

**STATE MAJOR BANK LEVY**

**Mr MARSHALL (Dunstan—Leader of the Opposition) (14:23):** Supplementary: I would ask the Treasurer to tell us how many of the 145,000 small businesses in South Australia he consulted with before he introduced the state bank levy.

**The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:23):** It didn't impact any of them—none. I have to say that our policies are here, in the parliament today, being debated. Our plans are here, being debated in open sight of the public. Where are the opposition's? Hidden in dark rooms where no-one will see them. They won't come to light. They will be announced the day before the poll, if they announce them at all.

**Mr VAN HOLST PELLEKAAN:** Point of order.

**The SPEAKER:** I don't accept the point of order from someone who a second ago was hollering across the chamber. I shall choose the innocent blood in front of me.

**Mr MARSHALL:** Thank you very much, sir. I ask that you bring the minister back to the substance of the question: how many—

**The SPEAKER:** Yes. Minister.

**The Hon. A. KOUTSANTONIS:** I answered it immediately: none. But what we've done is—

*Mr Marshall interjecting:*

**The Hon. A. KOUTSANTONIS:** I will decide when I have finished, not you.

**The Hon. P. Caica:** Sit down, glass jaw.

**The SPEAKER:** The member for Colton is called to order.

**The Hon. A. KOUTSANTONIS:** The major bank levy is there to fund our \$200 million jobs fund. We want to go out and support South Australian businesses. There are two revenue measures in this budget: a foreign surcharge on people who aren't Australian citizens or permanent residents buying residential property and the major bank levy. Both those two taxes have something in common: they are levies that no South Australian will pay—not one—yet the bankers have found a friend in the opposition. We are introducing the same legislation and the same protective measures as the commonwealth.

**Mr MARSHALL:** Point of order, sir: debate.

**The SPEAKER:** No, I don't uphold—

**Mr Gardner:** 'The Bankers' Association has found a friend,' that's not debate?

**The SPEAKER:** The member for Morialta is warned. This is well within the kind of argy-bargy that one would expect in response to a highly rhetorical question.

**The Hon. A. KOUTSANTONIS:** The commonwealth government have introduced the same levy with the same protections we have and the banks haven't passed that on, but members opposite have bought hook, line and sinker, after one meeting with one bank, their line. It can't be summarised better than the Premier's remarks earlier. Despite closing branch after branch after branch, the banks have finally reopened one: the Liberal Party. They've got a new branch in South Australia.

*Members interjecting:*

**The SPEAKER:** The Treasurer will be seated. He has now fulfilled the leader's prophecies and has debated.

#### STATE MAJOR BANK LEVY

**Mr MARSHALL (Dunstan—Leader of the Opposition) (14:26):** Given that the Treasurer has proudly boasted to the people of South Australia that he didn't consult with any industry association or not one of the 145,000 South Australian small businesses, can he reveal to this house who did the modelling for this new state bank levy and will he reveal it to the people of South Australia?

**The SPEAKER:** Before the Treasurer answers, I call to order the members for Davenport, Stuart and Chaffey, and I warn the member for Morialta for the first time.

**The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:27):** The bank levy and its theory comes from an eminent source, the Hon. Scott Morrison, Treasurer of Australia. This is what the Treasurer had to say about the major bank levy, which the state government is replicating:

It is not a levy on depositors or savers or mortgage holders—

*Ms Sanderson interjecting:*

**The SPEAKER:** The member for Adelaide has been warned already.

**The Hon. A. KOUTSANTONIS:** —and if members opposite are saying that it is, they are saying that of their commonwealth colleagues. He goes on to say:

The major bank levy does not give any bank an excuse to increase costs for their customers.

He goes on to say:



Following the introduction of the levy, it is my expectation that, in setting their prices, banks will effectively balance the needs of borrowers, savers, shareholders and the wider community.

Eminently put by the federal Treasurer. The members opposite—

**Mr Marshall:** So, no state-based modelling?

**The Hon. A. KOUTSANTONIS:** Other than the commonwealth Treasurer—

*Members interjecting:*

**The Hon. A. KOUTSANTONIS:** Where were these attacks—

*Members interjecting:*

**The SPEAKER:** The member for Unley is called to order.

**The Hon. A. KOUTSANTONIS:** Where were these attacks when the major bank levy was introduced by the commonwealth? Where was the criticism? Where was the outrage? Where was the disgust? Where was the campaign? Where were the moves in the Liberal Party councils to stop this bank levy? There was silence. Why? Because they supported it.

*Members interjecting:*

**The Hon. A. KOUTSANTONIS:** This is purely political, and shouting shows that there is no policy substitute.

**The SPEAKER:** The member for Chaffey is warned.

*Mr Pengilly interjecting:*

**The SPEAKER:** I'm sorry, who made that last utterance?

**Mr Pengilly:** I did.

**The SPEAKER:** The member for Finniss is warned.

#### STATE MAJOR BANK LEVY

**Mr MARSHALL (Dunstan—Leader of the Opposition) (14:28):** My question is to the Treasurer. Why is the government ignoring the warnings of reputable and successful business leaders in South Australia, including Dr Tim Cooper—

*The Hon. A. Koutsantonis interjecting:*

**Mr MARSHALL:** —and Mr Rick Allert, that the state bank tax harms investment, harms jobs and harms South Australia's reputation—

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

**Mr MARSHALL:** —in global markets at the time our state can least afford it?

**The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:29):** I have to say—

*Members interjecting:*

**The SPEAKER:** The Treasurer will be seated. He hasn't uttered a word yet and already there is a barrage of interjections. I warn the member for Morialta for the second and final time, I call to order the member for Hammond and I call to order the Premier.

**The Hon. A. KOUTSANTONIS:** Well, sir, I will quote a Liberal back to him: the Hon. Scott Morrison, Treasurer of Australia. I will quote back another more prominent Liberal: the Prime Minister of this nation. I will quote federal member of the Liberal Party after federal member of the Liberal Party who says that this levy is good for the nation. If it's good for the nation, then it's good for the state, and we know there are other states that are looking at this.

Mr Speaker, I know the kerchief is probably obscuring your view of members to your left, but as soon as I get up the Leader of the Opposition, in his frustration at having no policies, just yells. He just yells. No other leader of the opposition—

**The SPEAKER:** The Treasurer will be seated. Tempting though it is, the Treasurer will not tell me how to do my job, and he is warned.

**The Hon. A. KOUTSANTONIS:** There are prominent Liberals across Australia who think that this major bank levy is a good idea; that is why they have endorsed the commonwealth's. Importantly, The Australia Institute today put out some alternative resources than those put out recently by the Australian Bankers Association, which are doing everything they can to try to stop this levy becoming a reality.

What they are really concerned about is protecting the super profits of the banks. They don't want other states to follow, they don't want other states to make the same levy, so they are fighting a rear-guard action. To their surprise and shock, they found a friend in the Leader of the Opposition. They probably still can't believe their luck today, that they found someone like Steven Marshall to back them.

**The SPEAKER:** The Treasurer is warned for the second and final time. He will not use the Christian name and surname of any member in question time or debate because it tends to disorderliness.

**The Hon. A. KOUTSANTONIS:** Yes, sir. Thank you, sir. The Leader of the Opposition, now being the shop steward for the banks in this nation, has come out in opposition to the principle that the commonwealth government has implemented in its budget, which is that, overwhelmingly, the commonwealth Treasury agrees that this nation has a sector of its economy that is undertaxed, and that is the banking sector. That is why they are the most profitable banks in the world. Because they are so profitable and not contributing back to our economy, it is only proper and fitting that we take one-third of 1 per cent of their \$30 billion in super profits and invest it in hospitals, schools, roads, job creation. These are taxes that South Australians will not pay.

*Members interjecting:*

**The Hon. A. KOUTSANTONIS:** I also say that in those budget bills the Leader of the Opposition is attempting to block are payroll tax cuts to small business, are incentives to people to go out and buy an apartment, are tax surcharges to protect our own citizens when they are attempting to buy a house in their own suburbs. These measures are vitally important, and every government since the 1850s has had its budgets passed. Not once has a Legislative Council blocked a budget bill, and if the Leader of the Opposition wants to start the precedent with this government I say to the younger members of the parliament: do not let this interloper in your party. He doesn't really believe what you believe. He doesn't really stand for what you stand for. Do not let him do this to you.'

**Mr PISONI:** Point of order: I don't believe the minister is answering the substance of the question. He is actually debating.

**The SPEAKER:** Yes, I uphold the member for Unley's point of order. In the pause he has allowed me, I warn for the first time the members for Hartley, Mitchell and Stuart, and I warn for the second and final time the member for Chaffey.

#### STATE MAJOR BANK LEVY

**Mr MARSHALL (Dunstan—Leader of the Opposition) (14:33):** My question is to the Treasurer. Was Rob Chapman, head of the government's own Investment Attraction agency, wrong when he said that it would be naive to think that a state bank tax would not impact investment and job creation?

**The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:34):** I can't think of many bankers who would be supporting this tax. Why would a banker support it?

*Mr Gardner interjecting:*

**The SPEAKER:** The member for Morialta is on two warnings.

**The Hon. A. KOUTSANTONIS:** I think it is only appropriate that people who are supporters of the banking industry have their say, and Rob Chapman is entitled to have his view, as is the government. Like the commonwealth government—

**Mr Marshall:** Was he wrong? Answer the question.

**The Hon. A. KOUTSANTONIS:** Is this how it is going to be from now on, sir, just constant interjecting? Is this how it happens in every other parliament in the country, sir, just constant yelling? Mr Rob Chapman is entitled to his view, the government is entitled to its, as is the commonwealth government, as is the commonwealth Treasurer. Commonwealth treasurers and commonwealth governments and state governments are sovereign, and they are entitled to make their own budgets and they are entitled to raise revenue to spend on productive parts of our economy. This budget bill is being debated as we speak right here, right now. We are not hiding it. We are out here in the public and the open. We are talking about what it is we want to do. We have many advisers—

*Mr Marshall interjecting:*

**The SPEAKER:** I call the leader to order.

**The Hon. A. KOUTSANTONIS:** —who do not share our political views.

**Mr MARSHALL:** Point of order, Mr Speaker. I ask you to bring the Treasurer back to the substance of the question which was very clear: was the head of the Investment Attraction agency—

**The SPEAKER:** Yes, I know what the question was and it seems to me that the question is an invitation to the Treasurer to put his point of view about the merits of the proposed tax, and that is what he is doing. Treasurer.

**The Hon. A. KOUTSANTONIS:** This government has a number of advisers who don't share our political beliefs. Former premier Rob Kerin is an adviser of this government. I don't know who Rob Chapman votes for and I don't care. Often we have people who advise us in the business community who do not come from the Labor stable, and that is a good thing for our state that we have people who aren't identical to us advising us. We are not always going to agree with them.

*Mr Knoll interjecting:*

**The SPEAKER:** The member for Schubert is warned.

**The Hon. A. KOUTSANTONIS:** As every member who has been in a cabinet knows, cabinet and budget deliberations are for the government and for cabinet. We have robust debates internally. Our policies are here in the parliament right now being debated. The merits of them will be canvassed in this parliament. We don't know what the opposition's plans are because they won't reveal them, yet the opposition leader says we are on the eve of an election. It is imminent. It is five minutes away.

**Mr Marshall:** Bring it on.

**The Hon. A. KOUTSANTONIS:** Bring it on—but without any policies. That's their health policy, no policy. I am loath to use a great old line about doing him slowly, but we won't because we have already done it once to him. I don't want to do it again. What we want to do is have a debate—a debate of ideas. We have our policies out there in the open and we are talking about them. We are talking about revenue measures on a part of the economy that is undertaxed yet making super profits.

*Members interjecting:*

**The SPEAKER:** The members for Adelaide and Morialta continue to interject long after they received their last warning.

**The Hon. A. KOUTSANTONIS:** The government is entitled to raise revenue from—

**The SPEAKER:** The remedy for the Treasurer debating is not interjecting. Treasurer.

**The Hon. A. KOUTSANTONIS:** The government is entitled to raise revenue from parts of the economy that are undertaxed and use that money productively within the economy to create jobs so that we can grow. We, of course, have seen today a remarkable quote by the Leader of the Opposition in the budget reply debate where he said he wanted South Australia to grow at the same rate as the nation's growth. But that would mean that we would need to slow down, because last financial year our gross state product grew at 2¼ per cent and the nation's grew at 1¼ per cent. Rather than the members opposite saying that the economy has ground to a halt, why don't they just tell the truth?

**STATE MAJOR BANK LEVY**

**Mr MARSHALL (Dunstan—Leader of the Opposition) (14:38):** My question is again to the Treasurer. Does the Treasurer have any modelling to prove his claim that a differential state bank tax will not raise the cost of borrowing for businesses or the government in South Australia?

**The Hon. J.W. WEATHERILL (Cheltenham—Premier) (14:38):** I do enjoy this report that has been published today. It is worthwhile reading. It is called 'Bank levy on South Australia: doing as the Treasurer says, doing as the Treasurer does.'

*Members interjecting:*

**The SPEAKER:** The member for Kaurna is called to order, and the leader is warned.

**The Hon. J.W. WEATHERILL:** Let's—

*Mr Marshall interjecting:*

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

**The Hon. J.W. WEATHERILL:** Let's just grapple with the analysis rather than the abuse. Bank levies are common in other countries, particularly in Europe. There are at least—

*Mr Marshall interjecting:*

**The SPEAKER:** The leader has been warned twice.

**The Hon. J.W. WEATHERILL:** Bank levies are common in other countries, particularly in Europe. There are at least 14 countries in Europe which imposed bank levies—

**Mr Knoll:** From the front page of the *Green Left Weekly* or something.

**The SPEAKER:** I call the member for Schubert to order.

**The Hon. J.W. WEATHERILL:** —after the GFC on the advice of the IMF—that left-wing organisation, the IMF. The IMF recommended a maximum levy of 20 basis points so, even with the South Australian move, the combined total of state (0.36 basis points) and federal (six basis points) is less than a third of the IMF's recommended safe maximum. We also see the observation within this report that the way in which the calculation has occurred of the bank levy is that it's essentially identical to the federal levy, because the 6 per cent of—

**Mr Marshall:** No, it's not, because it's a differential state tax and we are at a competitive disadvantage to every other state in the commonwealth.

**The SPEAKER:** The leader, if he makes another utterance outside standing orders, I will have to remove him from the house under the sessional order, and I am reluctant to do that for reasons I have previously stated. The Premier.

**The Hon. J.W. WEATHERILL:** The South Australian bank levy is \$3.60 in every million dollars of bank liabilities—\$3.60 in every \$1 million worth of bank liabilities. The conclusion has been reached that the bank levy simply cannot deter investment in South Australia as it's levied on a proportion of the bank's national liabilities. This is the analysis of those opposite: the banks will forgo \$100 worth of profit to save 0.3¢. That's the analysis that those opposite are actually making. So, the rational and profit-motivated bank sector—and please don't tell me they are anything other than that, please, with 387 jobs being lost in just Westpac alone and 21 branches closing, eight with reduced hours mainly in all of the electorates of those opposite—

*The Hon. T.R. Kenyon interjecting:*

**The SPEAKER:** The member for Newland is called to order.

**The Hon. J.W. WEATHERILL:** So, if they consult their own country towns about this, they will understand about the banks' commitments in relation to profitability. Are we seriously suggesting that banks would put \$100 worth of profit at risk to save a third of a cent? I don't think so. I think they are going to make self-interested rational investments in their own economic interest. Those opposite who are simply doing the banks' bidding, who are simply owned lock, stock and barrel—the Liberal Party of South Australia is a wholly owned subsidiary—

*Mr Pisoni interjecting:*

**The SPEAKER:** The member for Unley is warned.

**The Hon. J.W. WEATHERILL:** —of the five major banks.

*Members interjecting:*

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

#### STATE MAJOR BANK LEVY

**Mr MARSHALL (Dunstan—Leader of the Opposition) (14:43):** My question is to the Premier. Is the Premier concerned that South Australia's reputation as a place to invest and do business has been affected by the attempt to impose punitive new taxation measures on certain businesses, as the head of Business SA, Nigel McBride, has suggested?

**The Hon. J.W. WEATHERILL (Cheltenham—Premier) (14:43):** Yes, I am gravely concerned that the Leader of the Opposition has signalled to every major corporate interest in this nation that, if he becomes Premier of this state, he is open for being purchased. This is essentially the message that he has sent to the people of this nation: 'Come here and you can own your own government.'

**Mr MARSHALL:** Point of order: standing order 128, sir. The Premier is imputing improper motives and I ask him to withdraw and apologise.

**The SPEAKER:** Yes, I am afraid I ask the Premier to withdraw the expression 'open for purchase'.

**The Hon. J.W. WEATHERILL:** Well, I do apologise for 'open for purchase', but can I say they can—

*Members interjecting:*

**The SPEAKER:** I'm sorry?

**The Hon. J.W. WEATHERILL:** I have withdrawn.

**The SPEAKER:** The Premier withdraws.

**The Hon. J.W. WEATHERILL:** Can I say, though, that they can essentially have their own government here in South Australia. The private banking sector can have their own government here in South Australia.

**Mr GARDNER:** Point of order, sir: the Premier has now just compounded it by repeating the offence in slightly different words, by saying that businesses can have their own government in South Australia, compounding the offence and repeating the offence.

**The SPEAKER:** I actually don't uphold that point of order.

**Ms Sanderson:** The unions have got their own government, haven't they?

**The SPEAKER:** The member for Adelaide has been warned repeatedly from the beginning of question time.

**The Hon. J.W. WEATHERILL:** It is of great concern that the banks have launched this extraordinary attack on the character and reputation of South Australians. I think this should be a source of concern for every South Australian, that a sovereign government that has chosen to apply a modest and fair and reasonable tax on a sector of the economy could then be the subject of this extraordinary campaign, which is about damaging our reputation on both a national and, indeed, an international basis.

It is a disgrace, the campaign that the banks have launched against us. It is a campaign which is dishonest. It is a campaign which is based on false facts and material. It is throwing around threats which are simply utterly inconsistent with the banks' responsibility to their shareholders. Are

they seriously suggesting they would jeopardise \$100 worth of profit to save a third of a cent of profit? That is really what they seem to be suggesting.

Even if that was possible, and even if they could somehow affect the size of the state's share of the national economy through their efforts, which is an open question because I think there would be hundreds of other banks that would actually rush in to lend to any sensible business that had a solid business proposition, the whole underpinning of what the banks are saying is that they would act irrationally in their own interests—

*Mr Williams interjecting:*

**The SPEAKER:** The member for MacKillop is called to order.

**The Hon. J.W. WEATHERILL:** They would act irrationally in their own interests and forgo what are sensible investments to create money here in this state. They wouldn't do that. We know that. Secondly, there is no way that, even if they did that, they could actually shift the dial on the state's share of the national economy thereby reducing their liability.

*Mr Bell interjecting:*

**The SPEAKER:** The member for Mount Gambier is warned.

**The Hon. J.W. WEATHERILL:** It would be a pointless task anyway. They would only be self-harming. Somehow, the people of South Australia are being persuaded through these threats—through these idle threats—that have been made by the banks about what they will do. Those threats they have put in place have scared the Leader of the Opposition. The bodgie poll that was commissioned scared the Leader of the Opposition and made him retreat from the basic principle of allowing governments to have their own budgets. The frightening thing about this is what this says about a Liberal Party in government and, if they were in government, what it would say about their will being overborne by large powerful interests.

**Mr PISONI:** Point of order: the Premier is entering debate. By referring to the Liberal Party in government he is entering debate.

**The SPEAKER:** I uphold the point of order.

#### STATE MAJOR BANK LEVY

**Mr MARSHALL (Dunstan—Leader of the Opposition) (14:47):** My question is to the Treasurer. Which other businesses will the Treasurer attempt to tax next time he fails to balance his budget?

**The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:47):** Now that the Leader of the Opposition is not doing Wokinabox, it's doing quite well, but we won't be doing anything like that at all. If there are parts of the economy that are not paying their fair share of tax—

*Mr Whetstone interjecting:*

**The SPEAKER:** The member for Chaffey is on two warnings and he will not demean fish and chip shop owners.

**The Hon. A. KOUTSANTONIS:** Back to your usual stomping ground. Of course, if there are other parts of the economy that are not paying their fair share of tax compared to the rest of the economy, then we would look at it. We have been in office now for 16 years, and in 16 years we have a record that we are proud of. We have cut taxes on transactions and we have cut stamp duties. We are attempting to cut payroll tax. We have increased the tax-free threshold every year for land tax. We are cutting taxes. We have abolished the River Murray levy after the good work the Premier did by returning flows to the River Murray. We are lowering the tax burden on South Australia. We have lowered the return-to-work levies—the largest tax cut ever offered to South Australians.

*Mr Pisoni interjecting:*

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

**The Hon. A. KOUTSANTONIS:** When it comes to taxation, the facts bear out something very different from what members opposite hope that people think. The truth is that we have cut more taxes than they ever have, and our 2015-16 budget was a dramatic piece of tax reform.

That budget and that tax reform process lay the foundations of this revenue measure because this Premier has been arguing and advocating to apply the appropriate level of taxation to the Australian banking industry because they are underpaying their taxes. The rest of the economy is paying their fair share of taxes. The banks are getting away with \$4 billion a year—\$4 billion a year—underpaying their taxes to the Australian public. And they found a friend, they found a new branch, they found someone they can rely on, lean on: the Leader of the Opposition.

I have to say, what kind of politician stops the government's budget measures and then hopes to win? What type of government does he hope to lead? What type of budgets does he hope to bring down? We're better at—

**Mr VAN HOLST PELLEKAAN:** Point of order: debating the substance of the question, standing order 98.

**The SPEAKER:** I uphold the point of order. The member for Torrens.

### COURTS PRECINCT

**Ms WORTLEY (Torrens) (11:45):** My question is to the Attorney-General. Can the Attorney-General tell the house how the government is meeting current and future demands for the state's court system?

**The Hon. J.R. RAU (Enfield—Deputy Premier, Attorney-General, Minister for Justice Reform, Minister for Planning, Minister for Industrial Relations, Minister for Child Protection Reform, Minister for the Public Sector, Minister for Consumer and Business Services, Minister for the City of Adelaide) (14:50):** Can I thank the member for Torrens for her question. Yes, the courts' operations are presently in a significant period of change due to a number of factors, including but not limited to technological developments and changes in digital technology and the implementation of a new court system such as audiovisual links and the virtual courts, which will make our courts more flexible in the future and reduce the demand for physical infrastructure.

The state government has a long-term vision to achieve the accommodation requirements for our court system and to enable flexibility in modern court infrastructure to integrate these technological advancements. The state government budget, which has just been the subject of comment by the Treasurer and the Premier, in fact sets aside some \$31 million in years 2017-18 for redevelopment of the city courts precinct. Can I say, that's most welcome—most welcome indeed. I say that to the Treasurer again: most welcome, the allocation of funding.

**The Hon. A. Koutsantonis:** It was your advocacy.

**The Hon. J.R. RAU:** Well, thank you, Treasurer, for listening. It is a delight when one is able to sit down with the Treasurer and have a conversation like this and he understands the needs of the sector.

**The SPEAKER:** I call the Deputy Premier to order.

**The Hon. J.R. RAU:** Thank you, Mr Speaker. Seven existing civil courtrooms and courtroom 18 in the Samuel Way building will be upgraded to create two additional jury courtrooms, and the displaced civil courts will be absorbed within existing underutilised courtrooms in the Supreme Court facility. A portion of the existing Supreme Court building will also be refurbished to provide fit-for-purpose accommodation. This will address the need for additional jury courtrooms.

Works are expected to occur over the 2017-18 and 2018-19 years and are expected to create up to 60 jobs during the construction phase. Additional operational funding of \$1.5 million per annum is also provided for, from 2019-2020, to support the operation of the additional jury courtrooms, including sheriff's costs, juror costs and court transcription services. This will enable future flexibility in the delivery and location of court facilities and it allows for future requirements to be scoped.

The funding announced in this budget provides flexibility in the future and will allow multiple further options for the long term to be assessed, and that is an ongoing process, again where, I am

delighted to say, the Treasurer has been involved in a delightful way, too. The project will be delivered in consultation with the Courts Administration Authority and the judiciary, with whom the Treasurer is in constant contact, to ensure services can continue during the relevant redevelopment.

*Ms Sanderson interjecting:*

**The SPEAKER:** How many times have I warned the member for Adelaide today?

**The Hon. T.R. Kenyon:** Four or five, actually.

**The SPEAKER:** The member for Newland is correct. The member for Schubert.

#### STATE MAJOR BANK LEVY

**Mr KNOLL (Schubert) (14:54):** My question is to the Treasurer. Treasurer, have you, or anybody under your authority, had any conversations with any representative of the Western Australian government in relation to a state bank tax or levy?

**The Hon. J.W. WEATHERILL (Cheltenham—Premier) (14:54):** Yes, I have indeed, and they were very interested. I spoke to the telephone conference just before we made the public announcement because we thought that they may have an interest, given that their budget is yet to be handed down. We thought that it would be a natural question that they would be asked and, as a courtesy, we gave them a briefing, and they have asked us to keep them informed about the matter.

#### TRADESTART

**Mr PICTON (Kaurna) (14:54):** My question is to the Minister for Investment and Trade. Minister, how is TradeStart contributing to an increase in goods exporters in South Australia?

**The Hon. M.L.J. HAMILTON-SMITH (Waite—Minister for Investment and Trade, Minister for Small Business, Minister for Defence Industries, Minister for Veterans' Affairs) (14:55):** I thank the member for Kaurna for his question because the latest ABS figures show that the total number of South Australian goods exporters grew by 202 in 2015-16 over 2014-15, to a total of nearly 2,600. It is an 8.6 per cent growth in the number exporters, and that is the highest growth of any of the states. This state, which the banks say is devoid of investment, is actually exploding in terms of the number of investors, despite their best efforts to rip the state down.

It has taken hard work and a partnership between business and government at the state and federal level to achieve that outcome. I place on record today the government's appreciation for the work of the federal agency, Austrade. The TradeStart network is an extension of Austrade's offices and it is delivered in partnership with the Department of State Development (DSD) here in South Australia. The prime objective is to assist South Australian exporters to achieve long-term success in international markets, which they are doing.

TradeStart provides critical export advice and facilitation services to small and medium-sized businesses utilising the resources of both Austrade and DSD. TradeStart provides advice and information to South Australian exporters on a range of things: doing business in overseas markets including market entry strategies; general international marketing and promotional advice; international industry insights; referrals to specialist professional services, business matters and cultural tips; selecting potential export markets, etc.

Each TradeStart adviser delivers services within a defined geographic area within SA. We have someone looking after the northern metro area, the southern metro area, northern regional South Australia, south-east regional South Australia and the Riverland. In 2015-16, TradeStart facilitated almost \$50 million in export sales. The latest ABS statistics show that the number of South Australian goods exporters, as I mentioned, has grown. It is heading towards 2,600, and that comes after growth in 2014-15 of 4 per cent.

Nationally, goods exporter numbers also grew in 2015-16, but by a far lesser figure of 5.4 per cent. SA's percentage increase was higher than that of any other state. This is a demonstrable impact of the government's programs that have delivered these figures. TradeStart signed up 56 new exporters as clients in the 11 months to the end of May 2017 and has for three successive financial years now exceeded the target of 50 exporters annually. South Australia's exports have now reached \$15.12 billion, not the fake news figure put out by the leader today of



\$11 billion. They can't even read the ABS statistics. They don't even understand the very basics of economics. We get grade 9 and 10 economics from them whether we are talking about banks or trade.

**Mr GARDNER:** Point of order: the minister is debating.

**The Hon. M.L.J. HAMILTON-SMITH:** It's like being a primary school teacher when you're before those opposite, but I would make the point—

**The SPEAKER:** The point of order from the member for Morialta is upheld.

**Mr GARDNER:** The second point of order: he was undermining your authority as well and he shouldn't do that.

**The Hon. M.L.J. HAMILTON-SMITH:** Mr Speaker, 72,000 Australian jobs are now dependent on exports; 72,000 meals on the table every night as a result of exports. And what are those opposite and the banks doing? Trying to do damage to that wilfully in their own self-interest. These results are due to the hard work of our exporters and the state government's export programs that concentrate on higher value-added sectors which create more jobs and on new small exporters. We are out there getting results while those opposite and the banks are trying to rip us down.

#### CLUB REGISTRATION SCHEME

**The Hon. A. PICCOLO (Light) (14:59):** My question is to the Minister for Transport and Infrastructure. Can the minister outline how changes to the state's club registration rules are assisting car enthusiasts?

**The Hon. S.C. MULLIGHAN (Lee—Minister for Transport and Infrastructure, Minister for Housing and Urban Development) (14:59):** I thank the member for Light for his question and his keen interest in this area. On 1 July this year, South Australia saw the biggest changes to historic vehicle registration rules in decades. The amendments to the conditional registration regulations, under the Motor Vehicles Act, were made earlier this year, after broad consultation with car clubs and key stakeholders.

The amendments simplify the scheme for owners and car club officials, allowing more classic car lovers to enjoy their vehicles and get them out on the road. In particular, the changes allow owners to modify their vehicles and still access the conditional registration scheme. There is also a move away from the fixed cut-off manufacture date of 1979 to a rolling 30-year vehicle age instead. Also, there is a reduction in the administrative burden on motoring clubs by removing the mandatory vehicle inspection and reducing the limitations, which had banned left-hand drive vehicles with safety improvements, such as updated braking systems.

The scheme allows for complying vehicles to be driven on public roads for up to 90 days a year. If a motoring enthusiast would like to access the club registration scheme, the requirements are that the vehicle is more than this new 30-year rolling cut-off period, that they are a financial member of an approved club and meet the club's requirements for membership, that they complete their registration forms and pay the fees, but they maintain a vehicle logbook for each journey they undertake. For these vehicles, there is a \$91.45 annual cost, which is a massive saving over regular registration costs, particularly for those vehicles that are six or eight cylinders.

Since formal consultation commenced, the government has been inundated with feedback from South Australian car communities with overwhelming support for these changes. Following requests for more information from car owners, as well as some car clubs, a Club Registration Information Day was held on Sunday at Football Park. This day was organised by the Street Machine Association of South Australia by many of its volunteers who gave their time very generously throughout the day, from event promotion all the way through to vehicle marshalling on the day.

Officers from the Department of Planning, Transport and Infrastructure were also on hand to provide information about the scheme, vehicle registration, and also making information available about numberplate availability and the process of vehicle modification and approval. There was also a strong presence from SA Police, their traffic branch, who were very complimentary about the behaviour and the conduct of the attendees on the day. Over 1,000 historic vehicles, classic cars,

street rod and left-hand drive vehicles attended on Sunday, and their enthusiastic owners were overwhelming in their praise of the changes to the scheme.

Today's issue of the *South Australian Government Gazette* is scheduled to relist all 186 recognised motoring clubs that have access to the revised scheme and, due to the changes in the criteria—such as the revised vehicle age, allowing younger vehicles—a new wave of specific car clubs specialising in 1980s vehicles can now access the scheme. Several new car clubs have been announced, including the Commodore and Classic Holden Enthusiasts car club being just one of these additional clubs.

