APPROPRIATION BILL
20 June 2007

Mrs PENFOLD (Flinders): This government has wrong priorities. They are priorities that waste money and opportunities while the economy is strong. Our state should be able to progress and develop its great potential, to be visionary and to be able to afford a good quality of life for everyone now and into the future. Instead, we have growing debt despite a windfall of hundreds of millions of dollars more than was expected from the GST and increasing taxes, now even on schools, with a workers compensation levy of 1 per cent on the total salaries of each school site.

Regions are being overlooked for city-centric media-based gimmicks. The regional disabled and their carers, small schools, hospitals and infrastructure that would create wealth and jobs, where there are few, are being totally ignored. The government's population-based funding policies take no account of the increased cost of providing training and services in remote locations with small populations. Retrofitting city government buildings with wind turbines and solar power when they already have excellent power supplies and a small hydro turbine on a downpipe from a reservoir only provide huge upfront costs and ongoing maintenance costs of hundreds of thousands of dollars for the taxpayer to pay. It is money that I am sure taxpayers would much prefer to spend on helping our disabled people or on one of the many other higher priorities that this state has, instead of these Rann gimmicks.

This government, with its city-centric views, expects economies of scale that are available in the city with its large population to create savings, but there are huge cost differences for the provision of services in regions that mean these savings are not possible in regional communities. The cost for services in regional areas cannot be competitive with the city-based benchmarks that are being used for comparisons. One example is the Moving On provider for Eyre Peninsula's disabled, who was not eligible for the 2.6 per cent indexation increase in funding because the group of disabled is too small. They do not have the advantages of economies of scale, and the set benchmarks are unrealistic for their program. So, the funding is not provided, and the most vulnerable people are put at even more of a disadvantage.

Travel costs, time costs and small group sizes mean that this Labor government's population-based funding policy is not only hitting the disabled but also encompasses all aspects of regional life, including hospitals and schools, and particularly hits volunteer services. In my electorate alone, there is the potential for the downgrading of eight hospitals and the loss of up to 10 schools, and there are the associated accompanying costs and difficulties for parents and children. Regional TAFE is having the same `get big or get out' philosophy applied. I have been told that a number of courses that could once have been accessed locally are now available only in the city.

We could be the national leaders in many instances. Instead, we are trailing along at the back end of Australia, and our state appears to be shrinking back to Adelaide from the outside in, when only the opposite will enable us to fulfil our destiny. Outlying regions must be nurtured, not neglected, if the whole of the state is to achieve its potential. It is no surprise that, in the recent edition of Adelaide's *The Independent Weekly*, on the front page reporter Hendrick Gout called South Australia a `disappearing state' and went on to say:

Kevin Foley's sixth budget is compelling. It acknowledges that South Australia is small and getting smaller. The budget shows that the state's economy grew a miserable 1 per cent in the current financial year—2½ times below the national average. Our unemployment rate is higher than every other mainland state, which means you're more likely to find a job if you leave South Australia than if you stay. And people are leaving still. Our population growth is less than half of Queensland's or Western Australia's.

This gloomy outlook is backed up by the Australian Bureau of Statistics publication `South Australia at a Glance 2007', June update, which states:

Housing affordability is one area that South Australia has previously had a significant advantage over other States, but unfortunately the gap is closing fast.

Our leader has spoken about the debt, disappointment and delay put forward by the government in this budget. So, I will use Eyre Peninsula and my electorate of Flinders to highlight the government's wasted opportunities and outline a positive way forward for the progressive and prosperous future that we could have if this government could see past Gepps Cross and see a state-wide vision for the future. With 40 per cent of the state's grain and 65 per cent of fishing, aquaculture and tourism, the region already produces about $1 billion of the state's income. This equates to about 6 per cent, with about 3 per cent of the state's population, over more than 50 000 square kilometres.

However, with the global increase in the value of minerals, mining on Eyre Peninsula has become viable and could double or even triple its income to the state very quickly. Much of the necessary infrastructure is already in place, but it needs upgrading and extending to accommodate new industry. Power, water, roads, railways, ports, people and housing need to be planned now for an increase of thousands of jobs and to mine, transport and potentially process millions of tonnes of minerals. However, the budget reflects none of this planning or vision for the future.

Like other regions, Eyre Peninsula has the potential to boom. The Terramin and Zinifex mine at Menninnie Dam west of Whyalla will be sending its silver, lead and zinc products through to the Port Pirie smelter in the near future. North-west of Ceduna, there is a world-class deposit of mineral sands, which is very high in zircon. Iluka Resources, Adelaide Resources, in a joint venture with Iluka; and Red Metal combined with Rio Tinto, all have leases. The mining of this deposit, potential processing in Ceduna and exporting from Thevenard can happen if assistance with the necessary infrastructure can be provided by this state government.

