



**Adrian Pederick MP**  
Member for Hammond

**House of Assembly**  
**21 May 2014**

**Bills**

**SUPPLY BILL 2014**  
*Second Reading*

Adjourned debate on second reading.

(Continued from 20 May 2014.)

**Mr PEDERICK (Hammond) (17:30):** Madam Deputy Speaker, I will acknowledge that I am not the lead speaker.

**The DEPUTY SPEAKER:** You are not the lead speaker; thank you.

**Mr PEDERICK:** I am one of the masses, but I appreciate the opportunity to lead off in the Liberal response to the Supply Bill 2014. I note that we are authorising the appropriation of \$3,941 million dollars from the consolidated account for the Public Service of the state for the financial year ending on 30 June 2015. Obviously, it is important to have the Supply Bill. We again will be supporting it so that the state can function until the budget is brought down in June, ratified and then gazetted by the Governor.

There has been a lot of comment here lately about budget concerns, both state and federal. I want to talk about some of those concerns, but I also want to talk about some of the good things which are coming to us from the federal budget and which I think need to be recognised. On a state basis, we really have to look at what has been happening in recent times under the Labor government. We have had six deficits in seven years. The debt for this state is blowing out to \$14 billion in 2016. That horrifies me, because our state budget is only around \$16 billion, yet we see the debt at \$14 billion, nearly matching what it takes to run this state. It is a horrifying amount of money, and it is untenable; it is simply untenable.

The debt has been increasing by \$4.1 million a day for eight years; it is out of control. The interest on that debt will be \$1 billion a year in 2017, and that is more than the police budget spend. I am going from memory, but I think the police budget spend is about \$870 million annually, and you can see that the debt level just servicing the debt is more than that spend. If the interest to pay the bills in this state was a department, it would be the fifth largest department in this state. That is a shocking thing to have, money coming from the public—it is public money; it is tax money—paying off the mismanagement of this Labor government.

That brings me to the next point, reflecting on the state taxes, which are the highest in the nation. We have the car park tax, if Labor has its way, coming in, raising hundreds of millions of dollars over time. We have payroll tax crippling business, land tax; so many taxes that are putting people off living and working in South Australia. It has been interesting listening to some of the Address in Reply speeches in this place about new members whose own family members are leaving this state in frustration, because they cannot afford to stay here. That is a real shame.

We have seen that since the 2013 state budget there are 18,000 fewer full-time jobs in South Australia. People are exiting, leaving the state, or they have given up hope of getting a job. We have a higher than national average jobless rate in South Australia; another disgrace that we have to live with under the Weatherill Labor government.

The Murray Bridge area in my own electorate of Hammond (which is the main central business district) has an unemployment rate of 10.2 per cent, which reinforces the need for development and investment. I have recently brought to this place the need for investment in developments like the Gifford Hill racing club development at Murray Bridge so that we can promote jobs in the region. When we talk about whether there is anything positive about doing business in South Australia, according to the figures from CommSec South Australia is generally 6th or 7th on most of the key indicators in Australia. What a shame! South Australia has the worst business confidence on the mainland. You only have to look around—I see it throughout my electorate—and you see the small business closures in regional areas.

There is too much red tape for these people to function. For people who are having a go, who want to employ people, who want to employ South Australians and generate money to keep this state on its feet, it is just too hard. There are barriers put in place for them to establish their businesses; there are barriers put in place to run their businesses; and they are dealing with a government that is just out of touch.

I note the comments made by the tourism minister about the businesses he is having a fair crack at because they will not open for meals around footy time at the Adelaide Oval. They know what it costs to run a business. They know the punitive costs of operating, of all the bills they have to pay. I am not saying that people should not have a fair rate of pay, but penalty rates make people decide not to open their businesses at certain times.

I know plenty of members of the Labor Party eat at Rigoni's; they can talk to the owners there themselves and have that discussion. I know he will tell them what he has told the media—why it is not worth him opening up for breakfast before a Crows or a 'Mighty Power' game who (I must reflect) are on top of the ladder, which is so good to see. May they go on to greater things throughout the season. It is not just the penalty rates: it is just the cost of doing business. There is no point opening their stores if, as the owner of Rigoni's has said, it is going to generate \$300. It is just not worth their while.