South Australia has over 15,000 vehicles registered under the club registration scheme, and we expect this to increase dramatically after these changes. South Australia is also, of course, home to a diverse motoring history, and by changing the scheme we have enabled the preservation of South Australia's motoring heritage by reducing costs and red tape for car enthusiasts and, importantly, getting them back on South Australian roads. I should state particular thanks to those people who were responsible for this change, in particular Glen Stankevicius from the Street Machine Association of South Australia, and the Sporting Car Club of South Australia, notwithstanding the Liberal Party calling time on those comments.

Time expired.

### ELECTRICITY PRICES

**Mr VAN HOLST PELLEKAAN (Stuart) (15:04):** My question is to the Minister for Energy. After more than 15 years in government, and nearly six years as the minister responsible for energy, does the minister take responsibility for South Australia having the highest electricity prices in the world?

**The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (15:04):** My office asked Mr Bruce Mountain for his modelling, asked him for the way his assumptions were made to get to the recommendations that he claimed in his report and he refused. He refused to release all of them. I am saying he's wrong. So then we asked Danny Price from Frontier Economics to check the assumption that we have the highest prices in the world, and again it was false.

From my reading of the Bruce Mountain report, he is claiming that we are paying on average 50¢ a kilowatt hour for our electricity. That's not accurate. It is no great secret to say that electricity prices in Australia and South Australia are too high and governments need to do more, including us.

**An honourable member:** Why is that?

**The Hon. A. KOUTSANTONIS:** Well, they are high because the commonwealth government refuses to have—

*Members interjecting:*

**The Hon. A. KOUTSANTONIS:** No—including the Prime Minister says this. The Prime Minister commissioned the Finkel report. The Finkel inquiry has come up with a series of recommendations—50 of them. The commonwealth government has said it accepts 49 of them, but there is one that it is still debating, the most important one: the mechanism, the mechanism to incentivise new generation.

What has occurred across the national electricity market, since the abolition of the carbon tax, has been that retailers and generators have created scarcity by pulling supply out of the market in a disorderly way—in fact, over 5,000 megawatts—trying to create more value for the electrons they produce. That is what is occurring. This country, under government ownership of our electricity assets, had a policy of oversupply. We deliberately built more generation than we needed to keep costs down. It's a very simple formula.

Then successive governments across the country have been privatising these assets. Some have done it differently from others, but by and large, to maximise the sale price of these assets, they have sold them to monopolies and those monopolies have done everything they can to get the highest regulated return they can or, with a non-regulated asset, to try to create as much scarcity in the market to try to get the highest price.

For example, when Jeff Kennett privatised the transmission network in Victoria, then treasurer Stockdale put a very important amendment in that privatisation—that every new piece of infrastructure in Victoria must be contestable for the monopoly owners. Of course, that lowered the sale price of the transmission assets. There was no such clause in the South Australian sales because members opposite wanted to maximise the sale price of our transmission networks with no interconnector.

Governments are at fault, absolutely, and there is a solution: it is a market mechanism. What we need to do is to put the hysteria of a mechanism to one side, come together as a country and adopt the Finkel recommendations in full, not 49 out of 50—all 50. We have designed our energy security target to fold directly into any national mechanism.

We want our clean energy target that Dr Finkel has developed to succeed, but there are some members of the Coalition backbench who will not accept it. That is of grave concern to the entire country because, without a mechanism, there will be no reinvestment and the only investment we will get is more and more reduction in generation and introduction of unscheduled forms of renewable energy that cannot be scheduled. That is why batteries and firming are very important to make sure that we can make up that shortfall, and that is exactly what this government is doing through its energy plan, by incentivising the Southern Hemisphere's largest battery, bringing in more base load—

Time expired.

**The SPEAKER:** The member for Florey.

#### **SCHOOL PRIDE FUNDING**

**Ms BEDFORD (Florey) (15:08):** My question is to the Minister for Education. Can the minister advise which schools missed out on school pride money in (1) all of the current seat of Florey, and (2) the parts of the current seat of Playford that will soon be in Florey, and can she advise what criteria are applied when awarding the much-needed funds for school upgrades?

**The Hon. S.E. CLOSE (Port Adelaide—Minister for Education and Child Development, Minister for Higher Education and Skills) (15:08):** I can certainly provide on notice the answer to the questions about the schools within those boundaries, and I can broadly indicate that the criteria that were used were, first of all, the size of the school, the enrolment, and, secondly, whether the school had received substantial money or was in the process of receiving substantial money through the STEM projects that have another three years to run.

If they had received substantial funding or were identified as being a STEM facility school, then they would not receive this school pride funding. So, it was directed at the schools that had missed out on that but still had a reasonable enrolment. I can't remember off the top of my head the number of enrolments that constituted the minimum, so I will provide all that in an answer to the member and to the chamber.

#### **ELECTRICITY GENERATION**

**Mr VAN HOLST PELLEKAAN (Stuart) (15:09):** My question is again for the Minister for Energy. Does the minister still intend to spend \$360 million of taxpayers' money on a new gas-fired electricity generator, given that since his announcement industry has confirmed that it will build one at Torrens Island and two more are proposed near Mallala and Mannum?

**The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (15:10):** Replacement generation is not new generation. There will be a temporary time when the new generation at AGL will be excessive. I also point out to the shadow minister that there are a number of sites that have development preapproval for the construction of new generation, but those generators have not been built. As I said, again, there is market failure. There is market failure not because of ideology: there is market failure because there is no price signal.

Without a price signal, the market will not build new generation. If members scoff about what this price signal is, I will tell you what the price signal is right now. The only price signal in the Australian National Electricity Market right now is the commonwealth government's renewable

energy target. It is the only market mechanism out there paying people to put generation in—the only one. What we are saying is that you need a market mechanism to incentivise new gas-fired generation. That is what we want. I know that members opposite have an ideological aversion to gas because they are now the party that blocks budgets and is anti-gas and socialises with the Greens—

**An honourable member:** Greens-inspired anti-gas policies.

**The Hon. A. KOUTSANTONIS:** Greens-inspired anti-gas policies—but that is what the country needs. So, yes, we are committed to Our Energy Plan. The costs of that new generator will be announced once the procurement is over, but we are spending over half a billion dollars—no more bandaïd measures. What we are doing is attempting to fix the problem and, in the absence of an alternative policy, I think the opposition would be better off just to sit quietly and watch, or—here's an idea—release an alternative policy and let's debate it. First it was, 'Wait for Finkel.' Finkel came out and now it's, 'Wait for Josh.' We now have the Finkel inquiry and still no policy from members opposite. In the absence of any alternative policy, how about the opposition just sit quietly or release their policy and let's debate it? It's pretty simple.

### ELECTRICITY PRICES

**Mr VAN HOLST PELLEKAAN (Stuart) (15:12):** Supplementary: can the minister guarantee that his energy plan will bring down electricity prices in South Australia and, if so, when?

**The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (15:12):** Any politician who promises they can lower energy prices when they don't own all the assets is simply not being fair. Members opposite—

*Members interjecting:*

**The SPEAKER:** The member for Schubert will depart the chamber under the sessional order, for repeated interjection, for a period of 20 minutes.

**The Hon. A. KOUTSANTONIS:** Sentence him as an adult, sir.

**The SPEAKER:** He was tried as an adult.

*The honourable member for Schubert having withdrawn from the chamber:*

**The Hon. A. KOUTSANTONIS:** We believe that the national reforms and Our Energy Plan will lower prices, but in the absence of a coherent national policy, in the absence of a market mechanism, in the absence of scarcity being—

**Mr Marshall:** Double Victoria.

**The Hon. A. KOUTSANTONIS:** Double Victoria—can the Leader of the Opposition back that up?

**Mr Marshall:** Yes. Plenty of people down in the South-East—

**The Hon. A. KOUTSANTONIS:** 'Plenty of people,' anecdotal: 'I spoke to some guy yesterday who told me.' How about the Leader of the Opposition back that up? Don't change the subject: back it up.

*Mr Marshall interjecting:*

**The Hon. A. KOUTSANTONIS:** That's right—change the subject, point across, shout. No policy, no idea, make things up. Today, on radio he told us that the economy has ground to a halt, yet our growth is higher than the national growth. You just make things up.

**The SPEAKER:** The Treasurer criticises me for failing to control the Leader of the Opposition. Do you think, Treasurer, that you may have provoked the opposition benches then?

**The Hon. A. KOUTSANTONIS:** Not at all, sir.

**The SPEAKER:** Right, okay. Member for Reynell.

## TOURISM

**Ms HILDYARD (Reynell) (15:14):** My question is to the Minister for Tourism. How has the state government encouraged growth in South Australia's visitor economy?

**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) (15:14):** I thank the member for Reynell for her question. We have been working hand in hand with the private sector in the tourism industry here, and in the past four years we have seen tourism grow from \$4.9 billion a year to \$6.3 billion a year. There have also been 5,000 extra jobs created in the sector.

What the sector needs is help. There are a lot of small businesses involved in the tourism industry, and they are out there trying to get money from banks so they can grow their businesses and employ more people. This is the engine room of jobs in South Australia, 140,000 small businesses across this state employing 250,000 South Australians. When they go to the bank to see if they can borrow some money so they can expand their business, they have to go to Melbourne, for a start, and then they get told that they can't borrow the money. What we have done, what the Premier and the Treasurer have put into this budget, is \$120 million: \$50 million for grants and \$70 million for loans. That is going to help those businesses right across South Australia, including the tourism sector, to grow their businesses.

It was interesting to see some of the names that lined up against this proposed bank tax, including the AHA. I have spoken to publicans who have said to me, 'You've got cellar-door grants where cellar doors and wineries can get up to \$25,000 to improve their cellar door, but pubs can't.' We know that pubs are a really important part of the tourism industry right throughout our state, and a lot of them could do with a touch-up and maybe some expansion so they can employ more people. These grants and these loans will help pubs do that, so it was interesting to see the AHA come out against the bank tax, because we have to fund these grants and these loans and we will fund them with the bank tax.

When we look at regional areas—and it is interesting that we have so many country members sitting opposite—the banks have ripped bank branches out of country South Australia. I would have thought that good, hardworking members would have been sticking up for their little towns, like Willunga. The ANZ has pulled out of Willunga and Bank SA has pulled out of Willunga. I would have thought that members opposite would have been sticking up for country communities because we need strong rural communities, and banks—and hotels, for that matter—are an important part of that.

I want to look at the cruise ship industry. When the opposition was last in government, about the only cruise you could go on was *Popeye*. We have grown it so that this year we had 49 cruise ships come into South Australia. The industry is worth \$26.9 million, and the growth is extraordinary. That is \$10 million up on the previous year, and next year the forecast is for even more ships to come here, more money going into our economy. It is interesting that when the Liberals were last in government, they sold our ports and they sold them for a ridiculously discounted price, just like they sold ETSA for a discounted price and the TAB for two-thirds of what it made us each year.

When you sell something you should not be sent a bill to fix it up, and it is interesting that Vincent Tremaine, the CEO of Flinders Ports and the chair of Business SA, has asked us to pay a bill of \$1.8 million to do up escalators, to do up a stairwell and a lift down there. If we don't pay that, he says he is going to put a \$7 per passenger levy on every passenger who comes into South Australia. If that's not a disincentive to business and to all the small businesses—because people get off these ships in their tens of thousands and they go to Hahndorf, they go to the Barossa, they go to McLaren Vale, they go to the mall, and they spend money with small businesses and create more jobs for South Australians.

**The SPEAKER:** The minister's time has expired. The member for Hartley.

## CHILD PROTECTION

**Mr TARZIA (Hartley) (15:18):** My question is to the Minister for Education and Child Development. Now that the minister has had time to go back to her department in relation to the Tucker case, can the minister now tell the house if she was satisfied that the process the department

was to follow when a child goes missing was, in fact, undertaken in this case, and was the matter referred to police?

**The Hon. S.E. CLOSE (Port Adelaide—Minister for Education and Child Development, Minister for Higher Education and Skills) (15:19):** I welcome the opportunity to answer this question as it will clear off a number of outstanding questions I have taken on notice previously. I have now had formal advice from the legal section of the child protection department which has advised me in the clearest possible terms that it is inappropriate for me to comment on any matter relating to this instance on the basis both of the Children's Protection Act and also the juvenile offenders legislation.

#### *Grievance Debate*

### **RENMARK POLICE STATION**

**Mr WHETSTONE (Chaffey) (15:19):** Today, I rise to speak about a win for the Riverland community. Recently, I stood in this place to raise my concerns and the concerns of the Riverland community about staffing arrangements at the Renmark Police Station. These concerns were further inflamed after internal SAPOL correspondence revealed that police staff would be relocated to Barmera during renovations at the Berri Police Station and that Barmera was chosen as it reduces the risk of the Renmark community becoming accustomed to front station services like previous services that were provided.

Questions were asked of the Minister for Police about the future of the Renmark Police Station in the upper house and he referred the matter to the police commissioner, who he said is responsible for allocating resources to tackle crime. I would like to report to the house today that after I wrote to the police minister in April, and in consultation with him, he has now responded to say that the model at the Renmark Police Station is under review. The letter states:

South Australia Police (SAPOL) advise that patrols based in Renmark are required to open the station on a day shift between 9am and 4.30pm when they are not operationally committed. SAPOL acknowledged that this has not been consistent and measures have been put in place to rectify this.

The letter goes on:

Additionally, SAPOL are currently reviewing the model of Renmark Police Station to find a system that staffs Renmark similar to that of Loxton, Barmera and Waikerie that does not diminish the overall response capabilities originating out of Berri.

This is a win for the community in that the Minister for Police and the state government have acknowledged that there is a problem with the staffing model at the Renmark Police Station after failing to acknowledge this when I first raised these concerns. My view is that the station should be manned and fully operational. If someone attends the station to make a report, we need to ensure there is an official in attendance to take that report. As I understand it, under the current set-up, if officers are operationally committed, out on patrol, then the office is not always manned. I do not accept that it is a good enough staffing structure, and the Minister for Police has now acknowledged as much.

I am also glad to see the Renmark Police Station will be used for the transfer of some staffing while parts of the Berri Police Station are under renovation for a six-month period. Without concerns raised by the community, this would not have occurred or the plan would have continued as per internal correspondence for the staff transferred only to Barmera.

The Renmark Paringa district population is nearly 9,500 people, and it is without a police station operating when officers are on call, even just in business hours. It should be a continual operational police station with the continued challenges with crystal methamphetamine activity, domestic violence and other crime issues across the Riverland. Ice use in South Australia has tripled in the past four years and the Riverland is impacted by this. I would like to see a review of how our smaller stations are also operating and their operating hours/staffing, particularly at Loxton, Barmera and Waikerie.

In conclusion, the review of the staffing arrangements at the Renmark Police Station is a win for the local community. They stood up and made our concerns vocal through a number of mediums, including our local media, headed by the *Murray Pioneer*, in this house and through correspondence

to the ministers. I now urge the Minister for Police to ensure there is a strong and important role for the Renmark Police Station into the future of policing in the Riverland.

All country towns and regions are seeing a diminishing police presence. It is a concern, particularly with the increasing use of crystal methamphetamine. Sadly, there is a rising occurrence of domestic violence. Every day that there is a lack of police presence, there is a lack of acceptance that we have a level of police on our streets, having police stations that give us representation to report incidents and to give us a police station that is a head office for small regional communities. South Australian regions have been dealt a blow through the state budget and the South Australian police stations are no different.

### PENALTY RATES

**The Hon. S.W. KEY (Ashford) (15:24):** Penalty rates, in my view, form a critical part of the income of many workers: nurses; police; retail and hospitality workers; manufacturing workers; people who work in services, both general and personal; health workers; pharmacy workers; workers in tourism and transport; fast-food workers; and emergency services workers, just to name a few. All these workers rely on penalty payments as part of their take-home income.

In my view, people who work unsocial hours and who also work on weekends should be compensated for working those hours. I understand that former Family First SA senator Bob Day wanted to get rid of penalty rates for workers in small businesses completely. He also campaigned for and supported legislation getting rid of the minimum wage for young workers.

Deputy Speaker, you will remember that you and I had the honour of being elected in this place at about the same time as the Hon. Nick Xenophon in the Legislative Council. I have had a long association with the Hon. Nick Xenophon. I was involved in student politics around the same time as Nick Xenophon, as he was called in those days. He was the editor of *On Dit* and in the Liberal Club and I was the editor of *Empire Times* and in the Labor Club. Later, he, as a lawyer, and I, as a union advocate, worked together on the same side on a variety of IR and EO matters.

I remember Mr Xenophon MLC being very active in supporting legislation to reform industrial relations legislation, the most notable being the Dust Diseases Act, which is still with us in South Australia. This progressive industrial agenda, in my view, has been continued by the Hon. John Darley in the Legislative Council. He is also a very proud member of the Parliamentary Committee on Occupational Safety, Rehabilitation and Compensation.

Up until recently, I have to say I was surprised and disappointed by the position the now Senator Xenophon has been taking on penalty rates in the retail and catering sector, as well as his views on penalty rates with regard to small business. Looking very quickly at his position in the federal parliament, I understand from *Hansard* on 16 August 2012 that he introduced a private Senator's bill, the Fair Work Amendment (Small Business—Penalty Rates Exemption) Bill 2012.

The purpose of this bill, as I understand it, was to exempt small businesses employing fewer than 20 persons in the retail and catering sector from paying penalty rates, except where the worker has worked more than 10 hours in one day or 38 hours in one week. In his second reading explanation, Senator Xenophon said:

This bill is an attempt to balance the need for penalty rates and the strain they are placing on small businesses.

On 27 June 2013, there was debate on the Fair Work Amendment Bill 2013, which was an ALP government bill. The government was attempting to address workplace bullying, provide more flexibility in taking parental leave, provide the right to flexible working conditions and enhance consultation requirements and a few other matters. Despite the good pro-worker measures in the bill, which passed both houses, Senator Xenophon used his second reading speech to reiterate his call for reducing job-killing penalty rates for small business.

On 1 October 2014, in debate on the Social Services and Other Legislation Amendment (2014 Budget Measures No. 1) Bill, Senator Xenophon opposed the bill and raised this issue. He said, 'I think we need to have more flexibility on penalty rates for small business.' The list goes on but, in the small amount of time I have available to me, I am pleased to say that the Nick Xenophon Team (now SA-Best) will oppose Sunday penalty rate cuts. The Senator is reported as saying:

The bottom line is none of us want to see workers have their pay cut in an environment where there's low wage growth and an increasing number of people under are wage stress.

Amen!

### YOUTH UNEMPLOYMENT

**Mr DULUK (Davenport) (15:29):** I had a work experience girl in my office a couple of weeks ago—a fantastic young student from Blackwood High School. At the end of the week, I asked her, 'How did you find the week?' She said, 'I thoroughly enjoyed working for you.' I said, 'Would you like to write a bit about your week?' She said she would, and so she penned this open letter to me:

An open letter to Sam Duluk, Member for Davenport.

Dear Mr Duluk,

I am writing to you as a concerned local resident. My name is Harriet and I am 15 years old and currently completing year 10 at Blackwood High School. As a South Australian, I am worried about the direction of our state and my future. South Australia is facing many issues, with one of the most important being the lack of employment opportunities that present themselves to youth. With the youth unemployment rate projected to remain incredibly high in the future, this trend is scary as today's youth are South Australia's and the nation's future. How is this future going to be achieved if our young adults have no employment experience?

Studies show that 58 per cent of employers value work experience over grades. With only a small percentage of youth with work experience, not only are the employers', employees' and businesses' opportunities limited, but so are the state's. This would not be as much of an issue, but with TAFE cutting 500 jobs and campuses closing, crucial experience that can aid youth in seeking employment is being lost. When this announcement was made, the member for Unley said, 'With South Australia suffering under the tightest unemployment rate in the nation, now is not the time to cut training opportunities.' I, and many others, agree.

The inability to work is not only affecting future employment opportunities but also school and other commitment-based opportunities now. With parents already paying bill upon bill and taxes, they cannot afford to send their children on programs, international exchanges or even just school-based excursions that are key for the students' learning.

One key example at Blackwood High School is the World Challenge program that requires participants to fundraise and earn enough money to buy equipment for a trip to a third-world country to provide aid. The program requires the trip to be student-funded and so mere fundraising through cake sales, quiz nights, concerts and other typical means is not enough and the participants must seek employment. How, I ask you, are the participants meant to travel to a third-world country in order to build orphanages, provide farms with irrigation or teach children when they are unable to find the work to fund their trip? They cannot, and student after student drop out of the program due to funding issues.

The World Challenge program is a fantastic opportunity for students as it boosts students' world views and their awareness of poverty and similar global issues. The inability to find work not only deprives students of fantastic opportunities that aid both their education and life now but also far into their and their state's future.

Of even greater concern to me is the lack of sports facilities in my community, especially for females. The lack of facilities is a major obstruction for potential participants and I fear is a central issue in driving many young girls away from social and organised sport. It is not just females who are affected, however, as one local soccer club, Sturt Lions Soccer Club, has members having to train at six different locations across Adelaide, one of which is 12 kilometres away from their supposed 'home ground'.

It is interesting that when, in 2014, the Minister for Recreation and Sport announced that \$1 million of funding would be put towards 'paving the way for greater participation in the sport', referring to soccer, that that \$1 million was spent in Labor electorates. This funding is compared to the \$700,000 spent on the redevelopment of the Adelaide Shores playing fields in order to 'open up more opportunities for South Australian sportsmen and women'. Why is this funding being spent where it is not needed?

An example of great concern is that of the Goodwood football and cricket clubs. The clubs have seen an increase of female players, but lack the facilities to provide changing rooms and other facilities for the female athletes. The clubs have been aware of this and, in fact, the City of Unley endorsed the upgrade in 2014, stating that it would be considered in the budget of 2015-16. When the budget was released, however, the funding was absent and women still lack the change rooms they need.

Mr Duluk, I am concerned about the future for both me and my fellow young South Australians in this state and the issues outlined must be dealt with if we are to protect the state's future.

As I said, that was written by Harriet, a year 10 student at Blackwood High School. Harriet was one of the most incredible young people who have come into my office for work experience. She was 100 per cent on the ball and 100 per cent right.



What really startled me was the research she did about sports funding, that million dollars all spent in Labor electorates. In the lead-up to this state election, and I will be saying more in my budget speech later, the pork-barrelling from this government for years and years and years is an absolute disgrace. It has to be stopped. We need to look at needs-based funding across our community for people like Harriet to have confidence in our system and in South Australia and to ensure that they can have job opportunities well into the future.

**The DEPUTY SPEAKER:** Did you tell Harriet about Muriel?

**Mr DULUK:** Yes.

### CPA AUSTRALIA

**The Hon. A. PICCOLO (Light) (15:34):** Today, I want to raise a matter that is quite sad to talk about: CPA Australia. CPA Australia is a professional body for accountants. It is a professional association or body of which I have been a member since July 1983. Recent events in that association bring not only the body itself into disrepute but also the profession of accountancy. It concerns me that the leadership of this organisation has done very little to address the issues raised by members of the association who are concerned about its direction.

I wrote to the association recently to express my concerns. The response I received was not dissimilar to the response other people received. I should say at the beginning that the CEO of CPA Australia was recently asked to leave the organisation with a payout of \$4.9 million. His publicly stated salary for the professional association was \$1.8 million a year, way beyond other professional associations, such as Chartered Accountants and others, and, I am sure, it is probably a lot more than the Law Society CEO is paid. It is an obscene amount of money to pay for a professional association, but it gets worse.

I would like to use the few minutes I have in this chamber to outline some of the issues which have been canvassed in the media about my professional association and which I am quite disgusted about. It is sad because I was quite proud to be a member of the association. I joined in July 1983, when it was called the Australian Society of Accountants, my professional body, and I have maintained membership for all those years, even though I have not maintained a practising certificate for some time.

I would like to commend the Australian *Financial Review* for trying to make sure that the issues that confront this association are brought into the public domain. The *Financial Review* and a lot of country members of the CPA—the ordinary suburban or country CPA local accounting practices—are quite horrified about what they have seen happen to their professional body. It is important to note that these professional bodies play an important role because they help self-regulate the industry. The role they play is, in a de facto way, a licensing mechanism for accountants to practise. They set the standards. They provide you with membership and whole range of things that enable you to carry that CPA badge and tell the world and people you work for that you have a level of professionalism and competence.

CPA Australia is an unlisted company limited by guarantee. The first issue, which has been raised in the media, is the \$50-plus million approved and used by the CPA board—and I will come to the CPA board in a second—to promote, effectively, the CEO. Fifty million dollars of membership money has been used to promote the CEO himself by publishing his personal book and also sponsoring a TV program about himself. The concern of members is that if this advanced the profession or the association they would not mind so much, but \$50 million of members' money has been spent to promote this individual.

Secondly, it lacks any sense of democracy. We no longer directly elect the board. We have no direct say in how this organisation is run. It has been structured in a way that it is run by a small clique. The standards by which this organisation is run would make some post-communist nations in eastern parts of Europe look quite democratic. There was no advertising for the position before the current CEO was appointed; he was appointed by the board. Interestingly enough, a number of board members are current or ex-staff members of Macquarie University, where he worked previously. I understand—and I am happy to be corrected—that he was asked to leave that organisation.

But it gets better. His salary is way beyond what other CEOs are paid in other professional organisations. The directors of this professional association are also paid exorbitant amounts. The reason I raise this today and will continue to raise this in this chamber is that it has an enormous impact on the profession itself, the regulations of the profession and how we licence and regulate accountants in this country.

### HARTLEY ELECTORATE

**Mr TARZIA (Hartley) (15:40):** I rise to update the house on some recent events I have attended in the electorate of Hartley and have had the great pleasure of supporting, beginning with a recent event held by The Gums Landcare Group. The Gums Landcare Group is absolutely ready to work alongside our new Green Army project for Wadmore Reserve, The Gums and Third Creek. As we know, the Green Army provides opportunities for young Australians aged between 17 and 24 to gain training and experience that will assist them to look for jobs in the future while generating exceptional benefits for the local environment in the meantime.

This particular project will improve local parks, including upgrading tracks, reserves and waterways, such as Wadmore Reserve, The Gums and Third Creek, and also perform environmental surveys in The Gums and other priority local parks to better understand local biodiversity as well as rejuvenate local bushland, through removal of invasive species, to improve water quality in local creeks that flow into the River Torrens. I had the great fortune of welcoming the Green Army team to Tranmere when I visited The Gums Reserve on 27 June.

The project is being undertaken under the auspices of the Landcare Association of SA in partnership with The Gums Landcare Group, the Campbelltown Landcare group and also the local council. I would like to especially thank Gerry Butler, who is the convenor of The Gums Landcare Group, and the many residents who contribute to this wonderful project, and I look forward to seeing the fruits of their labour in due course.

Recently, I also had the good fortune to attend the Charles Campbell College production of *Peter Pan*. I would like to especially thank the cast, who did an exceptional job. I know that all these young men and women have bright futures ahead of them in acting and performing, if they so wish. I would like to especially thank the cast: Peter Pan was played by Hamish Phillips; Wendy by Holly Fennell, Captain Hook by Jayden Nolan and Tink by Monique O'Leary.

John was played by Thomas Gillespie, Michael by Patrick O'Leary and Mr Darling by Ted Schmaal. Mrs Darling was played by Lia Kassos, and Liza, the Darling's servant, was played by Jessica Major. I also thank all the lost boys, the pirates, the Indians, as well as the crocodile, played by Jack Chauveau, and Nana, the children's pet dog and nursemaid, played by Emily Haberfield. Congratulations to all the students, teachers, parents and friends of the school who were involved. It was a great production.

I also recently had the blessing to attend the annual dance of the Parish of Saints Raphael, Nicholas and Irene, and I thank them for all they do for the community in Athelstone. They are building their new church, and if you have not been there to have a look you must go and see this church which is going to be fantastic for our local community. It was a wonderful event. I always enjoy a bit of Greek dancing. I have to say that I am a little bit slow to start on the Greek dancing, but by the end of the night I managed to catch up. It was a fantastic event, and I especially thank Maritsa Orphanou, the president of the executive committee, and Father Efthymios for all they do. I look forward to seeing the church built in due course and thank them for all they do for our community.

The Rotary Club of Morialta recently had its changeover dinner for 2017 where we farewelled president Brenton Summers but also welcomed incoming president for 2017-18, Judith (Judi) Brown. I wish Judith and her executive committee the very best at the Rotary Club of Morialta and again thank them for all they do. We also recently had the Rotary Club of Campbelltown's handover lunch, which was held at the spectacular Marche Club. I thank Cathy Papandreou for her hospitality that day, and they always do an exceptional job. I welcome the officers and directors of the Rotary Club of Campbelltown for 2017-18, beginning with president, Elizabeth Gagliardi; vice president, Damian Leach; secretary, David Fenton; and treasurer, Lee Aldenhoven. I also welcome the board, club service, special projects and those involved with—

*An honourable member interjecting:*

**Mr TARZIA:** Not Odenwalder, that's right—but also those involved in district involvement. The Hectorville-Tranmere branch of the Knights of the Southern Cross recently had a function to recognise the exceptional long service of several men in the order. I especially want to pay tribute to those who have received awards to acknowledge their long service in this group. I will continue my remarks.

Time expired.

### VENTURE DORM GRADUATION

**Ms DIGANCE (Elder) (15:45):** Today, I rise to speak on the incredible activity and work happening in the inner southern seat of Elder, particularly within the growing dynamic precinct of Tonsley and, specifically, the Flinders University campus. The Tonsley precinct now asserts around 112 businesses, with Sage Automation and Zeiss set to make this area home in the very near future, and I am told there are nearly 1,000 people employed on this particular Tonsley precinct at the moment, and that is set to grow.

This site is certainly a good-news story of transformational change as we see business, education, retail, and, soon, residential housing co-locating in this area. Within the building of the Flinders University faculty—which I understand will be joined by its twin tower in the near future—is the New Venture Institute. Within this institute is an exciting incubator for ideas, enthusiasm and people of entrepreneurial spirit who gather here to develop and bring their conceptual ideas to life within what is known as the Venture Dorm. In particular, today I will highlight the culmination of the solid, focused work by students, mentors and staff of the Venture Dorm during the night of all nights, the graduation night, known as the eNVles, where all involved come together to celebrate their achievements over the last 12 weeks.

The vision and mission of this exciting New Venture Institute is to reinvent the way the university creates impact within the state and the world while inspiring bold new ways of thinking and educating for the careers of tomorrow, and industries of the future, while connecting business, research and students. All this is underpinned by a value foundation of boldness, innovation and collaboration.

The New Venture Institute is the base of innovation and entrepreneurship at Tonsley's Flinders University and has three main streams of activity, with the focal point of asset activation of the university, with the goal to create added value in our local community and on a wider national and international stage. The streams that are offered with value-add in mind are those of business engagement, experiential education and new venture creation and business support. Business engagement ensures collaboration and engagement between business students and the university, facilitating and enabling students to develop the necessary capabilities.

Experiential education assists, guides, and provides mentors with the ability to help students develop and deliver topics within schools and to provide real-world and real-time industry problems, challenges and opportunities. Students work alongside CEOs and executives to gain an appreciation of knowledge application in creativity, innovation and entrepreneurial problem solving and value creation. The third stream is that of new venture creation and business support, which supports students and the broader community to create and grow start-ups, as well as support existing businesses to grow through business innovation and entrepreneurial workshops.

