# LEGISLATIVE COUNCIL

# **Tuesday 26 October 2010**

The PRESIDENT (Hon. R.K. Sneath) took the chair at 14:19 and read prayers.

# STATUTES AMENDMENT (MEMBERS' BENEFITS) BILL

His Excellency the Governor assented to the bill.

### PROFESSIONAL STANDARDS (MUTUAL RECOGNITION) AMENDMENT BILL

His Excellency the Governor assented to the bill.

# CONTROLLED SUBSTANCES (MISCELLANEOUS) AMENDMENT BILL

His Excellency the Governor assented to the bill.

# STATUTES AMENDMENT (DRIVING OFFENCES) BILL

His Excellency the Governor assented to the bill.

# **ANSWERS TO QUESTIONS**

**The PRESIDENT:** I direct that the following written answer to a question be distributed and printed in *Hansard*.

#### WATER INDUSTRY LEGISLATION

**121 The Hon. J.M.A. LENSINK** (1 July 2010) Can the Minister for Environment and Conservation advise, as per the former Minister for Environment's commitment, when the Government will introduce a Bill to enact a Water Industry Act?

The Hon. G.E. GAGO (Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for the City of Adelaide): The Minister for Water has advised that:

In accordance with the Government's commitment in *Water for Good*, this legislation is being prepared. The objective is for the legislation to be introduced into Parliament in late 2010.

## **PAPERS**

The following papers were laid on the table:

By the President-

Lease Agreement—Adelaide City Council and Prince Alfred College—Boat Shed Reports, 2009-10—

District Council—Alexandrina Police Complaints Authority

By the Minister for Mineral Resources Development (Hon. P. Holloway)—

Fisheries Council of South Australia—Report, 2009-10

Proposal to remove four significant trees in association with the establishment of a concrete batching plant and casting yard at Angle Park—Report

By the Minister for State/Local Government Relations (Hon. G.E. Gago)—

Reports, 2009-10-

Bio Innovation SA

Construction Industry Training Board

Coorong Health Service Advisory Council Inc.

Dame Roma Mitchell Trust Fund for Children and Young People

History Trust of South Australia

Libraries Board of South Australia

Local Government Finance Authority of South Australia

Mallee Health Advisory Council Inc.

Millicent and Districts Health Advisory Council Inc.

Penola and Districts Health Advisory Council Inc.

Playford Centre Windmill Theatre

By the Minister for Consumer Affairs (Hon. G.E. Gago)—

Regulations under the following Act— Liquor Licensing Act 1997—

> Long Term Dry Areas—Edithburgh Area 1 Short Term Dry Areas—Victor Harbor—New Year's Eve 2010

By the Minister for Government Enterprises (Hon. G.E. Gago)—

SA Lotteries—Report, 2009-10

### STATUTORY AUTHORITIES REVIEW COMMITTEE

**The Hon. CARMEL ZOLLO (14:23):** I bring up the report of the committee 2009-10.

Report received and ordered to be published.

# INVERBRACKIE DETENTION FACILITY

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (14:23): I table a copy of a ministerial statement relating to the Inverbrackie detention facility made earlier today in another place by my colleague the Premier.

### **WELLINGTON WEIR**

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (14:23): I table a copy of a ministerial statement relating to Wellington weir made earlier today in another place by my colleague the Premier.

# **QUESTION TIME**

### **RESIDENTIAL DEVELOPMENT**

The Hon. D.W. RIDGWAY (Leader of the Opposition) (14:30): I seek leave to make a brief explanation before asking the Minister for Urban Development and Planning a question about residential development in industrial areas.

Leave granted.

**The Hon. D.W. RIDGWAY:** As members would be well aware, last week we saw the release, I think under FOI, of a secret report or a report that the government had not wanted to release publicly which of course saw some major concerns raised about the Newport Quays development and particularly the risk of explosion and fire from the Incitec Pivot plant and also some ongoing concerns about air quality in that area in relation to Adelaide Brighton Cement works. Yesterday, the minister announced a further iteration of the 30-year plan which talked about development along major train, road and tramway corridors, and an article in *The Advertiser* stated:

The government will target major road, rail and tram routes within a 2.5 kilometre radius of the CBD—including Port, Prospect and Unley roads—for developments of up to five storeys.

It is well known that major road corridors in other states and other cities and overseas are also subject to significant air quality issues. My questions to the minister are:

- 1. Have air quality assessments been done for the major road corridors and have any other potential industrial risks identified?
  - 2. If so, will the minister release those reports?
- 3. If not, will the government be requiring the EPA to do so before the rezoning process is completed?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (14:31): You would think that, after this length of time as the shadow minister for urban development and planning, the Leader of the Opposition would be

aware of the processes involved in rezoning, and he would hardly need to ask the last question because he would know that, in relation to any rezoning process, government agencies including the EPA and other bodies are consulted as part of that process.

However, let me first of all deal with this nonsense that somehow or other there was a secret report. I am informed by the EPA that its policy is that, when it has reports such as the so-called secret report—which was so secret it was released under FOI through the usual process—it releases it after a process has been complete, which is appropriate. If we are going to have decision-making on the run, let us just do away with parliament and just have a poll on everything, where we just put everything on the web and get everybody to vote. Is that the sort of government that people really expect?

**The Hon. J.M.A. Lensink:** Don't tell people what's happening.

**The Hon. P. HOLLOWAY:** So, in other words, you think that, along the way to making a decision, every issue that is available to cabinet and government should also be made public. It happens nowhere else in the world and for very good reasons. It is not the system we have evolved, so let us just end this stupidity that members opposite have got that somehow or other we are living in this new age where every bit of information should be instantly available.

To get back to the story, I will not be diverted, because it needs to be put on the record that the EPA policy, as I understand it, is that it releases reports such as the one last week either 12 weeks after it is submitted or at the end of the process, whichever is the quicker. The reason that there is that 12-week time frame, I guess, is so that there can be some reasonable process of decision-making. In this case, of course, once that EPA report was received, the Development Assessment Commission (DAC), following the inevitable interaction between agencies, put the process on hold and appropriately so.

In fact, the Leader of the Opposition was calling for my resignation because I presided over a body that did the right thing, that acted accordingly and properly in accordance with the law. That apparently is the criterion that members opposite use in relation to that. In relation to this so-called secret report, that is my understanding of the policies of the EPA. It is up to them; it is their report, essentially, and it is their FOI people and others who determine those policies.

In relation to residential development, of course, you do not allow development in industrial areas but you do have problems where residential zones interact with industrial areas. Unfortunately, there are some historical parts of Adelaide where there is too close an interaction between industry and residential areas. Unfortunately, that was the policy adopted during the fifties and sixties in this state—the Playford model where workers were located next door to the factories in which they worked. That was considered the appropriate policy of the day.

I do not wish to judge what was done at that time. I do not wish to go back and apply modern standards to that but it was, nevertheless, the policy in many areas. You can see it at Edwardstown, Kilburn, the north-western suburbs of Adelaide and, in particular, out towards Port Adelaide. There were also other areas where industry was located arguably too close to residential areas. There is no doubt that the most polluting of those industries—such as foundries, cement works and so on—are located in the north-western suburbs.

Fortunately, in relation to the inner city area, we do not have many of them, although we do have traffic issues. One part of this government's policies is to electrify the railways so it is along those corridors, in particular, that we are reducing pollution, both noise and air, in two very important ways. We will no longer have diesel trains, because they will be electric, and they will also be quieter because they are electric. Our rail corridors are really the key corridors with people living fairly close to those facilities. I have made that point on numerous occasions. We are the last city to electrify its urban rail network. That will give us the opportunity for redevelopment along those corridors because it will be possible to have people living closer than would otherwise be the case.

In relation to existing industries, there will be issues that we need to develop. You can go to Perth and look at Fremantle, which was a heavy industrial area that has been redeveloped, you can go to Darling Harbour and Woolloomooloo in Sydney, you can go to Docklands and Southbank in Melbourne and you can go to the Brisbane River—they are all doing it. However, for some reason, the Liberal Party in this state wants to sabotage this government and wants to sabotage the economy. That is their policy because they cannot get into government by offering anything positive. What they have to do is to try to wreck the economy. They have to try to stop it.

What can be done everywhere else in this country, and is done to the benefit of upgraded ports and to make them attractive, for some reason these people tell us cannot be done here. This is the leader—talk about leadership! The question was asked by the Leader of the Opposition, the shadow planning minister, and for him it is too hard; for him it cannot be done; for him we cannot do it. Presumably, we have to sit here and leave Adelaide the way it was, as some 19<sup>th</sup> century museum. For him it is all too hard.

Let me tell those members opposite who want to oppose everything—and the Liberal Party has really slipped in relation to that—they now stand for nothing. They now stand for a total lack of progress and it is getting known out there. It is getting known that the Liberal Party is in a state of paralysis. They do not know what to do. They are opposed to all development. As the Leader of the Opposition, as the key spokesman on development, he is becoming an embarrassment to his party.

Members interjecting:

**The Hon. P. HOLLOWAY:** I hope he stays there because the longer he is there, the longer he asks questions like this, the longer he demonstrates that the Liberal Party has no positive policy. They think that we have to stay as we are forever. They are truly conservatives. They are truly the Tories. They believe that everything should stay the way it was forever. This government is prepared to take difficult decisions. We will work through some of those issues in relation to our corridors. We are electrifying the railways at significant cost. That will enable people to live closer to these areas.

An honourable member interjecting:

**The Hon. P. HOLLOWAY:** If you didn't interject then perhaps we would finish a bit quicker. Perhaps if members opposite would listen things could be answered a lot more quickly.

# **RESIDENTIAL DEVELOPMENT**

The Hon. D.W. RIDGWAY (Leader of the Opposition) (14:40): Have air quality assessments and industrial risks been identified on these existing corridors and reports provided to government?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (14:40): That is what I just indicated in the very first part of the answer. Of course assessments are done as part of a rezoning process—that is what you do. You rezone things and that is how you discover if there are issues. That is what you do and you look at and identify things like contaminated land. There are some things you know beforehand, while other things, of course, you find out when you actually start the process and go and have a look. So, in relation to those areas where the government is considering rezoning, obviously that work is done at the appropriate time of the rezoning exercise, as required under the Development Act.

### **RESIDENTIAL DEVELOPMENT**

**The Hon. M. PARNELL (14:41):** I have a further supplementary question arising from the answer. Does the minister support the current regime whereby the EPA has veto powers over new industry being established close to housing, but has no power over new housing being built close to industry, and what will the minister do about this anomaly?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (14:41): I am not sure there is an anomaly. The EPA provides advice to government. It has an act of parliament under which it operates; it is set by this parliament. I am not the minister responsible for the EPA. If the honourable member has any questions he should direct them to the appropriate minister, but the EPA operates under an act set by this parliament. If the honourable member wants to change it, he can put a bill through and it will be considered appropriately.

The EPA provides advice to government, along with a whole lot of other advice. In various cases, there are often issues at the margin. Some issues are very clear-cut but, in relation to planning and development decisions, many issues are in the grey area. They are not always black or white; some of them are grey, and in the end, trade-offs have to be made.

#### RESIDENTIAL DEVELOPMENT

The Hon. J.M.A. LENSINK (14:42): My questions are directed to the Minister for Urban Development and Planning on the subject of the EPA report on Dock 1. What are the criteria under which reports revealing significant risks to public health are to be released or not released? Given that the minister has referred to a 12-week time frame for publication, has it been breached on this occasion, and does he believe that existing residents and the general public have a right to know?

The PRESIDENT: You are lucky to get away with that.

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (14:42): There are no residents in Dock 1, because the matter before the Development Assessment Commission is an application for subdivision and building in that particular area. In relation to people who are living much closer to the Adelaide Brighton Cement area, they have been living there for years.

My understanding is that the EPA has an environmental forum. It has community groups and they are regularly briefed on the situation in relation to the air at Port Adelaide, and they have been for years. If the deputy leader believes that issues in relation to air at Adelaide Brighton have only just suddenly come to light, that no-one knew about them until this EPA report on a subdivision some kilometre away, then I do not know where she has been.

I am sure that, if she talks to the people on Lefevre Peninsula, she will know that they have been well aware of this matter for years and that forums have been dealing with it. Indeed, if one looks at some of the comments that have been made by locals, one will know that they are very well aware that there are issues.

The EPA report to which the honourable member refers is simply their submission to DAC in relation to a subdivision on that area, and a number of issues are raised, of which the air quality is just one. I think that, for anyone to suggest that somehow or other this EPA report is the first time that people have known there have been issues with Adelaide Brighton, they obviously have not spoken to anyone who has been living in that area for many decades.

In fact, I should say in fairness—although it is not my portfolio—that I am aware there have been some environmental improvement programs over the years to improve that. They are matters concerning which my colleague the Minister for Environment would be better placed to give details. My role as planning minister is simply to ensure that the planning process takes into consideration the relevant factors, and that is what is being done on this occasion.

# RESIDENTIAL DEVELOPMENT

**The Hon. J.M.A. LENSINK (14:45):** As a supplementary question, do I take it from the minister's response that such public health issues that may be brought to DAC's attention by the EPA will not be published routinely in future?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (14:45): As I said, my advice is that the EPA releases reports either at the end of the process—and remember, this process has not finished. When this comes up in relation to this particular application (not so much the Adelaide Brighton issue, because that is a significant distance away; it is almost a kilometre away), there are some issues in relation to the Incitec Pivot plant which have been revealed in the investigation from agencies, and the whole development process is supposed to bring those issues to light.

That is why the process at the moment has stalled, because these issues are being worked through to see whether there is a viable solution in relation to this. I should also point out that my understanding is that this particular idea to redevelop Port Adelaide began under the previous government back in the year 2000. Obviously, John Olsen and the people then had a lot more vision than it appears the current people have. It is my current understanding that this whole process began in 2000 when the decision was made.

The Hon. R.I. Lucas interjecting:

The Hon. P. HOLLOWAY: Sorry?

The PRESIDENT: Order!

The Hon. R.I. Lucas interjecting:

**The Hon. P. HOLLOWAY:** Well, that is right, they were. I am not criticising the former government in relation to that. On the contrary, I am saying that it was at least trying to upgrade it, but now it seems that these members opposite obviously want to stall all that and to make it very difficult to be involved with it and to punish them commercially accordingly. To talk about secrecy and so on, in relation to DAC the relevant reports are normally issued when the process is finished.

It is appropriate that if one is going to assess a decision made by government one should have all the facts, not just half the facts. One should look at the process when it is finished and have it assessed accordingly, otherwise, why bother to have government? As I said earlier, if you are going to totally second guess and have these select committees running parallel with decisions that government has not made yet, what is the whole purpose of having government?

# **RESIDENTIAL DEVELOPMENT**

**The Hon. M. PARNELL (14:47):** As a supplementary question arising from that answer, can the minister clarify the process whereby he says that the EPA releases reports at the end of the process; and, in particular, can he clarify to whom they are released and how, because they do not appear to be on the Development Assessment Commission website?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (14:48): As I said, that was just some advice I was given in relation to the EPA's policy. It is really a matter for the EPA. It is an independent authority; it has its own FOI officer. It is what I was informed. I am happy to refer to the minister in another place whether in fact the advice I was given is correct in relation to that. Those dockets are, after all, as I said, the property of the EPA.

#### STATE RECORDS ACT

**The Hon. S.G. WADE (14:48):** I seek leave to make a brief explanation before asking the Minister Assisting the Premier in Public Sector Management a question about the State Records Act.

Leave granted.

**The Hon. S.G. WADE:** The State Records Act is committed to the minister. Under the act, all agencies are under a statutory duty to ensure that official records in their custody are maintained in good order and condition. The minister approves standards relating to the management of public records to be promulgated by the Manager of State Records.

During the ongoing Burnside investigation, the independent investigator, Ken MacPherson, voiced concerns about breaches of the State Records Act that allowed state records to be permanently lost or inadequately backed up. The Burnside case highlights the need for effective records management across government. My questions to the minister are:

- 1. What steps is he taking to ensure that records of all official documents are maintained in good order?
- 2. Does he consider that all ministers have a responsibility to ensure that sufficient resources are allocated to their agencies to ensure that they can meet their responsibilities under the State Records Act 1997?
- 3. Can he assure the council that no agency head or staff would be subject to disciplinary action if their failure to comply with the act related to funding decisions or the relevant minister?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (14:49): The honourable member refers to a complaint about the City of Burnside, and I think he said it was a matter that Mr MacPherson had commented on. I am not aware of what Mr MacPherson said. Does the honourable member have a copy of the report? I certainly do not and I have no idea what Mr MacPherson has reported on.

However, I am aware that in late 2009 State Records received a complaint about the records management practices of the City of Burnside from a constituent. State Records decided it was appropriate to exercise its power under section 15(1) of the State Records Act to conduct a survey of the City of Burnside's official records and records management practices. The survey, which focused on the capture and disposal of official records, was conducted on 25 February this

year. State Records provided a draft of the survey report to the City of Burnside as part of procedural fairness in July 2010, and State Records issued its final 2010 survey report to the City of Burnside on 26 July this year.

The survey did not provide any evidence that the City of Burnside or an employee of the City of Burnside had committed an offence under the State Records Act. The survey did highlight that a number of the City of Burnside's records management practices were inadequate. In the survey report, State Records made 16 recommendations to improve the records management practices at the City of Burnside; and State Records has requested that the City of Burnside develop an implementation plan that addresses the 16 recommendations. I think the City of Burnside was due to provide its implementation plan by the end of this month.

The fact that that survey was being conducted might well have been referred to Mr MacPherson in relation to his report. I am not aware of his findings, but, in relation to State Records reviews, what I have outlined to the chamber is my advice in relation to where that matter lies.

#### STATE RECORDS ACT

**The Hon. S.G. WADE (14:52):** I have a supplementary question, Mr President. I ask the minister:

- does he therefore suggest that he is not taking any steps to ensure that official documents are maintained in good order;
- does he have any views as to whether ministers have a responsibility to ensure that sufficient resources are allocated to their agencies to ensure they meet their responsibilities under the State Records Act 1997; and
- can he assure the council that no agency head or staff would be subject to disciplinary action if their failure to comply with the act was related to funding decisions or the relevant minister?

There was no mention of Burnside—no mention at all. There was no mention in the question at all; it is not relevant to the question at all.

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (14:53): Well, you referred to it in the preamble.

The Hon. S.G. Wade: It relates to the issue of management.

The PRESIDENT: Order! If you want to answer your own question—

The Hon. S.G. Wade: I would like it answered; that's the point.

The PRESIDENT: The minister can answer the question as the minister sees fit.

**The Hon. P. HOLLOWAY:** Mr President, if that is irrelevant to his question, why did he put it in his preamble?

The Hon. S.G. Wade: I raised the issue of poor management, that's all.

**The Hon. P. HOLLOWAY:** Well, I think the answer that I gave to the question indicates that the government does take it seriously. If we have matters raised, as we did in that case, State Records does act appropriately to ensure that the act is upheld. As I said, we made recommendations in relation to that case, and I would expect the chief executives of government departments have responsibilities as chief executives under the act to ensure that—

**The Hon. S.G. Wade:** What about ministers' funding decisions? What if the ministers don't give them the funds to fulfil their responsibilities?

The Hon. P. HOLLOWAY: Well-

**The PRESIDENT:** Order! The honourable member should not respond to interjections because they are out of order and, by responding, he is encouraging people to interject.

The Hon. P. HOLLOWAY: I am sorry, Mr President. I will ignore the interjections.

**The Hon. S.G. Wade:** Well, if you listen to the question, you might stay relevant.

**The Hon. P. HOLLOWAY:** Mr President, I do not need the advice of the honourable member. In relation to the enforcement of acts, of course the CEs have responsibilities for it but, obviously, those CEs are responsible for the division of resources within their departments and one would expect that CEs will allocate the resources in accordance with their responsibilities.

If the honourable member is suggesting that, somehow or other, that means there should be a total blank cheque in relation to these sorts of areas of government, I am not sure that that necessarily is in the state's interests. Obviously, one would expect that CEs will be aware of the State Records Act and will act accordingly to preserve them. I recently visited the State Records offices, and they provide a very significant service. Fortunately, nowadays more and more records are available in electronic format, and clearly one of the things we need to do is ensure that taxpayers are not unduly overburdened with storage costs, and so on. If we can keep records in electronic format, hopefully that will save the very significant cost of storage. Unfortunately, to go back and put all past records on computer in electronic form would be prohibitive, but that is obviously one of the many issues State Records looks at.

### **SAFE WORK WEEK**

**The Hon. I.K. HUNTER (14:56):** Will the Minister for Industrial Relations detail to the chamber how this year's SafeWork Week will help convey safety messages better in the workplace?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (14:56): As members may be aware, I officially opened South Australia's annual occupational, health, safety and welfare event, SafeWork Week 2010, at the Education Development Centre on Monday. SafeWork Week 2010 offers a mix of free seminars, briefings and on-site workplace engagement to educate the community on the need to stay safe at work, and practical ways to do so.

Workplace consultation is the overarching theme of this year's event, and one SafeWork SA program is aiming to do just that, by taking the safety message into hundreds of workplaces. The Take 10@10 initiative, which is a do-it-yourself workplace safety training package, offers 10-minute safety presentations covering 10 important safety topics, including: forklifts; manual handling; occupational stress; working hours; drugs and alcohol; infection control; new and young workers; slips, trips and falls; bullying; and healthy workplaces. Organisations can choose to deliver any of the topics that suit their worksite in a presentation or informal style at a time that is convenient for them and their employees.

The Take 10@10 resource package allows employers to present case studies, encouraging audience participation to discuss and suggest ways to avoid incidents occurring. Take 10@10 is a simple cost-effective way managers, occupational health and safety professionals and the general workforce can understand how their actions and their ideas contribute to workplace safety, as well as fulfilling their obligations under the occupational health and safety legislation.

The presentation creates opportunities for participants to raise safety issues about their own workplace and offer solutions to address their concerns. This is the first year SafeWork SA has introduced this new safety awareness initiative, and already Take 10@10 is proving to be one of the stand-out successes of SafeWork Week, with more than 500 registrations received so far, including registrations from regional areas and interstate. This means that more than 153,000 employees who can be reached through these workplaces can benefit from the wide-ranging safety message and advice the Take 10@10 presentation provides.

This government, through the efforts of SafeWork SA, remains strongly committed to workplace safety to ensure that every South Australian worker comes home from work safe. We have set ourselves the ambitious goal of achieving the nationally agreed target of a 40 per cent reduction in workplace injury by 2012. Take 10@10 is just one of the many workplace safety initiatives helping us to work towards and exceed this target. For further information on the Take 10@10 initiative, or any other events of SafeWork Week 2010, members can visit SafeWork SA's website.

## **ANTI-POVERTY SERVICES**

**The Hon. A. BRESSINGTON (14:59):** I seek leave to make a brief explanation before asking the minister representing the Minister for Families and Communities questions about the future of the anti-poverty services provided by Families SA.

Leave granted.

The Hon. A. BRESSINGTON: The anti-poverty service is a division of Families SA, which provides financial services, including financial counselling, such as debt management and budgeting assistance, as well as short-term financial assistance to pay bills and buy groceries, to vulnerable families across the state. Housing SA and other government departments and agencies also refer their clientele to the anti-poverty team if they are experiencing financial stress. In addition to providing financial assistance, this team also develops and delivers a variety of anti-poverty strategies to work with Families SA social workers to identify and address poverty issues which impact on the ability of families to provide appropriate parenting to keep their children safe.

There is clear need for such a service, particularly in the current economic times, as families and individuals struggle to make ends meet, with the anti-poverty team having over 22,000 individual client contacts in the last financial year and 24,000 the year before. However, my office has been contacted by several non-government organisations which have been informed by Families SA of the intent to disband this team and transfer the responsibility of delivering the emergency financial assistance program to the non-government sector in line with Sustainable Budget's recommendations.

This comes on the back of information provided to me earlier this month in which the executive branch of Families SA apparently instructed managers of Families SA district offices to compile a list of non-government organisations in their catchment area that currently provide financial services and/or assistance or could provide financial services. This work clearly continues, as it was only late last week that one NGO was informed directly by Families SA that the anti-poverty team is to be disbanded and as such they would be expected to handle an increase in their clients. This NGO is already stretched beyond capacity. My questions are:

- 1. Will the minister guarantee that the current amount available to vulnerable South Australians under the emergency financial assistance program will not be decreased when non-government organisations assume responsibility for its delivery?
- 2. If the department is still compiling a list of non-government organisations that are able to provide financial services as is evidenced by the approach to non-government organisations only late last week, how can the minister say with any certainty that financial assistance services will be available in all areas of South Australia?
- 3, Will non-government organisations be provided additional funding to deliver the emergency financial assistance program or will they be expected to do so out of their existing budget?
- 4. Will Families SA retain the capacity to provide integrated financial counselling and social work with care and protection cases?

The Hon. G.E. GAGO (Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for the City of Adelaide) (15:02): I thank the honourable member for her most important questions and will refer those to the Minister for Families and Communities in another place and bring back a response.

### **EXPECT RESPECT PROGRAM**

**The Hon. CARMEL ZOLLO (15:02):** I seek leave to make a brief explanation before asking the Minster for Status of Women a question about the Expect Respect program.

Leave granted.

The Hon. CARMEL ZOLLO: The Rann government has illustrated its commitment to ensuring the safety of women through the Women's Safety Strategy and the Family Safety Framework as examples. But we also know that social attitudes can influence the ways communities view violence. Will the minister provide more information about how the government is seeking to change negative attitudes young South Australians may have about acceptable relationship and sexual behaviours?

The Hon. G.E. GAGO (Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for the City of Adelaide) (15:03): I thank the honourable member for her question. As members would no doubt be aware, the government has been offering community grants as part of our anti-violence campaign. I am very happy to be able to inform members that the state

government is expanding a drama-based education program designed to improve awareness about sexual assault and respectful relationships for teenagers.

The highly successful program Expect Respect, developed by the Legal Services Commission, has already been delivered to 1,200 students from a variety of different backgrounds across the state. Recently, I was able to provide an additional \$25,000 grant to the Legal Services Commission to expand the program to Aboriginal youth by developing a particular version of the production which is culturally appropriate for Aboriginal teenagers.

The legal education program features an interactive show by young people showing real-life scenarios and presenting a range of legal facts. I was very impressed with the particular performance that I was privileged enough to see, and I know that the Hon. Stephen Wade also attended a performance and I understand that he was impressed as well with that performance.

The performances use a method called 'talk-back theatre'. This means that young people present in the audience can become actively involved with the drama by trying to change the outcome of particular scenarios. This seems to be a great way of giving young people the confidence that they need to help them speak up, have their say and practise what they would do if they actually found themselves in that situation in real life. It also opens up a dialogue between students about issues like sexual assault and relationships, and helps to make them aware of the current legislative framework.

These sessions give young people important information about rape, sexual assault and family violence, with a focus on issues and situations that those aged between 15 and 18 can easily identify with. 'Sexting' and date rape are some of the topics included. Many young people do not understand what constitutes rape and sexual assault or how to avoid being caught up in risky situations, and Expect Respect aims to help young people avoid becoming victims or offenders. I believe that it will help to reduce violence in our community and change attitudes to what is and is not acceptable behaviour.

A new booklet, *Sex, Consent and the Law*, has also been produced by the Legal Services Commission for young people as part of the program. As members would be aware, the government's community education grants are part of the broader Don't Cross the Line campaign, which is a four-year, \$868,000 campaign that complements legislative changes made to reduce violence and abuse in the community. The campaign also attracted an additional \$100,000 of federal government funding to enable culturally appropriate education to be delivered to the Aboriginal and Torres Strait Islander communities in South Australia.

### **EXPECT RESPECT PROGRAM**

**The Hon. S.G. WADE (15:07):** I have a supplementary question arising from the answer. As the minister is aware, ActNow Theatre for Social Change produced the original material. I wonder whether ActNow Theatre for Social Change will be doing the culturally appropriate material or whether another Aboriginal agency might be engaged for that purpose?

