



HOUSE OF ASSEMBLY
TUESDAY 02ND AUGUST 2017
APPROPRIATION BILL 2017

Estimates Committees

Adjourned debate on motion:

That the proposed expenditures referred to Estimates Committees A and B be agreed to.

Mr PEDERICK (Hammond) (15:53): When I was finalising my brief remarks before the lunch break, I was talking about an issue that has been brought to my attention regarding hot exhausts under some fire trucks. I am conducting a bit more of an investigation, but I did stress to both the chief officer and the minister that I will be sending them some correspondence because I think it is a serious matter that needs to be addressed.

In the agriculture estimates, we asked a lot of questions in relation to moneys for various financial issues that farmers have faced, whether it be the dairy concessional loans, financial farm assistance concessional loans or drought assistance loans. It is interesting how much money was not approved to go out to farmers and some of the hoops that people had to jump through to apply for those concessions. It makes it so darned hard when people just want to keep producing great food for our state. As was acknowledged in estimates by the minister, just far too much money is made available that gets absorbed back into the budget.

It was most telling when I asked questions of the agriculture minister about a GM canola outbreak in this state, which was found when a farmer was trying to spray out some volunteers after he had grown the crop. Because he was in a vineyard sensitive area, he was only using Roundup—he was not spiking it with a broadleaf spray, as they say in farmers' terms—but these volunteer canola plants kept growing and he realised there was a problem. I believe that he went out and had another go and dosed it up with a bit more Roundup, but he could not take out these volunteers. Obviously, through no fault of his own, he had grown some genetically modified canola, as somehow some genetically modified canola seed had become involved in some fresh seed bought from the seed supplier.

When the Khapra beetle issue was happening, we were brought into a briefing by the minister and his staff outlining the issue around it. We understood on this side of the fence that we did not want to alarm people about how it was being managed, and we were satisfied. But it was kept under the carpet and kept in the cupboard of secrecy that there had been a genetically modified canola outbreak.

When I questioned the minister about the size of the paddock, his staff answered the question and said that it was one paddock. I said, 'That is very subjective. That could be 40 acres, as in the old days, or it could be 400 acres now.' Actually, it was bigger than that: it was a 200-hectare paddock

(500 acres), which is a sizeable piece of country. With the season we have had, a lot of canola would have been grown. It is interesting that this has happened in this state, and it certainly adds to where there have been, and I assume still are, licences for genetically modified seed canola grown at Mount Gambier.

I asked some questions in relation to tourism and around the Elite Systems bungle by the government in relation to seating for the Clipsal. Contractors were left a million dollars out of pocket, and we know of one company that was left \$450,000 out of pocket yet still had to pay payroll tax on that money, even though they did not receive the money, and did not receive any relief from the government. When I asked the member for Mawson whether he had done any lobbying on their behalf, he just said, 'That's a Treasury issue. Don't want to know about it.'

The caring soul that he is, he had not done any work to make sure that these people did not have to pay tax on money they had not even been paid. It is just outrageous and beggars belief. This money is held by the government and we are still awaiting an outcome. The Elite debacle is a real tragedy for some local businesses, and the effect it would have had on those businesses and the harsh decisions they would have had to make to make up those massive shortfalls of a billion dollars all-up just beggars belief.

Then we were talking about regional development, and this was quite an eye-opening event. We were talking about the different rounds of the Regional Development Fund. The members of the Liberal Party on the committee just about fell over when we realised that the minister was telling us that they did not shut off these funding rounds and then start another round; there was just a rolling-round program for people who were applying in 2016-17 to go into 2017-18.

That sets off alarm bells at all levels in regard to managing a grant program in that manner. In all the time I have been a politician (I am now in my 12th year) we have had to deal with people who are applying for a grant that is closing and we are writing support letters or assisting them with those grants, yet we were told in the estimates session for regional development, 'No, it's just a rolling program. We have had hundreds of applications and people trying to get grants.'