I now turn my focus to the Venture Dorm offered through the New Venture Institute, which provides an educational environment to people wishing to learn how to be entrepreneurs, to build new ventures and to create them themselves. The aim of the Venture Dorm is for participants to take an idea, find a viable business model, which is scalable and repeatable, and develop it from beginning to completion over a 12-week period. Teaching is hands-on, learner-centred, inquiry-based, immersive and experiential. The program develops the mindset and skills to survive the rollercoaster world of new venture creation with experience gained for life. Venture Dorm has been operating since 2013, during which time over 360 entrepreneurs have been mentored and taught and 194 microbusinesses have been launched—an extraordinary outcome.

A few weeks ago, on a Tuesday night, I was privileged to represent the Premier at the night of all nights, the eNVle awards at the Adelaide Town Hall. It is always a high-energy and inspirational

night. At the event, six finalists were competing for over \$100,000 worth of prizes. There were six new businesses that pitched: Post Dining, City ReCycle, The Word at Birth, partbox, Flawless Clothing, Nailbreak, and they all had an incredible pitch. The gold winner for that night was Emily Hanna, from Nailbreak; coming second with the silver award was partbox, Colin Kelly; and the People's Choice Award went to City ReCycle instigated by Josh Garratt.

It is certainly an amazing night to attend, and if any of you have the opportunity to do so I highly recommend it because you get to mix with so many entrepreneurs and inspirational people.

### *Bills*

## **APPROPRIATION BILL 2017**

### *Second Reading*

Adjourned debate on second reading (resumed on motion).

**Mr WILLIAMS (MacKillop) (15:50):** I was lamenting the type of economics that the Labor government has applied here in South Australia. I suggested that their economic theory comes from la-la land. We had the Premier today in question time quoting from The Australian Institute, a report from that very leftist organisation, as if it was going to give some brilliant economic advice to the government and the people of South Australia. I was also lamenting how this government is arguing that it is spending money it taxes from viable businesses to give to not so viable businesses to support jobs growth and that that just does not work.

I remember asking a question of a minister probably 18 months ago when the government had given \$2 million to one of the biggest wine companies in Australia, Treasury Wine Estates, for a project they were constructing at Tanunda on the promise that they would create 32 jobs—\$2 million for 32 jobs. The due diligence was not undertaken because my question was about the fact that Treasury Wine Estates at that time had made redundant 11 full-time workers in my electorate in Coonawarra and 23 in the McLaren Vale. That is 34 jobs and a net loss of two jobs in South Australia, but they received a \$2 million grant from the government.

That is the sort of nonsense this government applies to economics in this state, and that is why we have the highest rate of unemployment in the nation. This is supposedly the third jobs budget in a row. It is just not working. The Treasurer said in today's *Advertiser*, 'Labor will always put people first.' In their mind, they might think they are doing that. I do not know what happens in their mind, to be quite frank. They may genuinely think they are putting people first, but the reality is that they are destroying lives in South Australia because they have made such a mess of the state's economy. They are destroying families, they are destroying individuals and they are destroying people because they have made a mess of the state. There are thousands of people on the unemployment scrapheap in this state because this government does not know what it is doing.

I want to use the time I have available to canvass a couple of other issues. I want to talk about horizontal fiscal equalisation. We have had the Premier running around this state—and we all saw him when he gatecrashed Josh Frydenberg's press conference here a few months ago—claiming that South Australia was being poorly done by by our federal colleagues in Canberra, that South Australia was getting a bad deal. Then, when the federal budget was handed down, again we had minister after minister of this government claiming that South Australia was being duded by the federal government.

I know that the Treasurer of the state must understand the principles of the financial arrangements between the state and federal governments—he must. I suspect and I would argue that he has been incompetent in his role as the Treasurer of the state, but he must understand the fundamentals of the financial arrangements between the state and federal governments. That is underpinned by this thing called horizontal fiscal equalisation.

It is set out in our constitution that the federal government has to treat all the states and territories equally. In the financial arrangement, it does this by ensuring that the government in each jurisdiction will be able to provide the same level of services to the people of that jurisdiction. There are some complicated formulas to work this out but, at the end of the day, every dollar that is given to the South Australian government to spend to provide services—irrespective of whether it is a tied grant or an untied grant and what service it is providing—if it is given to the state government from

the commonwealth to be expended on the people of South Australia, it is given at the same level as it is in all the other states. That is called horizontal fiscal equalisation.

If members opposite do not understand it, I suggest they google it and look in the federal budget papers to get an understanding of it because when anybody—

**Ms Digance:** Can you explain it in detail now?

**Mr WILLIAMS:** I am. I have been, if you have been listening. It is the principle by which each state—

*Members interjecting:*

**The DEPUTY SPEAKER:** Order! The member for MacKillop is on his feet and is therefore entitled to be heard in silence.

**An honourable member:** He needs more time.

**The DEPUTY SPEAKER:** Yes, I think we should give him an extra minute. It serves you all right. Another minute for the member for MacKillop, please.

**Mr WILLIAMS:** Thank you, Madam Deputy Speaker.

**The DEPUTY SPEAKER:** He may never finish if you keep saying something.

**Mr WILLIAMS:** The formula that is used takes into consideration the different abilities of each state to provide services. For instance, in South Australia it is recognised that we have an older population; therefore, the cost of delivering health services would be higher in South Australia than it would be in a state with a lower population age, so our health segment of the finances that come from Canberra would be higher. On the other hand, because we have an older population we have fewer school-age students, so the amount of money we get for education might be lower than it is for other states.

The formula is set out such that each state is able to deliver the same level of services. At the end of the day, it does not matter who it is, whether it is the Premier or the Treasurer or any other senior minister, when they get up and claim that South Australia is being treated unfairly by the commonwealth government they are just simply not telling the truth. If there were any truth to that claim, I am sure that the South Australian government would be down the street to the High Court in a flash demanding that South Australia be treated equally, and it would have a very strong case.

The reality is that any time a minister or a premier makes the claim that South Australia has been duded, they are not being honest with the people of South Australia. This is what we have this government doing in a whole range of things. It is trying to pick a fight with the federal government. The Treasurer, in his piece in *The Advertiser* this morning, carries on this false fight when he says, 'We are sticking up for the people of South Australia and the Liberal Party isn't. We are sticking up against the federal government. We are sticking up against the banks.'

In the run-up to the next election, this false fight is being created by the Premier and his senior ministers against anybody, particularly when they think they can convince the people of South Australia that it is somebody they should not like, somebody who should be unpopular, such as a government in Canberra that is duding us—wrong. It is not possible, it is just not possible, for us to be duded. In fact, we are doing very, very well out of Canberra. I think the figure in the budget is that 55 per cent of the state's revenues come from Canberra.

The figure for all the other states is considerably less than that, and I suspect that, across all the other states, the average figure is well below 50 per cent. It used to be that a few years ago it was only about 43 per cent and that South Australia's figure was 49 per cent. I am not sure what the average is in today's world—the figures I am quoting are two or three years old—but certainly about 55 per cent of revenue comes from Canberra, a much higher figure than the average across Australia, so how on earth can you argue that we have been duded?

I strongly suspect that the South Australian government is deliberately failing to put the appropriate information to Infrastructure Australia so that we deliberately do not get grants for infrastructure funding. I strongly suspect that is the case—

*Members interjecting:*

**The DEPUTY SPEAKER:** Order!

**Mr WILLIAMS:** —because as soon as the federal budget comes out—

**An honourable member:** That is ridiculous.

**The DEPUTY SPEAKER:** Order!

*Members interjecting:*

**The DEPUTY SPEAKER:** I am on my feet. Another minute for the member for MacKillop.

*An honourable member interjecting:*

**The DEPUTY SPEAKER:** Do not interject.

**Mr WILLIAMS:** Thank you, Deputy Speaker. I repeat: I strongly suspect that South Australia deliberately fails to give the appropriate information on project proposals to Infrastructure Australia so that the argument can be made, as it was following the most recent federal budget, that South Australia has been dudded. Even if we were being dudded in infrastructure grants, at the end of the day it would be balanced out in our GST payments because that is how the horizontal fiscal equalisation process works. When all the grants are added up, each state is adjusted to make sure they are all treated similarly; if anyone has a shortfall they get it made up through the GST payments and if there is anyone who has an overpayment their GST payments are cut.

Whilst we had ministers running around saying that we have been dudded because we are not getting infrastructure grants here in South Australia, none of them owned up to the fact that in the most recent federal budget there was an additional payment of GST for the next financial year of \$700 million; \$700 million extra in untied grants from the commonwealth government to the South Australian government. No wonder we did not get as many infrastructure grants as we might have thought we were going to get.

As I said, I suspect the government engineered that, and they were then able to be totally disingenuous with the people of South Australia by claiming that we were being dudded. They did not own up to the fact that we received this largesse in the form of GST payments to South Australia. Any government, any minister or any premier who argues that we are being dudded either fails to understand the fundamental basics of the financial arrangements between the commonwealth and the states or is telling great big, fat porkies. Take either one. The reality is that South Australia is not and cannot be dudded.

The other matter will have to wait for another time because with the time left, a minute and a half, I will not even be able to start it. I will finish by asking, with regard to this argument about the banks and their profits: who does the Treasurer and the Premier propose is a recipient of these profits? Where do they think this money resides? As I said earlier, do they think the managing director of the bank has it under his bed and it is just a matter of stealthily slipping in there and grabbing it? The profits of the banks are assets of the shareholders, and most of the shareholders are you and I, Deputy Speaker, people like us who have superannuation funds. That is where most of these profits go, into the superannuation funds which are there to support all of us in our retirement.

For the Treasurer and the Premier to argue that they can take close to \$100 million a year out of the South Australian economy and no-one will notice any difference is a nonsense. Again, it demonstrates an absolute lack of economic understanding. If you take \$100 million from somebody, somebody else has to pay somewhere; it does not come out of thin air. I certainly will not be supporting this new tax.

**Mr DULUK (Davenport) (16:04):** I would also like to make my contribution to the Appropriation Bill and speak about some measures that are in the budget, some measures that are not in the budget and give some general reflections. First and foremost, one thing I have been banging on about in this chamber since my time in this place is the Blackwood roundabout, and I am very pleased that there is a line item to fund \$3.5 million in this year's budget. I know that it will alleviate many of those traffic delays throughout my community.

The state Liberal team has been campaigning for funding to improve this roundabout for decades. We all know that it would have been completed in 2002 had the Liberal Party formed government, as the Blythwood roundabout was completed at that time. But we know that in 2002, the Labor government pulled the funding to provide further upgrades for Mitcham Hills roads. Finally, some 16 years later, they have seen the light.

I would like to take a moment to thank my predecessor, the Hon. Iain Evans, who was a strong advocate and constantly highlighted the need for investment in my community's road network, especially in the wake of the 2009 bushfire inquiry report which was released by the Natural Resources Committee (NRC). In 2009, it recommended the provision of substantial funds to improve the road corridor throughout the Mitcham Hills. That committee recommended that money be spent in the 2010-11, 2011-12, 2012-13 and 2013-14 budgets. Of course, for my local residents and the thousands of commuters of my community, that funding was never forthcoming.

However, not to be deterred, the state Liberal Party has remained committed to the needs of my community and continued to campaign for government funding. Last year, I moved a motion in this house to prioritise the upgrade of the Mitcham Hills corridor. In February this year I wrote to the Minister for Transport and Infrastructure regarding the importance of appropriate maintenance and investment, and in particular funding the 2015 Road Management Plan for my community. That is the Department of Planning, Transport and Infrastructure's Road Management Plan.

I wrote to the minister in February. He responded to me in April of this year. The minister noted that projects identified in the Road Management Plan, including the Blackwood roundabout, are currently unfunded and would be considered against other projects on a statewide basis. I was therefore quite surprised at this year's announcement that some funding has been allocated in this year's state budget. It is very much welcomed by my community. I thank minister Mullighan for listening to my community and my requests and finally seeing the light in that regard.

Of course, \$3.5 million for the roundabout is simply not even going to address the greater needs of the community which, as I said, were first identified way back in 2009 in the NRC report. Upgrading the Blackwood roundabout is only a small investment in fixing the overall Mitcham Hills road network. Much more is needed, and the minister knows this. Last week, the minister was a panellist in a traffic forum at the Blackwood lawn bowls club. I would like to take this opportunity to thank Henk Smelter, president of the club, and Malcolm Parrott for their hospitality that evening.

I would like to thank the minister for taking the time to visit my community, my electorate, and to meet with and listen to the concerns of my constituents. I hoped hearing directly from the locals would resonate with the minister and the department, as well as on top of all the correspondence I have been sending for many years. I hope he and the government are left in no doubt that putting money into the Blackwood roundabout is only part of a greater solution that is needed.

We need investment in the whole corridor, and this is what a future Marshall Liberal government is committed to investing in: the entire Mitcham Hills road corridor, through Coromandel Valley, Craighburn Farm, Bellevue Heights, Eden Hills, Glenalta, Hawthorndene, Belair and all the way down to Mitcham. That is what we need. We need to look at, and fund correctly, what has been identified in the Road Management Plan. All that needs to be done is for the funding to be provided. We need to look at those bottlenecks that have developed at Glenalta and the Blackwood railway crossings, which feed into the main road corridor through Blackwood; the congestion and safety issues on Waite Street and Brighton Parade intersections; and what is quite important is that we provide friendly pedestrian infrastructure and bike infrastructure throughout my community.

We have to remember that Blackwood is more than just a roundabout; it is a commercial, retail and social precinct, and funding is required for that. It is all well and good for people to come in at the last minute and say, 'This is a great initiative and I am here to solve all your problems,' but my community knows that we on this side of the house have been banging on about this. They know what the issues are in their community and that we will be strongly advocating for them.

If anyone else wants to be an advocate for my community, they should match the Liberal Party's \$20 million commitment and invest in the Mitcham Hills road corridor. Traffic congestion and safety concerns, as I said before, do not begin and end at the Blackwood roundabout. The Liberal

Party and a future Marshall Liberal government have a commitment to properly invest in and fund an upgrade to that road network that will benefit so many commuters, residents and users of roads throughout my electorate.

Another initiative that was in this year's budget relevant to my community was the \$200,000 for the construction of a dedicated pedestrian bridge within the Brownhill Creek Recreation Park. This is to be constructed alongside the existing White's Bridge and will provide safe passage across the creek for pedestrian and school groups, who are currently forced to share the bridge with vehicles. This is a bridge in Brownhill Creek that was damaged in the September 2016 storms. I certainly appreciate the work of the Department of Environment and the Mitcham council, which have worked together to assess the risks and attend to these reparation works.

This is a good little announcement in the budget and I have to thank Ron Bellchambers and the Brownhill Creek Association for their tireless work to preserve and upgrade Brownhill Creek not only for the local community but also to make it a destination for all South Australians and tourists. To that extent, in the last federal election there was a \$200,000 investment in Green Army projects for the Wirraparinga Loop Trail and Brownhill Creek. That was part of a Green Army initiative and I would like to congratulate the federal member for Boothby for her advocacy on that project.

With the money for Wirraparinga and the investment in Brownhill Creek in the state budget, that will certainly go a long way towards looking at tourism and improving the heritage and education of that wonderful part of the Mitcham Hills. It is good to see all levels of government working together in that regard. Another good measure in the budget is the continuation of the Statewide Gambling Therapy Service.

We have seen \$360,000 in this year's budget for the continuation of the Statewide Gambling Therapy Service. This money is in addition to the existing funding for gambling therapy services being provided by PsychMed. I am glad the money is there, but the way this funding has been treated is symptomatic of the way this whole government goes about its business: it decides something at some point in time, it then changes its mind, it cuts funding to a program and then it realises it has made the wrong decision and reinstates that program.

We have certainly seen that with Transforming Health and the hospital situation. We have seen that with the Henley Beach Police Station. The government actually cut funding to the Statewide Gambling Therapy Service, which is based out of Flinders Medical Centre. They ceased that funding back in December 2016. The service did previously receive \$1.3 million annually and it lost more than half of it when it lost its contract from the government.

Of course, the government decided at the time to provide funding to a new contract partner, being PsychMed, in terms of providing a gambling service, which of course is run by Dr Quentin Black, a former Labor parliamentary candidate. Then, in this year's state budget, we see \$360,000 being reapplied to the Statewide Gambling Therapy Service, which is provided through the Flinders Medical Centre.

It is good to see that money being put back into gambling services to help those people with chronic gambling, but once again it is symptomatic of this government that makes a decision one day, realises it has made the wrong decision and then tries to fix it up. The 2017-18 budget is full of examples of where the government is trying to paste over and cover up the sins of the last four or five years (dare I say 16 years) and prepare itself for a state election, which may be as soon as in the next month or two. If that is the case, bring it on.

In the state budget, there was some funding for increased train services and public transport services that will benefit the Belair line, which is very welcomed by my community. We will see increased frequency of train services on the Belair line over weekends and public holidays, which will go from the current hourly service to a half-hour service. That is certainly a very good move.

The Belair passenger service is a critical part of the public transport network's service in the Mitcham Hills area, and if we are going to deal with growing demand and population growth, which we are seeing in my community, we need to have adequate public transport. The Belair train line is certainly used by many tourists to get to the wonderful Belair National Park, and the additional weekend service will provide in assisting those tourists who come from the city up to Belair National



Park. It is great for those who are mountain bikers, as they regularly use the train to get themselves up the hill and then take the popular mountain bike tracks back down.

Another part of the budget is the Fund My Neighbourhood program. We are talking about \$40 million over the next two years. This program allows the community to decide what projects should be funded within their neighbourhood. It is quite a unique concept and it does raise a question about the role of local governments going forward. I understand that the LGA has expressed some concerns. There are certainly a lot more questions around the detail of this project.

Once again, the cynic in me would say that, in the lead-up to an election, the government has announced another initiative without any consultation, because they certainly have not consulted the LGA or many communities. The cynic in me says that this is a way for them to do a little bit of pork-barrelling but, if the Fund My Neighbourhood project takes off the ground, then I think there are some worthwhile projects and local communities that can be funded through this.

Women's sport facilities are receiving an extra \$40 million over two years to address the barriers to female participation. Of course, this builds on the funding provided in the 2016-17 budget and takes the value of the fund to about \$10 million per annum. It is important that we have modern and appropriate facilities for players, and there are enormous benefits for the community to have people participating in local sports.

Sadly, many sporting facilities have been neglected over the past 15 years. Female participation and investment in female community clubs have been neglected over that time. I strongly support this commitment in this year's state budget. Many of the local groups in my community applied for funding in the last round of sports grant funding and they await the news of their success or not in July in terms of whether they will benefit from any funding.

There is also another \$20 million over the next two years for grants to sporting clubs to establish and replace artificial playing surfaces, which will improve programming for sports. New improved surfaces will encourage additional participation across a variety of sporting codes. It is another important investment in local assets, but of course this needs to be done in a methodical and on an absolutely needs-based basis. It cannot, as I think we have seen too often with some of these other funding projects, go to marginal Labor electorates.

Within my community, reserves such as Hewett Reserve, Manson Oval, Blackwood Oval and Flagstaff Hill all need investment and an injection of funds in their communities. I will continue to advocate on behalf of my community to ensure that they get their fair share of funding out of this synthetic playing surfaces grant funding.

One issue that many people in this house know I have a big association with and a lot of time for, as I know the Deputy Speaker does as well, is epilepsy. Epilepsy affects about 61,000 South Australians. The Epilepsy Centre does not receive any state government funding, and the major source of their funding is a call centre, which telemarkets lotteries and has donation campaigns. Once again, I am disappointed that the state budget did not include any new measures to provide funding to the Epilepsy Centre.

The Victorian epilepsy foundation receives about \$1.2 million annually in state government funding from the Victorian government, and many South Australians living with epilepsy already visit Melbourne to receive specialist treatment that is either unavailable in our state or if they face unacceptable waiting periods. If South Australia wants to position itself as a place of medical excellence, we need to do more than just build expensive buildings on North Terrace. We also need to invest in our people and our services.

In terms of local spending in our health network, the Flinders Medical Centre is receiving a \$3.5 million upgrade for two existing cold shell operating theatres to expand the number of operating theatres from 10 to 12 to accommodate the consolidation of SALHN's surgical activities. There is an investment in the neonatal unit, which is very important.

All this investment in the hospitals in SALHN, whilst all very welcome, is all very last-minute. It is all designed to prepare this government for the budget, for the election due next year. It is not me saying that; it is Ms Vickie Kaminski, the boss of SA Health, who is saying it. She revealed only last week that she found out about the abrupt about-face changes to funding arrangements across

the healthcare network—at Flinders, Noarlunga and The QEH—when the budget was released. The government, the health minister and the spin doctors who work for this Labor government did not consult the CEO of SA Health about the huge capital injections into key hospitals in our community.

Whilst we certainly welcome the funding at the Flinders Medical Centre, it is incredibly disappointing that, of the \$1.1 billion cash splash on health across South Australia that the government is promising to spend on health over the forward estimates, there is not a single dollar for the Repatriation General Hospital. Deputy Speaker, as you know, the hospital that you love in your community is receiving some money in this year's federal budget. The QEH is receiving money, and it is very close to the member for Lee's electorate. The Flinders Medical Centre in my community is receiving funding, and Noarlunga Hospital is receiving an upgrade.

Almost every metropolitan hospital in South Australia is receiving funding upgrades in this year's budget. I have give full credit to those local Labor members of parliament who lobbied the health minister to get funding for their hospitals, except there was no funding for the Repat. The government could find billions of dollars to invest in other hospitals, but they could not find any money to put back in the Repat.

It is not for me to question this, but I would have to look at the advocacy of the local member for where the Repat lies, the member for Waite, and of course the member for Elder, who picks up the Repat in the redistribution. Both members could not get any money to keep the Repat open. It is an absolute disgrace that every other hospital—

**Ms Digance:** What's your plan?

**The DEPUTY SPEAKER:** Order, member for Elder!

**Mr DULUK:** —in metropolitan Adelaide can receive money in this year's state budget except the Repat. That is an absolute disgrace for everyone in my community who uses the Repat, loves the Repat and goes there all the time. We know that the member for Elder used the Repat in her marketing campaign in the lead-up to the last election, but they cannot find any money out of this billion dollars of funding, which is going into capital works and hospitals across the forward estimates, for the Repat—not a single dollar. Forget the needs of the community, forget the almost 120,000 South Australians who signed a petition to keep it open. They cannot find a single dollar whatsoever for the Repat. That is one of the most disappointing parts of this year's state budget.

In my community, there has been a lot of scepticism about the government's billion dollar health spend. This is on the back of a long list of broken promises made by the Premier and the health minister. In the lead-up to the 2014 state election, the Premier proposed to build a new women's and children's hospital within a decade, and now it has been announced in this year's budget that there will be a women-only hospital. Labor promised to close the Repat, and it did. Since 2014, Labor has slashed its promised investment in Noarlunga Hospital by almost two-thirds.

The new RAH was promised to cost only \$1.7 billion and be open in 2016. Of course, it has now cost us \$2.3 billion and will not open until September this year. We know that Labor promised to redevelop The QEH in 2010 and 2014, and this is yet to be delivered. So, at five minutes to midnight, the government said it is going to pour all this money back into capital works for health, but of course we will wait to see if that will happen.

Really, if the government is serious about health policies in South Australia, it should be pouring money into prevention. That is where in the long run we will do the most amount of good in health policy: prevention. The Liberal Party has a preventative health policy with five key issues that we need to look at. We need to look at individual and community action, education, screening and vaccination, research, monitoring and evaluation, public health regulations and leadership and coordination. The future of public healthcare spending and investment is in preventative health, and it is about keeping people out of big hospitals. It is not about big, new, shiny projects in the lead-up to an election.

**Mr VAN HOLST PELLEKAAN (Stuart) (16:24):** I appreciate the opportunity to speak on behalf of the people of Stuart on the Appropriation Bill and about this budget. The government travelled all over Adelaide in advance of the budget telling people that this was going to be a jobs budget. In fact, the Treasurer went as far as saying that last time around he fixed up the CBD and

that this time around he was going to fix up the suburbs. That betrays his complete ignorance regarding the fact that there is an enormous amount of South Australia that is not in the CBD or the suburbs of Adelaide. As important as those places are, regions matter also.

He said that this was going to be a jobs budget, but then in his jobs budget his jobs target is 1 per cent. A 1 per cent target for jobs growth over the next financial year, the lowest jobs growth target in the nation, is hardly aspirational. If the government happens to achieve its jobs growth target, we will still have the highest unemployment rate in the nation, which will still be completely unacceptable. The government talks about a jobs budget, but there will not be many South Australians who get jobs as a result of this budget.

The government talks about the fact that they will have a surplus this year. They brag about the fact that they had a surplus last year, but last year the surplus was because of an asset sale, something the government said that they would never do. They promised South Australians that they would not sell assets, yet last year they sold the Motor Accident Commission. This year, they plan to prop up the surplus they plan to achieve by having a bank tax.

Much has been said about this bank tax, and it might sound nice for the government to say, 'Oh, those big bad banks, nobody likes them, they make too much money, they don't pay enough tax, etc.' I would bet that they pay all the tax that they are legally currently expected to. Whether it is the smallest stay-at-home business or one of the largest businesses in the nation, of course they should pay their tax, and I would be very surprised if the banks did not do that. The government says it wants to charge them a little bit more. Well, the government can do that if it wants to, but what the government neglects to tell people is that charging the banks a little bit more is going to flow through to charging everybody in South Australia a little bit more.

The government likes to say, 'Oh, the big bad banks, they are no good, nobody likes them, they are profit takers and they don't look after their customers and the people of South Australia in the way they should.' I know that there is some sympathy for that argument, but if that argument is true, that they are only interested in their own profits, then they absolutely will pass the tax on to their customers. If what the Treasurer and the government says about the banks is true, then the government must accept that the banks will pass the tax on to their customers.

It does not matter whether a person has a home loan or a business loan or aspires to be a first home owner with a mortgage, or whether a person is a superannuant and through their superannuation funds indirectly they have shares in banks. It does not matter who you are or how you fit into the South Australian economy, you are at one level or another almost certain to be exposed to the activities of the banks, and we know that the banks will pass this new tax on to their customers. When the government does this, they hurt all South Australians, but the government is used to hurting all South Australians.

The government ignores regional people very regularly. The government picks and chooses, particularly when it comes to elections, who they will and who they will not help. I am not saying for a second that nobody gets help from the government, but I am saying that they are very selective about who they help. It is naive of the government to try to say that the banks will not pass this on, and it is naive of the government to think that the public will not understand this issue. Everyday average mums and dads with home loans understand this issue and how exposed they are to the bank tax.

It is no coincidence that we have the highest unemployment rate in the nation and the highest electricity prices in the nation. Those two things go together because the impact of electricity prices goes directly to employment and, after more than 15 years in government, there is no debate anywhere in the community about the fact that the government's energy policies have failed. A few weeks ago, we said that the government had given South Australia the most expensive electricity in the nation. Now we say that the government has delivered South Australia the most expensive electricity in the world based on evidence provided by a Melbourne energy analyst, and that does go directly to the unemployment rate.

The government says it is a jobs budget, but they are not going to support South Australian jobs. They are going to have the lowest jobs target in the nation. They are going to continue to have the highest electricity prices in the nation, and the world now, so they are not going to help jobs at

all. The government has recommitted its spending to its own energy plan in this budget, but the way that the spending is meted out over the forward estimates period shows that the bulk of the spending is coming later.

While the government has said that its battery backup will be in place by 1 December, and while the government has also said that its diesel generation will be in place by 1 December, it is very clear that the money it intends to spend on the gas generator it says that it is going to build is coming much later. While initially we were told it would be in place by this summer coming, we now know that is not case: it will be significantly later. That might be a good thing. It might actually be a good thing if the government called off entirely that component of its plan because the government announced that component of its plan on the premise that industry would not deliver any new generation.

The Treasurer told everybody that he thought it was important to spend \$360 million of taxpayers' money on a new gas-fired generator because industry would not do that. Since then, industry has confirmed that it will build a new gas-fired generator at Torrens Island, and there are at least two more proposals on the drawing board—one near Mannum and one near Mallala. The premise upon which the government has said that it would build this generator now no longer exists, and that may well be why the government has pushed the spending so far back over the forward estimates. Like so many other things that the government has said it will spend money on, it may well in the background have absolutely no intention of doing that whatsoever.

One of the most concerning aspects of this budget with regard to the government's energy plan is that the government plans for the share of renewable energy in South Australia to reduce next year compared with the financial year that has just finished. So, the government has been punishing all South Australians with outrageously high electricity prices, with job losses, with all sorts of pain throughout the economy, with blackouts, and the government has said that it was all necessary so that it would lead to a world of lower emissions.

Whether that argument is sensible or not, let's just put that aside for a second, but on page 178 of Volume 3, Budget Paper 4, it makes it very clear that the 2016-17 target for a percentage of renewable energy generated in South Australia is 55.1 per cent, that the 2016-17 estimated result is 48.9-per cent and that the 2017-18 target is 43.5 per cent. So the government, by its own admission, is not going to achieve the emissions target that it said it would achieve, and that has been the core reason for the government going down this path that has penalised South Australians so much. Their energy plan was in chaos before, but it is in even worse condition now.

In regard to mining, it is very clear that, while the government has announced some new money for the PACE program, its financial commitment to the PACE program is reduced by \$5 million compared with what it was. The government, again, says, 'Here's an announcement: brand-new funding,' and there is lots of hoo-ha about that, but the reality is that the extension of the program the government has announced is \$5 million less than the existing program that was in place.

We hear the Treasurer say very regularly that that is one of the foundations of the government's support for the mining industry, but it is reducing. Also the FTEs in the mineral resources agency is reducing: 2016-17, 165 FTEs budgeted for; 2016-17 estimated result, 155; and the 2017-18 budget, 150. So the government's support for the mining industry is certainly diminishing also.

Let me now turn to regions. On the very last page of the budget summary booklet is where the government has put the regions. When you look at the summary page and you look everywhere else in the budget, there is not one hospital upgrade in regional South Australia, there is not one school upgrade in regional South Australia and there is not one road upgrade in regional South Australia in this budget. On radio, the Treasurer's answer to that was, 'That's okay because the new Royal Adelaide Hospital will have country patients in it.'

Of course that is true. Of course there will be people who potentially will need heart surgery or another medical service that we in regional South Australia would not expect to be delivered in regional South Australia, but for the government and the Treasurer to say, 'Look, don't worry. We are not going to upgrade any hospital, any school or any road in regional South Australia and it's okay

because country people can come to the Royal Adelaide Hospital,' shows either ignorance or disdain for the people of regional South Australia.

This is not a jobs budget. By the government's own admission, its target is the lowest in the nation. If the government even achieves what it says it will, we will continue to have the highest unemployment in the nation, and if the government were to stop trying to pick off easy targets with taxes, which will flow through to the rest of the economy, and if the government looked after people in regional South Australia, where some of the greatest wealth generation opportunities exist, then they would have a chance of actually creating more jobs across the state.

**The Hon. M.L.J. HAMILTON-SMITH (Waite—Minister for Investment and Trade, Minister for Small Business, Minister for Defence Industries, Minister for Veterans' Affairs) (16:37):** I rise to speak on this most important budget bill, not only as the minister for Investment and Trade, Defence Industries and Small Business but also as an Independent MP in the house, a member of neither major political party.

I must say that the first concern I have is not about the substance of the opposition's plans to block the budget, but about the fact that they have decided to do so. I have participated in numerous party room discussions on whether this should occur, and when I was leader of the Liberal Party I sought advice from then shadow attorney-general, Rob Lawson, on the very matter, at the request of members. It is very serious to block a government from governing.