The Hon. G.E. GAGO (Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for the City of Adelaide) (15:07): I am not sure which particular troupe will be performing in this program, but I can assure honourable members that the appropriate culturally relevant advice will be given to ensure that the message is targeted in a culturally appropriate way.

# **BUILDING AND CONSTRUCTION INDUSTRY SECURITY OF PAYMENT ACT**

**The Hon. T.A. FRANKS (15:07):** I seek leave to make a brief explanation before asking the Minister for Industrial Affairs a question on the Building and Construction Industry Security of Payment Act 2009.

Leave granted.

The Hon. T.A. FRANKS: I have been contacted by a gentleman who works in the construction industry as a consultant, and he informed me that he first contacted the Premier's office on 21 April and the Attorney-General's and the Premier's offices again on 23 July—in fact this year he has contacted government officials at least six times—asking for some clarity on the Building and Construction Industry Security of Payment Act 2009. As members will be aware, that act was passed in this parliament on 3 December 2009. Ten months later, I understand it has yet to be proclaimed.

This legislation is quite important to many contractors and suppliers associated with the construction industry, as it is the only cost-effective and efficient means that they have of ensuring that they get paid. Otherwise, they can run into financial, physical and mental ruin, and we are all aware of the issues with the construction industry that lead to those sorts of issues, which is why this act exists. My questions are:

- 1. When will the act be proclaimed?
- 2. Which government department and minister will be responsible for the administration of the act and the regulations?
  - 3. Will there be regulations?
- 4. When will the industry be able to access information and details, including a point of contact within the government to obtain further information as it becomes available?
  - 5. Will the government consult further with the industry with regards to this?
- 6. When will the people in the industry who are asking these questions actually get answers from the Premier's and the Attorney-General's offices and the government?

The Hon. G.E. GAGO (Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Consumer Affairs, Minister for Government Enterprises, Minister for the City of Adelaide) (15:09): Given that the matter that the honourable member raises is part of my responsibility, I will seek to provide information. The Office of Consumer and Business Affairs is currently working with other government agencies to progress the security of payments legislation, and I am advised that some of the issues being considered include things like the relevant structures and processes and the function of similar schemes in other states.

This is a large undertaking, especially given that most of OCBA's work to date has been focused on transactions and disputes between businesses and consumers and not business to business as this legislation requires. At this point in time, that particular legislation has not been given to any particular minister to take responsibility for it in the future. At the moment the work has rested with me, but in terms of who will take charge of it in future, that is still under consideration.

As I have said, quite a good deal of work has been progressed to date and I am very happy to keep the honourable member informed of its progress. No date has been established at this point in time in terms of the release of the legislation.

# **MINING ROYALTIES**

**The Hon. R.I. LUCAS (15:11):** I seek leave to make a brief explanation prior to directing a question to the Leader of the Government on the subject of mining royalties.

Leave granted.

**The Hon. R.I. LUCAS:** There have been recent stories in the media relating to the potential for South Australian miners to be stung by double taxation as a result of the recent state government announcement of increases in royalties and the recent federal government position in relation to a mining supertax. This story in *The Advertiser* is one of many:

Mr Ferguson has since said that the government would only refund existing and scheduled royalty increases, and Prime Minister Julia Gillard has confirmed the Federal Government would not honour the original commitment. 'Obviously it is not the government's intention to have state governments able to change royalty arrangements in a way which means the Federal Government foots the bill,' Ms Gillard told parliament last week.

SACOME chief executive, Jason Kuchel, in his letter to Mr Ferguson, said an issues paper released by the policy transition group which is advising on the MRRT stated: 'State and territory royalties will be creditable at least up to the amount imposed at the time of the announcement, including scheduled increases and appropriate indexation factors. It is our understanding that the government's position is that unscheduled royalty increases after May 2010 are not to be creditable against the MRRT,' Mr Kuchel wrote.

My questions to the minister are:

- 1. Is it correct that, as at May 2010, the state cabinet had not made the decision to increase royalties which was announced in the September 2010 budget?
- 2. If that is the case, is the minister concerned at the potential for South Australian miners to be confronted with the prospect of not only the MRRT from the federal government but also a significant increase in state royalties imposed by the state Labor government?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (15:14): Yes, we would be concerned if the federal government were to breach the understanding that was given at the time in relation to state royalties. I am not sure of the exact date on which there was an official announcement in relation to that, but certainly this government and the Treasurer in particular have made it clear that we were looking for some time at our royalty rates to ensure that, whilst still being competitive with those in other states, the state received sufficient benefit from the exploitation of its resources.

We would certainly be concerned if the state were to be in some way penalised for increasing its royalties, particularly given that our royalties are still very competitive with those in other states. For example, we are the only state that has a concessional royalty for the first five years of operation. That is specifically to make the royalties more attractive for companies to establish mines. We have retained that, with the changes, by having the rate increase from 1.5 per cent to 2 per cent, but that—for the first five years of a mine—is still a very significant concession. To be penalised would be unacceptable to the government.

The Hon. R.I. Lucas: But you hadn't taken your decision.

**The Hon. P. HOLLOWAY:** It depends, I suppose, on what making the decision means. Certainly, the government had made it clear. I am well aware that the Treasurer has made his federal counterpart well aware of the government's intention in relation to that. My understanding is that he sought clarity of that at the time although, of course, that was originally in relation to a different proposal with the resource super profits tax than the current one.

It is my understanding that, if the Treasurer has not yet sent the letter off to his federal counterpart in relation to this matter, he certainly will be doing so very quickly. I am aware of a draft letter putting very strongly this state's position in relation to state royalties. It would not be acceptable for this state to be penalised (particularly relative to other states) in relation to that matter. It is very clear, under the Australian Constitution, that minerals are a state resource.

While the commonwealth could argue that that profit and the taxing of profits is its constitutional right, it would be most unfortunate—particularly given the erosion of the state taxation base over recent years due to a number of High Court decisions—if the state was to be further squeezed in relation to this matter. I can assure the honourable member and the rest of the council that we will be standing up strongly for our position on this matter.

### 30-YEAR PLAN FOR GREATER ADELAIDE

**The Hon. R.P. WORTLEY (15:17):** I seek leave to make a brief explanation before asking the Minister for Urban Development and Planning a question about development in metropolitan Adelaide.

Leave granted.

**The Hon. R.P. WORTLEY:** There has been much talk about increasing the amount of residential infill development within existing suburbs of Adelaide. The 30-Year Plan for Greater Adelaide specifically states that new metropolitan housing will gradually move from the existing 50:50 ratio of infill development to fringe development, to a ratio of 70:30 in the last years of the plan period. Will the minister please detail any state government initiatives to put this plan into reality?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (15:18): I thank the honourable member for his question. Since the launch of the 30-Year Plan for Greater Adelaide in February this year, a key priority for this government has been to improve land supply which underpins the affordability of housing in the Adelaide region. This has led to land being rezoned in a number of locations such as Murray Bridge, Gawler East, Buckland Park, etc. and the Department of Planning and Local Government has been working with councils at Mount Barker, Light, Playford and the Barossa to rezone potential land supplies in their areas.

However, growing out is only one way to provide a sufficient supply of zone-ready land to maintain a 15-year pipeline. The other way, and our preferred option, is to grow upwards. While a lot of attention has recently been placed on the proposed greenfield development at Buckland Park, Mount Barker and Seaford Heights, this government has been working behind the scenes with inner city councils to unlock the potential of some of our major road and rail corridors.

While the rezonings within the fringe of our urban growth boundary will bring some greenfield sites quickly into the 15-year pipeline, the work we are doing to identify areas for urban renewal will provide the long-term solution to where we house Adelaide's growing population. Yesterday, I announced that the City of Prospect, the City of West Torrens, the City of Charles Sturt and the City of Unley have joined us in the process of unlocking the vast potential of our corridors to provide housing and jobs for South Australians. The most significant initiative in a generation means we will no longer just look outward for land for housing and employment, but upward.

Let me stress here, we are not talking about the ultra high-rise development in our suburbs. That sort of development can be best encouraged in the central business district and its fringes. By looking laterally and vertically, we can provide residential, commercial and retail opportunities of three, four and five storeys along our major roads and rail lines, with perhaps scope for a little more height, where appropriate, overlooking the Parklands.

In this way, we can also make the most of the \$11.4 billion earmarked to upgrade our major freight and passenger transport corridors, and services such as hospitals and schools—that is, of course, in the figure from the 30-year plan. Not only will this initiative help us reach the 30-Year Plan for Greater Adelaide's target of shifting the ratio of infill to fringe development from 50:50 to 70:30, it will ensure 80 per cent of existing suburbs, and their unique character and streetscapes, are left untouched as a result of the plan by the pressure to find new housing for our growing population. I am delighted that the City of Prospect, the City of West Torrens—

Members interjecting:

The PRESIDENT: Order!

The Hon. P. HOLLOWAY: —the City of Charles Sturt and the City of Unley have all committed to work with the Department of Planning and Local Government to achieve the urban renewal targets in the 30-Year Plan for Greater Adelaide. I hope that these trailblazing councils will eventually be joined by the City of Norwood, Payneham and St Peters, the City of Burnside and the city of Walkerville, to ensure consistency of planning for all the councils that ring the Parklands. I am pleased that the four councils embarking with us on this project are prepared to work closely with the state government in a cooperative, collaborative and productive manner that will ultimately benefit their local communities by changing the face of some of our key urban corridors.

This is a fantastic opportunity to use rezoning along the main transport corridors and within strategic areas to boost economic development and encourage local job creation. Not only will there be the potential for new styles of residential development, but the mixed use zoning will encourage retail and commercial opportunities at street level. We also want to harness open space in this area and encourage greater use of public transport and our growing bike network.

This government believes proper planning should facilitate investment rather than create an impediment. The government's plan for greater Adelaide forecasts that the economic potential unleashed by this sort of rezoning will add \$11.1 billion in additional gross state product during the next 30 years, which is 4.6 per cent more than business as usual planning.

The key to the success of these reforms is ensuring that developments are attractive to home buyers, retailers and commercial operators. I am pleased to advise that the integrated design commissioner, Tim Horton, will be involved in the inner city rezoning process to ensure that any planning policies that are adopted incorporate good design.

The 30-Year Plan for Greater Adelaide and the revitalisation of our inner suburbs is a bold plan. No doubt there will be those who wish to distort this initiative and characterise the rezoning as a threat to existing housing and heritage and the end of suburbia and the quarter-acre block.

The Hon. D.W. Ridgway interjecting:

The PRESIDENT: The Hon. Mr Ridgway must sit there in silence.

The Hon. P. HOLLOWAY: This government is mindful that we need the public's acceptance of this bold venture, so any rezoning will recognise the existing heritage and ensure sufficient transition and integration with surrounding suburbs. I have said that if we can't grow out and we can't grow up, then we won't grow at all. I don't think that is acceptable to the vast majority of reasonably minded South Australians, particularly when they think what the consequences of that would really mean.

The plan aims to actively curb urban sprawl in the next three decades but, to achieve that goal, we cannot turn our back on the opportunities that are provided by urban infill. To do so will condemn South Australians to a lower standard of living and price young homebuyers out of the housing market. Instead, we want South Australians to embrace a future that provides a range of housing styles, from studios and apartments to townhouses, as well as the traditional suburban bungalow.

We want them to have the choice to live close to town and nearby our upgraded public transport or near their jobs at Edinburgh Park in the north and Tonsley Park in the south, and other employment opportunities, both further afield and in between. The 30-year plan provides South Australians with choice, and choices they can afford. Again, I congratulate the councils that have joined the government on this initiative and look forward to other councils taking part in this journey.

# **30-YEAR PLAN FOR GREATER ADELAIDE**

The Hon. D.W. RIDGWAY (Leader of the Opposition) (15:24): Given the ambitious targets for urban infill the minister has spoken of, can he explain why the government-owned buildings on the Clipsal site are now up for lease for commercial use rather than demolition for redevelopment?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (15:24): I will take that question up with the Land Management Corporation.

**The Hon. D.W. Ridgway:** You're the minister for development and you can't understand why—

The Hon. P. HOLLOWAY: I am not the minister responsible for the ownership of the land. What I do know is that the Clipsal site is being rezoned and will be redeveloped. There may be sites on there which are heritage listed. There may be sites which they are temporarily using. The sort of development at the Clipsal site, along with some of these other major projects, may be a 10 or 15 year life. If there is some short-term lease while that process is going on, I would have thought that would be sensible economics by the department. I am not sure which buildings in particular the honourable member is referring to. Is he referring to the actual Clipsal buildings or the hotel next to it?

The Hon. D.W. Ridgway: Every building on the site has a Knight Frank lease sign.

**The Hon. P. HOLLOWAY:** I will seek that information from my colleague through the Land Management Corporation. As I said, if they are using existing buildings while they are preparing their plans and staging it, I would have thought that that was a smart thing to do.

# **30-YEAR PLAN FOR GREATER ADELAIDE**

The Hon. D.W. RIDGWAY (Leader of the Opposition) (15:26): As a further supplementary question, could the minister advise whether the railway line to Port Adelaide will be below grade through the Clipsal development, in other words, underground?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (15:26): I do not believe that is in the plans, but that is a matter—

The Hon. D.W. Ridgway interjecting:

The PRESIDENT: Order!

**The Hon. P. HOLLOWAY:** As I said, at an appropriate time, if the honourable member wants a briefing in relation to that matter, I am sure we can arrange that. He had a briefing in relation to Port Adelaide. If he wants a briefing in relation—

**The Hon. D.W. Ridgway:** We got some answers in Budget and Finance. We know what the answer is.

**The Hon. P. HOLLOWAY:** Well, he has the answer, apparently, Mr President.

The Hon. D.W. Ridgway interjecting:

**The Hon. P. HOLLOWAY:** It is rather incredible. We will shortly be embarking on a budget discussion, and I await that with real interest. Opposition members have told us all the things that we should not have cut, and they are suggesting that we should not have made hundreds of millions of dollars worth of savings. I look forward to hearing not only how they are going to make up for that but also how they are going to fund all these other things they wish. I really look forward to hearing that, but I somehow suspect that I will be sadly disappointed.

#### 30-YEAR PLAN FOR GREATER ADELAIDE

The Hon. D.G.E. HOOD (15:27): As a supplementary question—

**The PRESIDENT:** From the answer, of course?

**The Hon. D.G.E. HOOD:** Thank you. Would the minister outline how the government intends to allay the concerns of residents whose properties will abut the corridors where the medium-rise buildings will be built? What measures will the government take in order to avoid their yards being overlooked, etc.?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (15:27): I answered a question about this a week or so ago. I think that the deputy leader might have asked a question about a similar matter in relation to Prospect. I think I referred in my answer then to the visit we made to the suburb of Arlington in Washington, where one of the best examples I have ever seen involves a transition of less than 100 metres from five storeys (and in some cases even more) down into a green suburb. It was almost unnoticeable.

Good planning can enable that transition to be made. Obviously, it will depend on the particular site. Clearly, each suburb is different, but that is what requires good planning. It is important that, when we do the structure planning and it goes into the development plan, we have appropriate policy conditions to ensure that this transition from the high-rise on the corridor down into the suburbs is done well and in a way that not only creates no nuisance to people but also is attractive. I know that it can be done. I have seen it in a number of developments overseas, and it is important that we achieve that here. How it will be done, as I said, is through the right development plan.

### 30-YEAR PLAN FOR GREATER ADELAIDE

**The Hon. D.G.E. HOOD (15:29):** I have a further supplementary question, Mr President. Does the minister envisage the expansion of light rail along those corridors such as Prospect Road and Unley Road? Is that part of the government's vision?

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (15:30): Obviously, the government is, at present, involved in a very heavy investment project. When you are talking about \$2 billion on rail, obviously our capital expenditure is pretty much consumed for the next few years. Clearly, there will be a role in the future for further expansion of the tram network, and obviously there are a number of streets one could name that would be suitable for that. The honourable member has suggested a couple. You could probably throw in The Parade and a few others that might well be worth looking at.

Obviously, given the government's forward capital commitment to the electrification of railways and the expansion of the rail line down to Seaford, that program will cost several billion dollars and, clearly, will be the priority and will take most of the available funding for the next few years. One would expect that, once that is completed, the other major transport issues that are identified in the 30-year plan will come into government planning. As I said, right now, of course, we have a large number of projects—unprecedented in scale in this state—that will take the available funding. We certainly look forward to that happening in the future.

## SEAFORD HEIGHTS DEVELOPMENT

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (15:31): I seek leave to make a ministerial statement about the Seaford Heights Development Plan Amendment.

Leave granted.

The Hon. P. HOLLOWAY: On 14 October 2010, the Hon. Mr Brokenshire asked a series of questions regarding Seaford Heights and the staging of development. I wish to clarify that the proposed changes to the City of Onkaparinga's development plan cover an area of 77 hectares at Seaford Heights. While the parties involved in this project (namely, the City of Onkaparinga, the Land Management Corporation and the Fairmont group) may refer to staging of future development, the development plan amendment will update the zoning for the entire 77 hectare area

While any future project may well be undertaken in stages, the proposed amendment to the development plan deals with the land use for the 77 hectares in its entirety. Staging of construction is a matter for those undertaking such a development once rezoning affords that opportunity. It should be noted that any proposed development on the land will be subject to approval by the relevant authority against the policies and zoning to be established by the amended development plan. It should also be noted that the area subject to the DPA is already zoned either residential or urban.

# STATUTES AMENDMENT (BUDGET 2010) BILL

Adjourned debate on second reading.

(Continued from 14 October 2010.)

The Hon. R.I. LUCAS (15:32): I rise to speak to the second reading of the Statutes Amendment (Budget 2010) Bill. In doing so I acknowledge that this is one of two budget bills that this chamber will debate. There is the Appropriation Bill and members, including myself, will obviously address a wider series of comments to that bill, as it is the major budget bill. This is the Statutes Amendment (Budget 2010) Bill, which does make some specific amendments to a series of existing acts as part of the government's 2010 budget.

The Liberal Party's position on the passage of the bill through the parliament was clearly enunciated by shadow treasurer lain Evans (the member for Davenport in another place), and I indicate that the shadow treasurer, as he indicated on that occasion, speaks on behalf of the Liberal parliamentary party in relation to the budget bills. At the outset I note that the 2010 budget is based on spin, deception, hypocrisy and broken promises. I will address some of those issues and others in this debate, and I am sure other members will address their view of the bill, and I will address some comments in the Appropriation Bill debate as well.

In opening my contribution I refer to comments made by members of the government in this and another chamber on aspects that were a critical part of this bill, and they relate to workplace relations. At the outset I say that, in my view, this budget that has been brought down—it is one based on spin, deception, hypocrisy and broken promises—has sown the seeds of the destruction of the Labor Party in South Australia, in particular the state Labor government. I did not just say the Rann Labor government, because I do not think there are many who, even within his own caucus, believe they will go to the election under the title of 'Rann Labor government' but some other version, as Mr Rann will have either been forced to retire or will have retired under pressure and supposedly of his own volition.

This budget sows the seeds of the destruction of the state Labor government—not just the Rann Labor government. Mr President, with your staunch and strong union background, you would know that it is hard to know what the Labor Party says that it stands for in recent times as it has moved more steadily to the centre and tried to replicate the Liberal Party in terms of its approach to economic management—unsuccessfully I might add, given its record, but it nevertheless says that it seeks to do that. The one thing it has always said it held dear to its heart was that it was the party for the workers, the party that would defend workers and their entitlements.

It, rather than any other party, but in particular the Liberal Party, was the party that would defend the unions, employee associations and the workers in South Australia, whether in the private or public sectors. Those of us on this side for the past five or six years have listened to Labor members in this and another chamber pat themselves on the back, puff out their chests and attack the former federal Liberal government for a variety of what it saw to be sins in terms of employee relations under what they believed was the pejorative label of WorkChoices. They attacked the Liberal Party in South Australia and federally, and they attacked WorkChoices.

However, in this bill, as the workers and their representatives queue up on a daily basis outside Parliament House to try to get space to protest against the government and its members, we have a government which, in the middle of enterprise bargaining negotiations with its own

workers, is legislating to take away workers' entitlements by way of a sneaky provision in a budget bill. They know the conventions in South Australia are that budgets are not opposed or defeated by oppositions and, unlike in other jurisdictions, they have been adhered to by both Liberal and Labor parties for decades.

So, they knew the way they could breach their supposed commitment to their own employees and to the workers of South Australia was to include these provisions in the actual budget bills themselves. I know that some in the union movement at the moment have taken a political decision to say, 'Well, this is just the fault of Rann and Foley.' That is a convenience for some of them because they cannot contemplate the thought of saying anything nice about the Liberal Party or the opposition.

Mr Rann and Mr Foley have both made it clear that these were unanimous decisions of the cabinet and that the supposed hero of the left, Mr Weatherill, and others in the cabinet unanimously agreed to all these provisions. The government spin doctors have told the media and everybody who will listen that, when these were announced to the caucus, there was acclamation. There was applause. Kevin Foley himself has indicated to the parliament that there was applause. Some have even suggested a standing ovation but I think that perhaps is taking it a little too far for some of us to even believe.

There was applause and acclamation from the caucus members at the magnificence of the work of Mr Rann and Mr Foley in the cabinet—the whole cabinet, including the Hon. Mr Weatherill—in relation to the provisions in this budget. Let us not be deluded by the political stance of some that this is just the sins of Mr Rann and Mr Foley being visited upon public sector workers in South Australia.

This is a conscious decision of every member of the cabinet, not just the Premier and the Treasurer: it includes others who would like to be the premier and the treasurer in the future. It includes Mr Snelling, Mr Koutsantonis (heaven help us all if he is considered a potential leadership aspirant—the 'welsher from the west'), Mr Weatherill, Mr Rau and Mr Hill. Mr Rann and Mr Foley, the Premier and the Treasurer, are not going to go down without taking a few people with them.

They have made it quite clear that, if they are going to be targeted, then everybody—even the Leader of the Government in this chamber—was a willing participant and that they all unanimously supported the decisions to rip away workers' entitlements in this budget measure. Then, as I said, when they went to the caucus, clearly people like the Hon. Mr Wortley and the Hon. Mr Finnigan and all the Labor members of the backbench, according to the Treasurer and the government spin doctors, applauded the decisions taken by the cabinet to rip away the workers' entitlements.

That is what they do in the privacy of the cabinet and the caucus room. But what do they say when they come out into the parliament and into the community? There is a simple answer in relation to this bill: they say nothing. They will not defend these particular decisions, particularly people like the Hon. Mr Wortley, the Hon. Mr Finnigan and others: the Hon. Mr Hunter and the Hon. Mr Gazzola. Those members in this chamber are not going to be courageous enough to stand up to them and defend some of their statements of the past.

I want to remind some of these courageous members of the Rann government of what they said they stood for—and there are many other quotes that I could put on the record, including some from your good self over the years, Mr President—but let me start with the Hon. Mr Holloway who, on 2 May 2007, proudly boasted in a passionate contribution in this chamber:

The Australian Labor Party was founded in the 1890s to protect the conditions of Australian workers and to give them a fair go. What has not changed is that the Australian Labor Party believes in a fair go for Australian workers and their families and that will continue.

That was the proud boast of the minister in charge of industrial relations and public sector management in this chamber. I guess it does not change from 2 May 2007 until September 2010. His passionate defence, his contribution on behalf of workers in South Australia had a use-by date of September 2010.

There are many other contributions from this Minister for Industrial Relations. Will he stand up, Mr Acting President? I asked him questions only a couple of weeks ago as to, given that the government is the model employer it supposedly is, does he now believe that this is the way it will treat its employees in future enterprise bargaining negotiations and does it now believe that this is the way private sector employers should treat their employees in future enterprise bargaining

negotiations? Surprise, surprise: the Leader of the Government was unprepared to answer the question. Let us hope he will have the courage to stand up—

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: Well, you didn't answer the question. Let us hope the Leader of the Government will have the courage to stand up in this chamber and defend his statement of 2 May, and many others that I could have put on the record, where he said it was the Australian Labor Party that believed in a fair go for Australian workers and their families and that would continue, and that it was the Labor Party that would protect the conditions of Australian workers and give them a fair go. Let him explain to the thousands of people protesting on the steps of Parliament House over the last few weeks how this budget and this decision—of which the Minister for Industrial Relations Assisting in Public Sector Management was a critical part—are consistent with his passionate defence on behalf of workers in this chamber back in May 2007.

Let me quote other statements, the many from the President, Mr Sneath, and from the Hon. Mr Hunter. The Hon. Mr Finnigan, for example, in 2007 said:

The introduction of Work Choices means that employees must rely more than ever before on their ability to negotiate with their employers in order to secure fair terms and conditions of employment. Of course, the fundamental weakness of Work Choices is that it very much puts the bargaining power on an unequal level, so that the employee is at a disadvantage.

Let me put the question to the Hon. Mr Finnigan: how much of a disadvantage is it as an employee when your employer is the government, who can sneak into its budget bills provisions which actually reduce workers' entitlements as part of a budget bill package? How disadvantageous is that for the employees of this employer, the South Australian government?

The Hon. Mr Wortley, who loves to pat himself on the back, throw his hair back and let the wind take effect at the magnificence of his mane, has always proclaimed himself to be the fearless champion and defender of workers' rights and workers' entitlements. It did not matter whether he was in the far left or the near left, or indeed now the right of the Labor Party.

An honourable member interjecting:

**The Hon. R.I. LUCAS:** The centre left is the only faction he can say he never joined. In all those factions, in all those incarnations within the Labor Party, the Hon. Mr Wortley said he remained true to, and was always a passionate defender of, the rights of workers in South Australia and Australia. In 2007 and 2009 he said:

The Rudd Labor government was elected on the basis that Work Choices should be dismantled. That government and its partner, the Rann Labor government, are determined to fulfil their mandates and will not be distracted. We will together set in place an industrial relations system that is based not on conflict and discord, but on the facilitation of fair agreements that contribute to workplace productivity and a system that will benefit us all.

Then, in another contribution, the Hon. Mr Wortley went on to say:

It is absolutely vital that Labor wins the endorsement of the people at the next election so that we can stop the current federal coalition government's ideological war on the Australian people. The attack on working people is not about creating a fairer and more equitable system and a flexible workplace; it is about creating fear in the workplace and it is about taking away the legitimate conditions and wages which working people and their families rely upon for a decent life.

Further on, the Hon. Mr Wortley says:

Prior to being elected to parliament last March, I spent 22 years fighting for the rights of working people and their families. Over the years I negotiated with and on behalf of my members to improve their working conditions, along with representing members who suffered workplace injuries and who were unfairly dismissed.

Later, he went on:

The believers and the founders of May Day died fighting for the rights of working people and their families—and for what? Today workers' job security has been taken from them, as have their freedom to negotiate and their freedom to claim their legitimate entitlements. Without job security, how can ordinary Australians pay their mortgage and invest in their future?

I might just interpose there that I would love to see the Hon. Mr Wortley's defence to the nearly 4,000 public sector employees who have the spectre of forced redundancies hanging over their head at this very moment as a result of a decision of his cabinet and government, for which I understand he amongst other caucus members applauded the Premier and the Treasurer in the caucus after it was brought down. Finally, the Hon. Mr Wortley concluded with this promise:

...if Labor is successful in the polls the working people of this state and this nation will have their rights restored.

What a magnificent promise and commitment from the Hon. Mr Wortley. If Labor is re-elected, if it is successful in the polls, the working people of this state and this nation will have their rights restored. I hope the Hon. Mr Wortley will have the courage, the guts, to stand up in this chamber as part of this debate, together with the leader, together with the Hons Mr Finnigan, Mr Hunter and Mr Gazzola and defend the decisions that they have taken unanimously in the cabinet and applauded.

The Hon. R.P. Wortley interjecting:

**The Hon. R.I. LUCAS:** The Hon. Mr Wortley is going to defend it. Good. I will be very pleased.

The Hon. R.P. Wortley interjecting:

**The Hon. R.I. LUCAS:** We will be delighted to hear the Hon. Mr Wortley who is going to stand up and justify these particular decisions, and I think the workers in government departments and agencies and other workers will be delighted to hear the contribution that is going to come from the Hon. Mr Wortley.