As I said, doing business in South Australia is tough. The retail sales in South Australia do not reflect the national increase and the exports continue to decline, yet we see the Weatherill Labor government trying to get on the back of agriculture in this state because their dream of Olympic Dam opening up with the expansion did not happen. Then suddenly Premier Weatherill realised that agriculture existed and the great contribution that it makes to this state.

Farmers and graziers are the great battlers of this state and this nation; they do a great job up against it. I note my interest: I still own my land which is leased out, but I have done plenty of years farming and it is tough. You are up against the seasons, fluctuating input prices and fluctuating returns for what you get. There is no surety of what you will get on the land.

I reflect that, when I was farming, during seeding time you might do anything up to about 100 hours a week, and my staff were getting reasonable rates of pay. My wife said, 'Well, why don't you write yourself a cheque?' I said, 'Well, hang on, there's not enough left for that; we have to keep going.' Sure, you operate the business and that is what you get. The people—not just in farming—put their own blood, sweat and tears on the line so that they can operate and hopefully do something for this state and their family.

I look at the cost of living under 12 years of Labor: consumer price index up, housing rentals up, property charges up, state taxes up, gas bills up, electricity bills up, and water bills up. All these things have gone up considerably over time.

Water is one of the most expensive items for people in this state, and not just domestic users. If you look at agriculture, I have people in my electorate who were hoping that we would get in so that we could get third-party access to the SA Water pipeline. Also, just south of my electorate, in MacKillop down around Meningie, people are putting in private pipelines because they cannot afford the \$3.23 a kilolitre industrial rate for stock water on farms. People are spending hundreds of thousands of dollars, and there are some proposals for several million dollars so that people can put in private lines

and pump water directly out of Lake Albert so that they do not have to go through the SA Water network.

I have spoken before in this house about how the emergency pipeline around Meningie was well worth it at the time of the drought, but now everyone who has been hooked up to it keeps telling me, 'We just can't afford to use the water out of it.' For the parliament's interest—and I know I have stated this here before—on my property at Coomandook we have no choice because there is no groundwater. We are on the Keith pipeline off the River Murray water. We just have to pay the bills and make sure that we do not have leaks, which can run into thousands of dollars very quickly. People are paying not just for water, they are paying more for electricity and gas. It is getting so that it is causing some people to be homeless and that some people just cannot function as a normal family unit.

We have had some negativity from the other side of the house about the federal budget, and that will reflect in our state budget, as our Labor people on the government benches have been telling us. There are a few reasons that there had to be a tough Liberal budget, and none more so than the debt and deficit that Labor federally have run us into. We were heading to a \$667 billion blowout, and that is just out of control. When you think back, not that many years ago John Howard, Peter Costello and their team had to fix a \$100 billion deficit, and they did it, but this is getting out of control, where too much money is not being spent in the right places. It is typical—this is always what happens after Labor governments. Labor is just spend, spend, spend. Liberal governments have to get in and fix the damage. If you do not do that, you run the country into disarray. We do not want to end up like Greece or parts of Europe. It would be absolutely untenable.

In regard to the federal budget, there was a \$50 billion pool for infrastructure in South Australia. We only got \$2 billion out of that, so why did the Premier not fight harder for part of that pool? It would be more than welcome. As part of the federal budget (and this has been in the last couple of budgets), I want to talk about the safety upgrades on the Dukes Highway. We have seen \$100 million—\$80 million of federal money and \$20 million of state money—go into more passing lanes on quite a few kilometres. A 1,200 millimetre separation split was put in the middle of the road; some people have unkindly called it a bike lane in the middle of a highway. We have seen fencing put up along the road to keep cars out of the scrub. Mike Mason has done very well out of that, thank you very much, and I am sure up there at Monash it is helping his bank account quite well.

I can understand the point of the wire rope and the Armco fencing, but many constituents, especially truck drivers, have come to me and said that it does not give them enough area if they have an accident, which is one thing, or a breakdown or a tyre blowout, to pull over and deal with it. I think there are some consequences there. Instead of doing this work—and this has been my position all the time—there should have been more duplication work started on the Dukes Highway. There are 191 kilometres that need to be done to the border, and there are different amounts that people think it will cost; the high end is about \$950 million at \$5 million a kilometre, but that would surely encompass some compulsory acquisition of land.