It is a poison that has infected Canberra, where upper houses feel they can second-guess the government of the day by cherrypicking its budget to pieces and not allowing it. The Abbott opposition did it to the Rudd and Gillard governments, and then the minute the government changed the federal Labor government has done exactly the same thing to the Abbott and Turnbull governments. The net result is chaos for Australians, for Australian workers and for Australian businesses. We can see plenty of that coming out of Canberra at the moment. That poison, at the instigation of those opposite, is now threatening to spread like a cancer through South Australia.

One of the reasons why I am an Independent member is that I finally became fed up with what I perceived to be the damage the major political parties were doing to our political system. They can be very, very good and they can also be very, very poorly behaved. The object of the exercise starts to become getting into government at all costs and holding onto power, rather than doing what is best for the people.

I remember John Howard, a man whom I respect enormously, once saying to me that when the Hawke and Keating governments took some bold steps—privatising Qantas and the Commonwealth Bank, deregulating the banking system, floating the dollar—they were the right things to do for Australia. It was good policy, and therefore the then Coalition opposition did not oppose them: they let those things go through. In so doing, to a degree they made the Hawke and Keating legacy, but John Howard and his colleagues in opposition at the time deserve much of the credit. They put Australia first.

I do not see much of that in the opposition's decision to attempt to block the government's budget, and I fear that both major parties—and I am speaking as an Independent MP—will do the same thing to each other. I fear, on listening to the leader's reply to the budget, that should by chance those opposite form government in March next year I know exactly what a Labor opposition will now do. You have opened a can of worms. You will never cut the taxes you claim you want to cut, and you will never make the savings you claim you want to make, and the reason is that you have open-licensed a future Labor opposition to do to you exactly what you propose to do to them, which is to destroy and cherrypick every budget you bring forward.

There will be a cacophony of Independents and minor parties in the upper house who will be happy to be part of that process. In so doing, what oppositions do is they invite those Independents in the upper house to make mayhem with the government's budget and deliver the state to a state of chaos and confusion. That is not good for South Australia. It is not good for South Australian jobs. It is not good for South Australian workers. What I would like to see is a bit more bipartisanship.

By all means criticise the government, by all means say whatever you like about their budget, but let the people of South Australia judge the government on its budget on election day. Do not

hamstringing the government from governing through attempting to oppose the passage of this bill. I think that it is a mistake, and I think that wiser heads opposite should have prevented it from happening; there are other ways to deal with it. I will put that to the side for a moment, but I will be returning to it at a later time because it cuts to the point that there needs to be upper house reform.

Although I agree with some of what Tony Abbott says and I disagree with a lot, one thing that I do agree with him on is that it is time for us as a nation to consider upper house reforms in both the Senate and the Legislative Council. I personally think that the idea of joint sittings of both houses to resolve deadlocks is a much better device than the one we have at the moment, and that would certainly put an end to efforts to try to block governments from governing. I do not think it is the right thing to do today, and I would not think it was the right thing to do if roles were reversed and we had a Liberal government. It is just not good for South Australia.

Having made that point, let me get back to the budget itself and its substance. Can I unreservedly congratulate the Treasurer on delivering what I think is a commendable budget in the circumstances that the state finds itself in. You can quibble over how surpluses have been achieved, but they have been achieved, to the Treasurer's great credit. You can quibble over how he has now chosen to recommend that those surpluses and those savings be expended, but I would say that it is common sense to everyone in this chamber. It is a pre-election year; it is the fourth year in the cycle. It is time to be investing in jobs and in investment. That is what the budget is doing. It is not a time to be making cuts.

Certainly, the position the state finds itself in as a consequence of the Coalition's decision, with the full support of those opposite it seems, to close the automotive industry is that we simply have little choice other than to help stimulate small business and growth. As the Minister for Small Business, I am looking at the 140,000 small businesses and the 250,000 workers who work for them. What this budget is doing is moving money from big business to small business. The device that has been used to raise new revenue is the banking tax, and that is the issue that everyone is focusing on.

I want to draw attention for a moment to the very good way the money from the banking tax is being spent. It is not only the \$200 million jobs package that the Treasurer spoke of, it is payroll tax cuts, it is a host of grants to small businesses, it is an array of specific provisions and measures over a period of time that will help small businesses thrive and grow. However, it cannot be achieved without some revenue measures.

Today, the Leader of the Opposition, remarkably, pointed to a page in the budget papers and said, 'I know what's wrong here. Tax revenues have fallen short.' In the very next breath, he said, 'And the outrageous thing that has occurred is that the government has developed a new tax measure to cover that shortfall.' I would have thought that was a perfect contradiction in terms and a statement of the blindingly obvious: if revenues have fallen short, of course you will look at a new revenue measure, and that is exactly what the Treasurer has done.

I want to get to the banking tax because I think it is a very important issue. I remember that the American poet Robert Frost summed up the business of banking rather well when he said, 'A bank is a place where they lend you an umbrella in fair weather and ask for it back when it begins to rain.' It comes as no surprise that, when asked to pay a fair share of the tax regime that applies to business, the banks have acted with well-funded outrage; using their shareholders' funds, they are running a campaign.

It is not the banking tax being proposed by the government that is threatening the state as a destination for investment and prosperity; it is the campaign the banks are running. If they had more prudently argued that a floor be put under this rate and, should other states adopt it, that it be agreed to at COAG as a locked-in measure that could not unpredictably grow further without referral back to Canberra, if they sought to contain it and not run this campaign to demolish South Australia in an effort to intimidate other states from doing the same thing—which, by the way, I think will fail—the damage to South Australia would not be as rampant as it will be if the banks continue this campaign. One knock on the Liberal Party leader's door by a bank CEO, who earns more than \$5 million a year, and the Leader of the Opposition is ready to trash the entire budget, break convention and create instability.

The banks do pay tax, but research shows they pay a few per cent less than the statutory company rate of 30 per cent. A 2014 report by the Tax Justice Network Australia, in consultation with corporate tax expert Dr Roman Lanis of the University of Technology Sydney, shows that aggressive tax minimisation techniques by the big four banks place them sixth, seventh, 10<sup>th</sup> and 19<sup>th</sup> on the list of the 23 top tax minimisers in the ASX 200. The report shows that they pay around 27 to 28 per cent, saving hundreds of millions of dollars.

Today, the independent think tank The Australia Institute put it into a similar perspective when it ranked the profits of Australian banks with similar economies and the taxes paid by banks around the world. The big five banks are very profitable. The most recent figures show that they earned before-tax profits of \$44 billion in a single year and that their chief executives earn a combined \$45 million a year. Australian banks are the most profitable in the world. Bank profits as a percentage of GDP are 2½ times larger than those in the United States and three times larger than those in the United Kingdom—and it is governments and taxpayers that underpin much of their stability.

Governments define and monitor prudential requirements to make sure that historical failures are not repeated in times of crisis such as the recent GFC, when it was government that stepped in and guaranteed the banks, the South Australian taxpayers and their compatriots across the country who saved the banks. We now have the banks responding, in this time, by threatening South Australia and by misrepresenting the truth, in my opinion. Talk to farmers who tried to endure the 1990s and talk to investors who were led up the garden path by the Commonwealth Bank's financial advisers in 2008, leading to a Senate inquiry that reported in 2014 that the bank faced a royal commission to investigate fraud, forgery and allegations of a cover-up inside its financial planning arm. Thousands of Australians lost their life savings as a result of allegedly shoddy financial advice given to them by planners of this country's biggest bank.

In South Australia 18 months ago, what did Westpac, the owner of Bank SA, do to its customers? Only eight days after announcing a net profit of \$8 billion, Westpac said it was closing 20 banks in rural South Australia: Mount Compass, Morphett Vale, Lameroo, Booleroo Centre, Tintinara, Gladstone, Meningie, Riverton, Streaky Bay, Burra, Eudunda, Penola, Wallaroo, Balaklava, Mount Pleasant, Robe, Yorketown, Cleve, Crystal Brook and Bordertown. Almost every one of those centres sits in a Liberal seat, and what are they doing here today? Not standing up for the regions, not standing up for banking services for them, more than happy to see an end to it.

Last night, I watched ABC News which ran a report on artificial intelligence, anticipating that the banks would shed a further 20,000 jobs across the country in the coming decade as machines take over. We are likely to have a Bank SA in the future of one man and a dog, and the dog will be there to make sure the man does not touch the machine, such will it be and so automated will we have become. By the way, it is not Bank SA, Mr Nick Reade. It is 'Bank New South Wales'. Bank SA is a fully owned subsidiary of Westpac, trading as Bank SA. It is not Bank SA. It is 'Bank New South Wales'. Let there be no doubt: these banks are run from the Eastern States. We are treated like a place to be raped and pillaged, profits pulled out, costs cut, and then there are a few crumbs on the table at charity events to try to cover over the gashes.

I am afraid my patience has worn thin. I must say I hate new taxes at the best of times. I always prefer to see costs cut. However, seeing the reaction of the banks to this tax has really firmed my position that they are wrong, that the government is right and that this matter must proceed through the parliament, as I think it will. I think those opposite have started a journey they will be unable to complete, but we will see where this takes us.

The budget seeks to continue the task of creating new opportunities and new jobs as we shift from the Playford era of manufacturing and protectionism into a new era. I am responsible for Investment Attraction SA. Far from being a poor place to invest, in 18 months, we have pulled in \$1.1 billion and created nearly 5,800 jobs. I have a long list of companies still waiting to come here to invest. We have significant competitive advantages over New South Wales, Victoria and other states, and companies can see that. They are happy to come here, and the banks are wrong to suggest that they will not come. They are also wrong to suggest that any levy or tax on the banks will act as a disincentive. It will not. They are trying to link the dots to the tax and companies' preparedness to invest in South Australia. It is simply a flawed argument.

On exports, South Australia is doing better than ever, with \$15.12 billion in the 12 months to March 2017, according to official ABS figures (chain volume)—the only figure the ABS recommends being reliably used, yet the Leader of the Opposition got up here and repeated the fake news of the shadow minister for trade that it is \$11 billion. They cannot even read the ABS figures. Listening to the leader's contribution today, it sounded like a year 9 economics paper. He thinks that by going out there and cutting taxes in March next year, if he is elected, that by June there will be 100,000 jobs created.

It seems as if he has read a year 9 or 10 economics book and that if he pulls this lever, a door will open and all this popcorn will flow out and fill the bucket. It just does not work that way. You have to provide some substance around your claims. What taxes will you cut? How much will you cut them? Just explain to people how that will create more jobs instantaneously. It will not. It is the same with exports. What are they going to do? Quadruple exports in 12 months? I can tell you we have some very good people working on it and most of them are in the private sector. It will not be happening in 12 months. It is a long hard journey. It requires detailed work. I can tell you I have been in there with them trying to help them grow their exports, with some success, and it does not happen overnight.

You need to understand the ABS figures, you need to understand how this works. The latest figures show an 11 per cent increase in services exports. The national rate was 9 per cent. We are competing above our weight. The number of South Australian exporters was up to nearly 2,600 (8.6 per cent). The national rate is 5.4 per cent. That is 72,000 meals on the table. We are doing better than many of our fellow states in this regard.

Let me make a few final points, and I think these are very serious points. I have raised the point about whether there should be a royal commission into the banks, and I am forming the view that there should be. This has been put on hold at the moment. I think other states will pick up this bank tax. Given the way they have behaved in South Australia and given many of the concerns that will now be profiled week after week about the banks' behaviour, I am forming the view that there should be a royal commission.

I think this should go to COAG. I think the states should unite and ask the commonwealth government to have one. I think transparency and sunlight are the best disinfectant. Since members opposite are so inclined towards open hearings, perhaps we can have daily commentary from the media on that, because I think many people will be shocked when they find out what the banks have been doing.

The second thing I would like to say, controversial though it may be—and I am speaking as an Independent member—is that I would think the state government is the biggest customer of the Commonwealth Bank. This is one of the banks that has been advertising South Australia down the gurgler in the last week or two. This is one of the banks that is now sledging this state, their customers and their employees. Frankly, I will be raising myself in cabinet the question about whether the Commonwealth Bank should continue to be the banker for the state government or whether another bank, like the Bendigo and Adelaide Bank, should be the government's bank of choice. I think this is something that the government party needs to discuss.

If you want to sledge the South Australian government and sledge us, I think we need to send a very clear message to the big banks that we do not want to bank with them. We might also send that message to our schools, our hospitals, the businesses with whom we deal and our partners in business. If the big four banks have no confidence in South Australia, let's go to the Bendigo and Adelaide Bank or to one of the other options we have and let's move the billions of dollars of state government business.

The next thing I would say is that there may need to be a public campaign to encourage people towards the alternatives, because they are many. There are many, many banks that are not affected by this levy—it is only the big four—such as Bendigo and Adelaide Bank, Beyond Bank (formerly Community CPS), Members Equity Bank, Suncorp Bank, HSBC, Credit Union SA, Police Credit Union, People's Choice Credit Union, and there are others. During the GFC, the big banks swallowed the little banks. They have created what many would regard as the beginning of an oligopoly and, frankly, it is time to help the little guys.



In conclusion, I am extraordinarily disappointed by the behaviour of the major banks sledging the state of which I am so proud and talking us down. I am equally disappointed in the opposition for being surrogates for them. Frankly, they should be ashamed of themselves. It is a bad day for democracy in South Australia that an opposition would seek to block a government's budget; it will create mayhem for years to come.

**Mr PISONI (Unley) (16:47):** In speaking on the Appropriation Bill, I want to start with a report that has just come online from *The Australian*, which states:

The chairman of Australia's biggest independent brewer, Glenn Cooper, is worried about the rising tide of resentment and even great dislike by the South Australian government towards small business, private businesses and publicly owned businesses...

I think that wraps it up. I think that really does tell the story about the difference between the Labor Party in this state and the Liberal Party in this state. The facts are that we are the party of jobs, we are the party of small business and we are the party of enterprise. You just need to look at those who make up our parliamentary team, the experiences they bring to the parliament and the experiences they had before they entered the parliament. Many of them had their own businesses prior to entering the parliament and many of them were employers themselves.

I was one of them, of course. I was a humble apprentice from Salisbury who completed an apprenticeship and started my own business at age 21. The free enterprise system is a great thing; it is a terrific thing for every single South Australian. The fact is that here in Australia it is very accessible. As I say to the school tours that I take through Parliament House, our system of democracy is also very accessible. I would have to say that it is probably one of the most accessible in the world. What this tax does, of course, is put an enormous threat on the accessibility of people entering into business from very humble backgrounds. It increases costs and gives South Australia an unfair hurdle.

Every South Australian business will have an extra hurdle to get over to start a business in South Australia, and we do not need hurdles in South Australia. We need help to get business cracking in South Australia. The biggest business in this state is the government close up, and that is not a healthy position to be in for rises in standard of living, job opportunities and the encouragement of new businesses and entrepreneurs to start from scratch.

I agree with Dr Cooper: this government is anti-business. We even have a Premier who actually believes that there is this thing called a business class. I do not know if that is the same sort of thing as being born with a silver spoon in your mouth. I do not know what happened to my silver spoon; my mother must have left it on the bedside cabinet at Lyell McEwin Hospital when I was born. It is just outrageous language that the Premier has used. He is blaming others for the position that he has left South Australia in.

I agree with the Premier when he says that South Australia has many things going for it and that it is a great place to live. Despite all that, and despite all the things that South Australia has going for it, we are bouncing on the bottom. There was a time when Tasmania held the crown for having the worst economic outcomes in the country and the highest unemployment in the country. South Australia has, under Premier Weatherill, now taken that crown. It is an extraordinary situation after 16 years of Labor.

This was promised to be a jobs budget. I can remember the jobs budget of 2010. The budget was delivered after the government's announcement in February of that year that they were going to create 100,000 jobs in six years. I can remember the ads on TV: we saw cranes in the sky and they were putting up big letters that spelt 'jobs' right across the TV screen. I think that is the memory I have of the Labor Party's campaign—100,000 jobs in six years. We ended up with fewer than 8,000 and many of them were part-time jobs. I came across the first use of this government's term 'transitioning the economy' back in about 2005. This government has been transitioning the economy for 12 years.

The only transition that South Australians have witnessed under this government is a transition from secure, full-time work to casualisation and part-time work. Over 150,000 South Australians who want to work do not work at all or they want to work more. They do not have the opportunity to do that, and that has a massive impact on the economy and the ability for people to

spend money in the economy and generate jobs themselves through their own consumption. It is an extraordinary situation. How long does it take for a transition to start to occur? Nobody thought for one minute, when this government started talking about a transitioning economy, that the transition would mean fewer full-time jobs and more people working casually in South Australia.

I also want to make some observations about the budget. I might start with the local government portfolio and one of the targets that this minister has set in the area of local government. He wants to progress the review of the code of conduct for elected members and council employees. That code of conduct is not very old, and I agree with him that it needs to be reviewed. It is a nonsense.

We had a situation in Unley just recently where there were plans to turn the village green in and around the Unley council offices. Homes were to be converted into community places and the grass area was to be turned into a development site. Some bureaucrats within the council decided it was about time they had some new offices. They said, 'Why don't we do a deal with the developer? Why don't we let them come in and put up six storeys, knock down our 1960s building and put up six storeys? They can sell some apartments, some office space, and we'll take some of the space and we'll get that all done for free.' It needed a massive change in the DAP in order to do that. There is no doubt that it caused absolute outrage in the community because it was the end of a significant part of public space right in the centre of Unley.

What was extraordinary about that was that two councillors, who were very passionate about wanting to vote to stop this from happening, were given legal advice by the council that they had to declare that they had a perceived conflict of interest and that they were not able to vote on the issue. The perceived conflict of interest was that they lived on the other side of Unley Road, 200 to 300 metres from the site and that their homes may or may not increase or decrease in value because of the decision the council may have made in regard to the DPA. What an absolutely ridiculous situation those councils are in.

We have had other situations when the Adelaide city council could not get a quorum because of this perceived conflict of interest that the councillors felt they had to cover themselves for because of the government's poor writing of the code of conduct. I support that. I do not trust this government to get it right. It failed enormously in the first instance. It is even a grey area that if you campaigned on a particular issue at a local government election, and then you continued that campaign after you were elected to get that outcome for your constituents, you could be in breach of the code of conduct because you are supposed to be making a decision on the quality and information made available to you at the council debate.

You cannot discuss it with other councillors beforehand, and you cannot discuss it with your constituents beforehand to give them a view on how you feel about this matter. You have to make up your mind after you have been enlightened, if you like, by the council debate. That has crippled local government, and I think it is part of the reason we are seeing many of our local governments out of control.

Onkaparinga is an example, with their outrageous payment of over \$6,000 towards golf membership. I think it was an application for golf membership at Kooyonga; it was an extraordinary amount of money. Yes, the CEO has agreed in another secret meeting to pay back that money, but the minutes of that meeting will not be made available until 2027. Here we have a guy who is on about \$340,000 a year, who has worked out a payment plan for \$6,800 that could be 10 years long. It is just an extraordinary situation, and the people on Onkaparinga are not allowed to know about it.

I am pleased to see that there is money in the budget for the Gawler rail line, but it is only to Salisbury. I want to remind the house that, on Tuesday 22 October 2013—and this was an election promise—the government stated that it was going to electrify the rail to Salisbury and that it would be completed by the end of 2015. This was a press release that has the Premier as the minister for state development and the member for West Torrens as the minister for transport and infrastructure. Their names are on this, and they said that this project would be finished by the end of 2015, but of course it never made the budget. There is \$60 million to be spent this year in the 2017-18 budget, but that does not mean that it is going to be spent because I want to remind members what happened the last time they were spending money on the Gawler rail line. Do not take my word: this is what the Auditor-General said in his report in 2014:

The Gawler commuter rail line joins the regional city of Gawler to the Adelaide CBD.

In May 2009 the Commonwealth Government committed funding of \$293.5 million to upgrade rail track and certain stations, and the electrification of the Gawler line.

The Auditor-General then goes on to say that in June 2012 the commonwealth Labor government, and I think it was prime minister Gillard at that time, advised the department:

...to cease expenditure of Commonwealth funds on the project following the SA Government's decision in May 2012 [and I think the member for Playford, the now health minister was the treasurer at that time] to suspend the project.

In October of that year, the commonwealth government requested that the unspent funds be returned to the commonwealth, and the commonwealth government received that money later that year with interest, as the state government had to pass on interest as well. The department returned that unspent funding in April 2013, so it took them a little while to return it.

Then in June 2014, the state government announced a restart of the project from Adelaide to Salisbury—and that was after the election, after promising it before the election—and that it would commence in 2017-18, but before the election they said it would be finished by the end of 2015; I want to remind members of that. In the 2013-14 budget, the department assessed that expenditure incurred to date on the project totalled \$50 million. The Auditor-General went on to then assess that his review had:

...identified a write-down of expenditure totalling \$46.6 million. The department assessed that costs totalling \$28.6 million incurred for the project between Salisbury and Gawler were deemed to be obsolete—

in other words, wasted—

or are not likely to provide any future economic benefit. Further, the Department determined that given that the project is planned to recommence in 2017-18, a considerable portion of design, scoping, project supervision, tendering and mobilisation costs for the Adelaide to Salisbury section of the line totalling \$18 million were deemed to be obsolete—

again, wasted—

and are likely to be in the most part reincurred when the project recommences.

You can see that just because it is in the budget does not mean it is going to happen. It has been in the budget before, it has been an election announcement before and it is still not there.

I notice that the budget also says that an estimated amount of \$9 million has been spent for additional tram purchases and the extended tramline, and that is the 150 to 250 metres heading north from North Terrace, and the \$9 million we suspect is for the 10-year-old second-hand trams. We know that tender documents went out earlier in the year for someone to get those trams from Spain. Just so that members understand the history here, those trams were purchased by the Madrid transport equivalent to our Adelaide Metro in 2007-08 with a view to continuing to expand the train system in Madrid, but they ran out of money. They stopped it. Those trams were no longer needed, and they have been sitting there waiting for someone to come along and buy them.

It is an extraordinary situation where we are actually paying more for second-hand trams that are 10 years old than you can pay for the latest technology of trams here in South Australia. Why are they doing that? Because they want to meet a political time line. It is how we ended up with the narrowest trams on the widest tram tracks in the world in the middle of Adelaide—because they were what they could get and have running up and down the Glenelg line before the 2006 election. They should have looked at what was happening in other states.

If you look at the new trams in Melbourne, and the new trams in Sydney in particular, they are putting in from scratch new trams that are wide bodied and you can get many more people on them. Anybody who uses that Glenelg tram is very frustrated at how quickly they become full and 'squeezy', whereas a wider bodied tram on those wide tracks would make the journey much more comfortable. Of course, if we see more population density on that route, we will see even more of that happening, and the solution there is to run more trams.

Of course, until we have grade separation along that tramline, we will be in a situation where there will be more congested traffic in the south-western suburbs of Adelaide. Those are a couple of points I wanted to raise while I had some time in the budget process. I finish by mentioning how

disappointing it was that this government only sent a draft of the fourth leg of the South Road project from Pym Street to Regency Road only a week or two before the federal budget was printed and then complained that there was no money in the federal budget for the north-south corridor when the federal government only received a draft two weeks before the budget was printed.

What is interesting in that draft is that it states that no money will be required until January 2019, so this government is not even prepared to spend any money for another 18 months, yet it blames the feds for work coming to a standstill on the north-south corridor after the current work is finished next year.

**The Hon. S.E. CLOSE (Port Adelaide—Minister for Education and Child Development, Minister for Higher Education and Skills) (17:18):** I am very proud of the government for putting together this budget and presenting it to parliament. It is clear that this is a budget that puts the people of South Australia first. It is clear that this budget will benefit the entire community and that this budget will improve the lives of South Australians both now and into the future.

The budget focuses on the core values of this government—jobs, health, education and community. It will give access to better services that the community rely on every day and services that make a difference in the quality of lives of the people of South Australia. It will give people jobs during this challenging period of economic transition, and it will lay the foundation for jobs in an economy built for the future.

People are at their most vulnerable when they are sick. That is when they need their friends and family to be there for them, it is when they need their community and it is when they need health care of the highest quality. Our new Royal Adelaide Hospital is the cornerstone of reforms to this state's health care that will ensure we have world-class facilities available for our community. As you would expect from this government, we are investing to ensure that everyone has access to this high level of care.

The Queen Elizabeth Hospital continues to be a vital facility for many. It will provide inpatient, outpatient, emergency and mental health services to a population of more than 250,000 people living primarily in Adelaide's western suburbs. It has a very proud history, opening in 1954 first and only as a maternity hospital and then with general services from 1959, and since then it has built a reputation of providing excellent clinical care, teaching and research.

This government recognises the importance of such institutions, and since 2002 has invested \$136 million in the redevelopment of The QEH. This has included new inpatient facilities, a mental health facility for older patients, a new renal dialysis unit, modern haematology and oncology services and a new research building and multistorey car park. I am very pleased that because of this budget this investment will continue. As part of a new \$250 million investment, a larger new state-of-the-art emergency department, operating theatre and day surgery suite will be built at this hospital.

This budget will fund new outpatient and medical imaging services, and the state's most advanced brain and spinal injury rehabilitation services will be established at The QEH. This is a specialisation that can make a real difference to the lives of people who have suffered severe setbacks. I am very pleased that cardiac, respiratory and cancer services will remain at this hospital also for the members of our community who need them the most. These services will make a crucial difference to people's lives.

This investment will have broader benefits for our community as well—this investment in the continuing redevelopment of The QEH will bring jobs. This is why this budget is one for the people of our state. This government understands the role it must play in supporting our community during this transition period. As we come closer to the closure of the automotive industry, and can rely less and less on the industries of the past, we must build opportunity for the future. The budget's new roads, rail, health and education facilities will offer opportunity for construction jobs and work in supporting industries.

It is estimated that the total infrastructure investment over four years will support 5,700 jobs on average per year. Furthermore, this government will support businesses that support young South Australians to develop careers. Job accelerator grants will increase by \$5,000, which increases the benefit for eligible businesses to \$15,000 for each new apprentice and trainee hired. Since the scheme was introduced as part of last year's budget, almost 10,000 positions have been registered.

This is a great incentive for businesses to hire either young South Australians or South Australians changing careers.

In addition to providing jobs, infrastructure investment is an investment in the future of our state. Businesses need transport links to be as close as possible to their markets. They need their staff to be able to easily and quickly get to work and people need roads and public transport to reach the services they need. Planning for and building this type of strategic infrastructure is what this government has done and will continue to do for this state. This is the role of government. We must work with our community, our people, organisations and businesses to identify opportunity and guide the development of this state to maximise the potential benefit.

I am also delighted that next year work will start on a new rail line to Port Adelaide. This will add to the momentum building in this fantastic part of our state. This is part of the government's commitment to investment in South Australia and investment in public transport. We have seen growth recently, but we want to attract more residents, businesses and tourists to the Port. It is an area so rich in character and with so much to offer, and it is very exciting to watch this happen. It is also good news for my constituents, who will benefit from improved access to public transport and local businesses will benefit from more visitors coming to the Port.

This budget also continues on our promise to invest in education for South Australians. Education will have a significant role in the future prosperity of this state. Education changes lives for individuals and it changes the quality of life experienced by entire communities. I never hear anyone argue against this. However, as every single member of this house knows well, we do hear arguments about funding education. There are those in the federal government who are claiming victory—indeed, I believe I heard the Leader of the Opposition similarly claim victory—for passing new legislation that will deprive South Australian children of the high-quality education they so desperately need.

The education legislation the federal government has pushed through—it seems with the support of the opposition party in South Australia—will disadvantage our children. How can I so confidently say this? Why should every parent, carer and all with an interest in the future of our children take heed of this deal and demand more from their representatives in Canberra? It is because this federal government is walking away from a deal to fund schools to a level that all governments agreed was needed.

It is walking away from providing the funding it agreed was needed to provide a quality education. While the opposition spoke of this being simply a Labor opposition commitment in Canberra, indeed it was an agreement that was signed between two levels of government, the state government and the federal government, and the federal government has reneged. Surely it is obvious to everyone that this action will have consequences. It will not have consequences for the politicians in Canberra who made the deal: the consequences will be for our children in South Australia.

Our schools in each of the three sectors in the next two years alone will lose \$200 million as a result of this announcement. It means that they will have fewer teachers, fewer support officers and fewer resources at the time in their lives when they need it most, fewer than it had been agreed they needed for a quality education. This will deprive our children who are in reception right now and need help learning to read and to write, our children entering high school who need help with maths or science and those in their final years who need to set themselves up for going to university, TAFE, getting an apprenticeship or a job.

It is these children and young people who need these resources, and this welching on a signed agreement between governments will affect them. This state government can see the value of investing in education. This state government is committed to ensuring that our children and our state have a future. Since 2002, we have invested more than \$2.2 billion in education infrastructure in South Australia, and this budget builds on and continues this commitment. In last year's budget, we announced \$500 million for STEM facilities across government and non-government schools. These are the facilities that students will use to learn about the fields that will be so crucial for their futures.

Yesterday, I was fortunate to attend the opening of the first of the STEM laboratories in government schools at Brompton Primary School. These really are the classrooms of the future. They give primary school children, in this case, the facilities that they need to collaborate in small groups and work on problems in areas such as coding, robotics and design. Science, technology, engineering and maths are fields that will all be part of future industries, whether that is immediately obvious or not, and these skills will be fundamental in many of our growing sectors, such as advanced manufacturing and defence. Our students need to start building their knowledge in these areas as soon as possible.

Earlier this term, I had the pleasure of visiting an exhibition put on by primary school students who have been trialling a 3D printer program. This technology is giving these students the opportunity to design, build and test products from scratch. There is an element of entrepreneurialism included in determining what products they will produce and how they will market them. It is teaching them that the future of manufacturing is limited only by their imagination. It was amazing to see how quickly and completely these students, some as young as year 1, were embracing this technology and learning how to use it. This is what we need more of, and this is the type of difference resources can make.

I am very pleased by the investment in this budget in two new schools for South Australia. Adelaide's growing northern and southern suburbs will be home to two new birth to 12 schools for 1,500 students each. This new capacity in our public education system will give these students access to the most modern facilities. These schools will give students the opportunity to develop the capabilities that will get them the jobs or the entrepreneurial opportunities of the future. This adds to the investment in education infrastructure this government has made in the growing northern and southern suburbs of more than \$500 million since 2002.

These new schools, likely to be located in the Munno Para and Sellicks-Aldinga regions, will continue to deliver on this government's commitment to ensure that every child has access to high-quality public education. These two new schools will each have places for 100 special-school students to ensure that no-one misses out on the opportunity to learn. They will also each accommodate a 55-place children's centre to provide education for our youngest children and support for families.

This government sees education for early learners as fundamental to the development of South Australia and a community with truly equal opportunity. South Australians should feel rightly proud of the level of education that we give our youngest. Almost 80 per cent of our public preschools have been assessed and have been recognised for exceeding the National Quality Standards. That compares with 56 per cent of preschools nationally. This level of education will pay off for children and for the state.

This state government continues to invest in children's centres. We have 43 open in South Australia and another four will be opened by the end of next year. Children's centres provide health checks, child care, early childhood development programs, parenting education and support programs for families. They are also a great way we can support our most vulnerable families and a terrific investment for this state. This continued investment in education represents the spirit of this budget.

