

HOUSE OF ASSEMBLY
THURSDAY 07TH JULY 2016
SMALL BUSINESS

Mr PEDERICK (Hammond) (12:04): I rise to support the motion by the member for Hartley, noting that:

1. (a) small business is the lifeblood of the economy and employment in South Australia;

(b) the process for establishing a start-up small business in South Australia is restrictive, riddled with senseless regulations and is ultimately a disincentive for current and prospective small business owners.

2. Condemns the government—

(a) for its failure to support start-up small businesses throughout its tenure in office;

(b) for imposing the highest taxes, most burdensome regulations and worst conditions for the start-up small business sector;

(c) for being directly responsible for the loss of thousands of jobs in South Australia in the start-up small business sector and the severe financial and personal hardship these people have suffered as a result of the government's regressive policies, and

3. Calls on honourable members to foster policies which will benefit the small business sector and its employees in South Australia.

Small business is the basis of our economy because that is how a lot of bigger businesses start. I note the regulation and work that people have to go through to manage small businesses in this state, such as payroll tax, stamp duty and other imposts. Look at the recent increases of the natural resources management levy, which are out of control across the sector. We see a government that would rather hit up individual households and farmers for many thousands of dollars. Collectively, a \$6.8 million increase is being paid straight into Department of Environment, Water and Natural Resources because the minister firmly believes that services to the South Australian public have been subsidised.

I thought governments were in place to actually do things for the community. The only reason the government is in place, and the only reason they have any money to spend, is that they have already received that money under taxation provisions, whether through state taxes or the generous funding that this government receives through GST rebates, especially through the horizontal fiscal equalisation scheme.

This government does very well. Over the whole time I have been in this place—and I am now in my 11th year—we have seen many announcements of GST windfalls of at least \$500 million. This happened way back throughout 2006-10 and it is ongoing. GST windfalls that are not budgeted for are basically blown up in smoke. It is disgraceful to see how the government treats businesses and the community despite these windfalls. The emergency services levy is another attack on small business in our state.

Every time there is an incident, people will be in fear not just for their lives and properties, but for how much their hip pockets are going to get belted once again by this

Labor government, who just feel like this is a free ride. This government does not believe they should play any role in assisting our firefighters, the CFS or farm volunteers. These volunteers have their own units and are vital in fighting fires right across the state. They back up our CFS and are the first responders on many occasions.

As I have mentioned many times in this place, if it were not for the local farm volunteers, the most recent fire on our property at Coomandook, which was caused by a lightning strike, would not have been stopped as all of our units were tied up tens of kilometres away. They are great, worthy citizens. As Richard Konzag from Mallala lamented when we had the Pinery bushfire trip, farmers are all quite happy to go out and fight fires, and they always will be. They all band together and at times travel many hundreds of kilometres to assist their fellow farmers and other residents. But then they wake up in a couple of months and get a bill for an extra few hundred dollars to pay for an expanded emergency services levy or natural resources management levy.

Quite frankly, as I have said before in this place, I am sorry to say that natural resources management has lost its way. We have seen the inaction with regard to New Zealand fur seals. Any action that has been taken has been meaningless. It is just melting cash and is an absolute disgrace. The one that really sticks in my throat is the putting up of around 80 metres of fencing on the Tauwitchere Barrage. The Tauwitchere Barrage, for anyone who does not know, is a lot longer than 80 metres. I do not know the length, but it is much longer than 80 metres. They forget that a seal just gets up on the barrages and goes around the edge of the fence. Perhaps that is too simplistic for the minister, who thinks he has done a great job in supposedly blocking these pests out, to understand.

The government have turned their backs on the fishermen and families in the Coorong at Goolwa and through to Meningie in regard to their small businesses by putting the rights of these seals above those of families. I really fear for the health and welfare of these fishing families into the future, but these families will not go down without a fight, and they are taking up the fight.

We also see what happened when we had the diversification fund payments that were going to be made from the Riverland right down through the Mouth—through the top end in the member for Chaffey's area, through Stuart and Schubert and down to my electorate. It would have put \$25 million into projects. It would have had many small contractors operating, whether it was building industry buildings, whether it was building a tourism venture at Meningie, which is sorely needed, or whether it was building other developments right throughout—assisting with the redevelopment of Murray Bridge's Sixth Street, for instance.

That money is sorely needed in regional communities, but this government just turns its back on the regions every time. Because they have one regional member, the member for Giles, that is the only region that gets any funding whatsoever. We have seen this with the road funding where the government does not even hide the fact. This same money supposedly gets accounted for in the GST receipts as well. The member for Giles gets his roadwork done, but it is not done in Liberal seats, so work that out. It is pick and choose. Certainly, today, we will see in the Treasurer's budget how much more picking and choosing is done and how much more regional South Australia does not get and what they have to pay to keep this government going.

I am really angry about what has happened with this diversification fund money because the Treasurer and the Premier kept saying it would get lost in the equalisation scheme and would lose up to \$21 million. So, that was the very worst-case scenario, and I do not think it was anything like that. Potentially, there would have been some trade-off, maybe half, but so what? Every other state took that money. There was \$75 million

allocated through Queensland, New South Wales and Victoria, and that money was allocated for projects, but no, not in South Australia.

We get this government—the water minister, the Premier and others—banging on, and I say 'banging on', about how much they have done for the river in South Australia. Well, they have not done much at all. As to their support for our small business operators, and especially our irrigators who do such good work, they have opened allocations on 36 per cent, and they will not offset the use of the desalination plant which is just idling above total mothball status. I think it is an insult to our irrigation producers of this state. At every level, the government just gives excuses for why things will not happen.

What this government needs to do is work out that small businesses are the lifeblood of the economy, make it easier for them and put the appropriate tools in place so they can function and succeed, because do you know what happens? Not everyone, but a lot of people just turn their back on South Australia and walk out because it is too hard to operate here and too highly taxed with power bills that are too high and general operating costs that are too high. I commend the motion.