As I said, this budget has sown the seeds of the destruction of the state Labor government. We have seen massive protests. People are having to book space on the steps of Parliament House. They are queueing to protest against this particular government. We see in the recent protests, Mr President, your good self and other members of the left and various versions of the left in the Labor Party slinking on the steps of Parliament House, not quite getting into the major protests, although credit to Frances Bedford and Steph Key who were at the first protest, up front and centre.

Mr President, your good self and the Hon. Mr Gazzola were slinking there on the steps of the Legislative Council. Mr Bignell from the left was there again today amongst the groups protesting. We saw the first signs of someone from the right at least out there sneaking down the steps of the House of Assembly chamber—Mr Alan Sibbons, the member for Mitchell. He is a member of the right, as you know, but only by convenience.

The Hon. J.S.L. Dawkins: Like some others.

**The Hon. R.I. LUCAS:** Like some others. He is another one of those who has been won over by the offer of advancement within the right. As I think you would probably be aware, Mr President, the left is not in a strong position within the caucus at the moment but mark my words: the left will be using these decisions to start to peel off the members from the right, the controlling faction in this particular government.

The Hon. J.S.L. Dawkins: There was a meeting this morning, I think.

**The Hon. R.I. LUCAS:** A meeting this morning, the Hon. Mr Dawkins tells me. They will be looking at some of these members who were members of the left—Mr Odenwalder and Mr Sibbons (and I do not know whether they would actually deign to talk about the Hon. Mr Wortley because he is probably a lost cause and will not be here for too much longer)—and who might be here for a slightly longer career than the Hon. Mr Wortley and worthwhile talking to.

That is going to be a problem for stable government in South Australia because we are going to have a government tearing itself apart. We are seeing the first signs of visible protest on the steps of Parliament House with the first member of the right turning up (at least timidly) to have a look at the particular protest here today. I hope there might be others who will turn up tomorrow, when many hundreds of country residents will travel hundreds of kilometres within South Australia to protest against this budget and, in particular, the cruel and heartless decisions that cabinet ministers and backbenchers have taken which will potentially lead to the closure of hospitals in a number of country communities.

**The Hon. J.S.L. Dawkins:** And the loss of many jobs.

The Hon. R.I. LUCAS: And the loss of many jobs with the closure of important hospital services in a number of country communities. It is not just the issue of the government ripping away the entitlements of its own members. May I say that many in the union movement and others, at least in the initial stages, likened this to WorkChoices. At least in relation to WorkChoices, under the federal government's arrangements, it led to a negotiating environment; the unions and others

disagreed in terms of the change of rules of that environment, but employees and employers could negotiate within those changed rules. It was not a position of the federal government legislating (as this state Labor government is doing) to rip away workers' entitlements whilst engaged in enterprise bargaining negotiations, as they are at the moment.

WorkChoices meant that people could still go off and negotiate and, while they might have been unhappy with the framework within which they had to negotiate, in the first version of WorkChoices there was at least a 'no disadvantage' clause. That was then lost but returned again in almost the same way. People may not have liked the framework but it did allow employees and employers to negotiate. This is not what the state Labor government has done. The state Labor government, by sneaking these provisions into the budget bill to ensure their passage, is going to rip away the entitlements of their own workers, contrary to the commitments it gave to those workers prior to the election.

I know that a number of other members will address this issue during their contributions. These were specific commitments and specific promises given by the state Labor government to its employees over a period of time prior to the election, to toady to its public sector employees to ensure that they would support it rather than what the government sought to portray as the ogre of a potential state Liberal government.

I will be interested to hear the Leader of the Government, the minister in charge of industrial relations, defend the integrity and honesty of what they told their own public sector workers prior to the election and what they are doing to those workers now. Knowing the leader, I suspect he will not have the courage to stand up and answer that particular question. Sadly, he will not have the courage to stand up and explain the duplicity, the deception and the hypocrisy that he and the Premier and the Treasurer have engaged in as part of this budget, the commitment they gave to public sector employees prior to the state election, and now what has been done after the state election.

It was not just in this chamber, but let us look at some of the ministers, supposedly from the left and right—I will be non-discriminatory in my attribution of comments, or my quoting of members in another place. Let me turn to Mr Caica who, at varying stages, has been the minister responsible for industrial relations in South Australia. He is a former union leader and a member of at least one of the versions of the left within the Labor caucus. This is Mr Caica on the Fair Work Bill on 9 September 2009:

I—and I am sure all members of this house—am proud to take this opportunity for South Australia to participate in a national system of industrial relations for the private sector, while maintaining a contemporary and equitable state system for the public sector and local government.

The background to that was that the public sector workers and their representatives in South Australia, I guess, trusted the state Labor government. I hope that their representatives will now be more circumspect, I guess, in terms of what they believe and trust from any leader. I am not just talking about Mr Rann and Mr Foley, but any Labor leader in this state, in terms of the commitments that they give them.

This was in terms of the debate about the federal government, or the federal system, taking over industrial relations. This legislation was keeping state public sector workers in the state system. There was Mr Caica saying that there was going to be maintained an 'equitable state system for the public sector and local government' because the benign, the benevolent—in his view—wonderful state Labor government would look after its public sector workers rather than letting them loose under the jurisdiction of a potential federal Liberal government.

Then on 13 October 2009 minister John Rau (although I do not think he was a minister at the time) said:

That is exactly what they have done. Howard did that without putting it to an election, without telling the public what he had in mind, and he got his just deserts at the next election for doing something that was despicable. It was dishonest because it was not put to the public first, and it was despicable because he betrayed his own mob...

How prophetic, how pathetic—prophetic and pathetic. Here now is Minister Rau, portrayed by some in the right as a future premier in South Australia. The words that he quotes—he thought he was quoting in relation to a federal Liberal government—could be turned directly on himself, as one of the unanimous cabinet that endorsed these proposals, and on his own government—despicable, dishonest because they had not told the people at the election what they intended to do.

Well, my challenge to minister Rau is what, in this aspect of the proposals of the budget, did he and the government share with the public sector in South Australia and the South Australian

community prior to the election? Further on, in relation to the Fair Work Bill on 13 October 2009, minister Rau said:

Let's applaud the great common sense of the Australian public. They saw a rotten act, they saw a dud system, and they did not like it. But guess what? We are stuck with it now. The damage has been done—you cannot put Humpty Dumpty back together again.

There are literally hundreds of other quotes that I could put on the record—and I will not today—not just from those members but many other members, as I said, seeking to portray as we know, falsely, the Australian Labor Party, the state Labor Party, as the party that defends workers in South Australia.

There are many other aspects of the Statutes Amendment (Budget 2010) Bill, a number of which we will be able to go through in much greater detail during the committee stages of the bill. There are two provisions among many others that I want to address briefly.

One matter is the fury from country constituents and the members who represent them in relation to the lack of interest in regional communities shown by this government in this budget. Those of us on this side of the chamber have known that for a long time, and this budget just reinforces that view. The abolition of the fuel subsidy of up to 3.3¢ a litre in some country communities is just a further indication of that, and that provision is included in the statutes amendment budget bill.

Also, as I said, in other aspects of the Appropriation Bill the issue of cuts to services in regional communities (such as the decisions which will lead to the potential closure of some country hospitals and other services in regional South Australia) are being strongly opposed. As I said, I think that those communities have managed to book space tomorrow on the steps of Parliament House (among the many groups that want to protest against this government) to voice their protest tomorrow against the government and its decisions.

The other issue that will potentially take a little time in the committee stage of this bill does relate to some specific provisions of the changes to the Motor Vehicles Act, which includes, in particular, the abolition of the registration sticker. I am aware that a number of groups are expressing concern about this provision, and I know that some of the issues were raised with the Treasurer in another place.

A potential amendment was raised in the House of Assembly. I know that the Motor Trade Association, for example, has been in contact with the Treasurer's office seeking an amendment to some of the specific provisions of the Motor Vehicles Act section of this legislation. I know that a letter in recent times has been sent directly to the Treasurer (dated 21 October) from the Motor Trade Association. The particular issue that organisation and a number of others are raising is the issue in clause 18(1)(1a)—what is the definition of 'reasonably expected to have known'?

The example the Motor Trade Association is giving is a busy dealership's service department, where dozens of cars from private individuals are dropped off and moved. As their employees drive those cars around the block or up the road to test and find out what the problem is, will the motor vehicle employee be held liable if that car has not been registered, because, of course, there will not be a sticker? You cannot see whether or not it is registered.

The way in which the legislation is drafted, that motor dealer employee will be held to be liable in terms of driving that vehicle. The government's response is, 'Well, when it's dropped off, the owner has to tick a box and say that it's registered.' The question raised by the shadow treasurer is, 'Well, if the government says that it believes that is reasonably expected to have known and that is a fair defence, why not put that provision in the bill?'

The Treasurer has said that he will look at that between the houses to see whether or not he is prepared to move that amendment. We have not seen any amendments. I am assuming that it is one of two things: first, in its typical arrogance, the government has just ignored it and is not prepared to do it; or, secondly, it has looked at it and rejected it. We can enter into the reasons for that, if that is the case, during the committee stage of the debate.

The issue that I raise, also, is that it is not just about motor vehicle dealers. As one thinks about this issue, when one looks at the issue of valet parking here on North Terrace at the casino, or at a number of the hotels in the CBD where you get valet parking, employees of those establishments will drive your car to wherever they park them, and, on my reading of the legislation, they will be in exactly the same position as the motor dealer employee.

The government's response is that you can go to a website and check whether or not it is registered. I am not sure whether it has actually thought through the practicality of that and whether employees doing valet parking out of hotels will be able to instantaneously check whether the car has been registered. What do they do if the bloke has gone and left the keys of the car in front of the hotel blocking access of other vehicles to that establishment?

I think the issue that has been raised by the motor vehicle dealers is an alive issue and could be applied in a number of other areas. I know that my colleague, the Hon. Ms Lee, has raised the issue in relation to employees in the taxi industry, and I guess there could be similar issues in relation to courier drivers; and one can think of a number of other examples where this new provision, in terms of who is liable, will prove difficult for some individuals.

Part of the government's defence is that Western Australia has done this. I do not think that is satisfactory, because maybe they are now going through the same problems in the west; I do not know. What we need to know is how this particular issue will be addressed if the bill goes through in its current form.

I guess the other point is: what would be the implications on the budget bottom line if this defence provision is changed or tweaked in some way? If this particular defence subclause is amended along the lines being suggested by motor dealers and others, what advice has the government received in relation to the potential budget impact of such a change? Let me say as a former treasurer that it will be difficult, I accept, but the government and Treasury officers should be in some position, based on Treasury and Crown law advice, to indicate the ballpark in terms of the potential costs of an amendment in this area.

Certainly, from the Liberal Party's viewpoint, our position as we put to the Motor Trade Association and others is that we believe it is the government's budget bill and its major responsibility is to try to convince the Treasury and the government of, first, the need to amend the legislation and, secondly, whether the government is then prepared to proceed with it. From our viewpoint, clearly, if the government is prepared to amend the legislation we can see at least the potential logic in this. As I said, if the issue is raised in relation to motor vehicle dealers, it potentially impacts on a number of other areas as well and we would need to see some equity in terms of a potential government response for those other groups in the community.

Again, we would obviously be interested to know what, if any, impact there might be on the bottom line if this subclause were to be amended. I conclude my contribution to the second reading and indicate, as I said, that there are a number of issues that I know will be pursued by other members and also me during the committee stage of this bill.

The Hon. J.A. DARLEY (16:14): I rise to speak briefly on this bill. My comments will focus primarily on the issues of annual leave loading and long service provisions. Needless to say, both these issues have been the subject of huge debate. Today's rally on the steps of Parliament House and the huge turnout of public sector employees is a pretty good indication of just how disappointed with the government those employees are. I certainly do not think they will give up without a fight, and nor should they. In relation to annual leave loading, criticisms have been waged against the government, particularly by the unions, for sidestepping the collective bargaining process and using legislation to implement changes to employment conditions. The government has certainly done away with the unions' idea of 'Negotiate, don't legislate.'

Obviously, the reason the government saw fit to use this approach has everything to do with the \$46.6 million in savings that will be realised as a result of this measure. It shows a lack of confidence in being able to negotiate a fair outcome. I think the manner in which this matter has been dealt with certainly raises questions about the financial wellbeing of our state. In relation to long service leave provisions, again, the unions have attacked the government for their lack of consultation in relation to these changes. Obviously these are changes that need to be made at a legislative level, but again they have been made without any input from the unions.

Whilst in this instance it is not necessarily a requirement to consult with the unions, one would have thought that perhaps the matter could have been more appropriately dealt with through some form of negotiation. I for one think this matter ought to have been considered in the context of what is occurring in the private sector in terms of salary relativity and the commonwealth public service. Perhaps a better approach would also have been for the government to have considered phasing in these measures rather than immediately eliminating the entitlements in their entirety. Again, the government's approach has been to focus on the \$90.7 million savings and little else.

I will make one other brief comment in relation to the government's decision to do away with registration labels. The change will mean that owners of South Australian registered light vehicles will no longer need to display a registration label. At the same time, the administration fees for registration, licensing and number plates are set to increase by between \$1 and \$2. The first measure is said to be worth \$5.6 million in savings over three years by reducing production, postage and processing of registration labels. This measure will certainly create problems for drivers of vehicles belonging to someone else. Those drivers will have to rely on the word of the owner as to whether the vehicle is registered.

I understand the government intends to overcome this sort of situation by amending the Motor Vehicles Act in order to allow a defence for a driver who is not the vehicle owner if they can prove that they did not know or could not reasonably have known that the vehicle was unregistered. I imagine many drivers will find themselves before the courts trying to make out a defence for driving a vehicle they did not know was unregistered. I query how a saving of \$5.6 million over three years compares with the additional cost this measure will involve in the form of detection equipment for police, especially given that it will require police resources and will still be based on a hit-and-miss approach.

I am also interested to hear whether the police computing systems are now in sync with those of Service SA customer service centres. Members may recall that a while ago we had a situation where people were being pulled over by police because their vehicles were appearing on the police computing system as being unregistered, when in fact those vehicles were registered. If this problem remains or recurs, I imagine it will further complicate the proposed measures. I look forward to the committee debate on the bill.

Debate adjourned on motion of Hon. Carmel Zollo.

### **APPROPRIATION BILL**

Adjourned debate on second reading.

(Continued from 14 October 2010.)

The Hon. D.W. RIDGWAY (Leader of the Opposition) (16:19): I rise to speak on this bill. This is a bad, mad, mean, miserable budget from a bad, mad, miserable government. It is a budget that attacks working men and women, families, the young, the less educated and the weak, the powerless, the helpless and the poor. Every budget line signifies Labor's contempt for South Australians. A budget is not just about money but about people: in this case, the very people Labor purportedly represents but whom it attacks. It is about a government which admits it cannot control its own expenses, a government which has failed to deliver prosperity while the rest of the nation is enjoying some of the best economic times Australia has ever seen.

The Premier is defending the bluntest tool in the box. Well, when the only tool you have in the box is a hammer, everything starts to look like a nail and the Treasurer is driving a nail into South Australia's coffin. We are slipping further and further behind the rest of the country. South Australians are leaving to get jobs in other states—3,000 a year. Every day more than eight young South Australians—the ones whom we have put through kindy, preschool, primary school, high school and sometimes even university or TAFE—are packing their car and driving down the Duke's Highway to Bordertown where they go on to Melbourne, never to come back.

They are going, these youngsters, because other state governments run their patch much better than Mike Rann does his. When Mike Rann became premier, 7 per cent of Australia's business investment was right here in South Australia; now it is not even 5½ per cent. There are fewer mining jobs in South Australia today than there were back in 1985. Fewer South Australians are now employed in mining than at any time in the past six years. All South Australians are paying the price of Labor's incompetence.

Yesterday, Adelaide newspapers reported on page 1 the Premier boasting about giving undisclosed millions to an American cyclist. On page 7 of the same newspaper was a story about state schools that cannot pay for the basic needs for classrooms, for staff and for equipment. This Treasurer and Cabinet boast about giving undisclosed millions to an American university while it takes its scalpel to the hospitals in Keith, Ardrossan and Moonta.

This is a budget which does not care about the sick or the elderly. This is the budget which pays Mike Rann's Chief of Staff \$80,000 more than the amount reported in the *Government Gazette*, while Anglicare puts out a report showing many South Australians continue to do it tough. The government has pushed people to the edges of society. Anglicare says that at the edges of

society we have the elderly, migrants, Aboriginal people, young people, and people living in poorer communities who are becoming further and further disconnected. You might ask why.

It is because this government is disconnected, because it is a callous, uncaring government, a government without heart or soul. The government's budget cuts will cut millions from public libraries while the Premier promotes his so-called reading challenge. The only thing the Premier should be reading is the writing on the wall. This budget is also about a government which cannot be trusted, which gives a cast-iron guarantee that there would not be public sector sackings before election and then breaks that promise straight after.

The Premier thinks it is okay to break his promises, and his commitments to his friends and his supporters. Right at the moment we are looking at a potentially catastrophic fire season, so what is Labor's response? Park rangers could lose their jobs as part of the Department of Environment and Natural Resources staffing cuts.

A responsible government knows how to manage money. It does not outsource its budget decisions to a commission that manage to blow its own budget by \$2.5 million. Under this Labor government, the Public Service has increased by 18,105 people in eight years. It budgeted for 2,554. That is 15,551 public servants who were hired consequential to this government's incompetence. Most of those 15,551 public servants thought they had important work to do and that their employer—the government—values their contribution and their effort.

Well, not so. On 16 September, the Premier and Treasurer made it clear that these employees are not valued and that a number of them might get the sack. The Premier and Treasurer have paid to employ them for the past eight years; now they are going to pay to get rid of them. This government is going to pay them the highest voluntary separation packages in Australia. For those who remain, Labor has other plans. After campaigning so hard against the federal changes to entitlements, Labor will cut the 17.5 per cent holiday leave loading and also take a solid chunk of their long service leave entitlements.

I would like to look at my own portfolio. Let us take police. Police have one of the most important jobs in the state. They are not ordinary public servants and are specifically excluded from the Public Sector Act for that reason. Police work is unpredictable and dangerous. So what does Labor do? It treats police like any other public sector employees, as a resource to be squeezed and as a revenue raiser. While police are excluded from most provisions of the Public Sector Act, their long service leave is specifically included in the act by regulation. This means that police are now caught up in the long service leave cuts which apply to ordinary public servants.

The measure is aimed at recouping over \$90 million of mismanaged cash and reduces the annual leave entitlement by six days. The opposition is already concerned about the attrition rate within SAPOL, and in particular the number of UK recruits who have come all the way over here to Australia, only to turn their back on us and go home again. The government should be looking after our police force and encouraging new applicants, not cutting entitlements.

At the Police Association conference last Tuesday, I saw the Premier's obvious discomfort as Liberal leader Isobel Redmond expressed her dismay at the cuts to the police long service leave. He looked decidedly uncomfortable as she took him to task about the high level of crime in and around his own electorate of Ramsay. Over nine years as Premier, and 25 years as the local member (although he does not live in the electorate; he lives in the much safer eastern suburbs), Mr Rann has not reduced the level of crime in and around Ramsay. His electorate, and his constituents, and those close to his seat have borne the major percentage in the increase of horrific and violent crimes, such as assaults, robberies, knife attacks and shootings.

We believe in a properly equipped, properly resourced, properly respected police service. Under a Liberal government, Adelaide's night patrol cars will have two officers. We think that for the safety of the public, and especially for police safety, night patrols should always be a two-person crew. On 27 September last, in the middle of the night, a police officer was investigating suspicious activity at a petrol station. He was threatened with what was probably a loaded gun, and then he was almost run over by the getaway car. He was on his own.

In Victoria, Coroner Kim Parkinson's inquest into the death of Senior Constable Tony Clarke in that state recommended two-person crews. In Western Australia, all operational officers are required to work in no less than pairs, even in some of the remote outstations. It is no wonder that South Australian Police Association Assistant Secretary Tom Scheffler wants two-person crews as well.

Shamelessly, Mike Rann used his speech at the police conference to claim that the government is winning the war on crime. The figures he used were not publicly available at the time. They had been drawn from a yet to be released SAPOL annual report. Meanwhile, the latest Australian Bureau of Statistics Victims of Crime Report, an independent report, is telling a different story: that there has been an alarming increase in crime since Rann came to office. It shows attempted murder up by 50 per cent, total homicide and related offences up by 20 per cent, kidnappings and abductions up by almost the same amount, and armed robbery up by 7.5 per cent.

Labor is not in tune with the reality of crime in South Australia. Let us look at the decision to cut the number of police motorcycles. When the traffic plan came to light, it was heavily criticised, no more so than by the Police Association itself. In response, Premier Rann was quick to run his default line, that it was a matter for the commissioner. He even added that a premier who intervened would not be fit for office. Fast forward just two months to the leak of the Sustainable Budget Commission Report, and what should appear: a recommendation to sell 32 motorcycles. Clearly this was not an operational issue, but an economic one. So, by his own admission, the Premier is not fit for office.

The government has admitted during parliamentary estimates that it has a financial target for speeding expiations. The budget shows that cabinet wants to raise \$44.8 million over the next three years in speeding fines. It actually needs motorists to break the law to meet its budget targets. The Sustainable Budget Commission, which has no role in road safety, recommended that the government make still more money from speeding expiation notices. In other words, there is a financial disincentive for the Labor government to make road safety a priority. Labor is addicted to the revenue from speeding fines. Road safety should be about making roads safe and therefore keeping people safe.

The government wants people to speed so it can collect money from fines. The opposition wants people to stop speeding so they will not be fined. We would actually like to see less money raised through speeding fines by reducing the number of people who break the law. The recent Auditor-General's Report refers to expiation fees as a matter of significance. It shows a steady increase in expiation revenue jumping by a massive \$20 million in 2008. Since then, it has been around \$76 million a year.

Underneath the Auditor-General's graph, SAPOL lists some factors that contribute to variations in revenue collected each year. Two such factors are the number and type of speed detection devices and driver behaviour in response to road safety strategies. There is an obvious conclusion: either this government's road safety strategies are not getting through to drivers or the strategies are effective and the drivers are being slugged in new and more expensive ways. Either way, road safety is not a government priority. This government and this budget abnegate responsibility for safer roads and a safer community.

My other portfolio, urban development and planning, shows just as clearly Labor's disconnection from the community. In terms of budget lines, it seems an area of little consequence—only \$14.8 million—yet when you look at government policies on urban development and planning, they have made South Australians quite rightly deeply suspicious and distrustful of Labor. South Australia has one of the most opaque planning systems in the country.

The minister commissioned the Growth Areas Investigation report to inform the 30-year plan. The author was also working for property developers seeking to rezone and develop the same land. Of course, now the developers are taking Supreme Court action to keep the documents secret despite the Ombudsman ruling that they should be released. People now have a perception that development approvals can be bought, influence can be bought and positions can be bought. Why do people think that?

The Makris Corporation donated significantly to the Labor Party in the lead-up to the major development status being granted for the old Le Cornu site, and the CEO at the time said that developer donations is how the system works. Consultants were paid by the government to identify parcels of land for future urban growth and simultaneously worked for the private developers aiming to have those parcels developed. Buckland Park landowner, Lang Walker, supplied generous hospitality to government ministers in the lead-up to the decision to grant approval for Buckland Park. Nick Bolkus lobbied on the Gawler racecourse DPA and was also involved in Buckland Park, raising concerns about both the local economy and the lack of infrastructure to support development.

**The PRESIDENT:** The Hon. Mr Ridgway will get back to the Appropriation Bill. He is wandering.

**The Hon. D.W. RIDGWAY:** Thank you for your guidance, Mr President; I will be back there very shortly.

**The PRESIDENT:** I have been very tolerant.

**The Hon. D.W. RIDGWAY:** The Mount Barker DPA was instituted by the Mount Barker consortia, not the local community or government planners or parliamentarians, but companies making up the consortia have together given more than \$2 million to the Labor Party over the last 10 years. It is no wonder that South Australians want an independent commission against crime and corruption. Here is what a Liberal budget would do: we will put money aside to set up such a body.

Members interjecting:

The PRESIDENT: Order!

The Hon. D.W. RIDGWAY: We will put money aside to set up such a body. It will expose corruption and guard against it, but it is  $3\frac{1}{2}$  years away. What we have before parliament in this budget sets out Labor's financial and social plans for the next 12 months. It is a plan without vision and without purpose. It is vindictive, self-serving, shortsighted and mean-spirited. It is without imagination, hope or compassion. This is a budget that Don Dunstan would have been ashamed to bring in. How much is this budget really worth? Don Dunstan might have thought, 'Not even the paper it is written on.' I have a number of questions which I want to have inserted in *Hansard*, and which require an answer before this debate is completed—I think the Leader of the Government wants it on Friday. There are some seven questions on urban development and planning, 14 for the police portfolio—

The PRESIDENT: Order!

**The Hon. D.W. RIDGWAY:** —two for the southern suburbs and three for the northern suburbs. I would like to have them inserted in *Hansard*.

**The PRESIDENT:** You might want to hand them to the minister or something.

An honourable member interjecting:

**The Hon. D.W. RIDGWAY:** You want them read? I am happy to read them. I refer to Budget Paper 4, Volume 1, page 4.13, and the northern suburbs. I note that the supplies and services budget has dropped by \$48,000. The minister stated last year that the supplies and services budget is inclusive of the lease cost. Last year that was \$59,000. My questions are: is the lease cost still \$59,000 and will it remain at that over the ten-year duration of the agreement; and what supplies and services have been cut to achieve the \$48,000 saving?

**The PRESIDENT:** The honourable member should have been asking these questions instead of asking about doorknocking perhaps.

The Hon. D.W. RIDGWAY: I don't recall asking about doorknocking, Mr President.

The PRESIDENT: Don't you?

**The Hon. D.W. RIDGWAY:** Page 4.14, Performance Commentary. I refer to the office's involvement with the 30-year plan and note significant development proposal for Buckland Park. Last year the minister stated that she imagined that the office would be involved in the development. My questions are: what are the views about that development of the councils in the minister's area of responsibility (Light, Gawler, Playford, Salisbury and Tea Tree Gully); will the minister have any involvement in the development of the Gawler Racecourse; and what economic impact does he believe it will have on the traditional township of Gawler? The third question for the northern suburbs—

**The PRESIDENT:** It's out of order. You asked the minister for an opinion.

**The Hon. D.W. RIDGWAY:** Page 4.13. I note the actual spend on supplies and services was \$78,000 in 2008-09, despite there being no budget allocation. This is such for the employee benefits and costs and the depreciation lines. Can the minister explain this spending in the absence of initial budget figures? I note there is \$42,000 depreciation for the budget this year. Can the minister detail the items for depreciation?

I move to the southern suburbs, Budget Paper 4, Volume 1, page 4.11, Summary income statement. I note that the budget and estimated result for supplies and services in 2008-09 was \$117,000—last year's budget paper. This year's budget shows that only \$78,000 of it was spent. In last year's estimates the minister stated that supplies and services is the on-cost of having staff and there were two full-time equivalents. Why was there an underspend of \$39,000 on the on-costs? In the 2011 supplies and services budget it has been cut from \$129,000 to \$114,000. Which supplies and services will be cut to support that budget measure?

Page 4.7, Targets—and I refer to the target of facilitating the southern suburbs job creation business investment. Will the minister advise what the current employment rate is for the southern area under his portfolio and what was it at this time last year? How many new businesses were established in the area throughout the past financial year? How many businesses closed or relocated? In the past financial year, how many small businesses did the minister personally visit? Can the minister confirm if funding through the Small Business Development Grant for the southern suburbs of Adelaide which, in previous years has been \$5 million—

**The PRESIDENT:** What has it got to do with the budget—how many small businesses the minister visited?

**The Hon. D.W. RIDGWAY:** This is the Office for the Southern Suburbs. I thought you had a particular interest in job creation and businesses in South Australia but, clearly, you do not.