We are investing in infrastructure and services that our community needs now, and we are investing in education that will be the foundation of our future. It looks after our people and ensures that we have a future that is prosperous. It builds on the vital services of health and transport that truly affect people's quality of life, and invests directly in education. Education is how we ensure that we not only have the future we want for ourselves but that we have the future we hope for and dream of for our children.

**Mr KNOLL (Schubert) (17:30):** I rise to make a contribution on the Appropriation Bill 2017 and to say that whilst we are supporting the bill, as we always do, I think this budget is a missed opportunity when it comes to helping improve the lives of everyday South Australians. The reason I think this budget fails is primarily that it sets a very low bar, a very low set of expectations, for what South Australians should expect and what South Australians should want not only of the government but also the message that sends to individuals themselves.

This budget, which purports to be a budget that is going to create jobs, itself sets such a low bar that calling it a jobs budget is an oxymoron, calling it a jobs budget is an irony, as opposed to any real statement. That is because this budget projects job growth of only 1 per cent; 1 per cent is as lofty an ambition as this government could muster in relation to jobs growth in South Australia. The reason this 1 per cent jobs growth is all the government could muster is that it continues along its steady and well-worn path of high taxing and high spending, and nothing is more evident when it comes to their high-taxing agenda than the introduction of a new bank tax.

This new bank tax, which we and the Liberal Party have committed to block, is a job killer. We know that you cannot take from business, we know that you cannot take from the economy, in order to give back to the economy and expect it to grow. That simply does not work. There is \$370 million which would be much better off in the pockets of ordinary South Australians than being in the pockets of government, only to be redirected back with some so-called jobs fund. It is much better for us to let the private sector, to let individuals and households, stimulate the economy by spending that money themselves as opposed to the government taking that money from them.

The difficulty with this budget is that it sets such a low bar. I believe this is where South Australia has hit an economic and cultural malaise that can only be fixed by raising the level of expectations. It is the current tyranny of low expectations that is holding our state back. I think the only change, in fact the most important change, in order to reverse this trend, reverse this malaise, is a change of government next March. A change of government, a budget and an agenda which will seek to reform our state, which will seek to stimulate our economy, which will seek to grow jobs, is what will help turn South Australia around. The only way that can happen is if we raise our eyes a little bit, if we seek not to look below the horizon, to look down at our feet, but seek to look up, look little bit further and a bit higher in the sky and actually ask and want and reach a better future than we currently aspire to.

This government has set the bar so low, and they are meeting these low expectations. Economic growth in South Australia over 2015-16 rose at only 1.9 per cent, when nationally the country grew at 2.8 per cent. Only Tasmania and Western Australia grew more slowly than us. We lost 6,500 young people last year to other states—again, a bar that has been set low, and those low expectations have been met by this awful government. We have seen jobs growth of only 1.9 per cent since June 2015, when nationally that sits at 3.7 per cent. We see unemployment that is the highest in the nation at 7.1 per cent on trend and 6.9 per cent, seasonally adjusted—again, the highest in the nation.

We need and we want better for ourselves. We must expect better of our government and we must expect better for ourselves. The way we can start to do that is to vote for a change of government at the next election. The reason I believe this is important is that raised expectations and met expectations are what is going to inject confidence into South Australia. What happens when businesses invest, because they have a surge of confidence in their new government to be able to deliver a better set of economic settings, is that businesses invest. They spend capital. They spend money. They upgrade plant and equipment. They put more money into seeking new opportunities interstate and around the world. The reason that is important is that renewed investment leads to jobs growth.

If you want to deliver a jobs budget, you need to deliver confidence, you need to deliver business investment and you need to deliver jobs growth. That is a recipe for a growing economy, that is a recipe for a growing South Australia, that is a recipe for a more confident South Australia, one that actually believes in itself and one that is willing to take risks to spend money in order to be able to improve our circumstances. Unfortunately, that is not going to happen if we continue to double down on the same economic settings that we have had since 2002, a doubling down that the government admits itself has not worked but has no plans to change in the short or the medium term.

South Australians need to raise their expectations and vote for a different government. South Australians need to realise that there is a better future. There is a more prosperous future, and it starts with a government led by the member for Dunstan, who is going to make sure that the bank tax does not come to South Australia. That money needs to stay in the pockets of South Australian households so that they can deal with our huge ESL bills, huge electricity costs and water costs.

The cost of living at the moment is a huge issue. It is rising well above the rate of inflation, well above the rate of wages growth, and we need to do our bit to help households to feel confident that they can go out and spend, that they actually have enough money to be able to survive and thrive. To the people of South Australia, definitely to the people of Schubert, think more of yourself, think more of your state, and please wish more of your government. In thinking about that, in doing that, we need to vote for a change of government at the next election in 2018.

I would like to move on to some of the measures, as they exist, in my portfolio areas. First off, I want to turn to the vexed area of correctional services, one that we have seen in the media quite prominently over the last few weeks. Our prison system is in crisis. We have a prison system that has delivered shotguns into the Women's Prison in an area where female prisoners are present. We had the internet accessed in a security breach at the Mobilong Prison where up to 10 inmates got access to a computer with internet, and who knows who they contacted? Who knows whether victims were contacted? Who knows how the victims were treated in this circumstance? Who knows what havoc has been wrought by those prisoners having access to that?

We have seen in the paper today that the government is so hard up for space in our prisons that they are breaking the law. On 14 separate occasions last year, they broke the law and illegally used police cells to house prisoners who were sentenced to a sentence for longer than 15 days. When questioned on this, minister Malinauskas in the other place did not deny the fact that this is happening. In fact, I am not even sure he understood that it was illegal. He said that, if there is an agreement between the police and the correctional services department, that is okay. The minister said in parliament, on *Hansard*, that it was okay to break the law. It cannot be allowed to stand that a minister of the Crown essentially said that we should flout the law and that departments should be able to ignore the Correctional Services Act and do what they want.

This is a government that is desperate. We know that we had 3,062 prisoners within our system, on average, over the first three months of this year. We know that is up a couple of hundred prisoners on last year, but here is the fundamental question: did this budget do anything to address the overcrowding and bed capacity issues within our prisons? Did it do anything to address the fact that we have been using surge beds every single day since 3 November 2011? Did this budget do anything to address the fact that we have seen a 40 per cent increase in prisoner-on-prisoner assaults within our prisons?

We have also seen a tripling over the last three years of the number of prison officers being assaulted within our prisons: guards being spat on, guards being punched in the face, guards being assaulted with mugs of hot water. Has anything been done in this budget to actually help address that? The answer is no. This budget does nothing to address the bed capacity issue within our prisons. We know that overcrowding is contributing to the problem, but this budget offered no new money for prison capacity. That is short sighted and I urge minister Malinauskas to get his head out of the sand and actually start to address some of these issues.

I will admit that in the area of trying to ensure that prisoners being put back into the community have more transitional support the government have acted. They have put money into a new transitional support program called Work Ready, Release Ready. They have put more money into a program called New Foundations, which is an offender community reintegration program. I look forward to seeing how those programs are implemented.

I would very much urge the government to engage the non-government sector in helping to deliver these services. There are some good people out there whose hearts are pure, who are on the ground at the moment dealing with real life issues facing people as they come out of the corrections system, and I would urge the government to engage those groups.

The reason this is important and the reason the community should care about these things is that when prisoners come back into the community, if we do not help them to reintegrate properly, then community safety is put at risk. We know that roughly half of prisoners reoffend within two years. If there is any way for us to reduce that figure, then it will make our community safer. It will have the added by-product of having fewer people within our gaols at an average cost of \$100,000 per year, but community safety is paramount and community safety has to be at the heart of what these measures seek to do.



At least there was some new money announced in Correctional Services, because in emergency services there was not. The budget revealed the fact that we have lost another 500 volunteers in our CFS. This is a crying shame. We are down from about 14,000 to about 13,500. So recently after the Pinery fire, the Sampson Flat fire, the Wirrabara fire and after the floods over at Gawler, for us to lose 500 volunteers is a travesty. When I go out there and talk to volunteers, I know that they are frustrated because they have seen their emergency services levy bills go up.

They have seen their emergency services levy bills double and triple in some cases, but they have not seen that increased money actually flow through to their budgets, to their local brigades, to increased training or to faster upgrades of their equipment. What they have seen is that increased ESL bill go into general revenue coffers, and that is what frustrates them. That has to be part of the reason that 500 volunteers—

**The Hon. Z.L. Bettison:** No, it doesn't.

**Mr KNOLL:** The minister opposite interjects. In questioning in the Economic and Finance Committee, the chief executive of SAFECOM, Malcolm Jackman, answered the following question. When emergency services levy bills were increased in 2014-15 by \$90 million, I asked whether there was a corresponding increase in emergency services funding. The answer was no. That money displaced general government input into emergency services. That extra \$90 million that South Australians paid did not mean \$90 million more for emergency services funding; it went straight to government coffers. Anybody suggesting otherwise is not looking at the truth. No less than the CEO of SAFECOM admitted it and, in fact, was frustrated by it when questioned in the Economic and Finance Committee.

There is a \$1 million increase to the capital replacement program and there are 37 new trucks to be constructed over the next year. I think that is a welcome development. The trucks that do not have the proper equipment and systems in place for burn overs need to be rectified. I know of crews down in Penneshaw and all around the place that still have the situation where they are without a dual cab truck and a water sprinkler system. You have CFS volunteers sitting in the back of a truck with a blanket over the top of them hoping beyond hope that the fire does not consume them. Our CFS volunteers deserve better. We need to get on and make sure that these trucks are either upgraded or taken out of service as quickly as possible.

There was nothing new for the MFS and nothing new for the SES in the budget. The SES did get a cash injection of an extra couple of million dollars and that is quite welcome, especially after the magnitude of the Gawler floods, but there is nothing new in the budget. The police did have some new money around indexation of expenses and additional police resources for 2017-18, but I think that has to do with Recruit 313. As those Recruit 313 officers come into the system, there is an extra budget item there to make sure that that is funded.

There have been delays to some of the capital projects. There has been a delay to the continuous monitoring for screening that essentially was supposed to be completed by June 2017 and has now been pushed out to June 2018. The crime tracking app has also seen a delay.

*The Hon. Z.L. Bettison interjecting:*

**Mr KNOLL:** A crime tracking app—

**The DEPUTY SPEAKER:** Just a second, member for Schubert. I do not know if the minister was in the chamber earlier, but every time there is an interjection now I am giving the member on their feet an extra minute, so you might like to think about that and listen to the member for Schubert in silence. The member for Schubert has an extra minute.

**Mr KNOLL:** I feel like I am getting a gold star or something, Deputy Speaker.

**The DEPUTY SPEAKER:** You are, but not because you have been good but because she has been naughty.

**Mr KNOLL:** It is not a zero-sum game then. We have also seen a delay in the rollout of the body-worn cameras. These 1,000 new cameras first started appearing in 2010-11 in the budget at \$4.1 million. The money allocated to this has gone up and down, but essentially in 2015-16 we had an end date of June 2016, then last year it was June 2017 and now it is June 2018.

These are very important bits of kit and they need to get into the hands of our officers as soon as they can because we know that they are an important part of crime prevention. They help to increase the rate of compliance by people on the street as they see that they are being filmed. Hopefully, this will lead to an increased rate of positive convictions where people are doing the wrong thing.

I will move across to road safety where the only new initiative was to put 10 new fixed location road safety cameras in metropolitan areas at a cost of \$2 million, but over the forwards it is estimated to raise \$15 million, increasing year on year. The government refuses to support our select committee into road safety to have a look at whether these cameras are making a difference and whether they are actually in the right spots to help remove the cynicism in the public that this is nothing more than a revenue-raising exercise, but they refuse to do that.

The RAA has conducted their own survey and they say that it is inconclusive as to whether or not these road safety cameras actually make a difference, but the government goes ahead with 10 new fixed location safety cameras, which will net \$13 million into the government's coffers. Once again, that will only fuel cynicism within the community that this is only a revenue-raising exercise.

We on this side of the house want transparency. We on this side of the house want to reassure South Australians that it is about road safety and that these cameras are where they are going to do the most good. Unfortunately, the opaque, hazy way that this government goes about business means that South Australians will continue to be cynical.

I know of communities that want road safety cameras because they have identified hotspots. Even in my own community I know of areas where I think they need to be placed, and that is completely different from where they are placed. We need to get to the bottom of this. We need transparency and we need to assure the public that we are here for road safety and not for general revenue expansion. I will have more to say about issues in my electorate and the lack of regional health funding announced in this budget, but I will wait for my budget grievance to do that.

In summary, this budget was a missed opportunity. This budget was a missed opportunity to help raise the expectations of South Australians about what their government can actually deliver. Essentially, what has happened is that South Australians will continue to trudge in the mud until 18 March next year. They will continue to trudge along, not realising that South Australia can have a better future. I implore them to seek that better future: one that returns more money to their pockets, one that seeks to work with them to lift them up, one that seeks to work with businesses so they can create jobs rather than take money away from business, which actually stifles jobs growth.

I implore South Australians to get on board with a change, which will inject confidence and put South Australia back on a path that sees it as a state that can hold its head up high with pride, so that we can compete with our interstate counterparts and use the natural advantages that we have in South Australia, our natural resources and the natural ingenuity of South Australians to help us thrive, grow and prosper. I look forward to an election in March next year when we can start to help bring about some of that change.

**Mr SPEIRS (Bright) (17:51):** It is good to be able to speak this afternoon on what is my fourth budget reply speech. It is hard to believe that four budgets have come and gone since my election to the state parliament. It is always good to be able to provide a reflection of my views on the state budget, how it might impact the state and also how it impacts on my local community, which I am privileged to represent. I will speak in more detail about my local community in my budget reply grievance speech at a later date.

Today, I want to focus for a short period of time on the budget and its response, or perhaps the lack of response, to some of the major challenges facing South Australia at the moment. We know that South Australia is a state which, as many people say, is transitioning from one type of industrial background to a different type of economy. There is no doubt that that is true, but that transition cannot be used as an excuse for allowing our state to slip into a situation where we are in significant, if not terminal, decline across a whole range of key areas.

We know that South Australia has the highest unemployment rates in the nation. We know that our youth unemployment level is catastrophic, and that can cause really significant long-term not just economic but also social problems and consequences for many people who face long-term

unemployment or even generational unemployment, where unemployment is passed from one generation to the other. Great social problems come with that situation, so governments of all persuasions must put lowering unemployment and tackling the impact of unemployment at the very heart of their mandate.

We were told by the Treasurer that this budget was about creating jobs. We have heard that time and time again since I was elected. I believe this is the third budget in a row that was described as a jobs budget. Unfortunately, that has not taken us very far because we continue to have incredibly bad unemployment figures. They are not just figures; they are real people in our communities across this state—in our city, in our regional towns and in our country communities—who are facing life on a day-to-day basis without a steady income from a job.

The impact that has on their self-esteem, and the impact that has on our community's ability to function, cannot be underestimated. As leaders and elected representatives of this state, we must find solutions to our state's unemployment crisis. That is a word that is used fairly loosely by politicians and people in the media but, when you have the nation's highest unemployment and that is something that has been the situation for an extended period of time, I do not think it is a stretch to describe that as a crisis.

As well as significant unemployment problems, we heard last week that we have the highest electricity prices in the world. Again, that has a whole range of knock-on effects. Not only is it a residential problem hitting households and impacting household budgets, but it is also a real hindrance to the growth of existing businesses and the establishment of new businesses in our state.

In the news last week, we had the case study of the plastics recycling firm in Adelaide that saw its electricity bill rise from \$80,000 a year to \$180,000 per year. How does a business manage to absorb that level of increase? It is almost impossible to absorb that in the bottom line without making cutbacks to staff and perhaps cutbacks to innovations and investments that that business was going to take. Tragically, in the case of the business that I am talking about, they feel that they had no option but to close their doors.

As members of this place, we hear story after story of businesses that are facing similar situations as they come off one fixed electricity contract and move on to another, and their electricity prices jump up. The government needs to be able to intervene and come up with a solution that will stabilise our energy industry here in South Australia and give businesses certainty that power prices are going to be stabilised going forward and, if anything, lowered as well, because we will not get growth in many industries, particularly those that require a significant amount of power, without the energy situation in South Australia being fixed.

We know that we have soaring water prices. That falls under my shadow ministerial portfolio. We know there are real challenges there and that the government continues to place cost burdens on South Australian households and businesses. We had the emergency services levy at least double and in some instances triple and quadruple back in 2014, and we have continued to have rises to the emergency services levy in previous years—not in this financial year but in previous years. That is another significant cost burden hitting South Australian businesses and households.

Now we have the imposition of another tax by the government—another lazy tax. I believe that taxation is lazy and is not a good way of doing government—increasing taxation rather than looking for innovative and creative ways to grow and expand our economy—because we know that when you grow and develop an economy, that will lead to more taxpayers. That will lead to more people investing in our communities and more people who have jobs being able to have discretionary income so that they can buy an extra coffee at a local cafe, go away for a weekend at a South Australian tourism enterprise, put in a new kitchen or buy a new car.

When you have more people employed, and when you have a growing, expanding economy that attracts more people to invest, we know that that has a flow-on effect and can bolster all aspects of our economy. That is where we want to be in South Australia, and I am afraid that is absolutely not where we are at the moment. We know that the statistics do not back up any idea that South Australia's economy is recovering or growing. We know that is the case.

Unfortunately, the budget that was handed down a fortnight ago really does not provide any imperative to see a recovery in South Australia's economy. I think the budget was very far from a jobs budget: it was a tax-and-spend budget. It was based around an old, tired ideology that this government has perpetuated for many years. It was a budget that sought to strategically spend money in key seats that the Labor Party needs to hold at the next election, but it was not about creating an energetic, innovative, creative economy, and that is incredibly disappointing.

I turn briefly—and I thank the Deputy Speaker for indulging me with a bit of extra time—to some of the ideas that the Liberal Party has on the table to look at economic recovery in South Australia. We had the budget reply speech from the Leader of the Opposition this morning and he outlined a number of those matters, which I will reiterate because the Liberal Party is very serious about having a plan out in the public domain about economic development for this state. We have many more policies in the public domain than we had at a similar time in the political cycle in 2013, and that is something that we in opposition should be proud of. It is something that I can guarantee we will build on as we head towards the March 2018 election.

Briefly, I want to cover off on some of those projects and policies that we are promoting. One of them is Globe Link, the development of a specialised freight corridor around the back of the Adelaide Hills, and the creation of an export-specific airport at Monarto. We know that South Australia has a huge amount to offer to the world. We produce more food than we need, we produce more wine than we need, and we have fantastic products and services that we can sell to the world. The creation and development of Globe Link is certainly a long-term vision, but it is important to have that vision out there. It says that we want to make it easier to move freight around our state. Rather than bringing it into metropolitan Adelaide, it would bypass around the back of the Adelaide Hills.

We want to be able to get our produce to the world with an export-specific airport being constructed at Monarto, so I think that is an exciting policy. When I speak to people in the community, they tell me that they have a lot of time for that policy, and they are impressed that the opposition has put it out there even though it is a big-vision policy. It is one of those bigger ideas, but I think people want that from governments or potential governments.

Connected to that, in terms of economic development, we strongly believe that South Australia's economic recovery will be export led, so we have put out there as a public policy that we will have an export-specific minister with sole responsibility for selling South Australia to the world. As part of that ministry, we will be establishing four new trade offices in Japan, Malaysia, Dubai and the USA with, perhaps, a vision to expand those more in the future. We see it as so important to have an export-led economic recovery in South Australia. We are proud of so many things here, and we produce so many good things, and we want to be able to take those to the world.

We also have a real desire to reduce the everyday cost of living, so we are going to reduce the emergency services levy and take it back to what it was before the government's significant hikes in 2014. We want to put a cap on council rates, and we also want to undertake—and this is under my portfolio—a really detailed review of water pricing. These are all things that will hopefully put money back in the pockets of South Australians. With that, Deputy Speaker, thank you for your indulgence, and I conclude my remarks.

*Sitting suspended from 18:04 to 19:30.*

**Mr BELL (Mount Gambier) (19:30):** I rise this evening to make comment on the Appropriation Bill 2017. It is with interest that I have listened to many of the speakers in this house and I am sure as the night goes on they will become more and more interesting to listen to.

One of the Independent members, who now sits on the Labor front bench, was talking about how we should not quibble about how surpluses have been achieved. I think it is important to put on the record that many of the surpluses have been achieved by selling the state's assets. Selling assets that deprive future generations of income streams that were set up and put in motion to benefit the people of South Australia, and this type of selling assets at all costs to have a phony surplus, is selling our next generation short.

Obviously, we have the Motor Accident Commission—which is a big one—delivering many hundreds of millions of dollars into the state's coffers' and the Lands Titles Office, but one closer to home is ForestrySA. Forward rotations for ForestrySA were sold for around \$670 million. What has

been quite interesting over the last couple of months are the reported profits from OneFortyOne, the company that purchased ForestrySA. I want to be very clear that I have no issue with OneFortyOne. If a government is silly enough to sell an asset at cost price—some would say well below cost price—then it is the prerogative of anybody to bid on that asset.

For \$670 million, even conservative figures put those estimates at about half price, or about \$1 billion just on land value. The state Labor government sold ForestrySA at the bottom of the cycle, so it would be fair to say that OneFortyOne picked themselves up a bargain. In fact, so much of a bargain, the eminent Jerry Leech, who has done many years of work in this field, quoted that land value alone would have been around the \$1 billion mark. After paying \$670 million, OneFortyOne is now turning a clear profit of \$120 million per year.

Reports have it that the asset will be paid off in June 2019. Of course, OneFortyOne has the asset for another 103 years and, if they sustain a \$120 million a year profit, it is an extraordinary raid on future generations of South Australians that those revenues are not coming into the state coffers—\$120 million per year from just one state asset that our forefathers had the common sense and foresight to plant and to turn the South-East into the Green Triangle, or certainly part of it.

Let us not quibble about how these surpluses have been achieved, says the member for Waite, but I think it is a very important lesson to learn and that future generations, who may one day pick up this *Hansard* and, if they are bored enough, read this speech, will know that these surpluses are fake.

Again, we must be coming into an election year because Labor has promised a jobs budget. There have been a few YouTube ads going around for *Groundhog Day*. When you watch the YouTube clips, it is exactly what was said in 2014, 2015 and 2016, so why would we think things are going to change now?

We need a comprehensive strategy for economic growth, with lower taxes and more jobs. That is what a Marshall Liberal government will deliver in March 2018—if, in fact, we get to March 2018 because I have a sneaking suspicion that we might be going to the polls before that, but only time will tell. After 16 years in government, Labor is out of ideas and out of time.

This budget neglects our regions, which is one of the most disappointing things of the budget. The regions have been let down, in fact totally neglected, in this budget. There is no extra funding in this budget for regional roads, despite a \$1 billion road maintenance backlog. There is no investment in this budget into regional health facilities. The notion that country people will be travelling up to use the metropolitan services sounds fine on paper but has many complexities when it is put into reality.

There has been no increase in the Patient Assistance Transport Scheme. If this government were serious about supporting regional families to access those services then we would see a lift in the rebates available for regional people to access metropolitan services or vital health services. It is quite convenient if you live in the city to drive a loved one, a family member, hopefully not a child, to a hospital for an operation or a service, but it is a different thing entirely to travel 480 kilometres from Mount Gambier to access those services, particularly if you are elderly. I know of elderly people who try to do the round journey: going up in the day, seeing the specialist, receiving the treatment and then turning around and driving back. Why? Because, quite frankly, they cannot afford the accommodation because it is not cheap to access those services in a metropolitan city.

It is with great sadness that I bring to this house the tragedy that occurred quite recently in Mount Gambier where Angel Flight—which I think is a wonderful service for regional areas—had a major crash with fatalities. Three people lost their lives: obviously the pilot, Grant Gilbert, who was very dedicated to volunteering his time to the people of South Australia, and in particular the sick and needy, and, of course, Tracy and Emily.

The reason why they were on this flight was that they had returned quite recently from Adelaide by road and the fatigue factor was too great a concern to turn around and head back to Adelaide. Certainly, it is something that does need to be looked at: how do we support regional people to access the health services of Adelaide, considering that another \$1.1 billion is going to be spent on metropolitan Adelaide's hospitals? Yet, there is almost nothing—in fact, nothing I can see—for the South-East for its hospitals.

I want to go through some of the extraordinary figures. This is on top of the third most expensive building in the world in the new Royal Adelaide Hospital. We were sold this notion that Transforming Health was needed to provide efficiencies in the service of health. I am here to say that Transforming Health is dead in the water.

We were told that Transforming Health was based on the notion that, instead of duplicating services in Adelaide hospitals, such as The QEH, Lyell McEwin, Modbury, Flinders, etc. with each hospital offering orthopaedics, ophthalmology, cardio and thoracic surgeries, most of the major operations would be centralised in one hospital where the equipment would be used to the greatest efficiency because the operating theatres would be working most of the time.

Other hospitals would then take on specialist roles; that might be orthopaedics at a certain hospital, so all those with orthopaedic needs would attend that facility. The efficiencies are that surgeries are equipped properly, there is no overduplication of equipment and specialists are in that area or at that specific hospital. One hospital would be for ophthalmology, one would be for orthopaedics, as I have said, and possibly the new Royal Adelaide Hospital would be for more emergency-type situations. The operating theatres would be working at a greater capacity at those facilities.

I believe it is borne out of a UK model. Certainly, on paper it has merit in what it is trying to achieve. That is the reason we need to have this major spend. Of course, due to public concern—and, as I said before, there must be an election coming up—we now see a \$1.1 billion investment in all the other hospitals. The QEH will receive \$250 million. It is one of the greatest pork-barrelling manoeuvres I have ever seen. I am sure that the members who sit around that seat are eternally grateful, as is probably the member for Modbury, even though we do not know who that is at this point in time.

The Adelaide women's hospital will receive \$528 million; Lyell McEwin, \$52.5 million; the Women's and Children's, \$24 million; Modbury, \$9.2 million; Flinders, \$3.5 million on top of the upgrade that is currently going on, which I must admit is very impressive, and I went along with the Public Works Committee last week and had a look at it; and SAHMRI proton therapy, \$44 million. I will stand here and say that I actually have no problem with those types of investments in our critical infrastructure, but what is neglected in all this are the regional hospitals.

Where is the \$1.5 million for the renal dialysis in Mount Gambier? It is not \$15 million and it is not \$150 million: it is \$1.5 million. It is bugged-all compared with the expenditure I have just gone through. Where is the surety for the Keith Hospital where they are basically relying on donations to get through on a year-to-year basis? Where is the money for the Yorketown surgical unit? My concern is that this investment in Adelaide means that this is not a budget for South Australians. I will call it what it is: it is a budget for Adelaide. The entire state's resources are basically being focused on Adelaide, focused on marginal seats and focused on the upcoming election; whether that is in a couple of months' time or whether that is in March next year, I do not know.

I will go further into the budget because, even though health is a passion of mine, so are safe roads and infrastructure. We have a \$673.9 million transport plan. It actually says in the budget—and this is where I smile a bit—the 'South Australian transport plan'. That is rubbish; it is an Adelaide transport plan because, if you look at all the investment, it is in Adelaide. Of course we cannot forget the pork-barrelling that needs to go on in Blackwood because the member for Waite's area now takes in the Blackwood roundabout—\$3.5 million.

There is the Penola bypass, and we have this ludicrous situation in the South-East where we have a bypass around Penola that goes half way and then cuts back into a Penola and becomes pretty much a continuation of the main street. Why do we have that? Because the state government will not put the \$2 million into the \$11 million plan, even though the federal government has guaranteed the \$9 million for that bypass. Why? I suspect it is because the Adelaide budget does not include Penola, and the chances of winning that seat are about good as me playing for Port Adelaide in the grand final—close to zero.

Let's not forget the other little tricky parts in the budget that I find quite amusing. There is the Fund My Neighbourhood program—\$40 million. Dressed up, razzle-dazzle, at first glance you would say, 'That's a bloody good idea,' but let me tell you that it bypasses most scrutiny that would be

applied to an investment of that size. I will put it in context: \$1.5 million for renal dialysis at the Mount Gambier hospital is the only hospital upgrade that we would be calling on. This is \$40 million. I suspect there will be even more pork-barrelling in those seats where the Labor candidate is under a bit of pressure or, quite strategically, there is a Xenophon threat. The Xenophon candidate with Labor preferences could overrun the Liberal candidate, if the Liberal candidate is not polling at about 45 per cent primary.

I do not want it all to be doom and gloom, because one thing I want to congratulate the government on is the \$6 million additional prize money for the autumn racing carnival at Morphettville. Why do I applaud that? Because the racing industry is a massive employer in South Australia. The racing industry is an economic driver of this state. Anybody who follows racing, and sees the impact of this year's injection of funds to the autumn racing carnival, would be amazed at the quality of jockeys and the quality of horses, with Joao Moreira coming back from Hong Kong to ride and all the Victorian hoops riding quality horses—one of my proudest moments of my watching racing, comparing us with Brisbane or Victoria, and South Australia was the premier racing event on that day. Even though it is an investment, you get a return on it because, if you look at the turnover of TAB attendance and economic activity, it actually pays for itself.

Mount Gambier has not been spared total neglect, even though it comes very close. We have received \$1 million for our airport. It is about a \$15 million upgrade, and hopefully we do not keep accruing it at that rate, otherwise I will be finished in this place before we get it completed. I do not count the other \$2.9 million because that was actually allocated for the forest partnership program. The government with a sleight of hand moved that over to the airport, so we have about \$4 million of a \$15 million project, and I am looking forward to that coming to fruition. The big one in Mount Gambier is the prison—\$38.3 million for an ever-expanding prison. If we are serious about it, we need to not keep expanding the prison, to look at rehabilitation and stop the 40-odd per cent of people who return to prison once they get out.

What I would call on this state Labor government to do is to stop experimenting with the people of South Australia. This Premier merged Families SA and the Department for Education and Child Development and it was an absolute disaster. Royal commissioner Margaret Nyland said, and this is pretty unprecedented, that she felt compelled to release an interim recommendation because the system was 'in crisis' and the government needed to 'take immediate steps' to set up a new child protection department.

This merging was the brainchild of the current Premier. He then went on to a renewable energy experiment where, 'We will just hit 40 per cent, but we don't know how we are going to transition there so let's give it a go and bugger the cost. We'll go for that.' Quite frankly, in terms of the bank tax, we do not trust this state government to experiment with the people of South Australia with a bank tax.

**The SPEAKER:** The member for Mount Gambier, apropos of racing, may be interested to know that the O'Connors have a new jumper starting at Murray Bridge in race 1 tomorrow.

**Mr Bell:** Would I be on the record if I gave you my opinion of that?

**The SPEAKER:** Yes, you would be.

**Mr Bell:** I think back it, because they are great constituents of mine.

**The SPEAKER:** I know that. Member for Chaffey.

**Mr WHETSTONE (Chaffey) (19:50):** It is great to see that you are still as passionate about the racing industry as always, sir. I rise to provide a contribution on the Appropriation Bill and provide my thoughts on the 2017 state budget and the current state of play in South Australia, where the state's economy is at a crossroads and the economic challenges will continue to keep on coming.

