



Response to Budget -

Millions wasted on “green gimmicks” 25 October 2006

Shadow Minister for Regional Development Liz Penfold slammed the Labor Government in parliament yesterday for wasting millions of dollars of taxpayers money on “green gimmicks for media feel-good moments.”

Mrs Penfold questioned the government’s decision to retrofit and maintain wind, solar and hydro power, and water tanks on government buildings that already had power and water instead of investing in the regions which do not have adequate power and water.

“That could be the stimulus for jobs and regional development and could even mean the survival of some communities,” Mrs Penfold said.

“I think if the people of South Australia understood the squandering of their money by this government they would be as angry as I am.”

Mrs. Penfold pointed out that of the \$1.9 billion in the States infrastructure budget for ‘property plant and equipment’, only a tiny fraction was going to regional South Australia and of this almost nothing into infrastructure to stimulate economic development and jobs.

“Under ‘Primary industries and resources’, all that can be found is \$3.4 million over 11 years to rehabilitate a mine site. Under ‘Prisons’, we find \$2 million for upgrading kitchens in three regional centres, and in health there is \$3.5 million for a rural and remote mental health facility on the suburban Adelaide Glenside campus.” “The sum of \$600,000 has been allocated for a rural road improvement program in the stat’s Outback and rural areas. At a cost of about \$120,000 to seal one kilometre of road, this will seal about five kilometres. There are over 12,000 unsealed dirt roads on Eyre Peninsula alone.”

“Despite the drought and the need to diversify in regional South Australia, particularly into mining and tourism that are not so sensitive to climatic conditions, the money is being spent in the city on infrastructure that will not provide jobs and economic development anywhere in the state, not even there.”

Bleak forecast of no tax relief for SA Businesses 25 October 2006

South Australia’s 80,000 small businesses have been dealt yet another blow with the Rann Government unable to give a firm commitment to reducing the burden of nationally-high payroll tax rates, Shadow Minister for Small Business Liz Penfold said today.

“During questioning for Budget estimates yesterday, the Minister was unable to say when cuts would occur, or the value of these cuts, merely stating that “as the budget allows” there would be “opportunities” for cuts,” Mrs Penfold said.

“This appears to be yet another broken promise by this government. In the lead-up to the election, the Premier promised that there would be cuts of \$1.5 billion between 2004 and 2011, including payroll tax.

“The government claims it is working with small business to ensure the sector’s future prosperity and vital contribution to the state’s economy, but then continuously ignores repeated calls for tax relief.

“The Minister said herself that ‘taxation was the biggest area of concern’ for small businesses, citing her own survey released earlier this year.

“Small businesses are sick of not being listened to. The striking reality is that South Australian businesses remain burdened with the highest payroll tax regime in the country at 5.5%, while the payroll tax threshold remains the lowest in the nation at \$504 000.”

“This government has budgeted to take \$840 million in payroll out of businesses this financial year, even targeting trainees and apprentices and our volunteer bodies, and by the end of this term estimates suggest payroll tax will reach nearly a billion dollars per year.

“That is money that could have been spent by businesses on innovation and technology to enable them to better compete in international markets, and money that could have been spent on employing young South Australians.

“It’s just not a level playing field. No wonder business confidence continues to decrease, investment is below other states and gross state product and export growth are well below the national average.

“This government is the highest taxing government in the state’s history, despite windfall GST funding from the federal government. It has had a real opportunity to relieve taxes on small businesses, but is taking this vitally important sector for granted.

“Small business is the engine room of this state, but by crippling them with nationally-high taxes and charges, this government is threatening their future profitability and in many cases, their very survival, and that is an absolute disgrace.”

Consumer protection threatened 25 October 2006

Six Office of Consumer Affairs (OCBA) jobs in regional South Australia, including the Riverland and the South-East and Eyre Peninsula, are gone or going.

Shadow Minister for Consumer Affairs Liz Penfold said she has been told that the staff are being trimmed to a point that the offices are useless.

In parliament yesterday, Mrs Penfold asked how many staff are based in regional offices and where they were based and asked the Minister to justify the staff cuts, and advise why they would not affect the quality of the service OCBA works so hard to provide in regional South Australia.

The Minister ignored the questions on staffing, talking instead about the cooperation between OCBA and Service SA centres and stating that telephone calls would also help.

However two years ago OCBA telephone services to regional constituents were cut by the Labor Government, with a builder recently complaining that he could no longer upgrade his builders licence by phone. He would now have to go to Adelaide in person which would cost him hundreds of dollars in lost time, travel and accommodation costs.

Mrs Penfold said it is gratifying that the Minister acknowledges the success of Service SA centres introduced by the previous Liberal state government, but said they did not replace specialised staff.

It is not only the loss of regional services by this and other Government Departments that are of concern. It is also the multiplier effect that is concerning Mrs Penfold. She told parliament that there is "a multiplier effect of perhaps losing a family, the spouse and their job, the children and maybe a school teacher, and possibly one or two jobs in small businesses such a food and clothing stores, and the loss of the profit margin they need to employ more people or take on a trainee and maybe the loss of a volunteer or two from local organisations. The ripples are felt throughout the communities, and it affects the whole morale of a small town, which is of particular concern in this time of drought."

Her questions to the Minister for Consumer Affairs Jennifer Rankine were sidestepped and remain unanswered.

"The OCBA had cuts affecting numerous areas including research, publications and the maintenance of its web sites.

"By the Minister's own admission, OCBA's use of the internet is rising therefore one would expect more funding in that department, not less," she said.

Much of OCBA's work involves standard matters such as the registration of births, deaths, marriages, occupational licensing and the keeping of civil registers as well as residential tenancies issues.

"Cuts in funding, of necessity, mean less service to consumers and businesses in non standard areas such as complaints.

"Or is the government anticipating a large drop in consumer and business grievances in line with the improved labour conditions initiated by the federal government's changes to industrial relations," Mrs Penfold said.

(Service SA centres are a "one-stop shop" for state government business.) ENDS

Scams, dummies and Christmas replace public scrutiny 25 October 2006

How does a government avoid scrutiny of its spending?

By using budget question time to air long opening statements, and to give detailed answers to Dorothy Dix questions.

That is the comment by the Shadow Minister for Consumer Affairs Liz Penfold on attempts to quiz the Minister for Consumer Affairs Jennifer Rankine on her handling of her portfolio.

The Minister talked volubly on the return of Christmas gifts and baby's dummies, and joked with the Labor Member for Light about dating scams.

"The time set for budget questions on government spending is limited.

"Restricting Opposition questioning to a few minutes effectively silences criticism during Estimates which ostensibly are for scrutinising the government's use of taxpayer funds," Mrs Penfold said.

She said referring people to scam information on the Consumer SA website was ludicrous since funding to the organisation has been stopped and therefore there is no one to update the website.

Mrs Penfold said the cutting of funding to the organisation and a reduction in the budget for the Office of Consumer and Business Affairs pointed to the state government's flagrant disregard for ordinary people, particularly for regional consumers where regional staff is being progressively cut from nine down to three

"The same attitude is shown for the department itself.

"The ripples are felt throughout the communities, affecting the whole morale of small towns which is of particular concern in this time of drought," she said.

"Bodies to protect consumers are being cut at a time when consumers are more likely to need them because of straitened circumstances," she said.