**The PRESIDENT:** What has it got to do with the budget, whether the minister has visited small businesses and how many he has visited? Nothing whatsoever.

The Hon. D.W. RIDGWAY: When there is a target in the budget—

The PRESIDENT: Get on with it. You are wasting—

The Hon. D.W. RIDGWAY: If you want to interrupt me, I can justify my questions.

The PRESIDENT: No, I don't think so. You've got no idea.

**The Hon. D.W. RIDGWAY:** Can the minister confirm whether funding for the small business development grant for the southern suburbs of Adelaide, which in previous years has been \$5 million, will be available in 2010-11 for future years?

Members interjecting:

The PRESIDENT: Like his speech, shocking!

The Hon. D.W. RIDGWAY: I move to police, Budget Paper 4, Volume 2, page 5.101—Statement of comprehensive income, relating to fees, fines and penalties, with a budgeted amount for 2010-11 of \$95.272 million. What proportion of that budgeted amount is speeding fine revenue? What is the estimate for speeding fine revenue for the 2009-10 year? How much of the budgeted amount and the estimated 2009-10 result is attributable to revenue generated from Operation Rural Focus?

I note that offences allegedly expiated through that operation included a farmer being fined \$370 for having mud on his numberplate, people fined for having bags of groceries on the back seat, and a farmer fined for having an unsecured shovel on his ute. Will the minister list the top 10 offences for rural focus by expiation revenue earned and the revenue per item? I refer to Budget Paper 4, Volume 2, page 5.95: Road Use Regulation—Performance Indicators, two of which indicators relate to the number of drink driving related offences detected by police and recorded on expiation notices, and the static RDST (alcohol) detection rate as a percentage of the number of drivers tested.

The first indicator sets a benchmark suggesting the higher the figure, the better the performance. The second sets a maximum benchmark and seeks a lower figure. Effectively, the government seems to be aiming for higher detection and expiation levels, but then suggests that a lower percentage of positive tests is a better outcome. Can the minister explain the seeming incongruity in these targets and what method is used to record the drug and alcohol tests?

I next refer to the Capital Investment Statement, page 15: Existing Projects—Clamping, Impounding and Forfeiture of Vehicles Initiative. On 1 August this year, it was reported that the commissioner was deciding whether to use the anti-hoon legislation for the first time to crush a seized car. Under this legislation, cars can all be sold by auction or public tender, or sold as scrap metal.

Since the legislation came into play, how many circumstances have arisen, other than the two the other day, where a vehicle was crushed? How many vehicles have been sold under this legislation? What is the total market value and proceeds of those vehicles? What will happen in the circumstances where it is deemed appropriate to crush a car which still has a financial encumbrance on it in terms of somebody possibly owing a finance company some money on that car?

I refer to Capital Investment Statement, page 14: New Projects—Hi-tech Crime-Fighting Equipment. I note that the estimated total cost is \$4.7 million. Can the minister explain the difference between the election commitment of \$7.89 million for this new state-of-the-art police equipment and now only the \$4.7 million figure in the budget? The Capital Investment Statement, on page 15, refers to 'Existing Projects—Police Records Management System', with a total budget of \$9.4 million. Despite appearing under 'Existing Projects', the project did not appear in the previous year's Capital Investment Statement. Will the minister explain the discrepancy, and in the event that this project is, say, an amalgamation of existing works or a renamed project, what is the budget for its equivalent project?

Again, on page 15: Existing Projects—Police Academy Redevelopment. I note that \$35.5 million of the total \$59 million estimated project cost is to be spent this year. Will the minister provide a breakdown of what developments are to occur under that \$35.5 million allocation and what is to be achieved in the next financial year with the \$11.1 million unspent budget allocation?

I refer to Budget Paper 4, Volume 2, page 5.83: Public Safety—summary income statement. I note that there are some variations on the figures for this program. For example, in last year's papers the 2009-10 budget for employee benefits and costs was listed as \$206.7 million, whereas in this year's paper that 2009-10 figure is \$233.9 million. This applies to the 2009-10 budget figures for each expense item listed in the summary. Why are there substantial variations in these figures, as between the previous and current budget papers, for what we would assume would be the same program?

The objective of the public safety program is to support a strategic plan of 'improving wellbeing'. Table 6A.31 of the 2010 Productivity Commission Report estimates South Australia's total victims of reported and unreported crime in 2002 and 2005. Assaults have gone from 4,200 incidents in 1998 to 4,500 in 2002, and 4,700 in 2005. Total personal crimes have increased from 4,500 to 5,000. Does the minister think that the wellbeing of the community has improved under a Labor government?

With reference to Budget Paper 4, Volume 2, page 5.82, I note the existing project relating to the police band bus. I note that the disbanding of the police band was a recommendation from the leaked Sustainable Budget Commission report. How much is estimated to have been spent on the police band in 2009-10, and what is the budget for the current financial year?

I refer to Budget Paper 4, Volume 2, page 5.85: Event Management. I note that in the performance indicators it is estimated that in 2009-10 police were involved in 351 fewer events than in 2008-09. Will the minister explain the contributing factors to that drop?

I refer to Budget Paper 6, page 57. I note that the police cadet course will be reconstructed. Will SAPOL be continuing to recruit UK officers and, if so, what is the recruitment target for this year and across the forward estimates?

I refer to Budget Paper 4, Volume 2, page 5.98: Employee long service leave liability. I note that this liability is \$9.1 million. Has the government considered or had any discussions with SAPOL over the option of police officers cashing in their long service leave as an incentive to keep highly trained officers on the job?

I note on page 5.86, under the 'emergency management and coordination' subprogram, that it is estimated that in 2009-10 the government fell short of its target of patrols arriving at emergency incidents within 15 minutes of a task in the metropolitan area. Why has the government fallen short of that particular target and what are the explanations for that shortfall?

I refer to the Capital Investment Statement, page 15: Existing Projects—STAR Group vessel replacement project. I note that the estimated total cost of the project has gone from \$2.27 million (last year's statement) to \$2.51 million. The expected completion time has also been extended by a year. Will the minister please explain the change in time and the cost projections?

I have some questions with respect to urban development and planning, and I refer to Budget Paper 4, Volume 1, page 4.9. I note that the objective of Urban Development and Planning

Program is 'leading and presenting South Australia's land use development planning'. Development plan amendments are, indeed, integral to the land use and development planning. I note in particular the Mount Barker DPA, and particularly something that the council said in relation to this rezoning.

The Mount Barker township is currently categorised as a 'medium' bushfire risk, with the surrounding area (which is to be rezoned) nominated as 'high risk'. According to the DPA, the township and rezoned area will all be assigned to the lower 'general risk', which means that homes can be built to lower hazard standards under the Building Code of Australia. What is the rationale for the rezoned area being reassigned as a lower general fire risk?

I refer to Budget Paper 4, Volume 1, page 4.10: Performance Commentary for Urban Development and Planning Program. I note the third point from the bottom line consists of statistics on DPAs initiated, considered or completed. In February 2010 the Gawler Racecourse DPA was approved by the minister. The town of Gawler is now making a claim against the minister in the Supreme Court regarding the DPA. How much has been spent on the legal fees relevant to that claim, and what are the budgeted amounts for future legal costs?

Lobbyist Nick Bolkus had some involvement with the minister relative to the DPA. He was also engaged in the lead-up to the major development approval for the Buckland Park development. These decisions to approve the Buckland Park development were roundly criticised by several planning experts, including the Planning Institute of Australia. Given the recent record of controversy attached to the development decision involving Mr Bolkus, is the minister confident in the advice he received from Mr Bolkus, and will he continue to engage him in the lead-up to further significant development decisions?

How many times has the minister or staff from his office met with Mr Bolkus regarding these developments? In such cases where the interests of the development ministry have been pushed by influential lobbyists, has the minister granted community groups the same level of direct communication in order to argue their case? In the case of the Gawler Racecourse and Buckland Park, has the minister been swayed by the interests of developers over those of the community? If the DPA proceeds as approved, what economic effect does the minister predict the new retail complex will have on the traditional Gawler main street?

Again on the topic of DPAs, I refer to the Gawler East DPA approved by the minister. What funding and policy commitments have been given to road infrastructure to support the development of Gawler East? (I am aware of an agreement but this minister in this house has yet to table that.) What funding commitment has the government given to that particular agreement?

I refer to Budget Paper 4, Volume 1, page 4.9. I note in the summary income statement that \$6.64 million is estimated to have been spent on supplies and services. As the minister stated in this place on 3 June 2009, Connor Holmes was engaged by the Department of Planning and Local Government to undertake different work to identify land that has potential for urban development over the next 30 years. What was the total cost of that service, and has that work now been completed?

I refer to Budget Paper 4, Volume 1, page 4.10, Performance commentary on the urban development planning program. I note the third point from the bottom lists some of the DPAs initiated that are considered to be completed. My question is: what is the average time taken in South Australia for ministerial consideration in the decision phase of a council-initiated DPA?

I refer to Budget Paper 4, Volume 1, page 4.7, Highlights 2009-10. I note the continued implementation of the planning and development review recommendations. One was the establishment of a residential code. Has the residential code been formally reviewed, and what is the level of community satisfaction with the residential code? In putting those questions on the record, I indicate I support the Appropriation Bill.

**The PRESIDENT:** We have just finished estimates. I thought that those questions would have been asked of the minister during estimates.

**The Hon. D.W. RIDGWAY:** I asked the minister whether I could participate but he wouldn't let me.

The PRESIDENT: The Hon. Mr Parnell.

The Hon. M. PARNELL (16:52): The state budget has elicited a great deal of anger in the community. There have been some shocking decisions in this budget which, in total, show how out

of touch this government is with the people of this state and their reasonable aspirations for government services and government behaviour. We have already seen community pressure force the government to backflip over the closure of the Parks Community Centre and we need to remind ourselves that the amounts involved in that decision were very modest, but this government simply does not understand the community and what is important to the community.

Today at lunch time on the steps we saw thousands of trade unionists outraged at cuts to public sector working conditions. A few Labor members were hiding behind the granite pillars but most of them were not prepared to show their faces to the people they used to call comrades. I will have more to say about this later in the week in my contribution to the budget measures legislation that is also before us. That is the bill that has so angered public sector workers in the way that it legislates for reduced working conditions rather than negotiating collectively with workers and their representatives.

The budget is as much about what is not included as what is. I was reflecting earlier that it is the first time in the four years that I have been in this parliament that we have not had on budget day a flurry of press releases on the environment and on climate change. In fact, there was a complete void of announcements, and that is because there was nothing to announce other than cuts, and we will not see a government spin office put out media releases highlighting the cuts. We see in the budget, for example, no new serious investment in stormwater. Why? Because the desalination plant has sucked both the money and the incentive out of the public sector.

In relation to this Appropriation Bill, there are some very big ticket items. It is, after all, a \$12.5 billion state budget. We see big items such as roads. The South Road super way (that very short length of two-storey Chicago-style motorway) will cost \$843 million. The Southern Expressway will cost \$445 million. In fact, those two items alone represent about one-tenth of annual state spending.

We also see \$3.4 billion spent on health, and that amount is growing. We know that the health budget will consume the entire state budget within just a few years unless we deal with the determinants of health, including housing, poverty, social equality and transport. All those determinants of health need to be dealt with, unless we are prepared for the health budget to overwhelm the entire state budget.

We have \$2.4 billion spent on education, which sounds a lot of money but it is not enough, apparently, to fund adult re-entry programs that give people a second chance at getting an education. We know that education is the key to breaking cycles of poverty and welfare dependence, and it makes no sense to cut programs that help people to help themselves. My colleague Tammy Franks has spoken about this, but I want to continue the theme by talking about another program that has been cut which also helps people to help themselves.

I want to focus on an issue which is relatively small in monetary value but which is a very good case study for how this government has lost its way in setting priorities and how this government is sacrificing job creation on the altar of the state's AAA credit rating. I want to talk today about the issue of funding for business enterprise centres—funding that has been axed in the state budget. I acknowledge the many people who have written to me about their concerns as to this program and the cut to state funding, and also thank the Northern Adelaide Business Enterprise Centre Incorporated for agreeing to provide me with a briefing on its work. I thank the General Manager, Larry Cavallaro, in particular.

I have long been a critic of corporate welfare, particularly when the government showers big business with concessions and handouts, but ignores small business, which is the engine room of our economy and one of the biggest employer sectors in the state. In fact, the most recent figures available to me show that around 48 per cent of private sector employment is in small businesses. Big businesses, on the other hand, get the tax breaks. They have community facilities put at their disposal. The commons is privatised for their benefit. All we hear about is defence and mining, yet those two sectors together employ around only 3 per cent of South Australians. I note from the budget that Defence SA is receiving the tidy sum of \$32 million for its programs.

The budget item in which I am interested in terms of these business enterprise centres is the budget for the Department of Trade and Economic Development, and that stands at around \$61 million. In this budget the government has cut all state funding to these centres and the amounts involved are modest, and I will go through some of them shortly. They are modest, just like the funding of The Parks Community Centre was a very modest impost on the public purse, but

the consequences of defunding programs such as this are significant. Cutting the funding puts the services at risk, but as a consequence puts the community at risk as well.

For many people getting a job as a wage and salary earner will be their objective. That is what a large number of people—probably most people—in the community aspire to. Some people do have the ambition and drive to be their own boss and they want to set up a small business. This is not something to be entered into lightly. We know that a large proportion of small business fail in their first year, and with that failure comes a cost. There is certainly a cost to the proprietors, a cost to their families, a cost to their creditors and a cost to the community generally. We want small businesses to succeed.

Most of these businesses are very modest in size. Many of them are home-based and yet they provide important goods and services for the community and they provide South Australians with employment and with income. What do these business enterprise centres do? There are nine such centres across South Australia, and they fulfil a range of functions. One of their most important roles is the role of mentoring for new businesses: having someone who understands the business environment and being able to talk to aspirants to help them in making decisions about their business

They undertake business planning advice. They talk to would-be small business operators about networking opportunities, helping them write business plans, assessing and improving their supply chain management, helping them with e-commerce, information technology, broadband, succession planning and creating security for businesses over their premises and also over their intellectual property.

The centres also give advice in relation to loans and banking products. It is one of the most difficult aspects for anyone entering the market for financial products to know whom they can trust and what the pitfalls are, especially when you know that the person you are talking to is likely to be receiving some sort of commission and you just do not know whether you are getting good advice. This is a role that the business enterprise centres fulfil.

The centres also help businesses with marketing plans. They help put them in touch with appropriate legal and accounting services. They give assistance in relation to leasing and to accommodation. There are plenty of pitfalls there for those who do not understand the system and who lock themselves into commitments that they cannot meet. The centres provide help to small business people—whether existing or aspiring—to negotiate their way through government regulation as well, which, as we all know here, is becoming more complex, not less.

They assist with staff training and they also give assistance with helping people in small business to operate on the national stage. It does mean they will necessarily be bigger, but sometimes businesses are so specialised that they need to work across multiple jurisdictions. That is a snapshot of the services provided by business enterprise centres, services that have now been defunded it as a consequence of this budget.

In terms of the number of people that they help, using just the figures from one of these business enterprise centres, the Northern Adelaide Centre, their last published annual report shows that they assisted some 2,492 businesses. And what was the cost of this to the state? It was a very modest \$125,000. It is a very small amount of money for the amount of help that it provides.

How does that state contribution fit into the overall scheme of things? It represents close to a third of the funding. The federal government is putting in \$250,000, and there are some small local council contributions in cash and in kind. Effectively, we are talking about a one-third cut in the budget of these centres. But it is not just that; it is not just a question of having to tighten your belt, because this cut prejudices the ability of these centres to actually meet not just the demand for their services but also their obligations to the federal government as a funding partner.

In terms of the Northern Adelaide centre, the reason that I am focusing on that one is because that is probably the one part of South Australia where the need is most evident and has been clearly documented. If we look, for example, at the recent statistics from the June quarter of this year as published in the Northern and Western Adelaide Priority Employment Area Regional Profile Report, we can see that areas around Elizabeth, where this centre is based—and also up in the Playford council area—we can see unemployment levels over 10 per cent in many of these local area statistical divisions. So this is an area of social disadvantage. It is an area that needs all the help that it can get.

In terms of the Appropriation Bill, what are the Greens calling on the government to do? There are a number of things. The first thing is, we would urge the government not just to rely on Business SA for its advice on business, but to look wider, and in particular to talk to people who work with and represent small business. I know that these centres have been required to move from offering free services to offering subsidised but still paying services, and no doubt some of their competitors in the business training market saw that that requirement was included in their funding agreements.

In terms of other things that the state government should be doing, first of all I think that it is possible, within this budget, given the modest amounts involved, to revisit the decision, but not just as a permanent measure. Even if it was just for another 12 months, that would bring the state funding into line with the commonwealth funding. At present, the commonwealth funding expires in 2012, and the state funding expires in 2011, therefore it may well be that these centres are in breach of their federal obligations. They will not be able to provide the level of services that they are contracted to because of the removal of state funding. Bring the two funding bodies into line and then new arrangements can be negotiated.

In terms of the value that we receive as a community, it is not just the social value in terms of preventing businesses from going bankrupt unnecessarily for want of good advice. There is also a leveraging of money that is spent on these types of services, and they are estimated by the business enterprise centres at about 10:1. In fact it does not take a lot of mathematics to work out that if a few thousand dollars are spent on getting a small business over an information hurdle, and getting it properly planned and set up, that if it then goes on to success and to employ other people, the community as well has benefited.

A number of people are already offering their services pro bono. As I understand it, there are local business representatives on the management board of these business enterprise centres, and that is expertise that will be lost if these centres are eventually forced to close.

In conclusion, I have used this fairly small, but I think important, example, of how this government has lost its way. It is focusing on what it sees as the glittering prizes of defence and mining, but it is ignoring the sector of the economy that is actually providing a great deal of employment and a great deal of wealth for ordinary South Australians. I think this is the budget of a government that is on the way out. I think it is a budget that does not just disappoint—whilst it certainly does that in droves—it is also a budget that causes real harm to our community and the price will be paid by all of us in years to come.

The Hon. T.J. STEPHENS (17:08): I appreciate the opportunity to speak briefly about the portfolios for which I am responsible, starting with the portfolio of sport, recreation and racing. I wish to touch on two Liberal initiatives supported in the budget, and cynics amongst us might suggest that this is to appease many in the sporting sector who are still ropeable about the funding this government is putting towards the Adelaide Oval redevelopment. We are all very aware what a disaster this plan has turned out to be in terms of blowouts, balls-ups and broken promises, and I again say, why did this government not concede that a plan for a brand-new covered city stadium controlled by football was the way to go?

As I mentioned, there are two positive Liberal initiatives in this budget, and I say this because Port Augusta and Campbelltown should both benefit from terrific new sporting hubs which the Liberal Party championed during the state election campaign, and of course supports today. That being said, the Campbelltown Leisure Centre redevelopment concerns me greatly.

The opposition was fortunate enough to receive a briefing from the Campbelltown City Council on the latest with this project. Regrettably, it is not all good news—far from it. The sports minister made the positive pre-budget announcement about state government funding of \$3 million for the \$17 million redevelopment. However, under questioning in budget estimates, he made the mistake of saying that this was not dependent on federal funding and was then corrected by his advisers.

One might have assumed that the sports minister would be right across the details of this incredibly important project. The opposition on the other hand was fully aware that state government funding was dependent on federal funding and this is why we scheduled our meeting with the council recently. We were keen to see how things were progressing.

Sadly, our meeting at Campbelltown confirmed that federal Labor is not coming to the party any time soon. In fact, we were advised that the former federal minister for sport (the federal member for Adelaide, Kate Ellis) will not even return calls from Campbelltown City Council about

this project. The minister evidently handballed this one on as quickly as she could after taking on new ministries, even though she promised the council they would discuss the issue after this year's federal election.

It seems to me that she has not even had the decency to brief the new sports minister on the plan and ask him to take over the issue. Clearly, when the Labor Party realised that it had no chance of knocking off Christopher Pyne in Sturt, it completely lost interest in this important community project for the north-eastern suburbs. This is very sad. The member for Adelaide reportedly showed a lot of enthusiasm for the project prior to the election, as did the Labor candidate for Sturt, but the federal Labor government has now gone stone cold on the idea

As members are aware, the federal Liberal Party had of course locked into backing this project during the federal election campaign with an election promise of \$7.5 million, which was again championed by the member for Sturt. The state Liberals pledged \$4 million towards the project in February. We desperately want this project to go ahead.

I am sure that members opposite are interested also, but they are going to have to start working harder on their federal colleagues. I say to members opposite: please do whatever you can to lobby your Labor mates in Canberra as Campbelltown needs this project The Norwood Basketball Club needs this project, as do a whole lot of other community groups. This is a positive project and really the Campbelltown City Council has been left high and dry.

The council has State Swim, Squash SA and other groups ready to contribute funding so we really must see this project go ahead. The council is desperately trying to meet with Mr Crean, given that he is now federal minister for regional development and local government. We can only hope that he shows more interest than that shown by the federal member for Adelaide.

That being said, I note in this budget the contribution to the Port Augusta sports hub redevelopment. I am sure that this will be a huge bonus for the community in that region, and we look forward to this project being completed. The member for Stuart in the other place has lobbied incredibly hard for this project as a candidate and I know that he looks forward to what it will do for the community he represents. It is an outstanding effort for a new member of parliament: in fact, he is already an outstanding member of parliament.

Just to conclude on sport, I do have concerns that the Office for Recreation and Sport will now come under the Building Communities Division with a number of other bodies, resulting in savings of \$9.9 million over four years. I hope that the office will still be appropriately resourced. It is important for sport in this state that it continues to be strongly supported by this government.

Aboriginal Affairs is an important area that has not avoided the Treasurer's axe, either. Cuts of \$3.4 million have been flagged starting in 2012-13 and 2013-14 in restructuring and reallocation of staff and services. Additionally one of the new budget saving measures was the cancellation of the petroleum subsidy scheme for a saving of \$7.2 million this financial year. The cancellation of this scheme will have a direct impact on the cost of services and in particular the cost of basic necessities for remote Aboriginal communities.

The cost of food is already high in the APY lands and will no doubt go even higher as a result of the cancellation of the petroleum subsidy. In fact, it will make already isolated communities even more isolated as the cost of travel between communities and to regional centres will rise with the increased cost of petrol. This budget has failed to assist the most disadvantaged and marginalised people in our state. Mr President, I am sure that you would be ashamed about what the Premier and the Treasurer are doing to these people.

Moving on to the tourism portfolio, it is not a pretty picture here, either. There will be a total of \$12.5 million in cuts over the next four years, starting with a cut of \$1 million in 2010-11. This has the capacity to seriously damage our tourism industry, and it concerns me greatly.

The Rann government has also demonstrated, once again, that it is all about the big announcements but it fails to do its homework. Under questioning during budget estimates the Minister for Tourism (John Rau) confirmed that the new Convention Centre plans are already changing. On 14 March, during the state election campaign, Premier Rann put out a media release describing the building as having a 3,500 seat meeting venue.

Just months later, an announcement was made about the Convention Centre containing a 2,500 to 3,000 seat meeting facility. At least 500 seats have seemingly vanished into thin air and, according to this release, it could be as many as 1,000 seats disappearing. We could potentially see close to a 30 per cent reduction in seats after Mr Rann initially announced 3,500 seats.

When questioned about this change during budget estimates last week, Mr Rau advised the committee that it was because the meeting venue capacity is still being decided. Why then did Mr Rann make the initial announcement on seat numbers? Just like the Adelaide Oval and other infrastructure projects, we continually see errors, changes and blowouts from this government.

The Hon. Kevin Foley has handed down nine budgets as Treasurer, and I would like to add comments from the shadow treasurer, the Hon. Iain Evans, on a report that Access Economics put out today. I will read from the release, which states:

Another gloomy forecast for South Australia. The release of the Access Economics *Business Outlook* publication for the September quarter paints a gloomy economic future for South Australia. The report has clearly outlined that our local economy will continue to fall behind the rest of the nation. South Australia's economic growth was below the national average in 2009-10 and will continue to be below the national average for each of the next five years.

South Australia's population growth was below the national average in 2009-10 and will continue to be below the national average for each of the next five years. South Australia's export growth will be below the national average in five out of the next six years. South Australia's employment growth rate was below the national average in 2009-10 and will continue to be below the national average for each of the next five years. South Australia's unemployment rate will also remain above the national rate up until 2014-15.

The report even plays down Premier Rann's mining boom saying that, although resource development will be a long-term positive for South Australia, it is not likely to reverse...the relative loss of national market share and population output.

Shadow treasurer, Iain Evans has slammed the Rann Labor government for allowing South Australia to fall behind the rest of the nation. 'The Rann Labor government has completely failed South Australians at a time when the state has seen rivers of gold from the GST and record revenue we are languishing behind the rest of the nation. There are less mining jobs in South Australia today than there were in 1985, the state's exports continue to plummet and people continue to leave South Australia for better employment opportunities interstate. If SA had kept pace with national jobs growth under the Rann government there would be 35,000 more jobs in SA with the report indicating this number will keep rising. We are the highest taxed state in the nation but what do we have to show for it? You cannot trust Labor to manage our economy. Eight years of poor economic management by Treasurer Foley is coming home to roost', Mr Evans said.

Sir, I have a statistical table that I seek leave to add.

Leave granted.

Table 1: Access' real growth estimates/forecasts (revised quarterly)

Economic Indicator		2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Gross State/Domestic product	SA	1.9%	2.6%	2.8%	2.3%	1.9%	1.9%
	Aus	2.3%	3.7%	3.6%	3.3%	2.9%	3.0%
International exports	SA	-7.8%	1.2%	9.7%	9.4%	6.1%	1.3%
	Aus	1.8%	1.5%	7.9%	9.8%	7.4%	5.5%
Total population	SA	1.3%	1.0%	0.8%	0.7%	0.7%	0.7%
	Aus	1.9%	1.7%	1.5%	1.4%	1.4%	1.4%
Employment	SA	0.7%	2.9%	1.9%	0.7%	0.4%	0.0%
	Aus	1.2%	3.1%	2.2%	1.3%	1.0%	0.7%
Unemployment rate*	SA	5.3%	5.1%	5.0%	5.4%	5.8%	6.0%
	Aus	5.5%	4.9%	4.8%	5.2%	5.5%	5.6%

<sup>\*</sup>average annual rate

**The Hon. T.J. STEPHENS:** With those few words I share my frustration with a budget that really leaves South Australia in limbo. We have had nine years of the Hon. Kevin Foley telling us what a wonderful job he is doing when, quite frankly, we are absolutely in the wilderness.

The Hon. J.A. DARLEY (17:19): I rise today to speak on the Appropriation Bill. The budget handed down by the Treasurer has obviously been framed having regard to the difficult economic circumstances that the state is currently experiencing. Bearing in mind that approximately 70¢ in every dollar of government expenditure is on salaries and wages, I can understand that the most efficient means of achieving the required savings in the budget is through job cuts to the Public Service.

However, any cuts to the Public Service need to be carried out as a result of ongoing reviews of services provided to ensure that the government is only providing services that are necessary and relevant whilst, at the same time, ensuring that essential front-line services are

maintained. This obviously requires a sensible balancing act between the two. The need for continual reviews of services has not arisen just because of the global financial crisis, but has always been necessary.

The reduction of 3,750 Public Service positions is not overly draconian when consideration is given to the turnover of staff as a result of natural attrition and the fact that there is always a need to terminate some jobs in line with the rationalisation of redundant services. Similarly, there will always be a need for new positions to be created to meet emerging service requirements. In my experience, people who are at or near retirement age and who occupy surplus positions are usually more than happy to accept a redundancy package.

The important lesson to be learned from this budget is that there is a continuing need to review each and every activity within government agencies to ensure the need for the activity still exists rather than indiscriminately reducing staff numbers across the board. Some of the 3,750 people displaced from unnecessary activities will be redeployed into other positions, but for this to work satisfactorily there really needs to be a centralised register of displaced staff accessible to departments wishing to fill vacant positions. The previous practice of departments and agencies keeping individual records of surplus staff does not work and has never worked in practice.