The Labor government will have the general public believe that everything is going well. The figures are spun to suit the argument. As the leader said in his contribution today, we have to restore confidence and we need to restore opportunity to South Australia. To do that, we must have lower taxes to encourage investment and job creation and much less red tape and unnecessary regulation. We must ensure that government spending remains within the budget, we must have a growing

private sector and an efficient public sector, high productivity, strong private and public sectors, sustained export growth right across South Australia, more investment in productive infrastructure, and greater support for our regions. The leader's contribution today really did sum it up, that South Australia has been led into a very dark corner.

In our last sitting week, when the Treasurer handed down the state budget, the headline was that Labor promised a jobs budget. I would like to be fair about this, but it was not about a jobs budget; I would call it a budget for Adelaide. Sadly, if we look at all the bottom lines, if we look at the majority of the spending that went into this budget, it was about getting ready for the 2018 state election. All that has been delivered in the latest budget has been new taxes and higher charges. To put it simply, this is the last thing businesses and investors need here in South Australia. We have seen a \$370 million bank tax which, I believe, will not deliver the jobs or relief to households struggling with the cost of living, and they need that support. That is why we have opposed it.

We have almost taken a step back into the future here in South Australia. This government's target is taking South Australia back to the Second World War. It has taken a step back in time, particularly if you look at quantitative easing, after the Second World War with Germany and Japan. The philosophy we are dealing with at the moment is that we are going to get South Australia into such a dilemma, into such an economic decline, that we are going to need the federal government to step in—just like the US did with Germany and Japan after Second World War—to help rebuild it, and I am deeply saddened that we have got to this point.

Our main business body in South Australia, Business SA, described the bank tax on radio earlier this week; they are concerned at our state brand. I think that is something that every member of this parliament must be concerned about. If they are all passionate South Australians—if they are all here for the betterment of South Australia—they have to be concerned about the state brand. Our state reputation for investment attraction has been hammered with the energy crisis. It has been hammered with the entrenched high unemployment.

We are sending all the wrong signals, and this is the second time we have made global and national headlines for the wrong reasons. Yes, we made headlines about a city—an important city in the nation—having lost its lights in September of last year. I think the state government needs to take responsibility for that. It needs to work out a way—a serious way, a policy decision way—of how we are actually going to address that.

We are heading into the heat of summer in only a number of weeks, yet how are we going to provide certainty to the businesses and to the investors that are coming to South Australia to make sure that this never, never happens again? What I would like to say is: how are we going to instil confidence in investment into South Australia? How are we going to instil confidence into our own psyche as South Australians? As a proud South Australian, I have invested the majority of my life into making my business a good strong South Australian business. I have instilled confidence in my family, including my children, that South Australia is the place for them to live, invest, work and contribute to.

Sadly, my son has recently moved to Victoria. He now resides in Victoria under a South Australian company. The reason he is in Victoria working for a South Australian company is that the South Australian company does not have the contracts—it does not have the work—here in South Australia, so it has had to look further afield. He is undertaking one of the most dangerous construction projects in Australia's construction sector as we speak. He is looking at decommissioning a part of a refinery in Victoria, at Geelong, that has been earmarked for pulling down. We are using a South Australian business with a South Australian workforce in another state to do that, and it is a sad state of affairs.

I have a daughter who entered university two years ago, and her comments to me break my heart to think about. She is saying to me, 'When I get a degree, when I get my highest accolade through university, I'm just naturally considering that I'm going to move interstate or overseas to gain employment.'

I have a younger daughter again who is in middle school in a South Australian teaching institution and who is saying, 'What sort of a pathway do I need to explore when my big brother has moved to Melbourne? He's just been offered a role in the US; he is moving away. My sister is looking



at gaining university accreditation in law and economics, and she is thinking about moving away. So what sort of a road do I have other than thinking about getting an education'—and I am hoping that it will be in South Australia—'before I entrench myself into another state's workforce?'

It is something that really wrenches at my heart at every opportunity. What we are seeing is the lack of confidence, not only within the business sector in terms of coming to South Australia; we are seeing a lack of confidence in our young—our brightest, our future here in South Australia—who are looking at ways of seeing their future, and their future, sadly, does not seem to include what South Australia has to offer. South Australia must have a comprehensive strategy for economic growth, with lower taxes, more jobs and what it will deliver. The state Liberals are committed to the \$360 million of cuts to the ESL bills through remission, and we will be announcing more tax reforms before the election in March of 2018.

The state cannot continue with an unemployment rate that leads the nation. In fact, we have had the highest unemployment rate for 30 consecutive months. To put that into perspective, there are some young up-and-coming South Australians who have never seen South Australia prosper. They have never seen South Australia with economic growth. They have never seen South Australia with employment growth.

What sort of message are we sending to our young? What sort of message are the upcoming generations getting through our education system, our universities and our training providers? What sort of message are we sending to them? Are they already conceding before they have finished their qualifications that they are going to move? It really does beg the question: what do our policy settings in South Australia mean for future generations?

Obviously, the state cannot continue with the unemployment rate that leads the nation. What we need are policy settings that instil confidence. We need to have policies that are going to instil confidence in investment—whether it be local, interstate, intrastate or international investment—in South Australia. What are we going to do to instil investment confidence in South Australia? We have seen the high cost of doing business in South Australia. There have been costly rises in utilities that impact not only on households but on businesses. There are 140,000 small businesses in South Australia that employ about 250,000 people and contribute \$34 billion to the state's economy.

I recently went over to Yorke Peninsula as part of my responsibilities for trade and investment to look at what I consider to be three representatives of prosperous industries within South Australia. The biggest concern they had was how they could compete globally, considering the insidious costs of running a business over there. They were looking at water costs. We were talking about pork and poultry as well as mining, but we were also talking about how we were going to deal with agricultural exports, the cost of power, the cost of water.

One of the young Liberal candidates at Narungga is Fraser Ellis. He is 24 years old and he is a great prospect for South Australia. He is mortified by the cost of doing business and that the business models of these three businesses are being put in jeopardy. He is absolutely horrified and that is why he has decided to run for parliament. That is why he has decided to put his hand up as a young, passionate South Australian to stand for parliament, to understand the issues and work towards a better outcome for these export businesses that employ thousands of South Australians.

In my portfolio as shadow minister for trade and investment, we have already announced an increased footprint in our overseas representation. Right throughout history, from our pioneering grain growers, winemakers and miners, we have retained a capacity to produce more than we need ourselves. We have never been able to grow our economy just by producing and selling to ourselves. That is why it is a great concern to me, under this current government, that our export performance has fallen right behind the rest of Australia.

In 2002, when this current government came to power, we had 7.4 per cent of the nation's exports. In 2002, South Australia's footprint in the nation was 7.4 per cent. Sadly, today, we have a 4 per cent footprint, which is a 3 per cent reduction. While all the other states are increasing their footprint, their economies are booming, their exports are growing and their inbound contribution to exports is growing, we have a government in South Australia that continues to do the same thing year after year.

We have a minister who has crossed the floor sitting on the front bench, happy to slag off at every opportunity a party he once led. Today, I heard him over and over again carry on about pointing the finger. What I want to ask him is: why are you doing the same thing for the last seven years and nothing has changed? Nothing has changed. We have an export footprint that is in decline and an international education program where national share targets are not being met. We are continually seeing targets being set and then reset. They are reset for the simple reason that the government does not have the gumption to understand how to be nimble and how we can make our economy be driven to prosperity.

For South Australia, trade and investment is the only answer to get where we are headed. My great concern is that under our current government our export performance has fallen behind the rest of Australia. Had South Australia retained our 2002 share of national exports today, we could be supporting tens of thousands of additional jobs. Not only would we be supporting more jobs but we would be supporting more growth and more confidence in our economy. We would be attracting more investment and we would be attracting more attention from the world.

Currently, our only trade representation is in London and in Jinan in China. That is why Steven Marshall, the Leader of the Opposition, and I recently travelled to both South-East Asia—

**The SPEAKER:** Member for Chaffey, I know that mentioning the Leader of the Opposition's Christian name and surname in the current debate is probably not going to lead to disorderliness, but it is contrary to standing orders.

**Mr WHETSTONE:** Thank you, sir. What I would say is that the member for Dunstan, the Leader of the Opposition in South Australia, and I have recently travelled to South-East Asia and Japan to gain a better understanding of what South Australia is missing out on. That is why we have announced four more stand-alone trade offices in Tokyo, Japan, as well as others in Malaysia, Dubai and the US. These are our most important trading partners and they are the engine room of South Australia's economy. That is the reason that we travelled to these countries, to understand what South Australia's economy and our Export Program are missing out on.

I would like to say that we have had assistance from the federal government. We have had free trade agreements. We have had many institutions saying, 'These are the opportunities that the world presents to South Australia,' yet we have a minister who continues to say that we are going to do these fluffy trade missions—the outbound trade missions and the inbound trade missions. Yes, the Liberals support the trade missions. Yes, the Liberals support inbound trade missions, but we continue to do the same thing over and over again. What that proves to me is that the minister is encapsulated in his own space and that he is not encapsulated in making South Australia a better trading partner with the rest of the world.

The rest of the world is waiting for states like South Australia. The rest of the world is waiting for our clean, green produce grown under blue skies. It is grown with fresh, clean, reliable water. It is grown with the world's best expertise. The flavours, the juices—everything that the world is wanting is what South Australia has on the table, and that is what we are presenting. However, what we are seeing is a hard-headed theory that, 'We will do it our way and we are not prepared to change,' and the seven years in which we have not seen any change in South Australia's trade policy initiatives is telling a tale.

A stronger South Australian footprint in the locations of highest potential for our exporters will give them the strongest possible support, enable deeper and stronger potential, and enable deeper engagement with our key trading partners and people looking for investment opportunities in this state. An open trade office sends the message that we are investing in your country, the country that we want to invest in, and that we are a country that is offering trust.

Dealing with overseas trading partners is all about trust, respect and responsibility. As an exporter for 25 years, I understand that the platform you have to start off on is about dealing with trust. It is about dealing with a country that can trust you just as you have to trust them. Dealing with a trading partner is about one thing: it is about trading a product for payment. If you can trade a product that they are looking for, then you will get your payment.

While you are looking for your payment, that is what puts food on our table, that is what makes our economy grow, that is what makes our great state recognised as a great trading partner,

that is what makes South Australia a reliable trading partner and that is what makes South Australia's reputation for clean, green, safe food, grown under a blue sky with fresh, clean, safe water. But at the moment, we are looking to do the same thing.

Time expired.

**Mr TARZIA (Hartley) (20:11):** I also rise today to speak to the bill before the house. Before I do that, I want to quote Winston Churchill from many years ago when he said that a country that tries to 'tax itself into prosperity is like a man standing in a bucket and trying to lift himself up by the handle'. That is no more relevant than today with what this government is trying to do. These are the words of Winston Churchill many, many years ago, and how true they still ring following the budget put forward by this tired Labor government.

What we thought we would see was a jobs budget. The government has put forward another self-proclaimed jobs budget, but in reality the measures put forward by this budget will hardly achieve any sort of creation of jobs in this state. This budget would be more appropriately named a tax budget, as our leader stated earlier in the house. It is unfathomable to believe that the government sees fit to increase taxes and dip into the pockets of banks and households yet again to the tune of \$420 million in new taxes and increased government charges in real terms. This budget will more likely destroy jobs and actually deter investment.

What South Australia needs is a government that will provide more efficient services and a government that is more focused on working within its means, rather than seeking to take from the pockets of hardworking South Australians. We need to cut red tape and reduce regulation to stimulate our economy. Now more than ever we need to lift South Australia's economic growth rate that is projected to trail the national average, and get rid of this dysfunctional, tired government that we have.

What South Australia needs is a more positive future. We drastically need to alleviate the cost pressures felt by households. As has been heard in the house many times, we face skyrocketing water prices and have the highest electricity prices in the world, yet how often I see our water infrastructure failing in our area and the lights going out, which is just not good enough. In fact, I have found over the last year that even I have personally reported leaks and bursts to SA Water. The SA Water team is quite receptive on social media when I do that in my regular doorknocking, but my office has also been forced, along with many in our community, to work in darkness on many occasions.

What about health? Words cannot do justice to just how infuriated members of my community are about this government's handling of health, particularly in regard to the new RAH. Over budget and over time—I wonder how often those words have been repeated in this house in the last 15 years. Furthermore, our community has been let down by this government in the area of mental health, specifically. One need look no further than the Oakden scandal to see how South Australia's most vulnerable have been let down. These most vulnerable people are real people. They are out there in our communities and it is time for change from the government's point of view.

This being the third labelled a jobs budget, I am a bit concerned about what it actually means, given that South Australia consistently, on every measurement, ranks amongst the worst in the nation. It ranks amongst the highest for unemployment in the country, currently holding the top spot at 7.1 per cent on trend. In fact, we have had the highest trend unemployment rate for 30 consecutive months. This budget also predicts a jobs growth rate of just 1 per cent, less than half the national average. It has been heard from the South Australian Centre for Economic Studies that, despite this predicted growth rate, the lowest jobs rate in the entire nation, we may not even achieve that.

Let's not forget that, in the lead-up to the 2010 election, the Labor Party promised 100,000 jobs for South Australia. They have fallen short by a shocking 80 per cent. Put otherwise, they missed the mark by 80,000 jobs. Over the past two years alone, our rate of growth for jobs has only been half the national jobs growth rate figure. For seven years, there has been no growth whatsoever in full-time employment in South Australia in the private sector.

Following an accurate and much-needed reply to the budget by our Leader of the Opposition today, the Premier stood up and played the victim, as he so often has done. Of course he did; he

seems to think that almost nothing is the fault of this government. Where will it end? I am concerned that those in government may actually believe this nonsense that somehow they are above criticism and can do no wrong. The Premier would do well to listen to the people of South Australia. He might finally understand that they are tired and sick of these excuses. They are tired of broken promises.

To my point, young people have only known for much of their upbringing in recent times a Labor Party that promises big and delivers small. As the youngest member of parliament in South Australia, I might understand more than some the deep fear for the future of this state felt by our younger generations. For some time, this Labor government has been ruining the prospects of our young people by trying to spend its way out of problems. Guess who will be paying for this mismanagement of state funds down the track if this reckless spending does not cease? It will be our children.

As I mentioned earlier, almost 20 per cent of young people cannot find work at the moment. One in five young people is out of work. A Liberal government will deliver more to our children than just the bill for the reckless spending of today. What we will deliver for the young people of our state is not just an exciting and refreshing alternative government but a necessary one. The Liberal Party will deliver a comprehensive program to improve literacy and numeracy outcomes for all students.

To be able to invest more in our young people, we need the resources to do so. We do not need to tax more to attain these resources. We do not need to reward the hard work of our state with more taxes and more government charges. Rather, what we need to do is stimulate our economy through lower taxes and more responsible budget measures, something the Labor government over its 16 years of government has proven to be incapable of delivering.

What we need here is change. We need to reduce the cost of living pressures, something that I am disheartened to inform the house is unfortunately the most frequent of concerns I hear from families and individuals. In my regular doorknocking, this is the most constant concern that is raised with me on the doorstep. Indeed, I have been encouraged by the reception to the '2036' plan released over a year ago and the feedback received on the doorstep. Our plan holds over 40 policy initiatives and major reforms that will give South Australia the chance to prosper once again, and give our youth a future.

Globe Link is among those proposals. It aims to boost the South Australian economy with the construction of a new heavy freight corridor and freight-only airport. I am excited about the prospect of a new, safe, efficient and sustainable road freight infrastructure and the potential for it to unlock the productive capacity of South Australia's businesses and exports. We cannot be wealthy by only selling to ourselves. These are groups that for too long have been limited by this Labor government.

Before I turn to the local projects being overlooked in the budget, I wish to bring to light once again the complete snubbing of the regional areas when they need our support the most. Given that the regions make up some 29 per cent of our population and contribute over \$25 billion to our GSP, it is concerning to find that in this state budget we have seen a measly \$74 million of new operating initiatives for the regions over the next five years. This is less than 11 per cent of the budgeted spending on all new operating initiatives and about a third of what it should be for the regions, based upon their share of the state's population.

Where is the funding for hospitals? Where is the funding for roads? Why is it that the regions will receive next to nothing as far as increased spending is concerned? Gross regional product in our regions has grown at close to twice that of the entire state in recent years. Our regions certainly deserve better for the contribution that they make to our economy, but not only that; they are the future upside of our economy. When you go interstate and look at the regional areas and the regional populations, you will see that they are much larger than we have here in South Australia. We need to be doing much better, and we need to be backing our regions for the future growth of our state.

I turn now to the local projects that are overlooked in the electorate of Hartley in this year's state budget. One of the most notable projects overlooked in the budget is that of the promised parking infrastructure for Paradise Interchange. For too long, as we know, Paradise Interchange's efficiency has been limited greatly by a lack of parking. Each morning, many commuters hoping to use the interchange are forced to park along side streets and the busy main roads nearby.

Sometimes they are forced to park hundreds of metres up the road, along Sudholz Road and along Darley Road, and it is frustrating, not just for interchange users who are forced to dodge the main road traffic as they exit their vehicle but it is equally frustrating for local residents whose streets are congested as a result.

Parking at the interchange is evidently a huge issue, and in this year's state budget I note that the government has allocated funds for park-and-rides, without a car park tax, at Klemzig and also at Tea Tree Plaza. It is time they actually fulfilled their pre-election promise and made more parking available at the Paradise Interchange, in line with what the community wants.

It brings me back to the point I made earlier, that this government talks big, it makes promises that it cannot keep and predictably fails, sometimes epically in the case of the 2010 promise to deliver 100,000 jobs. To the point, this state Labor government promised to fund improved car parking infrastructure at the interchange prior to the last election—it distributed it in material. It failed to deliver. The community deserves better and the state deserves better.

Also overlooked in the state budget for the area is a solution to the increasingly concerning traffic issues surrounding the Magill Training Centre development site. For a long time now I have joined the member for Morialta in calling for a commitment from this government to come up with a solution for traffic in the area, because the roads at present are simply not capable of holding the levels of traffic we see on the roads, and it is worrying to not see any sort of solution funded in this state budget.

Then you have the Glynde substation. Whilst some months ago the residents of Glynde were called and told in an automated message from the Premier that an alternative site had been located by the government, I am yet to see this finalised. Additionally, the proposed tramline extension, it would seem, has been put on hold for the area that Labor distributed in its last pre-election material. The government put forward the idea of running a tram up The Parade to UniSA's Magill campus in the next five to 15 years, yet no funding was allocated in this budget.

Many sports and community groups also have been left in the lurch, and schools that need the funding were not allocated the funding by this state Labor government. It is disappointing to see that the government has neglected these parts of my electorate. It is unfair that the government has chosen not to commit funding to the area because it is badly needed. Clearly, it is only a Liberal Party that will allocate these projects in our budget when we are in government. We will make sure that the people of Hartley get their fair share, and we will deliver and make the area the best that it can be.

It is also disappointing that in all the tourism work that the Minister for Tourism claims he does that he could not get Paul McCartney here to Adelaide. On the topic of Paul McCartney, I bring some lyrics from The Beatles to the house at this late part of the evening. I remember the lyrics of *Nowhere Man* by The Beatles, and I relate them to the Premier because he is a nowhere man: 'He's a real nowhere man, he's sitting in his nowhere land and he's making all his nowhere plans for nobody.'

**Ms COOK (Fisher) (20:23):** I rise today in support of the Appropriation Bill 2017, the Weatherill Labor government's 2017-18 budget, a budget that is focused on Labor's core values and the core values that matter to each and every South Australian, values like ensuring there are meaningful jobs for all who want to work, like ensuring that all of the community has access to world-class health care, like ensuring that no matter where you live, or who you live with, you can receive quality, affordable education, and that we have strong and resilient neighbourhoods.

As the Premier and Treasurer have passionately argued, both in this house and out in our community, this is a budget that builds on a strong legacy Labor has created in government: a commitment to jobs and job creation in a time of significant instability and transition in the South Australian economy; a commitment to health reform, revitalising our statewide health network, streamlining services and delivering state-of-the-art best practice medicine to all South Australians; a commitment to education in a time when the federal Liberal government has abandoned the playing field when it comes to properly funding our South Australian school system; a commitment that will see the creation of new schools in Adelaide's northern and southern suburbs, easing classroom sizes and teacher workloads across the broader school network; and a commitment to building stronger,

safer South Australian neighbourhoods, putting the power to rejuvenate and revitalise our local communities back in the hands of local community members.

This is a budget that strikes the right balance and puts the interests of families, communities and small business first and maintains strong, sustainable fiscal management now and into the future. The Weatherill Labor government is on track to deliver strong budget surpluses year on year over the forward estimates through 2020-21. This is in spite of the constant challenges hurled at South Australia by the federal Liberal government and their good mates on the other side of the chamber. Challenges like the impending closure of General Motors Holden, a seismic shift that will irrevocably alter the South Australian economy more than anything experienced before.

While Joe Hockey enjoys his Washington vistas and Tony Abbott enjoys his seat on the backbench for now, it has fallen to the hard work of this Premier and the South Australian government to ameliorate the damage inflicted by this decision to walk away from General Motors Holden.

*Mr Pederick interjecting:*

**The DEPUTY SPEAKER:** Order! Member for Fisher, just a moment. Member for Hammond, if there are any interjections, an extra minute will be given to the speaker on their feet.

**Mr Pederick:** Well, let's not do that. I'm groaning enough.

**The DEPUTY SPEAKER:** Well, then you need to understand—she will get another minute anyway. Just remember, we are going to have a quiet night tonight. Member for Fisher.

**Ms COOK:** Thank you, Madam Deputy Speaker. I do not know where I am up to now. It has fallen to the hard work of this Premier and the South Australian government to ameliorate the damage inflicted by this decision to walk away from General Motors Holden, in putting jobs and job security first as the closure of Holden's ticks closer. There were challenges like the submarine fiasco, where the ingenuity of the South Australian workforce and the South Australian facilities of Techport were ignored and derided by a federal government run by North Shore Liberals focused solely on Australia's East Coast, and challenges like South Australia's energy supply, where once again South Australia has been forced to go it alone, thanks to the maladministration of power supply by the federal Liberal government.

South Australia has met every one of these challenges through strong leadership and the commitment and will to stick to our principles. It is a shame that the same cannot be said of the Leader of the Opposition. South Australia has never experienced a Leader of the Opposition who leads from the rear quite as regularly as the member for Dunstan, a weak leader who bends in the breeze, the mouthpiece of vested interests in South Australia. We do not have a Leader of the Opposition currently, but a puppet of the opposition, and South Australia is poorer for it.

The latest example of the member for Dunstan's capitulation is his backflip on the government's modest \$370 million bank tax, a tax that asks the banks, who do not pay a cent in GST I might add, to contribute just 0.3 per cent of their profits to help strengthen the South Australian economy through our \$200 million Future Jobs Fund, a fund that will help South Australian businesses in the fields of ship building and defence, renewable energy and mining, tourism, food and wine, health and biomedical research, and IT and advanced manufacturing, expand, growing more local job opportunities.

Last week, the member for Dunstan backed this measure. He is on the record, we can look at the tape, but fast-forward a few days and the member for Dunstan has wilted to the will of the big banks. As Leader of the Opposition, the member for Dunstan has proven to be an expert contortionist when it comes to representing the will of big business and his mates in Canberra. South Australia deserves what we have now: a Premier of strength and conviction, not this daffodil in the breeze that is the member for Dunstan.

Unlike those on the other side, the 2017-18 budget is a budget of strong conviction: growing jobs, building health and education and strengthening our neighbourhoods. I am particularly pleased with the recent announcement to build a new birth to year 12 area school at Aldinga. This will help ease student congestion and teacher workload across the school network of the southern suburbs of Adelaide. This will, in part, help the families and students of Hurtle Vale, the new electorate I am

standing for, and other southern electorates. It reaffirms the South Australian government's commitment to education.

This will be in part supported by the duplication of Main South Road from Seaford to Sellicks, easing traffic congestion and creating 165 jobs a year during construction. The announcement will make commuting much easier and safer for all South Australians heading south, but particularly those living and commuting across the southern suburbs of Adelaide on a frequent basis. Given this stretch of road has borne over 50 crashes and over 80 injuries over the past decade, this is a project with practical health and safety benefits attached. During my time as a retrieval nurse, I have personally attended accident scenes on that stretch of road, and it has come too far. I know this is a project long touted by the member for Kaurana and now also the member for Mawson, and I look forward to a contribution from the member for Finniss regarding this duplication, which will no doubt benefit his constituents.

Throughout our state, we are supporting businesses to employ more young people by expanding the Job Accelerator Grant program to include the extra payment for new apprentices and trainees. The program has already proved to be a success, having created 10,000 jobs, and we will now offer businesses up to \$15,000 for each new apprentice or trainee they employ. Small businesses account for around 98 per cent of all businesses in South Australia, and we want and need to support them to prosper and grow. Only last week, I was talking to a small business owner in the southern suburbs, a hairdresser, who had put on a new worker last year as a result of the stimulus plan and who is now going to put on another under this new plan, growing her business by nearly 30 per cent.

A passion of mine and of many members of the community I represent is the environment, sourcing clean sustainable renewable energy that protects our environment and builds our economy. I am pleased that this budget builds on Labor's strong commitment to renewable energy by legislating \$550 million towards South Australia's energy future. As outlined by the Premier earlier this year, this plan will deliver reliable, clean and affordable power to all South Australians by committing:

- \$360 million towards building a gas-fired power plant to provide emergency backup power and system stability across the state;
- \$150 million towards a renewable technology fund, part of which will be used to build Australia's largest battery to store energy from the wind and sun; and
- \$24 million towards a new plan for accelerating exploration grants to incentivise gas production.

These announcements stand alongside Labor's strong and long-term commitment to renewable energy in South Australia.

Another issue I would like to briefly touch upon is the importance of community space. Greater density housing is an important social and economic mechanism in the 21<sup>st</sup> century. It allows individuals and families to better access government and business services and reduce delivery and commuting times, delays that serve as a handbrake on the broader economy. Equally important in this equation is the need for greater, wider and more versatile community space.

One way that this government is supporting this idea is by creating grants for our local sporting clubs to upgrade artificial playing surfaces for soccer, netball, hockey and other sports. We are also committing \$4½ million for the stage 1 redevelopment of Priceline Stadium, a fantastic sporting facility, which is extremely well used by netball players from all over the state, and I look forward to seeing this development, as well as the one in the western Parklands, having been a netballer all of my life.

I would also like to touch upon the importance of women's representative sport. I am very proud of the good work undertaken by this government, and the numerous outstanding sporting clubs, in promoting and supporting women's sport. I am very pleased that the government has committed \$20 million over two years to the women's sporting facilities fund, which will extend the government's support for women's participation in sport. I have always been an active participant in local sports clubs, as a player and a spectator, along with the rest of my family and many of my friends. The clubs are the heart and soul of my community, and the government's commitments to

improvements and upgrades show our longstanding value of supporting local clubs and an active lifestyle.

I am also delighted that we continue to support our multicultural community, and the one-off grants to multicultural and community organisations for infrastructure and equipment are extremely valuable. This budget goes to the heart of our community, using true Labor values to target our community's key priorities. We have listened to our community and we are using every lever we can to ensure that their priorities are met. I am proud of this budget delivered by our government, and I am proud to be a part of it. I commend the budget to the house.

**Mr PEDERICK (Hammond) (20:34):** I rise to speak to the Appropriation Bill 2017. The first thing I want to discuss in regard to this budget is net balance and net debt. Between 2016-17 and 2019-20, surpluses have been written down by a total of \$926 million since the 2016-17 Mid-Year Budget Review, and the total non-financial public sector debt is now \$13.84 billion and expected to peak at \$14.94 billion in the year 2020.

As we have already heard today and tonight, the Labor government claims that this budget is a jobs budget. This so-called jobs budget forecasts that during the next 12 months South Australia's jobs growth will be the lowest in the nation and only half that of Victoria. That is what it says in the budget. The commonwealth Treasury forecasts 1½ per cent employment growth in 2017-18 nationally, compared with 1 per cent by the South Australian Treasury locally.

As of May, South Australia had the highest unemployment rate in the nation, with a trend of 7.1 per cent, being the highest in the nation for 30 consecutive months: 60,300 people are unemployed, with a further 85,900 people underemployed. What we on this side of the house will do if we are elected next year is boost exports, and that is a sure way to create more jobs.

I want to discuss the closure of Holden's because much has been made of it in this budget. It was in the budget speech. There were comments made by the Hon. Kyam Maher from the other place that this is all the federal government's fault for not handing out money. I am going to talk about the Labor lie. This is a quote from *The Sydney Morning Herald* when the announcement was made that General Motors in Detroit decided—and it was a sad decision—that Holden's was going to close down in 2017:

Holden managing director Mike Devereux said he did not blame the Coalition government for the company's decision to leave Australia.

A quote from news.com.au is:

Holden general manager Mike Devereux, who just a day before told the Productivity Commission that GM in Detroit had made no decision to close operations, said yesterday 'this is an incredibly difficult day for everybody at Holden, given our long and proud history of building cars in Australia.'

But he added: 'As painful as it is to say, building cars in this country is just not sustainable.'

Another quote from *The Advertiser* is:

'General Motors has nothing but gratitude and praise for the very strong partnership we've had with successive governments over the decades,' said Mr Devereux, adding that the company was proud to 'have been a part of the industrialisation of this country.'

Another quote from *The Advertiser* is:

Over the decades, the car industry has employed generations of workers and, until the end, kept close to 50,000 people in a job—once you include the small businesses that supplied parts and services to Australia's car manufacturers.

But the tax payer has largely footed the bill, shelling out more than \$5 billion in 'industry assistance' over the past 10 years alone.

The car industry says it invested three dollars for every one dollar of taxpayer funds.

That figure may be debated but one thing is certain: the end was inevitable.

I want to make a comment about GM closing down, and this is a quote from General Motors in Detroit in late 2013, and the headline is 'GM to Transition to a National Sales Company in Australia and New Zealand':



Detroit—As part of its ongoing actions to decisively address the performance of its global operations, General Motors today announced it would transition to a national sales company in Australia and New Zealand. The company also said it would discontinue vehicle and engine manufacturing and significantly reduce its engineering operations in Australia by the end of 2017.

'We are completely dedicated to strengthening our global operations while meeting the needs of our customers,' said GM chairman and CEO Dan Akerson.

'The decision to end manufacturing in Australia reflects the perfect storm of negative influences the automotive industry faces in the country, including the sustained strength of the Australian dollar, high cost of production, small domestic market and arguably the most competitive and fragmented auto market in the world.'

As a result of the company's actions, approximately 2,900 positions will be impacted over the next four years—and we have to remember this was made in 2013—comprising 1,600 from the Elizabeth vehicle manufacturing plant and approximately 1,300 from Holden's Victorian workforce. The article went on to state:

Holden said it would continue to have a significant presence in Australia beyond 2017, comprising a national sales company, a national parts distribution centre and a global design studio.

General Motors Holden chairman and managing director, Mike Devereux, said that an important priority over the next four years would be to ensure the best possible transition for workers in South Australia and Victoria. He then said:

This has been a difficult decision given Holden's long and proud history of building vehicles in Australia...We are dedicated to working with our teams, unions and the local communities, along with the federal and state governments, to support our people.

That puts away the Labor lie, the lie perpetuated by the Treasurer, Kym Maher from the other place and others who try to lay the blame on the federal government because it would not keep shelling out money. The simple fact was that General Motors were going to go no matter if money was handed out or not—and that is exactly what they said. People need to see the truth instead of its being put out in a budget document as a Labor lie and see it for what it is.

