

## HOUSE OF ASSEMBLY

WEDNESDAY 13<sup>TH</sup> JUNE 2012

### APPROPRIATION BILL 2012

**Mr Pederick:** \$400,000.

**Mr VENNING:** Sorry; \$400,000 is what it costs the government. The next closest ferry is Morgan, which will add more travelling time and therefore a cost to the bottom line for many who have suffered so much in the past decade because of the drought. This is another example of how a small regional community is going to be unfairly penalised because of the Labor government's inability to manage the state finances.

Just imagine, Madam Speaker—you would understand, having a rural electorate—what this will do to the small community of Cadell. It would put a barrier right through the middle of it by removing that ferry. It would be horrendous for that small community. It is a great community. I used to serve it once. It is a lovely area, and I really feel it for them. I would join the member for Stuart and my other colleagues to fight to keep that ferry there.

**Mr PEDERICK (Hammond) (18:28):** I rise tonight to make my contribution in a grievance with respect to the Appropriation Bill 2012. I would like to go over a few of the main points that have been outlined in the budget. I note that the deficit will work out to be \$284 million in 2011-12; \$867 million in 2012-13; \$778 million in 2013-14; \$15 million in 2014-15; and, potentially, a \$512 million surplus in 2015-16, but the way this state is going, I will not hold my breath.

The 2012-13 forecast three years ago was a \$304 million surplus. This means that this state is \$1.2 billion behind what was forecast three years ago. The 2012-13 deficit is the largest in the state's history. State debt will rise to \$13 billion in 2015-16, which is the largest in history. When you think that this next budget, which we will be passing in this place tonight, is just short of \$16 billion, that is astronomical. That will mean that by 2015-16 the interest will be \$2.3 million per day.

The AAA credit rating is gone, and we are now on AA+ and on negative watch. This downgrade will work out to \$33 million extra in costs to this state per year. Another 1,000 public sector jobs will be axed, in addition to over 4,000 over the last two budgets. The 1.1 per cent per year efficiency dividend across government, commencing in 2013-14, will save \$129.5 million a year. The government has tried to tell us that there are no new taxes in this budget. What about issues like the motorcycle levy? We see \$444 million in deferred or suspended capital works, and they go right across the board. State taxes are growing at double the inflation rate from 2012-13. It is just a tale of gloom.

When we look at some of the promises that have been broken over the last 10 years by this state Labor government, we see the major project of the new Royal Adelaide Hospital, which was to be funded at \$1.7 billion, but in the short term it will add \$2.8 billion to debt, and over 30 years it will cost us \$12 billion. We were told that the Adelaide Oval upgrade would only cost \$450 million and not a penny more, and that is approaching \$600 million in total spend, and we are a long way from that project being finished.

We see the Southern Expressway duplication, which we were told was going to be \$370 million, and that now looks likely to be at least \$407 million. Part of the Darlington interchange project has been scrapped, and that was \$75 million. We saw the Mount Bold reservoir expansion scrapped, which would have brought it from 45 gegalitres up to 245 gegalitres. We see that the federal-state funding package of \$160 million for the Upper Spencer Gulf desalination plant, to bring the water up to a drinkable standard, has gone. We have seen the \$122 million underpass along South Road, between Port Road and Grange Road, scrapped.

We saw \$600 million worth of prison facilities scrapped, which caused a lot of angst certainly in the Murray Bridge community and surrounding areas in my electorate. It was basically announced on the front page of *The Advertiser*, which I picked up before I came into parliament that day. That was the big budget announcement about the new prison, and that has long gone—so much for consultation with the community.

There was \$140 million for the South Road/Sturt Road underpass scrapped. The solution to the Britannia roundabout—and what a great corner that is—there is \$8.8 million gone, and we see \$520 million for trams to the western suburbs. A whole range of other things in this budget have been scrapped or costs have been increased for the citizens of South Australia.

I want to talk about road spending and, in particular, about some of the roads in my electorate. I note that the RAA tells us that the backlog in state maintenance spending on our roads is \$400 million. A road I have talked about here several times (and I have gone into bat for it to the minister on several occasions) is a nine-kilometre section of the Pinnaroo to Loxton road, about seven kilometres out of Pinnaroo—one end of it. It is as though the bitumen has been laid on crab holes: your vehicle just bounces, and I can just imagine what it is like going over it in a truck. All the department has done is put up 'uneven surface' warning signs. Well, that is pretty darn obvious. It needs major funding because that route is used not just for freight but also for health services by my constituents and the member for Chaffey's constituents and by people who go to work between the Riverland and Pinnaroo at the end of my electorate.

The road between Murray Bridge and Karoonda, right up through towards Loxton, needs shoulder sealing and some areas totally rebuilt to bring it up to speed. But what do we see this state government do? For many of our local state bitumen roads (and I know it affects the member for Goyder's electorate as well), instead of committing to road funding, the government just says, 'We will reduce the speed limit from 110 km/h to 100 km/h.'

It is just absolutely ridiculous, and I have stated it in this place before. Driving in the vehicles that we run around in today, it is just ludicrous to restrict people's limit on these roads by another 10 km/h. We are not running around in FJ Holdens or Model T Fords any more. There are good vehicles, and all it needs is some commitment from the government to keep the maintenance up to speed so that people—like country members who have to do a lot of kilometres—can get to places in a reasonable time and safely.

I want to talk about the effect of water price on agriculture. We see the business rate of water, which is what agriculture will pay, heading up to \$3.45 a kilolitre—that is a tripling in the last few years. This is going to have an effect and, at the end of the day, it has the potential to kill off watering livestock in this state. I asked questions of the minister the last time we were in this place, but he does not have a concept of the effect of this high water rate on the citizens of this state and what it is doing not just to the citizens of the city, who get a one-off rebate; if you are watering thousands of cattle in a feedlot, this essentially brings water bills up to an unsustainable level. A constituent emailed me yesterday to say that, with the tripling of water rates, it will bring the water bill for their dairy to \$200,000. That is approaching what a minister earns in this place on a gross basis, but this is just one expense a farmer has to pay.

In the time I have left I will mention the debacle of marine parks and a government that wants to put all these impacts on commercial fishers. They have partly taken the heat out of it for recreational fishers, but they have no money to pay compensation, no money at all. We also see stupidity in the announcement of the closing of the Cadell ferry, which shows how distant this state Labor government is from reality in the regions. I am just stunned.

We have seen the Riverland, the top of the river in our state and the lower end of the river in my electorate go through so much pain in recent years, yet we see such a short-sighted budget announcement of \$400,000, and the excuse is so that it can be spent on other ferries in the system. This is from a government that has no idea of what goes on in the regions and what impact this will have on the farmers, the tourists and the good people who run businesses in Cadell.