I fully support the reduction of 20 per cent of executive level positions by 2013-14. However, I believe the information contained in the budget is rather misleading, as it indicates a reduction of only 10 per cent of executive level positions with the remaining 10 per cent reduction to be achieved through the specific savings initiatives in this budget. I believe reductions of greater than 20 per cent in executive positions are achievable and would be beneficial, particularly where at least some of those savings are redirected to provide additional front-line staff. Essential front-line staff should be immune from any cost-cutting measures.

I note that the position of Commissioner for Public Employment will be abolished from about October 2011 and the duties transferred to the chief executive officer of Premier and Cabinet. This action is long overdue. I applaud the government for taking this action, albeit overdue. The salary paid to the current Commissioner for Public Employment equates to approximately eight or nine ASO2 positions which would normally be found in front-line services.

The loss of annual leave loading for public servants is a particularly contentious aspect of the budget, which has received a hostile response from public servants and the unions. I understand that leave loading was initially provided to compensate shiftworkers who would have experienced a drop in pay when on leave and that leave loading was only confined to these officers. I further understand that leave loading was extended to all public servants following negotiations through enterprise bargaining.

Current provisions for leave loading equate to 3½ days for most public servants and approximately two days for staff on higher salaries. Whilst this does not result in a total loss, it does not seem as if the government is acting in good faith with its proposal. My understanding is that most businesses in South Australia, other than the very large ones, no longer provide leave loading. Although the federal government, through the Fair Work Act, does allow for leave loading provisions as part of modern awards, it is not mandatory.

The unions have expressed their concerns to me over the way this matter has been dealt with, especially as it has not formed part of any enterprise bargaining agreements. I am sure this is an issue which will be further addressed. In any event, the manner in which the issue has been handled indicates that the government must be desperate for savings, otherwise it would have considered the option of phasing out the system of leave loading, as is occurring in the private sector, rather than immediately eliminating the entitlements in their entirety. Again, I am sure this is an issue which will be the subject of further debate.

Similarly, the reduction of long service leave provisions from 15 days long service leave after 15 years of service to nine days has also been raised as particularly contentious by public servants. I think that this issue needs to be considered in the context of what is occurring in the private sector in terms of salary relativity and in terms of the commonwealth Public Service.

Turning to the matter of taxation, the increase in land tax threshold from \$110,000 to \$300,000 announced in the Mid-Year Review, and the intention to index this threshold, based on advice from the Valuer-General, on the increase in land values from 30 June 2011 is a step in the right direction. However, the government still needs to address the fact that South Australia has the highest land tax rates in the country, and attention must be given to reducing the top rate of \$3.70 per \$100 of site value in the near future.

Another emerging concern is the emergency services levy. I understand that revenue from this levy is not capped and therefore responds directly to the variation in capital values as determined by the Valuer-General. I would not like to see this being turned into another land tax, which similarly spiralled out of control due to the reluctance of the government to adjust the tax rates in line with increasing values. A cap on revenue from the emergency services levy would facilitate in controlling this and ensure that agencies work within a budget.

Another budget measure involves the discontinuation of funding for business enterprise centres. I understand that the government has withdrawn funding for business enterprise centres as it believes that the establishment of a small business commissioner will result in duplication of services. This justification seems illogical as business enterprise centres serve a different function to that of a small business commissioner.

The role of business enterprise centres is to prevent problems from occurring in the first instance, whereas a small business commissioner would investigate complaints and mediate disputes between businesses. Let me be clear that I support the establishment of a commissioner for small business to deal with problems that occur in this sector. This will greatly assist many small businesses that currently have no affordable or practical redress to deal with issues—newsagents in South Australia come to mind as an example.

I understand that, although the commonwealth and local government continue to provide funding to the business enterprise centres, due to the withdrawal of state funding some business enterprise centres may close in July 2011 with no consideration for particular circumstances, such as existing leases for premises they occupy. It is an issue on which I am currently working and which I look forward to discussing further with the government.

It is also disappointing to see that the government has not accepted the Sustainable Budget Commission's recommendations concerning Zero Waste SA. Whilst I agree with the basic principles of Zero Waste policy, these need to be tempered with a lot of sanity. The objectives of Zero Waste have not been modified to reflect the changes and improvements to the waste industry, and Zero Waste appears to be moving away from best practice in order to fulfil outdated objectives.

For example, at present, recycling of kerbside waste works relatively well, but it is widely known that this does not result in the most sustainable outcome. We should not disregard the fact that there will always be waste to landfill and that there may be more economic and efficient methods that result in more sustainable outcomes.

Today's modern landfill sites are a far cry from the traditional dump. These sophisticated sites are now being utilised to generate renewable energy, with approximately 90 per cent of methane gas generated from landfill being captured and used to drive generators which produce renewable energy in the form of electricity. This is fed directly into the electricity grid, as most landfill sites in Australia are in close proximity to capital cities. The government needs to recognise methane gas capture as a resource recovery rather than waste, as some interstate counterparts have already done.

This must be done at a policy level. I also notice that part of the budget refers to measures for revenue generation by implementing cost recovery mechanisms for services provided. I support this approach as long as the cost recovery is based on sound economic principles; in other words, providing a commercially acceptable price for a commercially acceptable product and not just charging the aggregation of existing salaries and on-costs.

To demonstrate what I am saying, I use the example of the police escort section, which comprises about 15 police officers. As a result of the most recent fee-for-service increases, the actual cost of providing police escorts to heavy haulage loads often exceeds the cost of transporting these loads, whether it is transportable homes or wind farm towers and blades. I am currently working with a number of industry representatives who have expressed frustration over the current practices and policy regarding police escort services.

Police resources should be directed towards law and order, and the over-dimensional escorting business left to appropriately authorised officers of the Department of Transport, Energy and Infrastructure, as is the case in Victoria and as is now under consideration by some other states. I look forward to the outcome of the review which is currently being undertaken into this issue and hope this matter will be appropriately addressed.

Finally, on examining the budget, I was reminded of a quote from Mr Micawber in Charles Dickens' *David Copperfield*, who said, 'Annual income twenty pounds, annual expenditure nineteen

nineteen and six. Result: happiness. Annual income twenty pounds, annual expenditure twenty pounds ought and six. Result: misery'. All governments would be wise to be mindful of this in the future.

The Hon. R.P. WORTLEY (17:30): I am standing here today to—

Members interjecting:

The ACTING PRESIDENT (Hon. J.S.L. Dawkins): Order! The Hon. Mr Wortley has the call.

**The Hon. R.P. WORTLEY:** I am standing here today to discuss the 2010 Appropriation Bill. In doing so, I note that a lot of the debate to now has concentrated on a couple of very hard and, we would say, brutal provisions within the budget. You can understand the logic of that because, from the point of view of the opposition, they overshadow the many great provisions of this budget. I will go through, bit by bit, every one of the very positive aspects of this budget.

Members interjecting:

The ACTING PRESIDENT: Order!

The Hon. R.P. WORTLEY: Among the unpopular provisions of this bill, for instance, was the closure of the Parks Community Centre. The government made that very tough decision but, after an outcry—quite a significant outcry—by the electorate, the government, in its wisdom, decided to withdraw that provision and continue to provide the services and enter into discussions with the Port Adelaide Enfield council. Instead of attacking the government for making that decision—

The Hon. S.G. Wade interjecting:

**The ACTING PRESIDENT:** The Hon. Mr Wade will get an opportunity to make a contribution.

**The Hon. R.P. WORTLEY:** —I look at it from the viewpoint that the government has actually listened and taken the appropriate action to withdraw that provision. I think it should be a tick in the government's favour for listening to the people—unlike when the Liberals were in power. No matter how much the public screamed at some of the provisions they embarked upon, they just totally ignored it and continued with some of their quite barbaric motions in their budgets.

In regard to the Public Service, they were very hard decisions that the government made. As we all know, there were protests on the streets in front of Parliament House, and the unions have every right to protest at these provisions: they are hard and brutal. The big difference between us and the opposition is that we respect their right to protest. One of the first things you did when you came into power back in 1993—

The ACTING PRESIDENT: Order! The honourable member will direct his remarks—

Members interjecting:

The ACTING PRESIDENT: Order, on my left!

The Hon. R.P. WORTLEY: One of the first things these people did—

**The ACTING PRESIDENT:** The Hon. Mr Wortley will desist from pointing, and he will also direct his remarks through the chair.

The Hon. R.P. WORTLEY: We respect the right and acknowledge the unions' anger at these provisions. The big difference, Mr Acting President, is that, when the Liberals came into power in 1993, one of the first things they did was cease payroll deductions for the trade unions in the Public Service. They had no respect for the trade unions and the very purpose of that was to bring the trade unions to their knees. That was the purpose of it: to bring trade unions to their knees, to almost prohibit or prevent them from taking the sort of industrial action they took today. The Labor Party respects their right and encourages union membership. I hope, arising from this campaign, that the membership of unions will increase.

Members interjecting:

**The Hon. R.P. WORTLEY:** That is exactly right. There is a big difference between us and the opposition: we respect the unions' right to protest.

Members interjecting:

The ACTING PRESIDENT: Order! The Hon. Mr Wortley has the call.

The Hon. R.P. WORTLEY: I will now go through many of the positive aspects of the budget and then I will go through the achievements of the Labor government from 2002 to 2010. It will take a while. During the last election the Liberals had this misleading campaign, trying to convince the public that nothing was done in this state, that this was a do-nothing state from 2002 to the last election. It took me a little bit of time to find many achievements of this government, which I will outline so that in future elections you will be lying. It will not be through ignorance but through lying, because I will have enlightened you with my speech.

I reflect on the remarks I made this time last year about the government's plan for our state. I reiterate those remarks today because, as I have said consistently, they are and always will be the hallmark of Labor's commitment to the electorate. I noted then, and it remains the case today, that it is Labor's constant intention to foster an inclusive society, one I have defined as a society that allows people to achieve their best while protecting its vulnerable members, a society that recognises both the opportunities and challenges that lie ahead of us.

This budget reflects the government's intention in that regard, coupled with its diligence, prudence and vision. It is a budget that reflects a plan for the present, but which has been formulated in the context of our future as a community, a state and a growing resource powerhouse. It is a budget that has once again seen our state retain its Standard and Poor's AAA rating. In preparing my remarks and noting that the focus of this budget is investment in infrastructure, which by its very nature brings jobs, I pondered on the term to which we refer constantly, namely, infrastructure. What is the real meaning of the term we use so frequently to describe all sorts of components of our built and related environment?

For the benefit of those opposite, infrastructure is the basic, most permanent framework of interdependent networks and systems that underlies and facilitates social, government and economic activity. It includes telecommunications, transportation and utilities and their administrative arms. Some definitions also include education and health services and the like. Interestingly, the word comes from France and is a combination of the Latin word 'infra', meaning sub or below, and 'structure'.

It is the underpinning of a working community. Keynes uses the word exclusively to define publicly owned assets that facilitate production, but excluded privately held assets used for the same ends. These days the term is used much more generally to suggest a foundational framework evident in any networks and systems that support the flow of goods and services for the benefit and smooth functioning of our society.

There ends the lesson. The opposition should understand a bit about infrastructure because they let it rot in the decade they were in government from the 1990s to the early 2000s. It took a Labor government up to eight years—and probably a lot longer—to rebuild and help develop much more of the infrastructure that makes our society a much more pleasant society.

A total of \$10.7 billion will be invested over the next four years in our state's infrastructure. I will discuss our investments in housing, health, education and water infrastructure in some detail shortly. Transport is a priority also. This budget delivers the South Road superway at a cost of almost \$843 million. It delivers duplication of the Southern Expressway at a cost of \$445.5 million. It provides for upgrades to and extensions of our railway lines, costing \$1.5 billion over four years. The riverbank precinct, with all its improvements and new works, will go ahead at the cost of \$394 million. Improvements to Adelaide Oval will cost around \$530 million.

Since taking office, the Rann government has delivered more than \$5 billion to our state's previously neglected infrastructure and there is much more to come.

One of our major priorities is the health and wellbeing of all South Australians. This year's budget earmarks a record \$4.5 billion for health expenditure. That is more than twice the amount allocated to health in the last year of the former Liberal government so it is the opposition who should be ashamed of itself, not us.

Over the next four years the government aims to put mechanisms in place to achieve a maximum waiting time in casualty of four hours for 95 per cent of patients. This will cost \$111 million. More than a quarter of a million elective procedures will be carried out in both metro and country hospitals. This will cost \$89 million. The Women's and Children's Hospital will be upgraded at a cost of \$64.4 million, and additional funds will be allocated for related costs from 2010-11.

The sum of \$12 million has already been allocated for remodelling of the emergency department at Modbury Hospital will be augmented—that word 'augmented' again; only a Labor government, not a Liberal government, can talk about augmentation—by a proportion of total funds of \$46 million, with the balance to be expended on a rehabilitation unit. Further, a new emergency department, operating theatres and outpatient facilities at the QEH are to be funded by way of \$36 million over two years as part of that hospital's \$125 million redevelopment.

There will be additional subacute beds and support care services at the Repatriation Hospital and more equipment for elective procedures and the casualty department. Rates of pay for rural GPs for on-call and ancillary services will be increased in recognition of their crucial role carried out in often difficult circumstances. Importantly, savings required to carry out these reforms and improvements will not impact on the provision of essential health services.

Education is also, of course, a top priority for our government and this year's budget includes \$720 million in capital expenditure. In fact, the total budget for the current financial year will amount to more than \$2.5 billion, an increase of more than \$200 million on last year's financial year, an increase which equates to almost 50 per cent more per student than was expended in the last year of the former Liberal government—a government, I might add, that achieved consistently only in delivering its deficits, a government that during its tenure chipped and chipped away again at health, education, transport and police services, leaving them depleted and our people in real trouble as a result. That took a long time to rebuild, both physically and in terms of community confidence.

An additional 700 teachers and support staff will be employed across preschools and schools from the beginning of 2011. Moreover, this budget gives solid attention to students with disabilities. Special schools will be renewed and six disability units will be located on school grounds. Staff levels will be augmented—again, that word that can be used only in connection with a budget promoted by a Labor person—and there will be extra funding for students with disabilities enrolled at non-government schools. We are committed to genuine support for students with disabilities, not just to paying lip service.

In addition, four of our specialist high schools—Adelaide, Marryatville, Glenunga International and Brighton Secondary—will be expanded to accommodate a total of 800 students at a cost of \$60 million. In a move designed to bring South Australia into line with other states, provide equity for enrolees and produce significance savings, commencement at preschools and primary schools will be at the beginning of the year only, not staggered according to birth dates as has previously been the case. These are but a selection of the projects that will continue to build and rebuild our education sector into one of which we can all be rightly proud.

I now turn to the government's commitment to water security. Almost \$900 million will be allocated to water security and diversification this financial year. Good rains have helped immeasurably and our reservoirs are at, or close to, capacity, but we cannot be complacent about our future water needs in terms of economic and population growth. The desalination plant is heading towards completion, and work on the north-south interconnection system project continues.

Our significant investment in wastewater treatment plants, stormwater harvesting and reuse, and non-potable wastewater projects recognises our acknowledgement in real terms that every drop of water should be conserved and re-used. The health of the Murray and the communities she supports continue to be a primary focus for the government. We will continue to work with our federal and relevant state counterparts to ensure that South Australia's water supply is guaranteed both now and in the future.

I cannot emphasise enough that the security of our water is of paramount concern for our government. The security of our citizens is also paramount. As was the case in the previous year, this year the Rann government is extending its commitment to maintaining law and order in our community, and this year's budget provides that proof. More than 300 additional officers will be sworn in over the next four years. These men and women will supplement the 400 extra officers recruited over the past four years. The government is also investing in the latest technology for SAPOL and is increasing security on our public transport services. Now that is real action for the protection of our community.

The operational budget for South Australian police has increased to more than \$693 million this financial year, and this 2010-11 budget will in fact invest over \$186 million in new police initiatives targeting domestic violence and street crime.

The Hon. J.M. Gazzola: How much?

**The Hon. R.P. WORTLEY:** I was asked how much by my colleague; he is staggered at the sort of money we are talking about. It is actually \$186 million in new police initiatives targeting domestic violence and street crime.

On the latter, which includes antisocial behaviours such as hooning, disorderly conduct, vandalism and graffiti, and drug offences, \$15.5 million has been allocated over four years. This provision includes the establishment of a southern community justice court, a first for our state and a model that has worked well in other jurisdictions.

Domestic violence is entirely unacceptable in our community. Assessment and intervention programs are to be established, and support for, or management of, intervention will be implemented through amendment to the relevant legislation at a cost of \$7.8 million. The government's spending on community safety and security represents an increase of more than 4.5 per cent on last year's allocation.

How does the total stack up against the expenditure in the last Liberal budget? I will tell you: it is 88 per cent more. I know it sounds a bit high, and I had better say it again for my friend here. Those opposite might not want to acknowledge that, but the hard yards have been put in here by this government. It is 88 per cent more.

Members interjecting:

**The Hon. R.P. WORTLEY:** Eighty-eight per cent more. That is all you have to know about. Eighty-eight per cent more, and that figure includes, over the next four years, \$12.9 million for the continuation of the bushfire awareness program, and \$5.4 million for new infrastructure, equipment and technology for those unsung heroes, the emergency services people, who do so much for each and every member of our community.

Regional Australia has been receiving some additional and long-awaited attention recently from our federal counterparts, both in government and in opposition. The budget we are discussing today looks towards really significant investments in the regions, particularly in infrastructure and services. We are all aware of the exceptional circumstances interest rate subsidies for drought-affected areas. The commonwealth's recent and anticipated extension to that program will be met with a \$38.8 million commitment over the next two years by the Rann Labor government.

Meanwhile, infrastructure improvements in health, housing, schools and roads for our regions have been provided for. These include hospital funding of \$23.5 million for Ceduna, \$14.7 million for Whyalla and \$12.7 million for Berri. Maintenance and equipment in country hospitals will garner \$8.4 million, and there are increased allocations for ambulance services and aged care in areas of particular need.

Remote Indigenous housing will receive \$46.2 million, and affordable rental units will be established in Port Augusta at a cost of \$5.6 million. Road and ferry improvements and improvements to our rural freight network will couple with improved roadside rest areas. Work on high risk roads and road safety initiatives to decrease road accident related death and injury will continue, and rural and regional education infrastructure will be augmented at a cost of \$30.6 million.

Port Bonython jetty will be refurbished, a desalination plant in Hawker will be established and a variety of plans promoting sustainable futures, exploration and mining, plague control, drought support and rural cancer services among other initiatives will be implemented.

The Rann Labor government is investing \$20 million in re-establishing and renewing the Riverland by promoting diversity in industry and additional investment in businesses that are already up and running. This is because while our world-class Riverland food and wine support both the region's and our state's economy, the region requires diversified avenues of financial input to remain healthy and to grow long term.

The prospectus launched prior to the budget looks towards four areas of endeavour: retirement and aged care, and alternative agricultural production coupled with food processing, tourism and education, and these will focus on jobs, economic diversity, productivity and emerging industries. I congratulate the Minister for Regional Development, the local government authorities for Berri-Barmera, Loxton-Waikerie and Renmark-Paringa, the Riverland Development Corporation and the South Australian Murray-Darling Natural Resources Management Board on this excellent initiative.

I turn now to disadvantaged members of our community. We in the Labor Party will never neglect or turn away from people in trouble. We do not want and we will not countenance a society of haves and have-nots.

The Hon. J.M.A. Lensink: Rubbish! Get rid of your poverty group.

The PRESIDENT: Order!

The Hon. R.P. WORTLEY: Major new investments over the next four years include more funds for the care of children under the guardianship of the minister at a cost of \$137.7 million, increased assistance for Disability SA for support, access and respite services at a cost of \$70.9 million, increased and indexed concessions and extended eligibility for energy and emergency services levy at a cost of \$70 million. There is also new investment in disability equipment, home visiting for seniors, services for children with autism and a rebate scheme for seniors' personal alert systems. As well, a new connected service centre will be established in the western suburbs for the Department for Families and Communities.

In other initiatives aimed at fostering our environment, social amenity and healthy lifestyles, the government is investing more than \$28 million over the next four years in local sports facilities and grounds. In fact, funding for facility development and upgrades will increase fourfold and clubs, local government authorities and school councils can now apply for grants of up to \$500,000.

Still on the topic of the environment, the sustainable industries education centre to be erected at Tonsley Park will train more than 8,000 people per year in green building and construction technologies. The project is being managed by TAFE SA in partnership with industry and our universities at a cost of \$125 million. I just need to take a drink of water, Mr President. As I said there are so many good things in this, my throat is getting a little bit dry so I will just wet my palate before I get on with it.

Members interjecting:

**The Hon. R.P. WORTLEY:** Good clean Murray water. The Department of Trade and Economic Development will welcome this initiative. The redevelopment of Tonsley Park, an economovation program and a cleantech partnering program will be key areas of departmental focus. These and related initiatives and programs will ensure that our state has new and sustainable industries enabling us to move competently into the future.

The Hon. J.S.L. Dawkins: Who wrote this rubbish?

**The Hon. R.P. WORTLEY:** It was all done in my office, mate. It's not rubbish; it's all fact. I know you don't like hearing it, John, because it is the good news. I know that, but you are going to have to bear with it because there is so much good news that we all need to share in it.

Further, in a move that will save money and reduce carbon emissions, the government will replace over a thousand six-cylinder fleet vehicles with smaller four-cylinder cars. South Australia's own Holden Cruze will feature prominently, promoting employment, lowering our carbon output and saving taxpayers' money.

A new system of minerals royalties, meanwhile, will provide a fairer return for South Australia while encouraging not only mining but also the refining of mining products in our state. Value adding is essential to a healthy, growing mining and mineral sector. There are many more features to this budget including new arrangements for first home owners which will not only target those most in need but will promote building and construction jobs and deliver savings including additional funding for the festivals and exhibitions that are so much a part of South Australia's vibrancy and cultural leadership.

However, others will wish to contribute, too. In any case, if any of those opposite think I am trying to gild the lily I am not going to pretend that there is no pain, because there is pain. There will be adjustments to jobs and entitlements, and other workplace reforms in the Public Service. These were very hard decisions that we had to make. No-one likes it but it is only a Labor government that has the responsibility to embark upon it.

People in our community will be impacted upon by these necessary revenue and costrecovery measures: we understand that. There will be a strain between the industrial and the political wing of the Labor Party, and we understand that, too. However, in bad times we all have to share the pain. In the good times, when these budget measures take effect, there will be a lot more to give out to everyone in our society, not just to those people at the big end of town who benefit more from Liberal budgets. This government is doing its best to ensure that savings are garnered from those areas of government that have the least adverse impact on families and citizens.

I draw attention to a number of stakeholder comments about the budget. While particularly critical of some areas of the budget, *The Advertiser* congratulated the government for being sufficiently responsible in retaining the cherished AAA rating, and for sparing cuts to schools, hospitals and police stations. 'Their value to the community cannot be measured in dollars alone,' it editorialised. People should not lose sight of the very extensive and expensive infrastructure program under way: roads, rail, the desalination plant and the riverbank precinct are the types of investment that will multiply in value.

The SA division of the Property Council of Australia, meanwhile, has applauded the budget saying that it has embodied bold decisions to match austerity and investment. This is a long-term budget that maintains the government's commitment to structural reform in the state's economy, and the long-term benefits will eventually outweigh the short-term pain. Business SA says that it understands the importance of driving efficiencies and savings within the existing economic environment. SACOSS has welcomed the range and extension of concessions for our seniors and low-income workers.

There is work still to be done, though, to address the consequences of our last exposure to the stewardship of those opposite—the years of decline in our rural and regional areas, the neglect of health, education, transport and many other vital areas, and the stultifying parochialism used in those days to characterise our state. During the last election campaign the Liberals shamelessly embarked upon a misinformation campaign about the achievements of the Labor government. It did not take much time for me to look up, with a little bit of help, all the achievements this government has had since 2002. I am going to read them to you just so that, in future, you cannot plead ignorance when you try to mislead because, in fact, you would be lying. I seek leave to conclude my remarks after dinner.

Leave granted; debate adjourned.

## MARINE PARKS (PARLIAMENTARY SCRUTINY) AMENDMENT BILL

Received from the House of Assembly and read a first time.

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (17:59): I move:

That this bill be now read a second time.

I seek leave to have the second reading explanation inserted in Hansard without my reading it.

Leave granted.

In accordance with provisions of the Marine Parks Act 2007 (the Act), on 29 January 2009, the outer boundaries of 19 marine parks were proclaimed by His Excellency, the Governor and released by the Minister for Environment and Conservation for public comment. During the public comment period, some community members indicated a preference to increase the scrutiny of any future amendments to management plans and associated zones to provide greater certainty and security to activities and industries operating in the marine environment.

Process to Amend Marine Park Management Plans

The Act requires that the Minister responsible for marine parks must lay initial management plans before both Houses of Parliament. In addition, section 15 of the Act requires that after the Governor authorises amendments to a management plan, the plan is then referred by the Minister responsible for marine parks to the Environment, Resources and Development (ERD) Committee of the Parliament. The ERD Committee must then consider the plan within 28 days of receiving it, and may resolve to: not object to the plan; suggest amendments to the plan; or object to the plan. If the ERD Committee resolves to object to a plan, copies of the plan must be laid before both Houses of Parliament. Either House may then disallow the plan.

Key stakeholders who use the marine environment sought the security of additional Parliamentary scrutiny of the process to amend management plans. As a result, the government determined to provide this security by amending the Act.

Provisions of the Amendment Bill

The Marine Parks (Parliamentary Scrutiny) Amendment Bill (the Amendment Bill) provides that amended marine park management plans are referred to both Houses of the Parliament and are subject to the process of Parliamentary scrutiny that applies to the making of regulations under sections 10 and 10A of the Subordinate Legislation Act 1978.

Section 14 of the Act has been amended to require the Minister responsible for marine parks to cause copies of a management plan to be laid before both Houses of Parliament within 6 sitting days after it is declared, rather than 12 sitting days. This amendment provides consistency with provisions of the Subordinate Legislation Act 1978.

The Bill has the effect that if a resolution for disallowance is passed in pursuance of a notice of motion given within 14 sitting days after an amended management plan is laid before the Parliament, the amended plan will then cease to have effect.

#### Conclusion

Initial marine park management plans with multiple use zoning arrangements are expected to be authorised in 2012. These plans will set out strategies for achieving the objects of the Act and also establish zones within marine parks and will be the product of contributions from the full range of community members with interests in South Australia's marine environment.

The introduction of this amendment Bill is the culmination of Government working with the community to provide more certainty about future amendments to marine park management plans and the zones within them.

I commend the Bill to Members.

**Explanation of Clauses** 

Part 1—Preliminary

1—Short title

2—Amendment provisions

Clauses 1 and 2 are formal.

Part 2—Amendment of Marine Parks Act 2007

3—Amendment of section 14—Procedure for making or amending management plans

Section 14(9) of the principal Act provides that within 12 sitting days after the declaration of an initial management plan for a marine park, a copy of the plan must be laid before both Houses of Parliament. The proposed amendment would result in all declared management plans (not just initial management plans) being laid before both Houses of Parliament within 6 sitting days after the declaration.

#### 4—Substitution of section 15

Section 15 of the principal Act provides that all management plans, other than initial management plans (as these are laid before both Houses of Parliament under section 14) are to be referred to the Environmental, Resources and Development Committee of the Parliament. The proposed amendment results in management plans no longer being referred to the ERD Committee but instead being laid before both Houses of Parliament with sections 10 and 10A of the Subordinate Legislation Act 1978 applying to them as if the management plan were a regulation.

Debate adjourned on motion of Hon. J.M.A. Lensink.

# CLASSIFICATION (PUBLICATIONS, FILMS AND COMPUTER GAMES) (EXEMPTIONS AND APPROVALS) AMENDMENT BILL

Received from the House of Assembly and read a first time.

The Hon. B.V. FINNIGAN (17:59): I move:

That this bill be now read a second time.