I want to reflect on other things regarding the budget and the cost of living. The majority of fees and charges that have hit individuals across the state have increased between 2 per cent and 2.5 per cent. We have seen in this budget an unprecedented measure attempting to put a \$370,000 million bank tax on our state banks here in South Australia. We know what happened 25 years ago and what a Labor government did to the former State Bank in this state: they bankrupted the state. The State Bank collapsed and we had economic collapse in this state.

Here we go: a state government so bereft of cash, so bereft after all their fire sales, the sale of the Motor Accident Commission, the forests that were virtually given away and sold well under their value. In regard to the Motor Accident Commission, the government basically budgeted for \$500 million to come in and they have got about \$2.8 billion and climbing, and yet the money just disappears and it is still not enough.

In all the years I have been in here, since 2006, I have seen rivers of GST gold that were not budgeted for, with former treasurers and the current Treasurer coming in, yet it all gets frittered away. It is frittered away on excesses, yet even then this government proposes a \$370 million bank tax to deter investment, to deter business and, in the end, exactly what that will do is to deter jobs. We stood up and made an announcement this week that we will vote against this budget measure part of the bill and we will vote it down because we have to look at the best thing for South Australians.

Then we look at the cost of the emergency services levy that rises every time there is an incident in South Australia. Again, on this side of the house we are committed to taking out \$360 million and putting that back into individual pockets right throughout the state—\$90 million a year over four years—and there will be plenty more tax reform announcements over time going into the next election.

Other key revenue measures have been announced in this budget, such as almost \$50 million over four years from the foreign investor surcharge on stamp duty. Remissions of the emergency services levy have still not been reinstated and, as I indicated, total distributions from the MAC are almost hitting \$2.8 billion. We see those good old revenue raisers being installed, with

10 new fixed location road safety cameras on metropolitan roads at a cost of \$2 million, but look at their return to Treasury: they expect to raise close to \$15 million over four years.

In relation to how this state Labor government complain about federal government funding—and they always complain that they do not get enough money from Canberra—during the next year they will receive more than \$10.5 billion in federal funds, close to \$700 million more than this year. I reflect on the River Murray diversification funding that this Labor government turned its back on in recent years. It was \$100 million that was put through all basin states. It was put through Queensland, New South Wales, Victoria and South Australia.

This was for communities so that they could diversify their income, diversify their industries away from being so reliant on the River Murray, which the Labor government make out they are so passionate about. But, no, what did they do, apart from all the deputations especially by myself and the member for Chaffey? They just knocked it back. They said, 'No, we're not going to take that \$25 million.' The federal government was handing them money to put into these river communities, yet this government turned its back once again not just on the river communities but on the regions of South Australia.

Let us talk about power costs. It has been talked about here tonight. The government have their so-called \$550 million energy plan. Why are we here? The government spruiks, 'We're going to fix up the energy,' after they have completely stuffed it up, switching off Leigh Creek and switching off Port Augusta because of their green ideology. Now, all of a sudden, we are going to have to truck in diesel generators, probably 200 megawatts of diesel, so that we can get through next summer. The simple fact is that if we do not do that—and I can see it from our side of the house—we will not have enough power because the \$360 million emergency station the government are talking about building will not be built.

It will probably not even have been started, despite three other gas plants being proposed around the place. Even though this Labor government has all this green ideology, they say, 'That's alright. We will just bring in containers of diesel generation, or perhaps we will bring a ship from overseas with 200 megawatts of diesel. It can burn sump oil, it can burn heavy fuel, whatever.' How is that going with the green credentials? In fact, from what I understand, the green energy target will drop from 49 per cent to 43 per cent because of the actions of the state Labor government.

The Finkel report, which is talked about by both sides of parliament, has just come down. That report talks about what I was saying in relation to Leigh Creek and Port Augusta, that the coal plants in Port Augusta, the coal-fired power stations, are shutting down. Right now, Australia is reliant on coal for 58 per cent of its power generation. In 2030, no matter what is going on in this state, the power generation from coal in Australia will be 56 per cent. It is 58 per cent now and it will only drop by 2 per cent by 2030. This lays the lie to this green ideology.

As of Saturday, a couple of days ago, South Australia has the most expensive power in the world, and that is a disgrace. This is why our people are leaving. This is why industries are not starting up. This is why the only jobs that are attracted to the state are the ones that are paid for, as the member for Fisher was stating. These are the only jobs that are coming in, if people think, 'Oh well, here's some cash, we'll put another job in.' Head offices are coming here only because they are handed \$10 million to be here. It is all subsidised. This is how socialism works. It goes perfectly until the money runs out. The money has long run out and this Labor government's chances have run out.

As I indicated, the government is looking at 200 megawatts of diesel generation by December 2017. They are looking at that battery storage of 100 megawatts. We do not think the gas generator will be up until 2018-19 at the very earliest. At the same time, this government with its green ideology is forecasting a reduction in renewable energy as a share of South Australia's total generation mix in 2017-18, which indicates that the government's policies have not only impaired reliability and increased power prices but also will result in a reduced renewable energy outcome.

In regard to regional spending, there is virtually no spending in the regions. There is something like \$70-odd million out of a \$19 billion budget. There are no new builds in country South Australia in Country Health. In the regions, we are getting less than 2 per cent of the annual capital spend. I have written to the health minister about the Murray Bridge Soldiers' Memorial Hospital

emergency rooms and emergency area. It needs \$2½ million spent to bring that up to speed after close to four decades of no decent amount of money being spent on it but, no, that is not coming.

All of a sudden we have seen Transforming Health tipped on its head. It has been three years of pain for the clinicians and for the 1.7 million people of South Australia. Overnight, in one day—the clinicians did not even see it coming—there is a supposed \$1.1 billion to do extra works on city hospitals, but where are the regions? Apart from the regional hospitals seeing no money, there is no money for the Repat, which is such a disgrace. Our returned servicemen are losing their valued hospital out at Daw Park.

Transforming Health has not just ended: it has failed. Eight Transforming Health projects were announced in the 2015-16 budget and two have been delivered. Six other projects are running a total of 2,460 days late and \$20 million over budget. When you look at the new Royal Adelaide Hospital, it is so many months overdue. We are already paying the \$1 million a day to have it open. There are no patients in there. When they do get in there, there will be the famous EPAS—the \$500 million lemon.

EPAS is a system that has cost us about the same as it cost to build the Adelaide Oval and it does not work. It is a shocker, yet more money keeps getting poured into the hole. The Royal Adelaide Hospital was set up for electronic record keeping under EPAS and it is not up to speed. It will not be there on day one if the hospital does open in September. The hospital was not built strong enough to store paper records, so what are they going to do? It is outrageous.

Time expired.

**Mr PICTON (Kaurna) (20:54):** It is a pleasure to get up tonight and speak on behalf of my community in support of this year's state budget, and not just in support of the Appropriation Bill but also in support of the accompanying Budget Measures Bill, which is equally as important and usually gets support from both sides of the house. I hope that sense will prevail during the course of the next few weeks and that both those bills will get support from both this house and the other place.

I particularly want to thank the Treasurer for the ability to work with him over the last few months on this budget. It is a very strong budget that is really focused on the particular need we have to get more jobs in South Australia, more jobs for all of our population across the whole state. I am sure almost everybody in this chamber would agree that is a very important goal, and that is something this budget is focused on delivering. In particular, it is about investing in a new jobs fund that will deliver investments into our growing industries like defence, like medical technologies, like IT—those growing industries that we need to focus on in South Australia, as well as infrastructure spending.

In the next financial year, there will be \$2.2 billion spent on infrastructure investments in South Australia. That compares with something like \$200 million when we first got into government back in 2002. There has been a tenfold increase in the amount of infrastructure spending that this government has invested in. I will have more to say about that later on in the grievance debate, about how that is benefiting areas like the southern suburbs of Adelaide.

Of course, we are also continuing our investments in Job Accelerator Grants. These have been a huge help for small and medium-sized businesses that want to grow their staff, that are growing businesses. We are helping them with an up to \$10,000 grant for each new employee they put on, and this budget has extended that to up to \$15,000 for each new apprentice and each new trainee those small and medium-sized businesses in South Australia put on. We want to see more and more tradies and more and more apprentices getting work, and we think there needs to be extra support for those businesses that are willing to do that.

There is a measure to help fund those new investments in jobs in this budget, and that is that we will impose a major bank levy in South Australia, modelled very similarly to the major bank levy that the federal Liberal government has imposed.

**The Hon. P. Caica:** And which the state Liberals support.

**Mr PICTON:** Yes, the state Liberals support the federal levy but not so much the state levy. I think all of us have a relationship with banks. We all grew up having a relationship with banks. I

fondly remember the days of having a Dollarmites account back at school. You felt like the bank was your friend. You felt like the bank was there to support you and help you out. I guess back in those days the Commonwealth Bank, which had the Dollarmites accounts, was owned by the people of Australia so it probably was there to help you out, but not so much these days.

I think one of those things about becoming an adult is that you realise that banks are not your friend and that banks are not there to help you out of the good of their heart. Banks are there to make money, and make money they do in Australia. They certainly make a lot of money, and good on them; that is great. We have the most profitable banks in the world here in Australia. The five major banks combined—NAB, ANZ, Westpac, the Commonwealth, and the Macquarie Group—make over \$30 billion profit each and every year; that is, \$30,000 million profit that they make each and every year.

That is a significant amount of profit, more than any other bank in the whole world makes in terms of their profits, and those profits are largely coming from ordinary Australians. They are coming from mums and dads and businesses across the country who use those banks, who invest with those banks, who get their home loans through those banks, who get charged exorbitant fees through those banks and who use those banks for their investment advice, sometimes to their detriment. That is where those profits come from. At the same time, these banks have been closing their service offerings to Australians. They have been closing branches all around Australia, focusing their closures on regional branches, which have been closing all over the country, particularly in South Australia.

They have been withdrawing services, they have been offshoring jobs—they have been sending jobs overseas out of all of those banks—and there have been a number of scandals where those banks have been offering plainly dodgy financial advice in the past few years to the people of Australia. Lots of people have lost money, unfortunately, because of the bad advice they have from those banks, which were not there to look after the people of South Australia but were there to look after their own bottom line.

You just have to look at Westpac. They run around with their BankSA label, pretending that they are the piping shrike ads—I think defacing our state emblem of the piping shrike in this state—saying what great South Australians they are, but if you look at what they have done, they have closed 21 branches in our state over the past couple of years.

*An honourable member interjecting:*

**Mr PICTON:** I am sure lots are in the regional areas, which the honourable member is very concerned about. They have also cut 387 jobs from South Australia. They are withdrawing from South Australia in terms of both their branches and their jobs at the same time that they are making record profits.

At the same time, you talk to businesses all across the state, and I have done this in my own electorate. I have done it when I have gone into the regions. I specifically remember meeting businesses in the Riverland that were saying that they were desperate to expand—desperate to get loans to expand—but the banks would not help them. The banks are not interested in helping them. Unless you are from Sydney or Melbourne, the banks are not interested in helping people from South Australia, despite what their ads may say. Because of this, they are making a significant amount of money.

At the same time, these banks are exempt from GST. They have a special deal under the GST arrangements where they are undertaxed. The federal budget papers make it clear how much they are undertaxed. It is to the tune of \$4,650 million this coming financial year. They are making \$30,000 million profit, and they are avoiding GST to the tune of \$4,650 million this financial year. This is an extremely special deal that these banks have, and I am sure there are businesses all across the state that would love to have this special deal. For every other service provider business in the state and the country, one-eleventh of everything they charge has to go to the taxman in GST, but not our banks.

Because of this, this state government and this Premier have been raising this issue on the national level for a number of years, saying that we need to address the undertaxation of these banks. That GST revenue, of course, goes to the states and goes to fund important services like

health and education as well as the important things we want to invest in in terms of jobs for South Australia. The response of the commonwealth has been to introduce a levy. We think that is good; we support that levy they have introduced. That is a levy to the tune of \$1,500 million per year out of that \$30,000 million a year profit that those banks are making. Whereas that GST, if it were introduced, would come to the states, none of the commonwealth levy is coming to the states at all.

The commonwealth is keeping all of that money despite the enormous cuts they have made to their health and education spending over the past few years of the Abbott-Turnbull government. They are keeping all of that money, and at the same time the commonwealth says, 'The states should raise more of their own revenue.' They are putting the emphasis on the states going out and raising more of their own revenue. They have in fact even said states should consider raising their own income tax taxes.

What have we done? We have considered this very carefully, and we have introduced our own major bank levy as part of this budget. This is a very small levy in comparison to the profits the banks are making, in comparison to the undertaxation of the banks and also in comparison to the federal bank levy. Our levy would only raise \$97 million a year out of that \$30,000 million a year profit that the banks are making. It works out to about 0.3 per cent of their profits. The tax itself is on the bank liabilities, and that works out to just \$3.60 for every \$1 million of those bank liabilities.

Why are we doing this? Because we want to invest in jobs here in South Australia. We want to support those growing businesses, many of which cannot get support from the banks. We will back them to invest in this state through our jobs fund, a \$200 million jobs fund which is part of this budget which is funded thanks to that new budget measure, the major bank levy.

It only affects five major banks: the NAB, ANZ, Westpac, Commonwealth Bank and the Macquarie Group. It is only those five, not smaller banks and not credit unions. It is very consistent with the commonwealth levy that has been put in place, only reflective of our proportion of the gross national product, about 6 per cent of what the federal bank levy is. It is quite a small proportion of what they have introduced. This only applies to liabilities and major deposits; it does not apply to jobs, everyday savings accounts, home loans, business loans and those things. It is completely consistent with what is happening at the federal level.

The banks themselves have admitted that it is affordable here. The head of ANZ went on the radio the other day as part of their scare campaign, but he could not help but admit that actually we can afford this. He said the banks can afford this because it is such a small proportion of the huge profits they are making. They have started a scare campaign in South Australia. They are campaigning very hard. You cannot help but open a newspaper and see a whole bunch of ads for the banks or turn on a TV or open your Twitter account and see ads from the banks defending themselves and trying to stop this tax from coming in.

They could have almost paid for the whole tax with the amount that they are spending on TV ads at the moment in South Australia. All their propaganda that they are putting out is full of scare tactics. They are petrified. They do not really care too much about our tax, because it is such a small tax, but they do not want to see this extending to other states. They do not want to see other states doing what we have done here, so they are trying to stop us here so that no other state would dare consider this.

Of course, commonwealth Treasury have considered this and have demonstrated that their much larger major bank levy will not impact the economy whatsoever, or to a very marginal extent, which is what the secretary of the commonwealth Department of the Treasury said. That is advice from the commonwealth Treasury on this and, like the commonwealth, we have included in our Budget Measures Bill here protections for South Australian customers to ensure that it is not passed on to customers in their bank accounts or their home loans or their business loans.

That same protection at the commonwealth level has ensured that there has not been anything passed on to account holders from the much larger major bank levy at the national level, nor would they want to, which I think is pretty clear, because if they were to do that, either at the national level or at a state level, people would very easily walk to another bank, whether to another bank that would not be imposing those fees or to a credit union. It is not in their interests to do so at

all, nor could they justify it, because nothing in terms of our levy applies to those accounts or loans. It is only on their liabilities, essentially their bonds and other investments that they have.

What we have seen in the past few days is the Leader of the Opposition show that he is completely in the pocket of those big banks and has surrendered completely to the scare campaign. On budget night, the Leader of the Opposition came out and said, 'We are not sure we agree with this; however, we will continue to support the budget measures, as the opposition party always has in the Legislative Council.' In fact, he said that the Premier should get his budget, as delivered in the budget papers.

Unfortunately, that did not last very long. It only took one meeting from the CEO of the ANZ who came here, flew to Adelaide and met with the Leader of the Opposition, who then suddenly changed his tune completely and said, 'We might block this. We might throw out 150 years of tradition of supporting the democratically elected government's budget measures, throw that completely out the window and block the Budget Measures Bill because we are scared of the banks and we want to put their big profits, their massive super profits, ahead of the interests of South Australians and ahead of investing in jobs for South Australians.'

There has not been one peep from him criticising the much larger federal major banks levy, and of course, never would he ever criticise the federal Liberal government on anything, but when it comes to South Australia imposing a measure, which will support jobs in this state, that is worth throwing out 150 years of tradition in supporting a democratically elected government and their budget because he is worried about the banks.

I think it is worth noting some of the research that came out of The Australia Institute today, which has been looking into this and researching this matter and has come out with its impartial advice on the South Australian major bank levy. It said that it looked at examples of bank levies globally, which are common, and points out that the IMF recommends a safe maximum for a bank levy of 20 basis points. In comparison to that 20 basis points safe levy, what do you think the South Australian levy is? Do you think it is 15, 10 or 5? No, it is 0.36 basis points, compared with a safe level of 20.

So, it is comparatively very small compared with what the IMF thinks is a very safe level. As The Australia Institute states, 'Australian banks can well and truly afford it.' They have said that it is just \$3.60 in every million dollars of bank liabilities. They have said that bank levies are common around the world and that, combined, the state and the commonwealth levies are only a third of the IMF safe maximum level. The bank levy could be an employment creator if the money is used in employment-intensive services like health and education, which of course this government is investing heavily in, unlike what we are seeing at the federal level where they have turned their back on education funding and health funding.

The bank levy simply cannot deter investment in South Australia, as it is levied on a proportion of the bank's national liabilities. All this hoopla and spin and scare campaign that we have heard—saying that banks will try to avoid investment in South Australia because of this levy—are not true because the levy is based on their national liabilities and a proportion of that. They have also said federal and state governments are suffering revenue problems. They have a choice of either raising taxes on workers or taxing the world's most profitable banks. Obviously, we have taken the latter option.

If the opposition were to be believed, either (a) you would not invest in those jobs funds and you would not support those growing industries in South Australia, or (b) you would have to impose a tax on something else instead. You have to impose a tax that would hurt South Australian families, that would hurt them when they are sitting around the dinner table trying to pay their bills.

**The Hon. A. Koutsantonis:** What spending do they not want?

**Mr PICTON:** What spending do they not want? Their other option, (c), would be to cut services from the budget. You hear the opposition leader saying, 'There is waste that we are going to cut. Waste, waste, waste.' But at the end of the day the vast majority of everything that this government spends goes to hospitals, schools and community services. At the end of the day, if you are going to make big savings, you have to cut into those services.

The pressure is going to be on, if we are apparently five minutes to the election, as the Leader of the Opposition says, to make the case as to which of those services they would cut if they came into government. They are not going to have this source of revenue. They have said that they are going to bring back remissions for ESL to help people with their \$2 million homes. So, what are they going to do instead? What services will be cut instead? I think that everybody in South Australia will be asking those questions of the alternative government in the lead-up to the next election: what services will they cut?

I think it is very disappointing that 150 years of tradition have been turned on its head just because the Leader of the Opposition became scared of the CEO of one of the major banks. It is very disappointing that they are putting at risk the investments we want to make into growing jobs in this state and supporting our industries that are growing. I think it is very disappointing that they will not come clean with the people of South Australia about what services or what increased taxes they are going to put the people of South Australia at risk of by their dangerous actions in not supporting this levy.

**Mr GRIFFITHS (Goyder) (21:13):** I appreciate the member for Kaurana's contribution. I was semi-impressed, indeed, by the fact that there was very little referral directly to notes. It shows me that he has devoted much of his life in recent months to budget processes, bilateral discussions, various priority needs, trying to determine where the greatest level of need exists, trying to determine what the outcomes are and trying to get the balance right. I might reflect on the fact that I think this is the first time I have spoken in this chamber without a tie on, so I apologise for that.

**The DEPUTY SPEAKER:** Everyone has been talking about it.

**The Hon. P. Caica:** You look good for it. You look better for it.

**Mr GRIFFITHS:** It is terrible, but I suppose it is the last time that I am going to be here. Member for Colton, I think there are 20 sitting days left or something like that. I take a great interest, even though this is the fourth budget that I have listened to, reviewed, been part of the discussions on, tried to understand the implications of, tried to appreciate where the positives that come from it are and tried to expand upon what I see are potential negatives or areas where improvement could occur. I will never get sick of it. I am a detail person who loves the challenge of being required to read it.

Once upon a time, I did have a fanciful dream that I might have had an opportunity one day to sit where the Treasurer is and present a budget, but that was never to be. I appreciate the effort that goes into it. While I do not agree with everything, I understand the effort that goes into it, in some distinct, separate sort of way. I know that a lot of politics comes into it. There are a lot of varying community needs that come into it and the challenge is to get it right.

I want to put on the record that I am a person who believes in convention, but I changed on this one. I actually spoke quite passionately in the party room when we made the decision about this about the frustration that I have and the need for us to review our position on it. I am a person who believes in the sanctity of the fact that we have been here for 160 years and the parliament has ensured that those who sit to the right-hand side of the Speaker are given the authority for the budget to get through, but I felt that the time was necessary for a change.

I do not believe it is because of the fact that I am not here next year. I want South Australia to have good government. Good government requires some assurity to exist. It requires that a balance be struck and that people become the winner and that is why the different decision has been made.

*The Hon. T.R. Kenyon interjecting:*

**Mr GRIFFITHS:** Not me, not me.

**The DEPUTY SPEAKER:** Order! He is not in his seat.

**Mr GRIFFITHS:** There are some things that I want to talk about. When I review the budgets I try to be fair, and probably part of my political weakness is that I do not argue the point strongly enough where I see a wrong and that I accept the rights too easily, but it is only because I am a glass half full person who actually wants to focus on that.

**The Hon. P. Caica:** That's what they say about you. We don't say that about you. You're a decent bloke.

**Mr GRIFFITHS:** You are a good bloke. That is where politics has gone beyond me and there will be a future member for Narungga who might have a very different personality and get different outcomes for the community.

In his contribution tonight, the member for Chaffey referred to a visit that he paid to Narungga (Goyder) electorate last week and he talked about the three businesses that he visited. He did not actually quote the specifics of one of those, but one of the businesses that we visited, a very significant employer of close to 500 people, has a power bill of \$130,000 per month. With the policy settings in Australia and our nation that have created this tsunami of situations where 1 July represented such a significant increase, their potential cost increases are \$26,000 a month or an extra \$312,000 a year, which takes them close to \$1.9 million in electricity per year.

They do not have backup generators, but they gave an example to me of the product that they use to produce their products. When a power failure occurs that is significant that stops their line processing their animals, indeed they can lose a whole shift. The amazing part is that they go through 14,000 pigs per week, which is over the 3,500 range. Imagine the capital involved in all of this. That is an example put to me very strongly by a business that wants to remain in regional areas. It wants to provide employment opportunities in regional areas and it relies upon that most basic necessity, electricity, to do so.

At the other end of the scale is a small supermarket that I spoke to last year, which is on Yorke Peninsula. They have gone out and spent \$50,000 on a diesel generator to guarantee electricity to keep their product cold when they need to during lengthy periods of no general supply. They did not want to spend that. It took an enormous hit on their profitability for that year, but they did so out of desperation.

The minister and the Treasurer want it to be better. We all want it to be better too. I will listen with great interest to the response given by the minister to the question from the member for Stuart today about the \$360 million commitment from the state government and the question about the near Mannum project and the near Mallala project at Reeves Plains. I was grateful to be at the Adelaide Plains Council meeting when Alinta made the presentation about their \$450 million project. Congratulations to them. I think that is fantastic—six generators, I understand, and a 300-megawatt unit of production, gas fired, right on the gas line and close to the network. It is a perfect location for it to occur, and that is where the market has seen an opportunity

**The Hon. A. Koutsantonis:** What are they waiting for?

**Mr GRIFFITHS:** As I understand it, the necessary development approvals.

**The Hon. A. Koutsantonis:** They've got it.

**Mr GRIFFITHS:** I am not sure if they have gone that far yet, minister. It was section 49, major projects status declaration, board's final position required for approval later this year, with construction to commence, hopefully, early next year. That is an example where they made a corporate decision, which many of us are frustrated by, for their other operations in Port Augusta and Leigh Creek.

They have decided to invest in another part of South Australia for, I believe, the 207,000 retail customers they have across the nation as part of their electricity generation. It is an example of where, I suppose, the question from the member for Stuart is an appropriate one, given the announcement of this investment to occur from private enterprise, about the need for the South Australian taxpayers' investment to occur. It was asked and I am hoping for a fulsome answer. The Treasurer provided an answer to part of that.

*An honourable member interjecting:*

**Mr GRIFFITHS:** Yes, he did. It is an example of where the really serious questions still need to be asked and the answers need to be given. I noted that as part of the Leader of the Opposition's response earlier today he talked about revenue writedowns across the forward estimates of \$438 million. That is a concern, there is absolutely no doubt, because when there is a prediction for



revenues to decrease that can only mean one thing: that transactions are less and therefore revenue coming into Treasury is less, and therefore there is a lesser willingness, or indeed a lesser capacity, of the community to spend.

To have a reducing revenue climate in the state Treasury to ensure that liabilities are met, that opportunities are seized and that the state grows, prevents the challenge. I think the budget papers reflect—and if I am wrong, the Treasurer will correct me—that the relative GST payment is \$144.97 or thereabouts. That is a very high rate. Given that it is reflective of the relative capacity of a state to tax and to raise its revenues, that being such a high rate represents a significant challenge for our state.

Other less gracious parts of our nation make comments about South Australia and the payment that we receive from the GST carve-up. It is one of the ongoing debates that will occur about the relativities attached to that. I think in the Western Australia scenario they receive back in the mid 30s from every \$1 of GST that is created as part of the transaction basis. We have to improve that. We have to ensure that the policy settings that flow from the budget create the economy that ensures that individual entrepreneurship and pursuit of success are achievable on the basis of the effort being made by that person, the product that they produce and the quality of employees they have, and that the outcome equals a bottom line profit, because from it come the real opportunities for growth and employment, and that is what all of us want to see.

Like many in this chamber, I have gone through the stages of my own children finding positions, and I am blessed to have a grandchild now who in 20 years' time will be looking for a position. I want that to be in South Australia. We have to ensure that the decisions we make now are right because they are part of a policy setting that will have an impact in decades' time.

About some of the specifics of the budget, I noted with great interest and I congratulate the Mount Barker community that they have \$1.9 million towards their hospital. The Minister for Health, as part of a question I think from his own side, reflected upon the advocacy of the member for Mayo in the pursuit of service extension and funds. I take this opportunity to remind the chamber that in the case of Yorketown Hospital a far lesser amount was sought. Dollars are part of the solution for surgery procedures at Yorketown Hospital. Importantly, though, it is also the policy setting that ensures that the regional areas have the ability to attract and retain skilled professionals so that it is not necessary for an increasing number of procedures to be done in a more centralised area or in Adelaide.

In our case, Yorketown Hospital has missed out. I was grateful that one of the advisers of the minister rang me on the Monday after the budget to confirm that the announcement about the changes to the Yorketown Hospital surgical procedures was occurring that day. I was pleased that they had chosen to make the announcement on a day that would allow local publicity by the local newspapers to occur sooner rather than later, but I was frustrated by the decision, I have to tell you.

In the case of Yorketown Hospital, where I convened a public meeting and 607 people attended and 2,049 people signed a petition calling for its retention, I do not know what you have to do when it comes to local effort being made and a demonstration of the commitment that a local community has for the retention of a service. I believe that was it, but it seemingly made no difference at all.

For the southern Yorke Peninsula community, which has a population of over 5,000 which swells significantly in holiday times, it will mean not necessarily a lot of direct action for those people but, for those who need the services that were provided as part of those three surgical areas that are now moving to Wallaroo, it creates a greater frustration, a greater need to travel and a greater need to try to find accommodation. It is just another dislocation and what we see as another challenge to the future viability of all service areas when it comes to health on the peninsula.

I noted also in part of the review that has been undertaken that the capital spend on regional health was a little bit under 2 per cent. It is reasonable, and I reflect upon the previous minister for health, John Hill, having told me that on any one evening up to 500 people from regional South Australia were in metropolitan hospitals, that the majority of spend will occur there, particularly with part of the announcements that have been made over the last 10 years and most certainly in recent weeks, but we want our share, too.

Those of us who sit on this side, who live and breathe the regions, who travel here during sitting periods but bless the opportunities we get to go home and be among our own communities, get frustrated by that. We know of backlogs and we know of instances where individuals, via donation, have had to raise significant dollars to do what one would consider basic maintenance in some cases. But communities do that because of a sense of ownership they have over their hospitals, but it is becoming increasingly difficult.

I remember I think it was a Country Health rally that was held as part of the 2007 Country Health mark 1 public disagreement that occurred. I had people from the central Yorke Peninsula district on the steps of Parliament House. They are property owners, farmers in the area, and they are getting a bit older now, and they said to me—and this lady is very blunt—'Steven, I'm sick of this. Instead of paying taxes, I just want write a cheque out to go to the hospital. How do I do that?' You cannot do that, but it is an example of the emotion they feel and where they want to see some tangible benefits.

I will put on the record some good things that are happening in Goyder, and I sincerely appreciate the assistance and support that have been provided by all ministers who have collectively made the decision. In the case of roads, as part of last year's budget announcement about \$34 million is to be spent, so thank you, Treasurer, for giving that a tick off, I have to tell you. It is good work in the main. There is an area of project I have a bit of frustration with, but I have put that on the record in this place before. It is the start only, though, of the investment: it is not the final, and I am sure the member for Flinders and many other areas have sections of roadway they want to ensure are improved. We know that because we get people talk to us in our communities all the time about it.

I note—and it is a shame the Treasurer cannot hear this little bit—that because of the details included in the budget in my previous experience in a really serious review of it, I asked a question of the shadow treasurer about the contingency sums. He tells me that for the 2016-17 year it was \$135 million but that for 2017-18, which is the period approaching the 17 March 2018 election, it has jumped. Those of you in the chamber and listening to this might ask what it is now. It is \$580 million. It has gone from \$135 million to \$580 million. That is a fourfold increase, and you have to question what it is for.

The only conclusion that can be reached by virtue of the amount that it now is, and the timing that it now is, is that it is part of a war chest of funds that will be held in reserve and part of future announcements that the government intends to put out there to entice the people and to try to garner some level of support—I am not sure how that will happen—and to put dollars towards them for projects and services in their area. I would love a detailed explanation to be provided to me as to why, as part of an ongoing, continuous four-year forward estimates budget cycle, you have such a significant increase from \$135 million to \$580 million for contingencies.

There is also an unallocated fund within the Department for Transport for capital works that goes into the future. It is in a similar vein, but it is a contingency sum, which you could argue quite appropriately is used for things like enterprise bargaining agreements, wage negotiations, some projects that might have overruns, some need for budget review to occur based on a pressure point that exists from a different portfolio, but that is just such a significant amount that it is difficult to comprehend the quantum of those dollars.

I felt a lot of frustration when the Hon. David Ridgway highlighted, as part of his shadow portfolio budget review, that the PIRSA budget is being cut over the next four years by a collective \$50 million. Any of us who live in regional areas respect the importance of agriculture to our economy. Many in this chamber have already spoken about its value and the billions of dollars it represents. When we are back in our electorates, we also see the absolutely outstanding level of investment that has been made by individual farmers in their equipment and the technology they use to increase their yields, for soil retention and moisture retention, and to improve the maintenance of their land while they are the current generation who controls it.