That is all fine, but the member for Goyder asked a very good question: 'What about the people who didn't apply because they thought, "Oh, well, the new grant fund will open up for 2017-18."?' But essentially it is just a rolling fund. It is like a lottery: it just keeps rolling on. It seems that there is total unaccountability by the government. I asked the minister whether there were any companies that were disaffected and shared their disaffection with the government. I did not get a very satisfactory answer to that question at all.

In regard to issues around companies that finally did not take their grant, I think there were seven because of different things that happened. There was a McLaren Vale distillery that did not accept about a \$500,000 grant, I think it was, because it was just too hard. They just got on with it and did it themselves. Sure, you have to be compliant because half a million dollars is a lot of money, but you do not need to make the program that hard. It is a big decision for anyone. If I was in that company and I was going to make a decision to knock back half a million dollars, that is a very serious decision to have to make, but people are making those decisions.

In his opening remarks, the Minister for Regional Development talked about making power affordable for regional South Australians. Well, hello! This gets into the power debacles that we have not just for regional South Australians but for people right across this state. We have a government that has put us in the dire straits and the total debacles in which we find ourselves in relation to power supply to this state and affordability of power, and it is just disgraceful.

A perfectly good power station at Port Augusta was shut down on ideological grounds. That plant could have run for another three years for less than \$25 million and stopped all this chaos. We have seen Hazelwood close, which generated 22 per cent of Victoria's power, and our interconnectors fed right into that. It is interesting to note that our interconnectors still suck into Victorian coal, but let's not let that reality get in the way of where we source our power.

We have lost Port Augusta and, for \$25 million of taxpayers' money, we could have kept it going. Alinta could not compete with the RET subsidies for wind and solar, but mainly wind. We have seen what happens in this state when ideology gets in the way and the wind stops blowing: the lights go out, and that is exactly what has happened.

More and more regional businesses have come to me that have had long-term quotes put to them. They have been told, 'Because Port Augusta has gone and Hazelwood is shutting down, here are the different quotes.' I have a full list of quotes sent to me by one business, and the highest quote for what their power bill was going to be was 142 per cent, and the others were not far behind. That is just outrageous. This is what is killing business and incentive not just in the regions but in this state. For the regional development minister to make such a bold statement as, 'We are trying to make business more affordable with power prices,' shows the debacle we are in.

We have had all sorts of commentary. We were even going to have Turkish power-generating ships come in that could have run on bunker oil, sump oil or basically anything, but now we are going to be running on diesel. I note and have stated here before that the clean energy targets were at 55 per cent, and the government's own documents have them coming back to 43 per cent.

We have the Treasurer coming in here today, saying that he is hoping these diesel generators will not have to run. I am prepared to have a small wager with anyone on the government side, and I am pretty sure I will win it, that all nine of those diesel generators will have to crank up. We will have such a deficit of power that, on days during summer when the wind does not blow and interconnectors do not have enough coming across because so much other energy generation is shut down, we will need those diesel generators.

It is all based on an ideological lie. The Finkel report itself states that at the moment the whole of Australia is reliant on 58 per cent coal generation and that in 2030 we will still be relying on 56 per cent of our power coming from coal. So, yes, we need to have affordable options for power, and they need to happen fast, because this government have driven us into darkness.

I want to close with a few remarks about water. We had the press conference earlier this week with a range of people from different parties, with the Premier looking very smart and happy with himself up the front, and a few River Murray community people. I asked the water minister, the Hon. Ian Hunter from the other place, whether these community people were told that the Liberal Party were part of this process, because I know that his office was directly asked this when they contacted one of these people. They said, 'Yes, the Liberal Party are involved. They will be there on Monday with everyone else.'

Imagine the shock on this bloke's face when he turns up and realises he has been duped. I suggested that these people had been misled, but the water minister did not want to have anything of it, but that is what really happened. People were duped. They were told the Liberal Party were going to be part of the action calling for a judicial inquiry into the River Murray, but they were duped.

What I also get upset about is this government talking about how strong it is about the River Murray yet, when we had \$25 million coming to us for the diversification fund that would have assisted businesses from the top of the river near Renmark right through to the mouth, that did not need so

much reliance on the river, to get funding, the government just knocked it back because they did not like it. That is how much this Labor government like the River Murray.