I seek leave to have the second reading explanation inserted in Hansard without my reading it.

Leave granted.

The National Classification Scheme, or 'NCS', is a joint Commonwealth, State and Territory legislative and administrative scheme under which publications, films and computer games are classified, and their advertising, sale, demonstration and exhibition regulated.

The NCS is overseen by Commonwealth, State and Territory Censorship Ministers sitting as a sub-set of the Standing Committee of Attorneys-General.

The Commonwealth legislation consists of the *Classification (Publications, Films and Computer Games)*Act 1995 and the subordinate legislation made under that Act. The Commonwealth Act:

- · establishes the Classification Board;
- determines the types of classifications that apply to publications, films and computer games;
- empowers the Classification Board to classify publications, films and computer games;
- sets out the procedures the Classification Board follows in making its classification decisions;

 establishes the review mechanism, the Classification Review Board, which, on application, reviews decisions made by the Classification Board.

Publications, films and computer games are classified in accordance with the Commonwealth Act, the National Classification Code and the classification guidelines.

Each State and Territory has enacted complementary enforcement legislation. Collectively, these Acts are known as the 'Enforcement Acts'. The South Australian Enforcement Act is the *Classification (Publications, Films and Computer Games) Act 1995.* The Enforcement Acts determine how films, publications and computer games can be sold, hired, exhibited, advertised and demonstrated in each State and Territory.

Unlike other jurisdictions, South Australia maintains a separate classification regime that can (if triggered) classify publications, films and computer games independently of the Commonwealth Classification and Classification Review Board.

Each of the Enforcement Acts contain provisions allowing for films, computer games and publications to be exempt from the Act and for organisations seeking exemptions to be approved for that purpose. In the SA Act these powers of exemption and approval are contained in Part 8.

Section 76 provides that the Minister may, on application, direct in writing that the Act does not apply, to the extent and subject to any condition specified in the direction, to or in relation to a film, publication, computer game or advertisement.

Section 77 empowers the Minister to exempt organisations that have been approved under sections 79 or 79A. Section 77(1) provides the Minister with the power to exempt an approved organisation in relation to the exhibition of a film at an event. Section 77(3) empowers the Minister to exempt an organisation approved under section 79A in respect of all or any of its activities or functions that relate to films or computer games if the organisation carries on activities of an educational, cultural or artistic nature.

Section 79 provides the mechanism for approving organisations for the purpose of exemption under section 77(1). It provides that the Minister may, by notice published in the Gazette, approve an organisation for the purposes of section 77(1).

Section 79A provides the mechanism for approving organisations for the purpose of exemption under section 77(3). It provides that the Minister may, by notice published in the Gazette, approve an organisation for the purposes of section 77(3) if the organisation carries on activities of an educational, cultural or artistic nature.

In considering whether to approve an organisation the Minister must have regard to

- · the purpose for which the organisation was formed; and
- the extent to which the organisation carries on activities of a medical, scientific, educational, cultural or artistic nature; and
- the reputation of the organisation in relation to the screening of films and, if relevant, the possession or demonstration of computer games; and
- the conditions as to admission of persons to the screening of films or demonstration by the organisation.

In South Australia the power to grant exemptions and approve organisations is conferred on the Minister. All other States and Territories except Queensland confer the power to grant exemptions and approve organisations on the Director, either alone or concurrently with the Minister. Queensland has amended its legislation to confer the power on the Director and the Minister concurrently, but these amendments are yet to commence.

There are several advantages in having the Director of the Classification Board making exemption and approval decisions:

- the Director has the relevant expertise and resources to properly assess films, publications, computer games and organisations seeking approval. The Classification Branch of the Commonwealth Attorney-General's Department, which provides administrative and other support to the Director and the Boards, has a dedicated exemptions' officer;
- decisions will be more consistent. This is particularly relevant to exemption applications for films. Many
  films that are the subject of exemption applications are screened in more than one State or Territory (often
  being screened at several film festivals). It makes sense for the one decision-maker to consider all
  applications for exemption in relation to the one film.

This Bill amends the SA Act to confer the power to grant exemptions and approve organisations under sections 76, 77, 79 and 79A on the Director. The Minister will retain the power to grant exemptions and approve organisations. A new section 79B makes clear that the Minister may refer an application to the Director for consideration and new section 79C makes clear that the Minister may revoke a director or approval given by the National Director.

I commend the Bill to the House.

**Explanation of Clauses** 

- 2—Commencement
- 3—Amendment provisions

These clauses are formal.

Part 2—Amendment of Classification (Publications, Films and Computer Games) Act 1995

4—Amendment of section 76—Exemption of film, publication, computer game or advertisement

This clause provides that the Director of the National Classification Board (the *National Director*) may, in addition to the Minister, exempt a film, publication, computer game or advertisement from the operation of the Act. The clause also provides for the requirements of an application for exemption made to the Minister.

5—Amendment of section 77—Exemptions—organisations

This clause provides that the National Director may, in addition to the Minister, exempt an approved organisation in relation to the exhibition of a film at an event, or in respect of all or any of its activities or functions that relate to films or computer games, from the operation of the Act.

6—Amendment of section 78—Ministerial directions or guidelines

This amendment is consequential and requires the National Director, in considering whether to make a direction under Part 8 of the *Classification (Publications, Films and Computer Games) Act 1995* to give effect to any directions or guidelines issued by the Minister in relation to the application of the Act.

7—Amendment of section 79—Organisation may be approved (section 77(1))

This clause provides that the National Director may, in addition to the Minister, approve an organisation for the purposes of section 77(1) of the Act. The clause also provides for the requirements of an application for approval made to the Minister.

8—Amendment of section 79A—Organisation may be approved (section 77(3))

This clause provides that the National Director may, in addition to the Minister, approve an organisation for the purposes of section 77(3) of the Act. The clause also provides for the requirements of an application for approval made to the Minister.

9-Insertion of sections 79B and 79C

This clause inserts a new section 79B which provides that the Minister may, with the agreement of the National Director, refer the application to the National Director for determination.

The clause also inserts a new section 79C which provides that a direction made, or approval given, by the National Director under this Part may, either on application or on the Minister's own initiative, be revoked by the Minister if the Minister considers that it is not appropriate that the direction be made or the approval be given. The clause provides for the requirements of an application made to the Minister under the section.

10-Amendment of section 91-Regulations

This clause provides for a consequential amendment to the regulation making power in the Act. It provides that the regulations may be of general application or vary in their application according to prescribed factors.

Debate adjourned on motion of Hon. J.M.A. Lensink.

# ROAD TRAFFIC (USE OF TEST AND ANALYSIS RESULTS) AMENDMENT BILL

Received from the House of Assembly and read a first time.

## WILSON, MR G.I.

The Hon. P. HOLLOWAY (Minister for Mineral Resources Development, Minister for Urban Development and Planning, Minister for Industrial Relations, Minister Assisting the Premier in Public Sector Management) (18:00): I table a copy of a ministerial statement made today by the Premier in relation to Mr Garnett Ian Wilson, OAM.

[Sitting suspended from 18:01 to 19:48]

### APPROPRIATION BILL

Adjourned debate on second reading (resumed on motion).

**The Hon. R.P. WORTLEY (19:48):** Mr President, after consultation with my colleagues, I now seek leave to incorporate into *Hansard* the achievements of the Labor government from 2002 to 2010 without my reading them.

**The PRESIDENT:** No, sorry; the Hon. Mr Wortley cannot do that. The honourable member could always give a framed or bound copy to the opposition.

**The Hon. R.P. WORTLEY:** I could have it bound—like a leather-bound one. I have had a chat with my colleagues and, for the sake of expediency, I will put this on the record on another occasion.

The Hon. P. Holloway: You could just give us the flavour of it.

The Hon. R.P. WORTLEY: Mr President, I will just give the headings—

Members interjecting:

The PRESIDENT: Order!

The Hon. R.P. WORTLEY: —just to show the length and breadth of the Labor government's achievements: a strong economy, with about 40 different provisions; mining, with about 10; defence; lots on food and wine; many pages on events and tourism; and protecting and creating jobs. It would take me 20 minutes just to read out that. Other achievements include building South Australia, billions of dollars in transport infrastructure, a strong community and support for our communities. There are so many, including supporting regional South Australia, a safe South Australia—

Members interjecting:

The PRESIDENT: Order! Opposition members should take their valium and relax.

**The Hon. R.P. WORTLEY:** Major achievements—police fighting crime in our community, justice. It just goes on and on, pages and pages—victims rights, community protection.

**The Hon. T.J. Stephens:** Russ, this is a surrender flag, mate. You've got us, Russ, you've got us.

The Hon. G.E. Gago: They're waving the white flag, Russell.

The Hon. R.P. WORTLEY: They have waved the white flag; okay. In conclusion, this has been a very tough budget. It is a budget that all of us on this side feel very uncomfortable about. We on this side do not have the luxury that the Greens have over there, where they put in amendments wanting to delete tens of millions of dollars out of our budget but have nothing to insert. If \$50 million was taken out of the budget, it is members on this side who would have to decide whether we are going to cut extra provisions and subsidies for our aged or disabled, or which school or hospital we are going to cut.

We on this side have that responsibility. Unfortunately, the Greens have the luxury of picking the good bits and speaking on those. This is a budget that has vision. This is a budget that will deliver for the future. The benefits of this budget will not be seen immediately; they will be seen over the next four years. The good thing about the members on this side—

Members interjecting:

**The PRESIDENT:** The honourable members of the opposition should suffer in silence. The Hon. Mr Wortley.

**The Hon. R.P. WORTLEY:** The good thing about this budget is that, when the benefits do flow, they will flow to all South Australians, not just to the big end of town. We will make sure that the benefits of this budget will go to all the people of South Australia to enjoy in many forms. So, it gives me great pleasure to speak on this budget, and I hope that it receives overwhelming support from the chamber.

**The Hon. J.M.A. LENSINK (19:53):** I rise to make a contribution on this bill, and I am pleased to do so after that rather comedic performance from the Hon. Russell Wortley who, I think, might take out a booth at the Fringe, where he can tell whoever may come to see his performance about his views on the budget.

The Hon. G.E. Gago: Let's hear your plan.

The Hon. J.M.A. LENSINK: I will tell you, Gail. I think it is fair to say that for the portfolios which I look after on behalf of the Liberal Party, particularly the environment portfolio, this is an absolute horror budget. It was bemusing to listen to the Hon. Russell Wortley say that the benefits will flow to all South Australians and will come to fruition in years to come. I am paraphrasing him. I wish to make some remarks with regard to the cuts which are going to come to the environment in the out years, particularly in 2012-13 and 2013-14.

We are in this position not because of the global financial crisis but because of the sheer lack of discipline of Kevin Foley, Mike Rann and a number of other ministers who have not been able to exercise any restraint for eight years. We have had rivers of gold from the GST which has effectively, along with property taxes, doubled the amount of revenue that comes into the state budget compared to the budget the last Liberal government was looking after eight years ago.

I am very well aware of that because I was a ministerial adviser at the time and I have made these comments previously for the minister for disability services and ageing and a number of other portfolios that Robert Lawson collected along the way in the execution of his duties. We would struggle with that budget to get additional funds but we always managed to find them, particularly matching funds from the commonwealth so that we could maximise the amount that was available. And it was a struggle because of this thing called the State Bank. So, the budget finally got in—

The Hon. B.V. Finnigan: What year was that?

The Hon. J.M.A. LENSINK: This would be—

**The Hon. B.V. Finnigan:** The State Bank was in 1991. You were in government until 2002.

**The Hon. J.M.A. LENSINK:** Well, and it impacted on the state budget for years to come.

The Hon. B.V. Finnigan: Eleven years.

The Hon. J.M.A. LENSINK: For many, many years.

**The PRESIDENT:** Order! We don't need a debate across the chamber. The Hon. Ms Lensink has the call.

The Hon. J.M.A. LENSINK: Thank you, Mr President. So, that financial disaster (which members opposite continually just glibly deny and ignore, as the Hon. Terry Stephens says) took many years of difficulty in terms of continuing to pay down those debts and exercise restraint. This government got in and it was like a great big party. It has been throwing money here, there and everywhere and now, suddenly, the chickens have come home to roost. As a result, everyone across government and government services will wear significant pain, but particularly in the environment department, and I will address my remarks to that in a moment.

In relation to other portfolios that I look after, the Office for Youth and the Office for Women, I think there is a bit of uncertainty over their heads in terms of the amalgamation, or whatever it is to be called, within the building communities division. I have had women's organisations express to me significant concern as to whether the Office for Women and the Women's Information Service will continue as they have to this stage.

I note from the estimates process that the minister has said she will retain her title of Minister for the Status of Women, and I am pleased that portfolio will continue. We need dedicated officers who have carriage of those policy areas and who are distinct from the rest of government rather than some amorphous social inclusion, or whatever it may become. I think that is important, and if it is to be diminished in any way there will be further outcry in the community.

There is also to be a merger of the Office of Consumer and Business Affairs and the Office of the Liquor and Gambling Commissioner. I think it has been denied that there would be any service diminishment in that regard but I think it is fair to say that, particularly within the liquor regulatory area, there is significant concern that the services provided in those offices will be diminished.

I am pleased that the government is providing additional funds for domestic violence intervention initiatives, and I think that is to be commended. However, I will now turn to the environment portfolio, which is one of the big losers, along with PIRSA, out of this budget. We have a Premier who loves to say he is green, but his credentials really are on the line through this budget.

The department of environment has recently amalgamated with parts of natural resources management which have come out of water, land and biodiversity conservation. I appreciate both minister Caica and his CEOs providing a number of briefings to members as recently as today in relation to the DENR-NRM amalgamation. I think it is fair to say that there has been quite a bit of duplication and disconnect of NRM within communities, local government and the like, so I think reforms are necessary.

However, 'We told you so', from the Liberal Party; we warned that the natural resources management structure would duplicate a lot of services that are provided by other departments. I think that the way natural resources management was structured—through changes to the act, and so forth—was asking for it to become over-bureaucratised through the sheer structure of its governance arrangements. In that regard, we are still holding our breath to see how it will play out.

I also think that with a number of areas in this budget that are being cut or amalgamated and so forth, we do not actually know what the outcomes will be or what the structures of a number of these amalgamated agencies will look like. We attempted to explore a couple of those things during the estimates process, but answers could not be given.

The macro cuts in the environment are huge. As I understand it, DENR is funded to some \$135 million in 2010-11, and if one tallies up (and I have done this exercise) all the savings initiatives within DENR—including some figures that came through the committee chaired by the Hon. Robert Lucas, the Budget and Finance Committee, which discovered another \$10.3 million that was being pulled out through some other means—the total amount is \$74.471 million over four years. That will have a recurrent impact in the fourth year of this budget, 2013-14, of \$31.356 million out of a budget of \$135 million. That is close to one quarter of its entire budget.

We will start to see some of the cuts take effect in the current financial year, but in that out year it will certainly be very hefty indeed. It has been hard to ascertain what a number of these cuts really mean. If we go to the whole issue of the parks policy, public estate management and those sorts of areas, there has been discussion about increasing visitor numbers as a way of raising revenue out of the environment portfolio. The minister, in estimates, was not clear as to how that would play out. Three parks were referred to as being targeted for raising revenue, but it is not really clear how that money will be raised out of the environment department. There is also a lot of money being raised through environment agencies, including:

- coast protection cost recovery;
- public estate management fees from mineral resources exploration;
- environmental authorisation application fees;
- CDL through beverage manufacturers;
- radiation licensing fees;
- the solid-waste levy; and
- · sustainability licensing.

That amounts to some \$32 million over three years. I must say that I am quite sceptical that that sort of money can be raised, and it is something I would like to explore further in the committee stage of this bill as well as its companion bill.

If we look at the individual programs that are part of DENR, there is some \$1 million to be taken out of the Botanic Gardens, and a very large amount through Corporate and Business Services, which was explored in the Budget and Finance Committee. That is still unclear, and I think it is fair to say that the department itself is very unclear as to how that will operate.

There was also our recurrent impact of close to \$5 million in 2013-14, streamlining of ecological data mapping, reduction in executive employees, and one of my little pets is the heritage function, which is to lose \$500,000 and is rumoured to be taken out of the department and placed into planning, which will be the death sentence for heritage in South Australia.

IT service efficiencies again is well over \$4.5 million in recurrent terms in 2013-14. Marine ecology and the marine parks program, which is curious, given that its annual budget is some \$1 million, is to receive \$1.5 million less in 2013-14. Parks planning, which I have mentioned, is to have an effective recurrent cut in 2013-14 of \$635,000. Parks services: the plant species description is to lose \$300,000 in the out year. Private land conservation and public estate management will lose a significant amount of money, \$1.361 million, in the out year.

The natural resources management program, which is the most significant of all in terms of the cuts and is an absolute disgrace, is undergoing significant rationalisation, but I would be sceptical that there is that much fat in the system that they can effectively lose in recurrent terms \$12 million in 2013-14. The appropriation that comes from the state government is approximately

\$16 million at the moment, so effectively three-quarters of what it is currently receiving is to be slashed from its bottom line.

Natural resources management receives significant funds from the commonwealth government, but again, in order to attract funding, it generally needs to provide some matching funding from other sources, the state government being the most obvious choice, and that will not be available, so I think the total funds available for it into the future will be very diminished. We also had the debacle of the exposure of the old coast protection program, the sand pumping program, which was to be replaced by a 22 kilometre pipeline. That cost has blown out and it will now be only a nine kilometre pipeline.

I think the minister stated in estimates that he was hopeful that it might be completed, but no funds have been allocated for that into the future. I have mentioned raising money out of the parks system, an amount of \$2.5 million in 2013-14, which is expected to somehow raise that out of people going camping and so forth. How that is intended to be done is incredibly unclear and I suspect will not be met. If that is the case, that will be more funds the department will not have available to it and therefore we will see a loss of those services.

Within the Environment Protection Authority, the biggest headline is in the solid waste levy. In other states the solid waste levy has had a business plan so that industry has been made aware over a five-year period what the levy increase is likely to be. We saw this government in 2007 unilaterally double the waste levy, which caused a lot of angst in the community. At that time Treasurer Foley nicked half of it and offset the government appropriation to the EPA. He has done that again, so all the funds that will be raised through solid levy waste increases will again result in an offset from Treasury to the EPA, which effectively means he is paying less for environmental protection in this state.

The Local Government Association is rightly annoyed, as are a number of industries, that it was not consulted about the increase in the solid waste levy. I have publicly asked the minister to make a commitment that he would not increase the solid waste levy in the upcoming budget without consulting the community, and clearly that has taken place. At least there is some warning that the next increase will not come until 2011-12, with the final increase later than that, so there is four years of government advice as to what is happening with the levy. The point I was going to make is that other states have been very transparent in the direction of the waste levy in their states so that businesses which are liable to pay for those levies were aware and could factor that into their future planning.

Of course, we had the Sustainable Budget Commission document leaked to us which outlined a whole lot of things that the Sustainable Budget Commission thought might be a good idea, and some of those have actually been taken holus-bolus and placed in the budget. Interestingly, some of them have varied, and I would like to refer to those as well.

The cost recovery of the Coast Protection Fund is outlined in there and what is in the budget has come in at about half of what was recommended by the Sustainable Budget Commission. Public land visitor management, an increase in park revenue. What is in the budget is actually more, so, clearly, the government thought, 'Well, here's an opportunity for us to raid the community's kitty when they go and visit our parks', and has bumped up the amount.

The Sustainable Budget Commission report must have been leaked out to some of the friends of botanic gardens groups because they got very upset and there were a few media stories about threats to the Wittunga and Mount Lofty botanic gardens and sale of land, but I think the Sustainable Budget Commission had probably not informed itself that any lands within the parks system that are to come out of the parks system would need to be approved by this parliament, which would happen over our dead bodies, so that was dropped.

The ceasing of the marine ecology function. I note that the Sustainable Budget Commission is pretty up-front about using the word 'cease', whereas the budget steps back from that and talks about 'reducing impacts' and all sorts of language like that, but in relation to this particular program (which the Sustainable Budget Commission recommends that it cease), the actual dollar values which are suggested in there are identical. Reducing support for marine parks is about the same. Heritage conservation, which is reducing the heritage function to focus on statutory services, is about half of what is in the Sustainable Budget Commission amounts.

Cost recovery of the Coast Protection Board. The actual amount that was in the budget is a great deal more than was recommended by the Sustainable Budget Commission. We also have a reduction in private land conservation, which is identical to what was in the Sustainable Budget

Commission report. The ecological data function is identical as well. In relation to business services, rationalisation of service, some of the figures, particularly in the out years, are actually greater in the budget than what is in the Sustainable Budget Commission report.

I make these observations because I think it shows that this budget process for the environment portfolio has been treated like an abacus. In areas where the Sustainable Budget Commission has been able to identify potential savings, the Treasurer has bumped some bits up or taken the recommendation exactly as it was presented, and in other areas he has halved it or tinkered with it.

In evidence to the Budget and Finance Committee on the same day as the environment appeared before estimates, I note some of the comments made by Mr Allan Holmes, who is the CEO of the new DENR department. There are comments which read, to my mind, as though the Sustainable Budget Commission has gone in with its axe and not understood what the particular programs are and left everybody in its wake somewhat mystified. Departments such at DENR have been saddled with requirements for funding cuts which I think will have a very detrimental impact on certain services and programs in this state.

The other point that I wish to make is about the FTEs of the department. I understand that DENR has something like 1,100 employees and will lose 1,400. That, by definition, will impact on park rangers who work in fire management and in—

**The Hon. B.V. Finnigan:** You're saying that they're going to get rid of 300 more employees than they have?

**The PRESIDENT:** I find that hard to believe: 1,100 and get rid of 1,400?

The Hon. J.M.A. LENSINK: Sorry, 140.

**The Hon. R.I. Lucas:** Are you meant to be objecting from the chair?

**The PRESIDENT:** I would like it to be explained to the house for your benefit.

The Hon. R.I. Lucas: Under what standing order?

**The PRESIDENT:** It is important that she does not mislead the house.

**The Hon. J.M.A. LENSINK:** I was not intending to mislead the house, Mr President. I just read a figure wrong, but I am grateful for the attention.

The PRESIDENT: As the President, I am entitled to correct you.

**The Hon. J.M.A. LENSINK:** I appreciate that and I appreciate the efforts of honourable members, in their interest in my speech, that they picked me up.

The work undertaken in parks is important. There is a lot of activity that many people in the community do not necessarily understand in terms of providing nature links corridors, and so forth, and very important restoration works that are being undertaken through DENR. I am very concerned that that work will not continue.

The Nature Conservation Foundation, which is a non-government organisation, has taken it upon itself to purchase properties, largely filling a gap that the environment department is no longer able to participate in. In the past, we have had environment departments which have purchased properties for restoration and they have then been managed through the public system, involving park rangers in those works.

The Nature Conservation Foundation will be doing that itself and I think we have seen a significant cost shift to the benevolent sector, which is possibly better resourced to do it, but I think it is a disgrace that this government has allowed the parks system not to be supported to such a degree that we are relying on the generosity of the community to undertake those works.

I indicate that we support this bill but, not being on the Treasury benches, it is very difficult for us to actually have any influence over this process in detail. If I were the environment minister, I would hang my head in shame at what Messrs Rann and Foley are doing, cutting such an important service when we are facing climate change and water difficulties and so many challenges to the natural environment.

The Hon. R.I. LUCAS (20:18): I rise to speak on the second reading of the Appropriation Bill, and I congratulate my colleagues on this side of the chamber for their contribution thus far to the debate. I think the Hon. Michelle Lensink's contribution just then highlights, in part, my

description on day one of this budget, that it is a landmine budget. The damage in the South Australian community will be felt over a number of years into the future.

In many budgets in the past the damage is felt immediately the decisions are announced and it is immediately apparent. Those who oppose the decisions are aware of them, and that debate is collapsed down into a few weeks or maybe a month or so.

However, this budget, as I said, is a landmine budget. The landmines have been laid and a number of them will not do their damage until the second, third and fourth years in this particular budget cycle. As the Hon. Michelle Lensink has just outlined in relation to her specific portfolio interest of the environment, that is one of a number of examples of where the key impacts of the decisions to be taken will not be felt until year 3 and year 4 of the budget cycle.

That department told the Budget and Finance Committee that they had divided their decisions up into two tranches. The first tranche: they are having to make those decisions in the next four to six weeks, as it was when they gave evidence, which was two weeks ago. Those decisions related to the remainder of this financial year, bearing in mind there are only seven or eight months left of this financial year, and year 2; that is, 2011-12.

The decisions that they have to take for the last two years of the budget cycle, which are years 2012-13 and 2013-14, they will not take until sometime through next year. In some cases, I suspect, some of them might be left until the following year as well, but they are endeavouring to take those decisions next year. As the Hon. Michelle Lensink highlighted in her portfolio, which is consistent across a number of portfolios, we have only heard the story so far of the immediate decisions and impacts of the decisions that have been taken.

There are still more significant cuts and decisions that have to be taken, announced and implemented for years 3 and 4 as a result of this budget, and in many cases they will not be announced until next year. The Hon. Ms Bressington raised an issue about anti-poverty cuts today and I think the Hon. Ms Lensink talked about park ranger cuts. They are the decisions that we know about now. Those decisions will be reflected and expanded upon next year as they relate to years 3 and 4.

So, in a traditional budget, when backbenchers in the privacy of their own home whisper behind their raised hands to their partner or spouse, 'Whilst I applauded the Treasurer today in the caucus room, I secretly wasn't overly enthusiastic about what was going on,' normally you only have to put up with the brunt of attack, as I said, for a few weeks or maybe a month or two at the most. What I say to the government backbench is, 'You ain't seen nothing yet.' The decisions that have been announced are the immediate ones.

There will be equally significant decisions through next year for departments like the environment department which, as the Hon. Michelle Lensink talked about, has cuts of up to \$30 million a year in annual expenditure by the fourth year out of, I think, a total budget of \$130 million or whatever that number happened to be. You are talking about extraordinarily large cuts in modest expenditure portfolios. A portfolio of \$130 million pales into insignificance compared to a health portfolio of \$4 billion plus and an education portfolio of \$2 billion plus in terms of its impact.

That is the first point that I would make in relation to the ongoing impact of this budget. The second point I made briefly in the Statutes Amendment (Budget 2010) Bill is that this budget is a budget based on spin, deceit, hypocrisy and broken promises. As I said during that debate, it is a budget that cannot be sheeted home just to the Premier and the Treasurer. All of the cabinet unanimously endorsed it, as the Premier was quick to say. He is quick to make sure that ministers Weatherill, Rau, Hill and all the ministers accept their fair share of the credit for these decisions.

The Premier does not want to accept all of the credit himself in relation to these decisions. He said not one minister—minister Holloway, minister Gago, no-one—opposed any of these decisions. However they might slink around the corridors and suggest to their factional colleagues, 'I wasn't really happy with it,' the Premier and the Treasurer have outed those colleagues from the left and the right: wherever they come from, they unanimously supported it in the cabinet. Then when they went to the caucus there was applause.

They were so happy with the performance of the Premier, the Treasurer and the cabinet that there was applause at these decisions. This is a shared responsibility from the whole of the Labor government. It is not something which is going to be cauterised, as some in the union movement might seek to do, by just chopping off the head, or the two heads, of the current Premier

and the Treasurer. You replace those heads with a new head; whether it is a Weatherill head, or whether it is a Koutsantonis head—heaven help us—or a Snelling head, it does not matter.

They are all equally responsible, they are all culpable for the decisions that have been taken in this particular budget. I want to explain why I believe that this is a budget based on spin, deceit, hypocrisy and broken promises. To demonstrate, let us look at a handful of issues and at what the people were told prior to the election and what the reality was after the election. Prior to the election, we know the statements and the promises that were made, for example, about some infrastructure projects.

Let me refer to just a couple of projects, and Adelaide Oval is one. The government maintained all along that it was to cost \$450 million. During the middle of the campaign we indicated that we had been provided with information that indicated there had been a \$100 million blowout in the cost of the Adelaide Oval project. Kevin Foley and the Premier swore black and blue leading up to the election that they had not received any advice in relation to this matter.