That is where the money should have gone, I firmly believe, so that over time we get those dual lanes. I believe it is the fourth busiest highway in the nation, and I think it would have been better to spend the money in that way. I do acknowledge, as an interim measure, that more overtaking lanes certainly assist people, and I travel a lot on the Dukes Highway.

In regard to road funding from the federal budget, we welcome extra funding for the Black Spot and Roads to Recovery programs. These programs are far better than taking the easy option, as this state Labor government does, of just reducing speed limits in regional areas. They have hit a lot of roads in my electorate—roads leading up to Mannum on each side of the river and roads from Wellington and Strathalbyn towards Goolwa. It is just ridiculous.

I have mentioned in this place several times before that we will get to the stage, because they do not want to spend any money on the \$400 million backlog of roads, that we will have a man with a red flag walking in front of cars that are capable of doing 200 km/h—not that we do that, of course. This is why we firmly believe that there should be investment into roads so that we do not have to put up with the ridiculousness of reducing speed limits and putting people on the roads for longer in regional areas. That is what causes deaths.

I welcome extra funding from the federal budget, from our Liberal-National Party colleagues, for agricultural research and development. It is \$100 million over four years. We do not hear about that from the other side of this house. R&D is absolutely important in agriculture. I welcome extra funding for biosecurity and quarantine measures. This is an absolute necessity to make sure that all our agricultural areas can grow. I welcome extra funding for regional development, that is, \$1 billion for the National Stronger Regions Fund, and I will be very keen to see how that will be rolled out across regional South Australia and what benefits we get from that money.

I also want to talk about health services, especially in areas like Hammond, and the regional general practice doctors and nurses and the jobs they do. It is fantastic to have their service, but we do need improvements. We need to keep the infrastructure and the equipment so that we attract health professionals to the country areas. We need to put less pressure on people living in regional areas who need medical assistance. I welcome things like the chemotherapy chairs and the dialysis equipment in Murray Bridge, but then we have the problem of not having enough trained staff to operate it. I acknowledge that it is an improvement, but we have to make sure that the funding also goes through to pay for staff to operate that equipment.

I want to talk, also, about education worries. The Minister for Education comes in here and makes out that the Labor government is doing a great job. I have done some local media in Murray Bridge about the job cuts and program closures at TAFE. Eight jobs have gone with probably six more to go, and the TAFE staff are told to keep it under the radar. There have been very slow response times in regard to issues around the Lameroo school rebuild, which I will acknowledge is now in the member for Chaffey's electorate. A fire happened at that school back in October and the education department and the insurer are still arguing about whether to replace like for like with the four classrooms that were burnt down.

There are budget issues facing the Coomandook Area School which, sadly, my lads do not go to any more because we just got sick of, basically, the dysfunction in how the school operates. They do not have enough money to water the oval. They had to go to Meningie for their inter-house sports carnival this year because the oval was in a state of disrepair. They have a swimming pool that supposedly was repaired over 12 months ago but could not be used this summer because it was still in a state of disrepair. It is out of control.

If you want to talk more about education generally in this state, it is a basket case. In terms of NAPLAN, we are below the national average in 19 out of 20 categories.

Obviously, we made some great commitments to regional South Australia as Liberals in this state. We had \$139 million racked up in policy announcements—about \$100 million more than the member for Frome got in his agreement with Labor. I think he could have asked for \$139 million. In fact, I think he could have asked for anything and he would have got it because the Premier did not think he was going to get in, and that is why he went overseas and was away when the Prince and Princess were here from England. He just wasn't here. I do note the initiatives—does that say I'm out of time?

**The DEPUTY SPEAKER:** You have five seconds.

**Mr PEDERICK:** I will have to make a further contribution in my grievance—but I do commend the Supply Bill, and I welcome other members' debate.

Debate adjourned on motion of Mr Speirs.

At 17:51 the house adjourned until Thursday 22 May 2014 at 10:30.

- Ends -