It is frustrating because it is such a significant amount, which only builds upon PIRSA funds that have been removed in recent years, and it continues to occur, and investment should be occurring now. There is a history of frustration with the Australian Centre for Plant Functional Genomics, a great innovation announced in the last period of the Kerin government, as I understand it, and opened as part of the Labor build program from 2002 onwards. It has collected some of the

most blessed scientists when it comes to the ability to grow products in Australia, but it has been reduced again, so a great deal of frustration exists there.

I have also been trying to understand the timing of the delivery of services and intended programs as part of the budget. I am reminded that in the 2016-17 budget it was intended that the Northern Adelaide Plains would be a pest-free area during that financial year. That has not been achieved and it has been delayed until the 2017-18 year. That becomes part of the marketability of that area, so it is a really important issue that needs to be addressed. Linked to that is the Northern Adelaide Irrigation Scheme, and there are a lot of members in this chamber who have some knowledge of that. It is a \$110 million investment which, as I understand it, will come from SA Water, and it is hoped that a \$45 million federal co-funding announcement will be made.

I have asked around, as other members have, and we hope that it is very soon because it is an important part of the two areas of government working together collectively to grow opportunity in what is acknowledged as a significant horticulture area in our nation. It is a chance to use up to an eventual additional 20 gegalitres of recycled water and ensure that we continue to grow high-value food products and create the job opportunities that come from it, particularly in an area that needs it very strongly, so I hope that the federal announcement comes very soon. I congratulate the SA Water board's support and the government board's support for this. It has been a project that has been supported by all parties and it needs to happen very soon.

I also want to put on the record—and this was only recently identified by me, as I received a letter yesterday from the Hon. Ian Hunter, Minister for Water—a project for water improvement in the Warooka/Point Turton area at the bottom of Yorke Peninsula. They are serviced by underground water, which is hard, I think it is fair to say. It is not necessarily nice to drink, but it is important to have, and water purifiers and cleaners exist in some homes. This is a \$13.1 million significant project for the area and, amazingly, it has gone through the system quickly because it is before the Public Works Committee on Thursday morning.

I have been in contact with the minister's office and they have contacted my office. I am going to the public works briefing, and I reserve the right to ask a few questions and then see if I need a briefing afterwards, but generally I think it is fantastic. It is a great effort, and the Yorke Peninsula council area has something like 16 communities that do not have a reticulated water supply. This will not only ensure that current customers have an improvement but, as I understand it, it will extend to a wider area, so that is a good thing.

I want to finish with a frustration I have about the number of public servants who live and work in regional areas. I am told by those who have reviewed the budget papers very seriously that in the 2016-17 year there were 18,028 public servants in regional South Australia. For 2017-18, it is intended to be 17,592, a reduction of 436.

The member for Kaurana referred to bank closures and that, too, has frustrated the life out of me. I have expressed the frustration that I feel with each bank that has contacted me a couple of days before they intend to make a public announcement because I know that the frustration of the community will be profound. I am not trying to defend the closures in any way, but in this case we find in the budget papers that more than the number of bank employees who have had their position taken away—as government members have said, in regional areas—are being lost for the public servants, by changes within the structure of the relative government departments. So that is an accountability issue, too.

I want to look forward to the passage of a budget in some form in the future. The Leader of the Opposition is entirely right in his pursuit of the bank levy changes that the opposition will be introducing amendments to, but we have to ensure that this budget actually provides a forum for South Australia to be a better place.

**The Hon. P. CAICA (Colton) (21:35):** I will not hold the house for very long. I rise today to speak in support of the budget bills in their entirety, and I would say this, that I have heard many people here tonight and earlier today—the member for Morphett, for example—speak about the 16<sup>th</sup> budget that he has witnessed from the other side, and it will be the 16<sup>th</sup> budget that I have been a part of from the government benches. I would like to say this: despite what others are saying, I

think this is a very, very good budget. It is a budget for our economic times and the situation we find ourselves in.

There is no doubt that these are tough times, very tough times. We have a transitioning economy, and what this government is looking at is how we assist, appropriately, in transitioning that economy. Within this, it is a budget about jobs, it is a budget that creates a foundation—a platform for the future of this state—and I will detail some of the very good initiatives within the budget.

It is safe to say, too, that treasurers have never been my favourite people, whether that be the Treasurer of the state or whether it be the treasurer of a football club. They are tight-fisted people, and that is their job. They do not like, necessarily, spending money, and they corral things. But I think this budget is a very good budget, and I congratulate our Treasurer on what I think is probably the best budget I have seen in the almost 16 years that I have been here. I mean that because it is a tough period that we are going through. It is one that we are confronting, front on, and we are going to do what it is that is necessary to make sure that this state has a productive future beyond this period that we are transitioning to.

I have listened to a lot of the speakers, and it is safe to say that I get frustrated by a lot of what has been said. I took a few notes while I was sitting in my office, and I see some continuing to perpetuate the myths. The member for Chaffey, for example, was talking about and continuing to say that we were the cause of the city that lost its lights. Again, it has been evidenced that nothing that has been done by this government caused the total statewide blackout. It was not renewable energy. It was—as the member for Giles reminded me today—that cyclone that came up from the south of South Australia and created a situation where it damaged our infrastructure.

It is beyond belief that people like the member for Chaffey and others fall in line with what were the first comments of the federal government after that event, that it was the investment in renewables that caused the problem for South Australia with respect to the provision and the interruption of our energy supplies. It is just a nonsense.

The member for Chaffey also spoke about his son having to move away, working for a South Australian company that won the tender to decommission infrastructure in Victoria. I think it is fantastic that we have a South Australian company that is actually operating at the national level and taking with it people from South Australia to be able to do that decommissioning. That is what we want. We want businesses in South Australia to ultimately be an export performer for the state of South Australia. I think that is a good thing. The member for Chaffey confuses me. I do not get confused that often, but I certainly get confused when he and others on the other side say the things that they do, because it does not make sense.

The member for Mount Gambier is a very decent human being and he is a great addition to this parliament. He spoke about Transforming Health and how most of its focus is in Adelaide and very little has been done in regional South Australia. I will tell you, as a person who sat around cabinet for an extended period—not as long as I would have liked, but for a period of time—I am a great supporter of Transforming Health. Admittedly, its genesis was probably in saving money because health is a black hole that will suck every dollar it can into that black hole. Things needed to be done with respect to the management and the expenditure that has been put into our health system.

The reality is that we cannot have a hospital that services the needs of every South Australian in every part of South Australia. We need specialist hospitals and the most appropriate place for those is in metropolitan Adelaide. That is not to say that our regional hospitals still will not be able to meet the majority of the needs of those people in regional South Australia. We cannot have brain surgeons operating in Whyalla or a host of other types of specialties sprinkled across South Australia; they need to be centralised, they need to be consolidated and the best place to consolidate those is in Adelaide. I support Transforming Health. I am also very pleased with what we have done in regard to adding to Transforming Health, to put the finishing touches on it through this budget.

I am not one who goes out there and publicly slanders our government. What I do is communicate with the Minister for Health and other people behind closed doors where you are supposed to do that. There is no doubt that I had my discussions with the Minister for Health about certain aspects of Transforming Health that I thought were impacting upon the western suburbs not as well as they should have in regard to The Queen Elizabeth Hospital.

I took that up, and I am very pleased that my colleagues of the western suburbs also took these matters up, with the Minister for Health. As a consequence, we now have the upgrade to The Queen Elizabeth Hospital. This is one of our busiest hospitals and the hospital that I was born in. We have retained cardiac services there, which I think is the proper and appropriate thing to do. I am very pleased about The Queen Elizabeth Hospital upgrade.

We are also seeing so many other good initiatives being introduced through this budget in regard to health in South Australia: the new women's hospital, additional money to the Lyell McEwin, additional money to Flinders, additional money to Modbury Hospital, which I am sure you are very pleased about Deputy Speaker, and additional money being added to the services that will be provided at Noarlunga Hospital. This is a very good and sensible initiative through this particular budget.

I disagree with some of the comments made by the good member for Mount Gambier, who is, as I said, a decent bloke, but he needs to understand that we cannot have all services and all hospitals being a one size fits all for every need of every person in South Australia throughout regional South Australia. We just cannot do that.

I want to try to be positive. I am positive about the budget, but I find it a little bit more difficult to be positive about the opposition. I have spent almost 16 years here—it will be 16 years, concluding on 16 March next year when I retire from this place—and I have to say that in my time here I have never seen a more pathetic opposition in all my time. I really have not seen an opposition as bereft of ideas as the one that we have before us now.

They talk about policies and they say, 'We're going to do this and we're going to do that.' For example, the member for Chaffey again said, 'We're going to lead from the front by ensuring that there is overseas investment.' It is very, very good rhetoric, but not once have I heard from the opposition about how they are going to do it. They have statements, not policies. I think they are a policy-free zone.

The member for Hammond wants to increase exports. Again, he does not talk about how that is going to occur. He talked about Labor lies. He wanted to talk about the lies that have been promulgated and promoted by the Labor Party, but what I think is a more appropriate approach is to actually talk about the Liberal farce, the lack of policies and what it is that they are actually going to do.

I will tell you right now that the party opposite has to really articulate not just the rhetoric that was, I guess, exemplified at the last election—'Take the handbrake off,' I think it was—but, again, they did not articulate what that meant or what it is they are going to do in regard to what they say needs to be done about our economy in South Australia. That is the defining difference between us and the opposition. We actually put forward plans. We believe in them and, if they do not work, we tweak them. You actually have to do something. I cannot for the life of me fathom what it is that the opposition says they are going to do. They say what needs to be done but they do not say how they are going to do it. I think they lack courage.

Let's put it this way: the opposition keep talking about us and how bad we have been over 16 years, but we have been here for 16 years. They seem to exemplify a very good opposition because they have been in opposition for that period of time. Whether or not they make the transition from opposition to government, should they win the next election, I fear that the lack of talent on that side is not going to augur well for South Australia. I am not pre-empting an outcome because I think it is quite incredible that this election seems to be on a knife edge, but the one thing that I know that differentiates this side from the opposition is our ability to work hard to make sure that we remain in government.

We do not have instilled into us that we have a right to be in government. We believe that we can be in government and we work accordingly, and that is one thing that the opposition does not do. They do not work hard and I guess they have shown that through their 16 good years as an opposition. When I say 'good years', they have been satisfied with thinking that they are good at being an opposition, but they have no idea about what it is like to be in government, and I hope that they do not after the next election.

We also heard from the member for Hammond and others about General Motors and espousing the words made by the people from General Motors who said we were not competitive. To a certain extent that is probably true, but what did not help us in the management of General Motors was both the commonwealth government's and the Liberal opposition's acquiescence to driving them out of town, to not supporting General Motors and not supporting or fighting for its retention. We have seen that. They caved in and, ultimately, General Motors were run out of town.

That might have happened anyway, but it was assisted by a federal government and the opposition here in South Australia that acquiesced to the federal government saying, 'We're not going to support this very important component of South Australia's economy.' Now it is gone. It is gone and what this budget is about is making sure that, come the time when they close their doors, we have something in place that we hope in the short term to the medium term will help us to transition to an economy that is different from what has existed since it was created by the Playford government many years ago.

I want to make a few comments about the bank levy. I think it is very good. The member for Kurna spoke very well about aspects of the bank levy and I do not intend to repeat too much of it. However, \$3.60 in every million dollars that exists there—point zero something, a very minuscule amount of money—where is that money going to go? That money is going to go to promoting jobs in South Australia, to driving our economy, to incentivising aspects of our economy, and that will in turn make it a successful transition to the new economy that we know South Australia requires.

What is beyond belief are the actions of the leader in regard to the change-about from the time only a week or so ago when he said, 'We are not happy about it, but we won't oppose it because that's not what happens in opposition. We support the government of the day with respect to its measures and its budget measures.' That changed completely. It seems to me that he has either been bought off or he got scared and ran away, with his Brave Sir Robin approach to the way he manages things. Essentially, he was in the spotlight, freaked out and said, 'We are going to do this.'

We talked about 150 years of protocol here in South Australia, but in reality it goes back many hundreds of years before that in regard to the appropriate actions of an opposition concerning the budget measures of the government of the day. I think it is pathetic. Not only is it pathetic but it is a pathetic action by the Leader of the Opposition that has shown he is not worthy to be the Leader of the Opposition and certainly not worthy to be a premier of South Australia. Weak-kneed, that is what I would say.

I thought the member for Goyder made some very good comments. He is a decent human being and a very good local member, and he will be a loss to this parliament when he retires at the next election. I think not only has he been a good local member but he has also been a very good person to deal with in parliament. I do not necessarily agree with everything he has said, but he believes in what he says, which is different from the person I was previously speaking about.

He spoke about the Northern Plains. That is another good initiative of this government, to make sure that we extend the recycled water to the northern suburbs because agriculture and clean, green food from our clean, green environment are going to be one of those planks underpinning our new economy. That can be achieved by extending the water supplies. I think the member for Goyder also talked about what is before the Public Works Committee this coming Thursday, but also before the Public Works Committee is the extension of the BIL in the Barossa, heading further north. Again, that is a good initiative, to use water that is going to open up more land to agriculture that in turn is going to assist our economy.

I want to finish off where I started. I think this is a very good budget. I think it is the best budget I have seen since I have been here. I want to congratulate the Treasurer and those who worked with the Treasurer, including the member for Kurna and others, on the preparation of this budget. I think it is a budget that underpins the future of South Australia. I think it is a budget that has vision. I think it is a budget for our times, and I am very pleased to be a member of a government that has introduced a budget that I think is going to benefit all South Australians and, indeed, is one that is going to be engaged with and embraced by our community.

I particularly like the initiative that looks at our big community funds and what we can do within our community that will benefit our people across South Australia and all our communities in

regard to initiatives that the people of our community believe are important to them. I commend the bill to the house. I hope it has a speedy and safe passage through this house and, more importantly, I hope it has a safe passage through the upper house. I am a little bit worried about aspects of that, but I hope that common sense prevails and this budget is supported both here and in the other place.

**Ms SANDERSON (Adelaide) (21:54):** I rise to give my contribution regarding the Appropriation Bill. In 2008, I made a decision to join the Liberal Party and to aspire to become a member of parliament. The reason I did that was that too many of our young were leaving our state. I had a business that I had had for 15 years at the time, which I loved, yet I was so saddened by seeing so many of our best and brightest finish their degrees and move interstate to search for work.

I was also disappointed at watching so many businesses fail under this Labor government and watching thousands and thousands of jobs leave our state and billions of dollars of turnover and profits leave our state. I saw Harris Scarfe go under twice. I saw John Martin's close. I saw Faulding leave South Australia to be listed. I saw so many companies leave. Young & Rubicam advertising agency left the state, printing companies lost work, and modelling agencies lost work, as did photographers and distributors of catalogues. Thousands and thousands jobs left and nothing was done, because if you are not in a unionised industry really the Labor Party does not care about you.

I saw so many politically motivated decisions that were being made not for the best interests of the people in South Australia but for the best interests of the Labor government staying in power at any cost. Sadly, some nine years on, nothing has changed; it is exactly the same. We still have our young leaving the state. In fact, they are leaving in droves. In a Facebook discussion, I had so many people write in. I asked them whether they knew of anyone who has left, any family or friends who have left. Here are just a few of the things that they are saying:

I am leaving in 10 days for a job in Sydney, have only succeeded in random, sporadic contract work here for 18 months on a single parent income. Financial situation is dire so I had to go interstate. Got a job I happen to be stoked about but can't do it here. Even with five recruitment agencies, I was struggling. My son and daughter-in-law and grandchildren went to the Eastern States. I miss them but they had to provide for the family.

Another new Australian wrote:

I am very concerned about young graduates leaving Adelaide for work.

Another person wrote:

I tried very hard to get a job in South Australia after finishing my degree last year. I now have a permanent full-time job in regional Victoria. I still keep an eye on SA. I love Adelaide and hopefully will be there one day when a career opportunity exists.

Another comment:

If it weren't for my cloud-based services business having clients across Australia and overseas, I would have left SA. The South Australian economy has been on life support for several years now. It's appalling how much energy and vibrancy has been sapped out of the corporate economy in the last 15 years. My fellow business leaders have had enough of it. Fundamental quantum change is absolutely required, otherwise more of our youth are going to be leaving. Enough already.

On the flipside, Adelaide and South Australia is an amazing place to live and raise a family—best place in Australia, I think. Things are at the lowest ever I have seen them in my adult life. The one positive I have is that it's only upside from near zero from here.

In other words, the only way is up—

My eldest son James applied for his first position in Melbourne at the completion of his architecture degree. He has been living there for 18 months now. Our son left 12 years ago and has never looked back. Both my children have left the state to further their careers. South Australia in general is very flat. There are many more opportunities on the eastern seaboard.

*Sitting extended beyond 22:00 on motion of Hon. S.E. Close.*

**Ms SANDERSON:** More comments were:

As much as I want my son and his friends to excel and find wonderful careers, it makes me so sad to think that he'll start his adult life in another state because there's not enough opportunities here.

Far too many are leaving, Rachel, and unless something is done about this poor excuse for a government, we are doomed. With two teenage boys soon to head to university, they are already thinking east coast for uni and jobs. With this latest bank tax debacle, we need to get the Labor government out and fast.

My only child's son couldn't find a job here but got offers from Sydney and Melbourne. Melbourne is close to here. Working for Metro Trains as a mechatronic engineer. Not happy. I prefer he stayed in Adelaide, but I'd rather have him there rather than here as a jobless young man.

Not only had my daughter left the state to find work in Victoria but my husband was made redundant. The rest of the family also left South Australia to find work in the Northern Territory with no prospects of coming back anytime soon. Come on Libs, we desperately need you in power.

My daughter wants to be a paramedic. Uni told her very few graduates get work here in South Australia and a better option would be interstate or overseas when she graduates.

And yet we use interstate companies to fulfil our major contracts, bringing interstaters and internationals here because we don't have the skills.

We were sorry to leave South Australia but we had no choice. Left to find work interstate.

My husband and I moved to Melbourne for work after not finding anything after we graduated uni in Adelaide. He is a mechanical engineer and I'm an associate nutritionist. Most of our friends have also left South Australia to find work interstate and overseas.

My eldest son had to leave Adelaide for work. A university graduate, has not lived in SA for yonks now. His four children work, buy houses, spend their money, all interstate. This Labor government has run the state into poverty. They have just about sold everything.

My sister and her family have been living in Hong Kong.

My nephew and niece both went interstate for work because there were more opportunities. My nephew is in Brisbane. He has a doctorate in engineering. My niece is in Townsville doing administrative work after serving in the Army in various locations, including Canberra.

I spent 18 months applying for jobs five years ago when I was made redundant from Telstra. The corporate landscape is shrinking in Adelaide due to centralisation and I failed to secure a job with 170+ applications. I was depressed and had no idea what to do and had to start my own business.

Another one says:

I am one of the few Gen Ys who stayed in Adelaide but it has been hard, so hard in fact it was difficult to find a job. I had to create one for myself and start a business. I am currently in my hotel room in Perth for two days of work. The work still comes from interstate but I decided to commute because I preferred to live in Adelaide. I would do anything to support other young people to live, work and innovate in our state. Would love to support you in that cause.

It goes on. There were many, many people who wrote in very sad stories of their children, their family, their partners, their friends, all leaving a beautiful state because there are no jobs here after 15 years of Labor. Where are the hundred thousand jobs you promised? You promised us a jobs budget last year; where are the jobs? You call this a jobs budget, yet you tax the banks, who then straightaway say they are not now going to expand—150 jobs I think it was for the State Bank, and Westpac also had plans to expand. They have both been put on hold because of this government's budget, which apparently is a jobs budget but which really is not.

Labor governments do not actually know how to create jobs; employing more people in the Public Service is not actually creating wealth for your state. We need enterprise and we need business—small business, medium business, large business. We need people employing other people so that they pay taxes, which helps our country and our state run.

Speaking of this budget, apparently we have a surplus. However, you cannot really call it a surplus when this government continues to sell off our assets and include them in the revenue path. When you sell an asset, that would generally be in your balance sheet; it would be going from a building or a motor accident commission or a lotteries commission or a forest rotation or whatever it might be and it might then go to cash at bank, it will go to a liquid asset. But, no, this government actually puts it in as revenue to pretend that they actually have a profitable business.

If you have to sell off your silverware at your home, you would not really call that an increase in your wages and a surplus because eventually you run out of assets to sell. However, this government seems to find them, and now it is the Lands Titles Office that is up for sale. I believe we also have the State Admin building up for sale. I remember Kevin Foley trying to sell a building we did not even own in the city. This government will stop at nothing to try to buy off the voters so they



will vote for them another time. Clearly they have no moral compass as to what is the right thing to do.

The O-Bahn is a prime example of a politically motivated decision. I was at the deposition that Rod Hook, the previous CE, gave regarding this project. He said that you work for the head of department your minister tells you what you are doing. He said for years his department had been working on the Gawler electrification. They had done all the planning, the costings, all the work—the poles and wires were already up, as we know—and he was told before the 2014 election, 'We don't have the money. Project's off.' He said, 'You know, disappointed, but you're staff. You do whatever the government says.'

He was very surprised when suddenly, only weeks later—very soon after—the government found \$160 million for the O-Bahn because the north-eastern suburbs were under threat. They must have done some polling, and now they needed to secure the north-eastern suburbs seats—the marginal seats. And it worked: people fell for it. The thing that was stated was that there was no planning done. There were no costings done. There were no engineering studies done. It was basically the back of an envelope, totally politically motivated, and it worked. But is it the right thing? Is this how we want our state run—with politically motivated decisions that are not in the best interests of the people?

In order to save 2½ minutes in the morning and 3½ minutes at night, the government found \$160 million to secure their political future. The people of Adelaide were certainly very, very unhappy about this because it has not only destroyed Rymill Park but it has removed 200 trees and led to the loss of public amenity in arguably one of the most beautiful parklands in Adelaide. Apparently, it was originally going to be a tunnel, but it has ended up a 60-metre long, six-metre tall steel canopy to be built in the middle of Hackney Road, and then a second 20-metre long canopy constructed in Rymill Park.

It is really a trench through the Parklands with a roof. It is not even a proper tunnel. I have seen it. It has not been opened yet, but I am sure it will in time for the ribbon opening. I think you might want to open it at least three times before the election, like you did for the sky way, or whatever that road is called.

Cancelling the Gawler electrification at the time meant that the state government lost the commonwealth funding of \$76 million because it was dependent on the state government going ahead with the project. We lost \$76 million in commonwealth funding, there was an estimated cost penalty of \$70 million if you wanted to restart the project later and the Auditor-General wrote down the asset—the poles and wires—by \$40 million as unutilised infrastructure. This is \$186 million that was lost by not electrifying the Gawler train line, yet they found \$160 million for a completely different project. It is unbelievable that they have the gall to make these kinds of decisions.

Transforming Health—or destroying health, however you might want to call it—has been the biggest debacle ever. Nearly every day in the paper there has been some other issue, some other health scandal, something being closed, people unhappy, doctors unhappy, ramping, no ambulances available, and now, suddenly, right before an election, they have realised it is pretty unpopular. 'We better build a few more emergency wards or add some more beds. We better forget about Transforming Health. We better focus on trying to win the next election and throw a whole heap of money. Instead of having a Women's and Children's Hospital—because now we have worked out we probably can't fit it on the site, even though we promised it—we will just have a women's hospital; we will separate it. We will put a bit more money into the children's and leave it where it is, and then we will do something later.'

In 2010, when I first visited the Women's and Children's Hospital as a member of parliament, I noticed that the car park was full by 9.30 in the morning, and I said to them, 'Why don't you expand the car park?' The Women's and Children's Hospital Foundation had just finished paying off the extra levels of the car park and it was very, very profitable. It was a great financial win that they were then using to fund things in the hospital that the government did not then have to fund. The reason they were not interested in expanding the car park was because of the uncertainty.

The government was at one point looking at selling the car park; at another point, they were moving the hospital; they were not moving the hospital. For seven years, we have had nurses parking

miles away. We have had issues with lack of parking in the area for residents, for sick patients. We have seen photos in the paper of children on oxygen tanks walking from The Lion on Melbourne Street in order to get a park.

When one of my residents was having twins, she was supposed to go in to have her blood pressure checked. The doctor said, 'You are walking from so far away, your blood pressure is up. Don't even bother coming in because we are not getting a proper reading because there is no parking available in the area.' Seven years on, we still have a parking issue because the government makes promises they do not keep. They tell people this is going to happen, then it does not and then they change it.

I am beyond believing any words that come out of this government's mouth, but hopefully the people of Adelaide will start to pick up on what is going on here. They will just say whatever it takes to get your vote—it may or may not happen but probably will not happen. If they win the election, we will have the Gawler electrification, which I believe has been announced for the third time. Now it is going to cost \$462.5 million and is subject to federal money, so that gives them an out. They are going to tell you it is going to happen, but they have given themselves a get-out-of-gaol-free clause because they will blame it on the federal government, yet they could have actually done this many years ago had they wanted to, but maybe they did not worry so much about the member for Light in Gawler.

As far as jobs go, we have 150,000 South Australians looking for work, and Labor's budget will only produce 8,000 jobs and a 1 per cent rate of job creation, which is the lowest in the nation and half that of Victoria. You could hardly call it a jobs budget. It is just the wrong name, that is for sure. There are a few initiatives in this budget. I would just like to mention Fund My Neighbourhood at \$40 million. I went to a briefing on this recently by a stakeholder who actually put in for one of these funds and apparently it took weeks.

The application process is incredibly difficult, and this was an NGO, not just a community group, but a big, professional NGO. For every person who went on to vote for them, they had to spend about two hours allocating the whole \$40 million. You do not just get to go on and vote one for the project that you believe in. You have to read through every single project and vote for all of them. It is about a two-hour process. It really is very cumbersome. It is good that there is money available, but you have made it as difficult as possible to access the money and to get people to vote on it, which I think you need to look at if you really want to give away the money. If you just want to say there is money and nobody can ever get it, then you have set it up in a very good way.

As I have already mentioned, Transforming Health has been an epic failure, and the government is changing their mind on it. The energy plan for the state has also been an epic failure. We could have had Alinta stay online in South Australia for \$8 million per annum, or a net of about \$3.5 million if you count back all the payroll taxes and everything they pay back to the government, to keep us stable with a stable and affordable supply of power while we transition to more renewables. But instead, no, we need to get rid of that because this government is wedded to their renewables target at any cost. It does not matter how many companies close, or how many people lose their jobs, they have a point they want to make.

We have seen how good the government is with our elderly at Oakden and we have also seen how well they have dealt with our child protection over many failed years. To give you some feedback from other stakeholders—SACOSS, for example—we are extremely disappointed that South Australia's expenditure continues to increase in the area of commercial and residential care. Investments in prevention and in the provision of intensive family supports are desperately needed to curb this trend.

Even the PSA, their own union, was not happy. There is a boost of \$86.5 million in child protection; however, the majority of this funding will be provided to the non-government organisations. There is no additional funding to cover the royal commission recommendations to cease using commercial carers and to abandon having workers working alone overnight in residential care. There are so many things wrong with this budget.

Finally, the bank tax is one of the worst things, and that is why the Liberal Party will be standing up to vote against a new banking tax. Again, I have brought this forward to people in my

electorate, and I have hundreds of people who have written to me with their reasons, and the majority of them were all against the banking tax.

Debate adjourned on motion of Hon. T.R. Kenyon.

At 22:15 the house adjourned until Wednesday 5 July 2017 at 11:00.

*Answers to Questions***ROAM ZONE SERVICE**

In reply to **Mr SPEIRS (Bright)** (13 April 2017).

**The Hon. S.C. MULLIGHAN (Lee—Minister for Transport and Infrastructure, Minister for Housing and Urban Development):** I have been provided with the following advice:

1. Roam Zone drivers will drop passengers as close as practical to the door, where street conditions will allow.
2. Bus drivers are instructed to drop passengers as close to their door as practical between 7pm and last service. There are a number of limitations which can impact the driver's ability to meet every passenger demand, as a number of streets surrounding the 683 route are narrow, winding, dead-end streets which limit the vehicles ability to safely turn around. In addition, there is also one crossing point between the western and eastern side of the train line (Grand Central Avenue) which can also be a limiting factor in regards to flexibility of the Roam Zone.

**COOBER PEDY DISTRICT COUNCIL**

In reply to **Ms CHAPMAN (Bragg—Deputy Leader of the Opposition)** (18 May 2017).

**The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy):** Following a request from the District Council of Coober Pedy for support to enable them to enter into the agreement for the Coober Pedy Hybrid Renewable Power Station, I signed the Letter of Comfort on 29 March 2016.

I understand that the Minister for Local Government first wrote to council regarding his concerns on 4 August 2016, some four months later. He wrote to advise me of this on 5 September 2016.

**ROYAL ADELAIDE HOSPITAL SITE REDEVELOPMENT**

In reply to **Mr MARSHALL (Dunstan—Leader of the Opposition)** (19 May 2017).

**The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for the Arts, Minister for Health Industries):** I have been advised:

Since the issue of the Major Default Notice on 5 April, 2016 in relation to technical completion of the new RAH, SA Health Partnership Nominees Pty Limited (Project Co) and its financiers have provided various cure plans. The state did not accept the initial versions as they did not adequately address the major defaults.

The state received the Revised Financier's Extension Request and Cure Plan on 10 March 2017 after extensive discussions with Project Co and its financiers to ensure that the major defaults were being adequately addressed. On 15 March 2017 the state accepted the Revised Financier's Extension Request and Cure Plan and technical completion was achieved. Reaching this milestone marks the culmination of more than a decade of design, planning and building works and is an exciting step in the delivery of our world-class new hospital.

The state has obtained advice as to its rights under the project agreement in relation to the major defaults and other matters. That advice is subject to legal professional privilege and I do not intend to provide any further information relating to that advice.

*Estimates Replies***MINISTERIAL STAFF**

In reply to **Mr GARDNER (Morialta)** (29 July 2016). (Estimates Committee A)

**The Hon. S.E. CLOSE (Port Adelaide—Minister for Education and Child Development, Minister for Higher Education and Skills):** I have been advised of the following:

The increase from last year's budget of \$1.706 million to the 2016-17 budget of \$1.838 million is due to indexation and costs associated with a temporary staff member obtained as a result of a change in my portfolio of responsibilities.

In addition to those listed in the gazette, the Department for Education and Child Development funds a further 6.0 FTEs for Ministerial Liaison Officers.

**ROYAL ADELAIDE HOSPITAL**

In reply to **Mr MARSHALL (Dunstan—Leader of the Opposition)** (1 August 2016). (Estimates Committee A)

**The Hon. J.J. SNELLING (Playford—Minister for Health, Minister for the Arts, Minister for Health Industries):** In 2016-17, \$2,983,171 has been allocated from special purpose funds for expenditure on biomedical capital equipment for the existing Royal Adelaide Hospital. This is in line with previous years' funding.

**MINISTERIAL STAFF**

In reply to various members (3 August 2016). (Estimates Committee A)

**The Hon. K.J. MAHER (Minister for Employment, Minister for Aboriginal Affairs and Reconciliation, Minister for Manufacturing and Innovation, Minister for Automotive Transformation, Minister for Science and Information Economy):** I have been advised of the following:

For a list of ministerial staff and salaries please refer to the *Government Gazette*.

Non ministerial appointments are as follows:

FTE	Classification
2	AS07
2.4	AS06
2	AS05
2	AS04