We knew that that was untrue. We knew that what the media and the community were being told by the Premier and the Treasurer was untrue, but, of course, the Premier and the Treasurer got away with not telling the truth to the electorate prior to the election on that issue and on many others. Soon afterwards—surprise, surprise—the Treasurer fessed up that he had been told; he just happened to have forgotten about a meeting, he had forgotten about advice he had received of a \$100 million blowout.

One of the major issues of dispute in the election campaign was when the shadow minister in the middle of the campaign alleged that there had been a \$100 million blowout. The Treasurer takes advice and then comes out and says that he has not been given any advice at all about a particular blowout. Then, after the election, he remembers that he had been at a meeting, he had been advised and he had been told about a massive blowout.

The Auditor-General tells us in recent days that, back in November of last year, cabinet approved a \$100 million blowout in the cost of the \$1.7 billion Royal Adelaide Hospital PPP project, again one of the major issues of the election campaign. All through the election campaign, and in the period leading up to the election campaign, the costings of the promises and the big infrastructure projects like the RAH and the Adelaide Oval project were matters of controversy.

All through that campaign, the Premier and the Treasurer, and the Minister for Health in particular, publicly claimed that they had thoroughly costed the RAH and that it was \$1.7 billion, and yet we know that four months prior to the election cabinet had authorised and approved a \$100 million blowout to \$1.8 billion in the estimated cost of the RAH project. That is the point I make: it is not just the Premier and the Treasurer who are culpable in relation to these issues of broken promises.

All those cabinet ministers were part of that process. They were all aware that there been a blowout, and all of them, including minister Hill and the others, failed to tell the truth to the people of South Australia about the cost of that particular project. I spoke earlier today on the companion bill in relation to the broken promises on conditions of employment and forced redundancy for public sector workers, so I will not go over it again, but it is another example of broken promises.

Prior to the election, we were told that the budget was strong, that it was in surplus. Yes, it did need \$750 million over the forward estimates in yet-to-be-established budget savings, and they had established this consultancy called the Sustainable Budget Commission to achieve those particular savings. What we now know is that both the Treasurer and Treasury were aware prior to the election—because the leaked information from both the Sustainable Budget Commission and within Treasury has confirmed this—that the \$750 million was not going to be enough to produce the surplus budgets he was claiming would be produced over the forward estimates period, after initial deficit for a year or two.

What we now know is that that \$750 million in unallocated and yet-to-be-established savings for departments and agencies was a figure of over \$2 billion in savings which had to be established by the government, and the government used the Sustainable Budget Commission to generate a menu of savings for them. So instead of \$750 million, as they had claimed, it was over \$2 billion in savings.

Again, the claims that had been made prior to the election by the opposition and others that the government was not delivering the savings targets from previous budgets, that agencies were not meeting them and that the budget was in trouble in terms of its forward estimates were all

denied by the Treasurer, in particular. Of course—surprise, surprise—after the election, the government was forced to acknowledge that all of its claims in relation to responsible financial management were thrown out the window. The caucus and the cabinet were confronted with the brutal reality that what they had been told was untrue as well, and it was not \$750 million, it was more than \$2 billion in budget savings measures, to use the government's euphemism, that had to be found as part of this budget.

The deceit, hypocrisy and broken promises on the public sector do not just relate to the issue of forced redundancies and entitlements; it also relates to the whole issue of public sector job cuts. Anyone involved in politics during the 2006 election will recall that a feature of that particular campaign was the Labor government's commitment that they did not need to cut numbers in the public sector. The Treasurer went so far as to say that they had offered TVSPs and they were all 'TVSP'd out', if I can use a phrase, that there would not be anyone prepared to take TVSPs.

The Liberal Party in 2006 under Rob Kerin said, if we are going to spend additional money on priorities like hospitals, schools, new infrastructure projects and tax relief, we need to make savings by reducing the number of Public Service jobs. A key issue of that election was the issue of whether or not there needed to be a reduction of 4,000 in job numbers in the public sector. The government said no; the opposition said to be sustainable you have to.

So what happened during 2006 to 2010? Having promised no job cuts, the government in three separate budget cycles cut more than 4,000 jobs from the public sector. In the very first budget after the election in 2006-07, they made 1,600 job cuts having promised no job cuts at all, then in 2008-09 they made further massive job cuts, which are estimated by Treasury officers to be up to 1,000 full-time equivalent jobs, and then in the Mid-Year Budget Review in 2009 another 1,700 job cuts. So that was 1,600, 1,700 and 1,000—more than 4,000 full-time equivalent job cuts in three separate budget decisions in the period 2006 to 2010—when they had gone to the 2006 election saying 'No public sector job cuts at all; we do not need that to sustain our budget.' That is what actually occurred, as opposed to the promise, during the period 2006-10.

Coming into the 2010 election, of course the Premier and the Treasurer again said everything was hunky-dory in the public sector: 'The budget is sustainable. Yes, we're going through some problems with the GFC but after a year or two in deficit things will be sustainable and we don't see the need for significant job cuts in the public sector.' Of course, they made the promises about no forced redundancy, and of course they made the promises about job conditions and entitlements.

That was the promise prior to 2010, and bang—straight after the election, what happens? This government comes in, and surprise, surprise, shock, horror, up to 4,000 (3,700 full-time equivalent) job cuts in the public sector. Who on earth—and certainly the finger cannot be pointed at me—would be foolish enough ever to believe anything that the Premier, the Treasurer or anyone from the Rann government says? Clearly, around 48 to 49 per cent of the people of South Australia did prior to the last election.

The reality is that you just cannot believe anything these people say in relation to their promises and commitments. You look at what they promise at election time, and particularly we are talking now about the public sector; what they then do to the public sector straight afterwards is completely opposite to what they promised. Sooner or later those who represent the public sector in South Australia may well wake up to themselves on behalf of their members. Why on earth would you believe anything that Mr Rann, Mr Foley, Mr Weatherill or any of these ministers promise you prior to an election period?

It has as much validity as the letter written by treasurer Foley to the Australian Hotels Association prior to the 2002 election promising not to increase taxes on gaming. Of course, they got a \$100,000 donation into their coffers as a result of that commitment and then the commitment was broken in the very first budget after the 2002 election. Why would you believe this Premier, this Treasurer, or any future premier or treasurer, whether it is minister Weatherill, minister Snelling, minister Koutsantonis or minister Hill, in terms of a promise or a commitment that they give you in the lead-up to the next election in 2014?

The record is clear: they will say, they will do and they will promise anything prior to an election to be elected and then, after that, as treasurer Foley proudly boasted in the parliament in the *Hansard* in 2002, as he sneered across the chamber to then leader of the opposition, Rob Kerin, 'You don't have the moral fibre to break your promises. I do.' That was the boast from treasurer Foley when he was asked to explain why he had broken his promise in a letter to the

Australian Hotels Association promising no increases in the gaming machine tax. He was asked how he broke his promise, why he broke his promise and he sneered across the chamber and boasted, 'You don't have the moral fibre to break your promises. I do.'

That is the moral substance; that is the moral fibre; that is the morality of this government whether it is led by the current Premier or any future premier. That is the moral fibre that they boast of in terms of their honesty, their integrity, in terms of whether or not a commitment and a promise is there to be kept or whether it is there to be broken from their viewpoint. The reality is that there is not a promise made that they are not prepared to break if they believe it is in their interest so to do.

We have seen the record, and we are going to see over the coming months and years further promises broken as this landmine budget does its damage and partners and agencies have to announce decisions which will have impact in years 2, 3 and 4 of this budget cycle. That is why we the opposition describe this as a budget of spin, deceit, hypocrisy and broken promises.

There are a number of issues that I now want to address in terms of the specifics of the budget papers. The first thing I will say is that, through the work of the Budget and Finance Committee, we have actually established that the budget papers themselves are not accurate. We were all told that new Budget Paper 6, Budget Measures Statement, was the definitive statement to outline all the budget cuts, all the budget savings or, to use the government's euphemism, all budget improvement measures.

In terms of what we have already established through some of the early meetings of the Budget and Finance Committee, let us just look at some of the evidence given by the Department for Environment and Heritage. Mr Allan Holmes indicated clearly that some of the budget cuts, which had been recommended by the Sustainable Budget Commission and approved by the cabinet to be implemented on the department, had not been included in the budget papers.

Let me give two examples that we were able to find. One of them was that there had been a \$1.8 million cut over four years in the funding for the Million Trees Program, quite a popular program. That will continue to be funded by robbing \$1.8 million over four years from the planning and development fund, which is used to save open spaces in developments. So, what we are going to see from that \$1.8 million cut in funding for the Million Trees Program is a \$1.8 million cut over the next four years in the purchasing and saving of open spaces as part of developments, because the money has been robbed from that particular fund. That cut has not been included in the budget documents.

The second one was a \$10.3 million budget savings measure, which was labelled 'depreciation savings through asset rationalisation and other measures'. Again, DENR indicated that had not been included in the budget documents. We put the question to the CEO of the department as to why these cuts had not been included in the budget documents. Members had been told, the community was told, and anyone interested would be able to see what cuts were made in those particular departments. The department basically said that they do not know, that they do not understand why Treasury had not included those particular cuts in the budget documents.

It raises questions, as we look at this budget. The Budget and Finance Committee will meet these departments and agencies, as the Hon. Mr Darley knows as a new member of the committee, over a 12-month period, and we will be asking questions. One of only three questions I want to put to the government today, through minister Holloway, as part of this debate is: can the government and the Treasurer explain what other budget cuts, similar to the ones that I have just highlighted, have not been included in the budget measures document? So, what other cuts have not been included? Secondly, can the minister explain why those cuts were not included in the budget documents? What was the reason for excluding them from the budget documents?

To that end, the evidence from the Department of the Premier and Cabinet is illuminating, because they indicated that again there were cuts and savings measures for their department which were not detailed in the budget documents.

What was indicated in the evidence was that there were further cuts of \$18.3 million, in addition to the \$50 million in cuts detailed in the budget papers, that were to impact on Mr Eccles' department (he is the CEO of the Premier's own department) which had not been detailed in the budget documents. Mr Eccles did give the Budget and Finance Committee the breakdown of that \$18.3 million over each of the forward estimate years.

Obviously, we will be able to pursue this with the department through the Budget and Finance Committee over the next 12 months. However, I think it is important for members in this chamber, as we debate this budget now, that the Treasurer, through the minister, provides advice to the parliament as to the equivalent numbers for each of the other government departments and agencies. That is, Mr Eccles says there are a further \$18.3 million in cuts over the \$50 million detailed in the budget papers for his department: what are the equivalent numbers for each of the other government departments and agencies?

The next issue is one that a number of members in another chamber partially addressed and that is that the Treasurer, during the estimates committee, was forced by the shadow treasurer to acknowledge that the problem he is confronting at the moment is not about revenue or income but it is an expenditure problem. That is, for a period of eight years now this Treasurer has not been able to manage his expenditure, there has been massive over-expenditure and he has been unable to manage it. As the Hon. Michelle Lensink and others referred to, for the last few years we have enjoyed the rivers of gold from the GST deal done by the former Liberal government with the former federal Liberal government in 2000-2001, and this state Labor government has enjoyed the benefit of those rivers of gold flowing into the state coffers.

There was an \$8 billion budget when the government come to power in 2002 and we are now talking about a \$15 billion to \$16 billion budget. Their income has virtually doubled in eight years and yet we are now confronted with the atrocities that are being committed by this government on various departments, agencies and programs as a result of its own mismanagement of that doubling of revenue, that doubling of income over the period that it has been in government. It is not a problem of income and revenue: it is a problem of expenses and expenditure.

In its budget the government continued to try to push the furphy of this being a problem of the GFC; that is, revenue flows declined significantly. The best figure it has been able to come up with is that the impact of the GFC was \$1.4 billion over the five years from 2008-09 to 2012-13. It will be self-evident that two of those financial years (2008-09 and 2009-10) have been and gone. My view is that I suspect the majority of that \$1.4 billion that has been calculated is collapsed down into those two particular financial years.

The more critical issue is not the problems of the past, because we acknowledge the problems of the past but, as we look to the health of the income statement and the balance sheet for this year and the future, it is what the ongoing or residual impact of the GFC is on this year's budget and the forward estimates budgets, that is, 2010-11 through to 2013-14. That is the number that we need to see.

That is why, I think almost two months ago when the Budget and Finance Committee had Treasury, we asked them to give us the breakdown. In estimates committees two to three weeks ago the shadow treasurer again asked the Treasurer, 'What is the breakdown of that \$1.4 billion?' The Treasurer said, 'Look, the shadow minister for finance asked that question in the Budget and Finance Committee a few weeks ago.' The shadow treasurer said, 'Yes, we know; that's why you should have the answer now.' The Treasurer said, 'Oh, no, we still don't have the answer here. We'll give you that answer.' Well, having asked the question in the Budget and Finance Committee and having asked the question in the estimates committees, this week we need that answer.

It is there. It has been produced by Treasury, and my sources within Treasury tell me that the Treasurer has it. I put the question specifically to the Leader of the Government in this chamber. He needs to get that number from the Treasurer and share it with all of us so that we can debate this issue of the relative impact of the GFC and what we believe is the much greater problem, that is, the profligacy, the wastage and the overspending of the Treasurer, the Premier and all the ministers in the government, in big issues and in small.

I want to go back quickly and refer to the contribution I made in May 2002, immediately after the change of government. There was a dispute at that time about a fictional black hole, which had been manufactured by treasurer Foley to try to justify some of the broken promises he made in 2002. At that stage, the former government had adopted a policy that, if a government department or agency overspent and there was no justifiable explanation for it, that department needed to accept responsibility and repay the overspending over a period of time. In 2002, we had done that with two departments, Health and Education.

As I explained that policy at the time, there were cabinet ministers in the former government who rightly said to the former government, What incentive is there for us as ministers,

whether we are in the environment department or in the further education department or in the smaller departments, to manage our budgets, reduce our expenditure and stay within our spending limits if one or two agencies continue to overspend and the automatic response of government is just to top them up and say, "We'll reward your overspending?" What incentive is there for the other CEOs and ministers to manage their budgets as you should manage a budget, whether you are in the public or private sector?'

The first decision that treasurer Foley took, and he was supported by his cabinet colleagues, such as minister Holloway and others, was to throw that policy out the door and say to departments that, if they overspent, they would be reimbursed for that over-expenditure. The government took that decision in that first year, in 2002. My words of warning at that stage, on 8 May and on a number of occasions soon after that, were as follows:

...if you have a treasurer and a government that say, 'Don't worry about that; we will just give you the extra money'—if that is the Treasury approach that is to be adopted, let me warn you now that that is a recipe for disaster. That is indeed the response that this current Treasurer is adopting.

#### And later on:

As I said, I place on the record again that the current Treasurer's soft approach to overspending by government agencies is a recipe for financial disaster. A few bureaucrats in government departments and agencies will be delighted to hear that the overspending policy of the previous government has now been overturned by this Treasurer. He [treasurer Foley] is quite relaxed about overspending: there will be no sanctions; there will be no repayment; those issues will be written off.

I go back to that contribution and that heated debate in 2002 just to indicate that the Treasurer and this government were warned at that stage that, whilst the future financial position was likely to be strong, with the GST deal and the State Bank debt having been paid off by the former government, if you adopted a policy of just allowing departments, ministers and CEOs to spend, and whatever overspending there was recouped and repaid by Treasury, it was a recipe for financial disaster.

How did they get away with it for so long? They got away with it for so long because of the rivers of gold. It was the equivalent of winning X-Lotto every year. Treasurer Foley continued with this management process of letting overspending go on, but every year he won X-Lotto. There were hundreds of millions of unbudgeted dollars flowing into the coffers from property taxation, from GST revenues, from every possible source during that particular buoyant period in the national and state economies.

Of course, Treasurer Foley sat on his backside and said, 'How good is this? How good am I? I'm producing surpluses. What the heck about the hundreds of millions of dollars of over expenditure every year. Don't worry about it. We will pay it off because I'm winning X-Lotto every year, because we are getting the hundreds of billions of dollars from unbudgeted revenue sources.'

That sort of fiscal management policy is a recipe for financial disaster. The warnings were there in 2002. The reason the chickens didn't come home to roost earlier was because of winning financial X-Lotto every year for a number of years. Now the chickens have come home to roost. There was a tightening for a period of time with the GFC, although that has now eased off. There has continued to be this massive over-expenditure.

The Treasurer, in response to estimates committees questions from opposition members this year, was quite open about it. He got his years and dates wrong, as is normally the case. He said that he had changed the former government's policy, that he had changed it after a couple of years. Well, he changed it straightaway. He changed the policy in 2002.

He acknowledges in the estimates committees, in response to questions, that the extra money, for example, for health—\$500 million of the \$800 million he is boasting of for health—is just the over-expenditure from the last financial year. Each of the last three years, as the Hon. Mr Darley will know, there has been over-expenditure of somewhere between \$70 million and \$200 million a year in health which has just been paid up by the taxpayers.

Can I say, in relation to these policies, that there is an element of the health budget which does relate to increased activity. Whether it be the former government or this government, I am prepared to acknowledge, together with the government, that you need to approach the issues that relate to increased activity in a different way.

However, as the Budget and Finance Committee has established, the health department was given a whole series of savings that had to be achieved across the board, unrelated to activity levels, but in relation to administration and management, etc., which it never achieved. As it came

to the Budget and Finance Committee every year, those savings tasks that everyone else had to achieve they just did not achieve.

They did not have to because, from 2002, the Treasurer had adopted the approach that it does not really matter if you overspend, we are just going to top your budget up. So, every year he has topped their budget up. He has paid them out and they did not meet their savings targets. They just ignored their savings targets year after year after year, as they came to the Budget and Finance Committee and reported.

The genesis for the problems we have now was sown in that first year. The warnings were given explicitly to the Premier, the Treasurer and the government, and they ignored those warnings. The cost of the slack management of overspending by the Treasurer and the government is now being felt by everybody.

In relation to the expenditure problem, the opposition has highlighted, over a long period of time, massive over-expenditure blowouts on major infrastructure projects—and I will not repeat all of them today—running into hundreds and hundreds of millions of dollars on a range of projects. I have highlighted the blowouts, in this contribution today, in the Adelaide Oval and the Royal Adelaide Hospital projects already. With the transport projects, some of the overruns in minister Conlon's department have entered into legend status, on the South Road projects and the Northern Expressway, etc. I am sure that we will see more of that with the other major infrastructure projects.

What we have seen from this government in terms of talking about, okay, where do we find the savings? There is one area in terms of savings. There are many others we identified in the lead-up to the state election. I think that the best example you can find is that if you are not prepared to be frugal in terms of managing the small amounts of dollars you control as a minister, there is no way in the world you are going to be frugal in terms of managing the big expenditure projects.

What we have seen with this government and these ministers in terms of managing their own expenses and their own budgets is massive wastage and snubbing of their noses to the electorate. No wonder, as I said, the position of this government is toxic whenever an opinion poll is run; and, certainly, the opinions of the Premier—and the Treasurer in particular—are toxic when questions are raised.

When you have a situation where the Treasurer of the state is quite happy to rack up \$22,000 a year on mobile phone costs and when one of his young staffers is prepared to rack up more than \$10,000 a year on mobile phone costs, they are examples of the personal excesses of an arrogant government and an arrogant ministry and staff who are out of control and who, frankly, take the view, 'Hey, the taxpayers' money? We couldn't give a continental about saving anything.'

When that story hit the headlines in the *Sunday Mail* under the heading of 'Ding-a-ling', with a big photograph of Kevin Foley on the front page, a number of people spoke to me, and other members of the opposition, just saying, 'This is a perfect example of what is wrong with this government.' You have a situation where most people say, 'Doesn't the Premier and the Treasurer know that you can actually get mobile phone plans?'

You can get a mobile phone plan for \$130 a month—or less—for unlimited calls. You can spend \$1,500—\$2,000 tops—for unlimited calls. If you were frugal, instead of spending \$22,000 of taxpayers' money a year on mobile phone calls, why would you not take out a plan? If he had a problem with the government deal—he has been there for eight years and he has been spending \$14,000, \$15,000, \$16,000 for years (and I have been raising this for at least two or three now)—then negotiate a deal with a provider, and say, 'Give us a deal where we cap the expenditure so that me, the Treasurer, can get \$22,000 worth of calls for \$3,000 or \$4,000.'

That is the sort of deal that should be negotiated. Why don't they do it? Because they could not give a continental. It is the taxpayers' money. They believe that they have a God-given right to waste the money of the taxpayers—whether it is hundreds of millions of dollars on an infrastructure project or \$22,000 on mobile phone calls, they could not care less. That is why the Treasurer, for example, will spend \$29 for a glass of Moet and \$300 for a cosy dinner for two at the Wildfire Restaurant. That is why at 1.30 in the morning when he is in New York he will be at Rande Gerber's Whiskey Blue nightclub in New York. Why? Because it is owned by Cindy Crawford's husband, Rande Gerber, and frequented by the A-list.

Go to the website and what does it say about the A-list clientele that go to Rande Gerber's bars? Besides Kevin Foley (he is not mentioned), you have Scarlett Johansson, George Clooney,

Salma Hayek and Hugh Hefner and his Playboy Bunnies. They are the A-list clientele for the Gerber bars, such as the Whiskey Blue nightclub. The taxpayers are paying for Kevin Foley's drinks at 1. 30 in the morning in the Whiskey Blue nightclub. What does the website say?

The premier hunting ground for angular debutantes and the Wall Street players who love them. Whiskey Blue, at the W Hotel, has cropped up in bright cities across the country shilling its special blend of high-life sophistication and lounge-y hedonism.

Plush leather divans invite patrons to engage in something a little more than sitting, while white-sleeved bartenders mix martinis and cosmos from behind a mahogany and alabaster bar.

Why is it not surprising that our Treasurer would want to be there at 1.30 in the morning, spending taxpayers' money buying drinks? That is the problem with this government. We have a Premier who—

The Hon. P. Holloway interjecting:

The ACTING PRESIDENT (Hon. J.S.L. Dawkins): Order!

**The Hon. R.I. LUCAS:** —is required under the Public Sector Act to indicate once a year in the Government Gazette the total remuneration—

Members interjecting:

**The ACTING PRESIDENT:** Order! The Hon. Mr Lucas has the call. Other members are out of order.

The Hon. R.I. LUCAS: —of his ministerial staff. So, what does the Premier do in relation to Mr Nick Alexandrides, his chief of staff, for example? He indicates that his total package is \$175,000. In the Budget and Finance meeting with premier and cabinet, we put the question to Mr Chris Eccles: is it true that Mr Nick Alexandrides is recorded in annual reports and in the Auditor-General's Report at a remuneration band of \$250,000 to \$259,000? The answer was yes. So, Mr Nick Alexandrides is on a total package of \$250,000 to \$259,000. I ask the Hon. Mr Gazzola and the Hon. Mrs Zollo: does a chief of staff, a spin doctor, in a minister's office, a government department or agency, deserve a quarter of a million dollars total remuneration package?

**The Hon. P. Holloway:** What's your remuneration, taking your superannuation into account? Come on, what's your super worth?

**The Hon. R.I. LUCAS:** We are elected members of parliament. We are not apparatchiks, boffins; we are not staffers in this government's departments and agencies—

**The ACTING PRESIDENT:** Order! The minister is out of order. We will not have a conversation.

The Hon. J.M. Gazzola: He asked the question, though.

**The ACTING PRESIDENT:** Well, we will not have a conversation. The Hon. Mr Lucas should not be asking questions. He is making a speech.

**The Hon. R.I. LUCAS:** Mr Acting President, I am not going to be diverted by the intemperate, violent at times, interjections from the Leader of the Government. I will not be intimidated by the Leader of the Government screaming, yelling and going red in the face in the chamber.

The ACTING PRESIDENT: I do not want you to respond to it.

The Hon. R.I. LUCAS: Thank you, Mr Acting President, I won't. That is what I am saying. I will not be diverted by that intemperate behaviour by the Leader of the Government. Clearly, that sort of response indicates that he and this government have something to hide. My questions to the government are: why on earth would it hide the total remuneration when it is required by law—the Premier is required by law—to indicate the total remuneration? What was the government's response? Mr Rann told his chief spin doctor, Jill Bottrall, to say that superannuation was not a monetary benefit and that is why it had not been included. There is nobody in South Australia who will believe that statement from the Premier: that superannuation is not a monetary benefit.

The Hon. P. Holloway: You know he's in a defined benefit scheme just like you are.

The Hon. R.I. LUCAS: It does not matter. The statement made by the Premier—

The ACTING PRESIDENT: Order! The minister is out of order.

**The Hon. R.I. LUCAS:** The Premier had not included it, as he is required by law to do, because it states, 'Remuneration includes all monetary benefits.' That was the point that was being made. The journalist put the question to Mr Rann, or to his office:

It says that you have to include all monetary benefits. Surely superannuation is a monetary benefit; why didn't you include it?

The Premier's response was, 'Superannuation is not a monetary benefit.' It is no wonder this state is in a financial mess.

The Premier of this state, in a desperate attempt to cover up the unlawful act of not revealing the total remuneration of his chief of staff and other staff, says that superannuation is not a monetary benefit. The people who read that statement have just laughed at the Premier, but they know that he said that to get out of having to answer the question as to why he refused to comply with the Public Sector Act. The heat is now back on the Premier, minister Holloway and others.

The Hon. P. Holloway: There is no heat at all.

The Hon. R.I. LUCAS: No, indeed—minister Holloway's staff, too, we understand—although we suspect the numbers are not as significant a difference. It is almost an \$84,000 difference instead of \$175,000—\$259,000 in total remuneration costs to the taxpayers of South Australia—and that has not been revealed in the Auditor-General's Report or in the departmental report. The only way it is ever revealed is through the work of the Budget and Finance Committee of the Legislative Council. That is the only way it is revealed. It is no wonder this Leader of the Government opposed the establishment of the Budget and Finance Committee and on every occasion seeks to smear the work of the Budget and Finance Committee.

The Hon. P. Holloway interjecting:

The ACTING PRESIDENT (Hon. J.S.L. Dawkins): The minister will come to order.

**An honourable member:** I don't think you should be calling Greg Kelton gullible.

**The Hon. R.I. LUCAS:** Mr Acting President, we should get that on the record, the Leader of the Government calling Greg Kelton gullible and—

The Hon. P. Holloway: I said he publishes everything you say without—

**The Hon. R.I. LUCAS:** The Leader of the Government is saying that Mr Kelton and *The Advertiser* publish everything I say without—

The Hon. P. Holloway: Without any sort of assessment.

**The Hon. R.I. LUCAS:** That sounds like an accusation of gullibility from the leader of the government.

The ACTING PRESIDENT: I think we should forget about Mr Kelton and return to the bill.

**The Hon. R.I. LUCAS:** Indeed, Mr Acting President. Again, I am not sure why there are these intemperate attacks on journalists from the Leader of the Government. He should—

**The Hon. P. Holloway:** Because your attack was a sleazy attack on the Premier's chief of staff.

The Hon. R.I. LUCAS: No, he is not previous. He has been sacked, has he?

An honourable member: No, the Premier's chief of staff.

**The Hon. R.I. LUCAS:** He now says it is a sleazy attack on the Premier's chief of staff. It is not a sleazy attack on the Premier's chief of staff: it is an attack on the Premier. If the chief of staff can get away with an extra \$84,000 without anyone knowing, good luck to him. The attack is not on the chief of staff: the attack is on the Premier. The responsibilities rest with the Premier and with ministers like minister Holloway.

That is where we need to see honesty and integrity. If the Public Sector Act says you must reveal the remuneration of all your spin doctors once a year, then you should do it. And, minister Holloway, if you are not doing it for your staff, you have to accept your responsibilities as well; because, minister Holloway, I think if you go off and check you will find that the total remuneration for your staff is higher than what has been revealed in the gazette as well. So, let us not get this holier-than-thou attitude from the Leader of the Government in this chamber, Mr Acting President, on what the requirements of the Public Sector Act are.

**The Hon. P. Holloway:** You know they've been gazetted like that for years—just like when you were the treasurer.

**The Hon. R.I. LUCAS:** The difference, of course, is that never under the former government was an extra payment of \$84,000 concealed from the people of South Australia. And why? Because the government, through the Premier, said that superannuation is not a monetary benefit. Let me assure you, as a former treasurer, that I would never have made such a stupid statement that superannuation was not a monetary benefit. As I said, there is no-one in the state who would agree with that statement from the Premier.

There are two final points that I want to make. One is in relation to the changes in the budget.

The Hon. P. Holloway interjecting:

The ACTING PRESIDENT: You've kept him going for another 20 minutes.

**The Hon. R.I. LUCAS:** Mr Acting President, I was meant to finish 10 minutes ago, but these have been intemperate attacks, as I said, bordering on violence, from the Leader of the Government. I am being encouraged to do so, Mr Acting President, but I never refer to the fact that a member may have left the chamber, whether willingly or unwillingly.

The other changes are in relation to the Commissioner for Public Employment. I think this is a critical issue, as part of this whole budget package. I will probably speak at greater length on this on another occasion, but I believe it is an important issue that members need to be aware of. We are getting rid of what was the independent person in the Public Service, and the chief executive of the DPC will become commissioner. A lot of the powers of the commissioner will be delegated to CEOs of various departments, and some of the residual powers will go to the CEO of DPC.

As you will know, Mr Acting President, on previous occasions I have raised serious issues in relation to charges of nepotism against a former CEO of the Department of the Premier and Cabinet, and they were investigated by the former independent commissioner for public employment. The question I put to the CEO of DPC is: in the future, how would similar complaints be handled? I hasten to say that I do not at all make a similar complaint against the current CEO, and I indicated that to him in the Budget and Finance Committee.

This raises an important issue. Previously, there was an independent commissioner for public employment who was in charge of only a dozen or so staff, not a big department. In future, if there is an allegation to be made against the chief executive of the Department of the Premier and Cabinet to whom would someone go to have that matter investigated? He is now the commissioner, as well as being the CEO of DPC. To be fair, the current CEO acknowledged that that was an issue that needed to be addressed, and the Budget and Finance Committee is awaiting a response on the matter.

The final issue I raise relates to targeted separation packages. This is a critical issue, and I will perhaps speak on the process at greater length on another occasion; however, the current arrangement we have from the government is that there will be what is known as the 'gold-plated' TVSP package where, once someone is declared surplus, they will be offered a package of up to a maximum of 116 weeks' pay. After six months, they will be offered the 'silver-plated' package, which (and I am not entirely clear about whether or not this has been announced) I think might be 80 or 90 weeks' maximum payment. After 12 months, the issue of no forced redundancies would be revisited by the government.

The problem the government has, in managing this process, is that it has said it has to get almost 4,000 full-time equivalent public servants out of the system. If it is unsuccessful using the gold-plated and silver-plated packages, it will then have to move to revisiting the no forced redundancies provision. The impression has been given that that decision will be taken about 12 months after September this year—so, September next year.

The problem, which we have established in the Budget and Finance Committee, is that some agencies—for example, DENR three weeks ago—will not know which particular individuals will be targeted to go and offered packages until potentially well into next year. So, there will be a situation where some of these public servants will not have to make a decision in relation to a targeted separation package until year 3 or 4 in this current budget cycle.

The problems are self-evident: in September next year, the government will not be in a position to know whether or not 3,700 full-time equivalent public servants will be prepared to take up voluntary separation packages. So the government will not be in a position, in September next year, to make a judgement, with that information in hand, regarding whether or not it should move to a position of forcing redundancies in the public sector. That is what it said it is going to do and said that it would do it on the basis of knowing whether or not the gold and silver plated packages in the public sector had been successful.

The problem this government will confront—and public sector workers will confront—is that this government may well take a decision in relation to forcing redundancies in the public sector to around September next year, well before some of the public sector workers have been in a position to consider whether they will take the gold plated package of up to 116 weeks pay or the silver plated package of maybe 80 or 90 weeks' pay as a final settlement for voluntarily leaving the public sector in South Australia.

So, it is a critical issue in terms of managing the public sector. Certainly it will have a critical impact on whether or not this government is able to achieve its fiscal targets. There is considerable doubt on that as members on this side of the chamber have highlighted during their contributions to the Appropriation Bill debate. As I indicated at the outset, during the committee stage of the debate—to a degree on this bill but also on the Statutes Amendment (Budget 2010) Bill—the opposition and other members I am sure will explore in some detail many of the issues raised by members during their contributions on both this and the companion bill.

The Hon. CARMEL ZOLLO (21:21): First, I congratulate the Hon. Russell Wortley on his contribution. He had so many achievements to place on the record that members opposite ran up the white flag and admitted defeat. I make a quick remark about the contribution of the honourable member who has just spoken: I must admit that he did not seem to be quite sure whether he was accusing the government of overspending or underspending. Some of the tosh he placed on the record about individuals really is best ignored, but the Leader of the Government in this place will, no doubt, respond to it in summing up.

I rise in support of the Appropriation Bill before us. It is easy to forget, but as reminded by the Treasurer in another place, this time last year we stood in the midst of the sharpest and deepest global recession since the Great Depression. These have been difficult and uncertain economic times, throughout which the South Australian government has provided the best possible measures to ensure stability for our state. Last year, as the world was in the midst of a financial crisis, the state government outlined a stimulus to the South Australian economy, in partnership with the commonwealth government, ensuring that billions of dollars of capital investment were directed into rebuilding the state's infrastructure, and provided increased funding for key services in Health and Families and Communities.

In 2010, while global markets continue to falter, Australia's economy continues to strengthen, and South Australia, under the Rann government's economic plan, is also in an enviable position in comparison to other areas throughout the world. In the past year alone, almost 20,000 additional full-time jobs have been created in South Australia. I take the opportunity to place on record some comments made by the Premier in another place in his State Economic Outlook last Thursday, 21 October 2010, as follows:

For example, in the 8½ years since we were elected we have added 122,300 jobs to the state's economy. In the eight years prior to that date a total of 50,800 were added. In terms of full-time jobs, nearly 80,000 have been added since March 2002, compared to less than 5,000 in the eight years prior. We have regained and retained our AAA credit rating, further highlighting our prudent financial management. We are investing more than \$11 billion in infrastructure to underpin the medium and long-term growth capacity of our economy, which represents an increase of around five times in infrastructure spending since the start of the decade.

I thought that was worthwhile to place on the record.

The 2010-11 state budget tabled in the other place on 16 September 2010, outlines the continued growth for South Australia and delivers major new funding initiatives for core services such as transport, roads, schools and hospitals. Education, health and improved infrastructure are key priorities to ensure the strength of our state. The 2010-11 education budget will total \$2.533 billion, including funding for more teachers and school staff and the provision of more support for students with disabilities; \$720 million will also be invested into school infrastructure and the provision for new school facilities. The funding means an additional 700 teachers and staff in schools and preschools, lifting the quality and standard of education for our state's children.

The health and wellbeing of South Australians also remains a key priority for the state government, and record spending has been injected into our state's health system. Over the next four years, the government will invest \$111 million for strategies to achieve a four-hour turnaround target for emergency departments for 95 per cent of patients; \$88.6 million to provide an additional 260,000 elective surgery procedures across metropolitan and country hospitals; \$64.4 million to upgrade the Women's and Children's Hospital with more specialist cots, extra theatres and new single patient rooms, and a further \$7.3 million for staff and operating costs; \$46 million for Modbury Hospital to remodel the emergency department and provide a 36-bed rehabilitation inpatient unit—this is in addition to the \$12 million already committed to redevelop the hospital—and \$38.6 million over two years as part of the \$125 million redevelopment of the Queen Elizabeth Hospital, providing a new three-storey emergency department building, a new outpatient area and nine new operating theatres.

Disability services and assistance for the disadvantaged will also receive an investment of an additional \$307 million over the next four years. This is to ensure care for the disadvantaged and disabled throughout South Australia. Major initiatives include: \$137.7 million for Families SA to care for children under the guardianship of the minister; \$70.9 million for Disability SA to assist South Australians requiring accommodation support, community support, community access and respite services throughout the state; \$13.8 million for disability equipment; \$4.2 million for children with autism; \$3.1 million for home visits for seniors; and \$2.9 million in rebates for personal alert systems for seniors.

Developments to infrastructure include an investment by the state government of \$10.7 billion over the next four years, ensuring that the high level of rebuilding and expansion to South Australian infrastructure continues. The modernisation of our roads, schools, hospitals and the implementation of other water security measures will help maintain the high standard of living enjoyed throughout our great state.

Over the next four years major projects funded by the government will include: \$420 million for ongoing public housing construction and redevelopment programs; \$842.8 million for the South Road Superway, currently the state's biggest individual road project; \$445.5 million for the duplication of the Southern Expressway from Darlington to Old Noarlunga, including an interchange at Darlington; \$1.4 billion in the investment of projects upgrading the major metropolitan rail lines, including the electrification of the Gawler, Noarlunga and Outer Harbour lines and the extension of the Noarlunga rail line to Seaford; \$12.4 million to expand the rural road safety and blackspot programs; \$12 million for the Greenways and Cycle Paths project; and \$5.2 million for the upgrade and replacement of bus shelters across the state.

While this information is public knowledge, I know that it has not received the publicity it deserves. The emphasis has been given to those hard decisions that were taken by cabinet to ensure financial sustainability. There have, of course, been difficult decisions, but all with the intention of returning the budget to a sustainable position and ensuring the provision of services to all South Australians. When we talk about the provision of services, we do not have to look any further than the doubling of health spending in the state. South Australian crime rates have fallen every year under Labor. We have seen a 35 per cent drop in crime since Labor was elected. Those sorts of statistics just do not happen unless you provide good law and order services.

The 2010-11 state budget sets out to ensure the prosperity and growth of South Australia for generations to come, with emphasis on roads, railways, schools, hospitals and the provision of exemplary services to all South Australians while maintaining sustainability in an unstable and unpredictable global financial market. In his Economic Outlook Statement, the Premier also made the comment that South Australia is an economy in transition:

From its historical reliance on traditional manufacturing, its base is broadening to incorporate advanced manufacturing and knowledge-intensive services in addition to mining, defence and sustainable technologies that include renewable energy.

He then goes on to outline those industry sectors. I will just pick up on a couple of points. In relation to mining, the Premier said (and we have heard it said quite a few times in this chamber by the Hon. Paul Holloway as Minister for Mineral Resources Development):

In 2002, South Australia was home to four major operating mines. Today, that number stands at 12 and in coming months it is likely to grow to 16 in construction or production, with around 30 more in line for development.

In relation to our defence and technology, the Premier made the following comments:

Over the past seven years, South Australia has secured around \$44 billion worth of defence contracts, making us the undisputed defence industry capital of the nation. In June 2008, our defence industry employed 22,765 people and this number is expected to rise by around 5 per cent per annum to 2012-13. For the year ended June 2008, defence activity contributed \$1.2 billion to South Australia's economy.

The government takes no joy in the difficult decisions made in relation to changes to some Public Service entitlements. We all know that it will not matter to some people that two days' extra leave will be given in lieu of leave loading, that a whole raft or category of employees will be exempt, that public servants have tenure where workers in the private sector do not, or that the separation packages are very generous.

I will say that those decisions were very difficult to make but this government chose not to accept a great number of the measures recommended by the Sustainable Budget Commission. It decided to protect our core services and maintain ongoing investment. It decided not to go down the path of removing recurrent funding or sacking a quarter of our public servants as is being touted and talked about in some jurisdictions overseas. This budget, as I have previously said, builds on eight years of sound economic management by this government. Our economy has grown and strengthened and positioned South Australia for growth into the future.

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

## **GAMING MACHINES (MISCELLANEOUS) AMENDMENT BILL**

Adjourned debate on second reading.

(Continued from 28 September 2010.)

The Hon. J.M.A. LENSINK (21:34): I rise to make a brief contribution on this bill, which involves a conscience vote for Liberal members. I refer honourable members to our lead speaker the Hon. Terry Stephens' speech on 28 September in the Legislative Council which comprehensively covers this matter. The main issue I wish to speak about relates to the fixed price of \$50,000 for electronic gaming machine entitlements which, from memory, is something that we discussed last in relation to a gaming machines amendment bill in 2004.

At that stage the Premier had made the hairy-chested boast that he was going to rip 3,000 machines out of the hotel sector, and we know that he has failed in that. Therefore, this bill is designed to get rid of that fixed price and see the rest of the machines that were promised taken out of the system. The bill also deals with issues of codes and barring, and I note there are a number of amendments from some of our crossbench colleagues which we will all need to listen to carefully and consider.

When we did debate this matter in 2004, I spoke at that stage and expressed some of my concerns about gaming machines. However, I think there are also a lot of urban myths that exist in relation to gaming machines. We are all concerned about problem gambling. I think that particular bill was the Chicken Little approach: we must do anything, even though we do not really know what we are doing. In 2010, we have the benefit of a considerable body of research into gambling matters, particularly for problem gamblers.

The Hon. Terry Stephens discussed in his speech something that I also came across when I had the gambling portfolio, whereby I think the consensus among the experts now is that it is preferable in terms of problem gambling to have fewer venues with a greater number of machines overall, because those venues that have a greater number of machines are more likely to have trained and experienced staff who can identify problem gamblers and therefore intervene. I certainly support that theory and believe that this measure will go some way towards that.

At the time of the 2004 debate I did not vote in favour of the bill ultimately because I did not think that it was going to address the real issues of problem gambling. It was a cobbled together concoction of spin in the usual fashion that we have unfortunately become accustomed to in this state in the last eight years. However, with those remarks, I indicate that I will be supporting the passage of the bill and I look forward to the committee stage of the debate so that we can consider each of the matters that are going to be raised.

The Hon. T.A. FRANKS (21:37): I rise to speak on the Gaming Machines (Miscellaneous) Amendment Bill 2010. In this bill, the government seeks to lift the \$50,000 price cap and make it an open market on gaming machines in an attempt to reduce the number of gaming machines down to the target set by the Premier some years ago. The bill also changes a number of areas, with the stated aim and intent of creating better and more responsible gaming environments and reducing the costs associated with regulation and red tape. These measures include removing the fixed

price for gaming machine entitlements to accelerate the reduction in the number of gaming machine entitlements, and that is done by using market mechanisms in an approved trading system.

It also changes the requirements and administration of social effects tests for the new venues. It requires late-night venues to have an employee trained in problem gambling intervention and to be allowed to operate only if signed up to the responsible gambling agreement with the responsible gambling agency. It also extends the responsible gambling provisions to airports, formalises the recognition of industry responsible gambling agencies and a number of other measures, including civil penalties to strengthen compliance and enforcement; all very welcome and all very honourable in intent, I am sure.

Members would be far more aware that myself that in 2004 the current state government introduced laws which sought to reduce the number of poker machines in our state by a total of 3,000. That move came after an inquiry from the Independent Gambling Authority, which recommended a 20 per cent reduction in the number of poker machines. As I understand it, the number was to be reduced from a total of 15,000 to 12,000. Those 3,000 machines were initially removed from the premises with some fanfare, approximately 2,195 being switched off at midnight, according to media reports, and wheeled out of venues for, no doubt, great photo opportunities. I have visions of the government also looking to crush them, but perhaps they only do that with hoon cars.

This first step to remove 3,000 machines from the state was described then by the minister, Michael Wright, as 'history making'. It might have been more of a 'feel-good measure', to point to the words of Nick Xenophon at that time, a former honourable member of this place. Most of the 2,195 machines that were turned off that night were in 281 of the state's largest hotels. It is commendable, though, that at least 12 clubs and pubs actually decided to rid themselves of poker machines altogether.

To fulfil its stated aim and much-publicised reduction of 20 per cent, the legislation required a further 832 of those machines to be compulsorily switched off and, to make up that total of 3,000, we expected there to be a trading out of the system over time. At that stage, many members of the opposition in this place, and certainly members of the community and the social justice sector, had some reservations about whether that would be achieved, and we are here now debating this bill because, in fact, it was not achieved.

I note in the bill before us some consultation occurred and submissions were made to the draft amendments, and I commend the government for that, and I commend those groups who participated in that consultation process. There was also a range of recommendations made through that process that have not been reflected in this bill. I point particularly to the amendments to closing hours, the limitation of visits to ATMs, the indexation of monies donated to charitable organisations, and the establishment of a consumer advocacy committee and a register of gaming machine entitlements.

The main goal of the bill, to change the trading system and remove the cap to allow free trading of gaming machine entitlements as part of the government's goal to achieve that 3,000 fewer poker machines, was noted by most of the groups who made submissions not necessarily to be the best way to tackle problem gambling. What we have before us, as the honourable member just stated, is using a hammer to crack a nut, and it is not necessarily going to leave you with anything worth eating in the end. We have reduced the machines by some level, but I do not believe that we have actually reduced the issue of problem gambling in our community, and I do not believe that this bill will go far in addressing that very serious issue.

I note that the Hon. Mr Darley will move some amendments to the bill, and the Greens look forward to debating those. We also look forward to working with him and other members to address the issue of reforms in this bill that could really tackle problem gambling, such as addressing closing hours, limiting the number of trips to an EFTPOS machine (this is already in the act but has not yet been proclaimed, and so we look forward to seeing that particular measure proclaimed), and also looking at the indexation of the amounts to go into the various mitigation funds. Currently, they have lost 22 per cent of their real value, as they have not been indexed—\$7 million, it is estimated, since last time the act was amended—so we look forward to seeing that indexed.

We would also like to see the establishment of a consumer advocacy committee to balance out the powers of the industry on this issue, and the establishment of a register of gaming machine

entitlements. As I say, the Greens look forward to working with others in putting those particular agenda items into the mix as we get into the committee stage of the bill.

The Hon. J.A. DARLEY (21:45): I rise to speak on the Gaming Machines (Miscellaneous) Amendment Bill. The proposed bill is the result of a review of the Gaming Machines Act, which was finalised in 2008. A decision was made to delay the implementation of the proposed bill until it could be assessed against the Productivity Commission's final report into gambling. The Productivity Commission's final report was released in June 2010. It was the result of an extensive public inquiry into Australia's gambling industries. Unlike the Productivity Commission's first report into the impact of gambling, which was completed some 10 years ago, the most recent report includes a number of formal recommendations regarding public policy.

The Minister for Gambling has indicated that this bill is consistent with the recommendations of the Productivity Commission. It does not mean that the bill before was the subject of any substantive amendment after taking into account the recommendations of the Productivity Commission. However, the government has indicated that the Gaming Machines Act will be further amended at a later stage in order to specifically address a number of recommendations including those of the Productivity Commission, as well as those of the Independent Gambling Authority's inquiry into barring arrangements, and those of the Responsible Gambling Working Party into signage. Those changes will also address the requirements for compliance with the Council of Australian Governments' mutual recognition obligations. The draft legislation will be the subject of further consultation later in the year.

My office has been involved in ongoing discussions with the minister's office regarding the bill before us at present. During those discussions I raised some specific concerns, some of which have been addressed in the bill. I am particularly pleased with the inclusion of provisions which require the commissioner to keep a register of licensees holding gaming machine entitlements and requiring that register to be published on their website so that it is readily available to the public. The register will also include the number of gaming machine entitlements held by each licensee and the premises to which the gambling entitlements relate. I am advised these provisions will also extend to Club One.

I am also pleased to advise that the minister has agreed to give consideration to the establishment of a no pokies association aimed at promoting venues that do not have poker machines. At this stage it is envisaged that those promotions will include advertising at venues on various websites. I am working closely with my colleague Senator Nick Xenophon to implement a strategy that is acceptable to those venues that do not have poker machines. Obviously any such proposal will require some funding, and I will be continuing my discussions with the minister's office regarding some contribution by the government.

I am also pleased that in the meantime the minister's office has confirmed that the Office of the Liquor and Gambling Commissioner's website will be updated in order to provide a link to poker machine-free venues for consumers. That information has not been readily available to the public in the past. This bill proposes a number of measures aimed at creating better responsible gambling environments in South Australia.

The first of these measures proposes to remove the fixed price of \$50,000 on gaming machine entitlements traded through the approved system. The Independent Gambling Authority has indicated the fixed price on gaming machine entitlements is the reason for the failure to deliver the additional reduction in gaming machine entitlements. This measure is particularly important to those venues looking to get rid of their poker machines insofar as it will allow them to do so without being commercially disadvantaged.

Other measures in the bill, which in my view are long overdue, include strengthening the social effect test; formally recognising the industry responsible agencies; strengthening the compliance and enforcement provisions under the act, making it expressly clear that gaming machine licences can only be approved in enclosed areas where smoking is prohibited; and extending responsible gambling measures to venues operating on airport land controlled by the Australian government.

The bill also seeks to impose longer closing hours on those gambling venues which do not have a responsible gambling agreement in place. I do not think that this particular measure goes far enough, and this is certainly one of the measures that I will be proposing be amended. The bill also includes a number of further provisions aimed at reducing red tape. The fact that poker machines pose the greatest risks in terms of problem gambling demonstrates the need for

legislative reform. Some of these measures are long overdue; others, I believe, do not go far enough in addressing the issue of problem gambling.

I am sure many members would be well aware of the statistics relating to the prevalence of problem gambling given the debates that have occurred in this place on the issue over the years. However, I think it is worth highlighting some of those again. The Productivity Commission estimates that around 600,000 Australian adults (just under 4 per cent) play poker machines weekly or more often and that 95,000 (15 per cent of this group) are problem gamblers. A further 15 per cent of poker machine players face moderate risks.

The Productivity Commission also estimates that there are between 80,000 and 160,000 Australian adults suffering significant problems from their gambling, with a further 230,000 to 350,000 experiencing moderate risks that may make them vulnerable to problem gambling. In terms of expenditure, the Productivity Commission estimates that problem gamblers account for approximately 40 per cent of poker machine spending. This 40 per cent is the average of a range of estimates as high as 60 per cent and most conservatively as low as 20 per cent.

Moderate risk gamblers also account for a further significant share of poker machine spending. The likely range for moderate risk and problem gamblers combined is said to make up 42 to 75 per cent of poker machine spending. In terms of the actual cost of gambling attributable to problem gamblers, the Productivity Commission estimates that, in 2008-09, that figure ranged between \$4.7 billion and \$8.4 billion.

There is no doubt that the adverse effects of gambling go beyond the monetary cost attributable to problem gamblers, particularly when you take into account the adverse consequences to problem gamblers' family, friends and employers. These effects are not just financial. They also include family breakdowns, physical and mental health issues, poverty, criminal behaviour including fraud and, worst of all, suicide.

In 1999, the Productivity Commission estimated that for every problem gambler, the lives of approximately seven others are adversely affected. We know the number of people affected by problem gambling far exceeds the reported number of problem gamblers. This demonstrates the wide-ranging dangers associated with gambling products such as poker machines.

Members may be aware that the Coroner has just recently delivered his findings into a gambling-related suicide. That inquest concerned a young mother of two, Ms Katherine Michelle Natt, who worked in the gambling industry, struggling with a gambling addiction and who tragically took her own life at the age of 24. The Coroner found that Ms Natt's suicide was a direct result of her inability to cope with a poker machine addiction and the resulting financial consequences of that addiction.

As I understand it, this is the first time that a suicide has been directly attributed to a poker machine addiction by an investigating authority. Undoubtedly, Ms Natt's death has had a devastating effect on her family and friends. To put this into further perspective, the Productivity Commission has reported that problem gambling has a higher adult prevalence than heroin use or hospitalisations resulting from traffic accidents.

I am sure many, if not all of us, know of someone struggling with a poker machine addiction or know of someone affected by the addiction of another person. I know that, since coming to this place, I have heard some very tragic stories of individuals who have lost tremendous amounts of money on poker machines. In all cases it has been money that they cannot afford to lose, money that was never intended for gambling.

For example, I know of a woman who lost over \$10,000 in a 24-hour period after gambling it all away at one venue and on one machine. For those of us who do not have a problem with gambling, the idea of walking into a gambling venue and pouring your hard-earned wages into a poker machine seems illogical and foolish, but for the person struggling with the grip of addiction, sadly, it is a daily reality.

These factors should be alarming to us and highlight the pressing need for a more stringent gambling policy. As with any addictive product, poker machines pose a significant risk to a significant proportion of the population. The risk needs to be adequately addressed through tougher legislation, which is properly policed and enforced by the Office of the Liquor and Gambling Commissioner and the Independent Gambling Authority.

In my view, in the past there has been scant regard for gambling legislation by the OLGC. I hope the new provisions in this bill will be adhered to and stringently enforced. The proposed bill is

a step in the right direction; however, more can be and ought to be done to minimise the risk of problem gambling, particularly with respect to poker machines which pose the greatest risk to problem gamblers.

It is for this reason that I propose to introduce a number of amendments aimed at further strengthening the social effect principles to ensure they take into account the socioeconomic characteristics of a community and the adverse effects of problem gambling within that community; further reducing the hours of operation of hotel and club gambling venues; removing automatic coin dispensing machines from gambling venues; removing ATMs and other cash facilities from gambling venues; ensuring that a person who has objected to an application under the act has standing in an appeal and is entitled to be joined to any such proceedings before the courts; banning the sale and operation of replica gaming machines which are primarily aimed at minors; and banning the installation of skill tester machines in gambling venues.

The last two proposed amendments relate specifically to minors. I will speak to all of those amendments further during the committee stage. I also foreshadow that there are some further amendments relating to gambling which do not fit within the scope of this bill but which I will be introducing in a private member's bill in due course. These amendments relate to the location of gambling venues and greenfield sites.

Additionally, I foreshadow my intention to call for a Legislative Review Committee inquiry into gambling. The Productivity Commission's most recent findings signify that the issue of problem gambling needs to be further addressed from a legislative and policy point of view. Whilst I appreciate that the minister will be further reviewing the act in the coming months, I believe it will be also worth while for this matter to be the subject of further scrutiny.

I will conclude by making some brief comments on the Gamblers Rehabilitation Fund. I note the comments of the Hon. Terry Stephens in relation to this fund in terms of the amount of money actually spent on harm minimisation measures and front-line services as opposed to salaries and other bureaucratic services. I too share those concerns. The Gamblers Rehabilitation Fund was established in 1994 to fund programs and initiatives aimed at minimising problem gambling and to offer services to those affected by a gambling problem.

Funding for the GRF is made up of contributions from the Australian Hotels Association, Clubs SA, the Adelaide Casino and the South Australian government. The current funding available under the GRF is \$5.945 million per annum, of which \$3.845 million comes from gambling taxes, and \$2.1 million from industry in the form of a voluntary contribution.

In 2007 the government announced a sweeping review of all government funded agencies providing problem gambling treatment. That resulted in many non-government agencies and not-for-profit organisations losing their funding for gambling counselling services. At the same time, a statewide intervention program was announced. The Statewide Gambling Intensive Therapy Service is an extension of the Flinders Medical Centre intervention program.

Under the new scheme, money from the GRF goes towards funding the Flinders Medical Centre, three other clinics in the southern, northern and western suburbs and a number of outreach services in regional centres. I do not doubt that these programs provide effective services; however, I would be interested to hear what proportion of funding still goes towards front-line services provided by non-government agencies. My primary concern in relation to the GRF is that the \$5.945 million in funding is a drop in the ocean when compared with the \$300-odd million the government rakes in each year in gambling revenue from poker machines.

This demonstrates the government's dependency on gambling revenue. As with land tax, the government has become hooked on a source of income that has probably far exceeded any initial expectations. It has been very slow in grappling with the damaging effects of poker machines on the community. I do not expect the government will make any radical changes to its gambling policy any time soon. However, I certainly welcome the opportunity to debate the social impact of poker machines and hope that this bill signals the beginning of a new approach towards the issue of the harm caused by poker machines and problem gambling more generally. I look forward to the committee stage debate.

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

At 22:01 the council adjourned until Wednesday 27 October 2010 at 14:15.