Centrex Metals is moving quickly with a haematite iron ore deposit near Lock at Tooligie, and it has other significant deposits near Warramboo, Cowell and north of Port Lincoln. Large Chinese investment and contracts have been obtained. There is the possibility of Lock coal replacing Leigh Creek coal for the Playford Power Station at Port Augusta when Leigh Creek coal runs out in the next few years. Alternatively, the coal could be gasified for use in a local power station or it could be exported direct to China. In a letter to Havilah shareholders, Dr Bob Johnson said:

The Gawler Craton is a premier exploration destination for large copper-gold-uranium deposits, of which Olympic Dam is the outstanding example. Such mega ore deposits are rare on a world scale, and. . . will generate immense wealth for South Australia for many decades to come. . . The prospectivity of the Gawler Craton for more discoveries is highlighted by Prominent Hill, which is a copper-gold deposit of similar style to Olympic Dam.

He referred to other very significant Olympic Dam style copper-gold discoveries at Prominent Hill and Carrapateena on the western edge of Lake Torrens. The Gawler Craton covers the whole of my electorate of Flinders, with only millions of years of sediments covering its potential! Other minerals that can be found in the region are diamonds, graphite, jade, salt, talc, gypsum, kaolin clay and, of course, huge quantities of uranium and thorium. This government should be initiating the investigation of a nuclear power plant running on uranium or thorium from deposits that are found on the Eyre Peninsula and all over Australia. However, instead, it has ruled this out, despite enthusiastically exporting uranium. No responsibility is being taken for research or waste disposal, as it morally should be.

A new section of road and an upgrade of the existing road to link Ceduna to the world-class mineral sands deposits to facilitate development is needed now. Standardising the whole of the Eyre Peninsula railway line or at least extending it to link with Whyalla for port access and processing iron ore to connect the region to the whole of Australia should be considered. There is 670 kilometres of narrow gauge rail on Eyre Peninsula from Port Lincoln through to Cummins, to the west of Ceduna and north-east to Kimba. The Kimba spur stops about 70 kilometres short of OneSteel's rail line to Whyalla.

The $48.5 million spent on the pipeline between Whyalla and Kimba to bring 1.4 gigalitres of River Murray water (which I tried to stop) would have gone a long way towards the provision of this railway line, which would have had huge economic benefits for the state. Recently, about half the length of the rail line has been closed to traffic, with only the Port Lincoln to Wudinna and the Port Lincoln to Kimba sections being upgraded for the continuation of traffic. However, in the future, minerals will necessitate the upgrade of the Wudinna/Thevenard section as well. Where is the plan?

Currently, several companies are looking to develop desalination projects on Eyre Peninsula and they cannot obtain approval from SA Water. The government must encourage private enterprise to develop desalination plants and give them access to the existing pipelines and customers or allow SA Water to buy their water and/or provide water desalination plants that compete. Nowhere is the government's bungling ineptitude more evident than in water, and nowhere in the budget is it dealt with.

A desalination proposal by a private company to desalinate sea water at Penong, west of Ceduna, would provide water to meet current needs of the local region and Ceduna, as well as the water required for mineral sands mining and processing near Ceduna. The desalination plant at Penong could be expanded to provide water to other mining developments nearby if connection was put into existing pipeline, possibly at Wirrulla. This pipeline could follow the Glendambo road. The Penong proposal is environmentally sound, as the waste would go into the salt pans near Penong, from where salt is already harvested commercially by Cheetham Salt. But this blinkered government has stonewalled this proposal. The cost per kilolitre of desalinated water would be around the same as that being provided by SA Water, at about $1.07 per kilolitre.

Additional desalination plants along the coast, in conjunction with green wind farm energy, could provide the necessary water to increase horticulture and selected agricultural projects on the terra rosa soils that are to be found across the region. A visionary government with sound economic management practices would facilitate the installation and development of these private desalination plants using green energy as quickly as possible.

While spending millions of dollars on opening bridges, this government has failed to put in place any funding to help with the planned port infrastructure upgrades. In September 2005 Eyre Regional Development Board appointed a consultancy firm to develop the Eyre Peninsula Ports Master Plan, with reference to Port Lincoln and Thevenard. The upgrade of both these ports will be necessary for the future of the mining industry in the region. Port Lincoln's Boston Bay is the largest natural deep water harbour in the southern hemisphere and is at least three times larger than Sydney Harbour. It takes Panamax vessels and, with dredging, Cape Bulkers may be possible. Grain is exported in bulk. Mining projects now being developed ensure expanded activity in the port.

There is an urgent need to develop the old BHP wharf for the fishing industry to remove congestion on the main wharf and to enable expansion that includes the mining industry. The main wharf needs upgrading, with possibly the reclamation of more land for sheds and gantries for the mining industry. If this is not possible, the BHP wharf or other sites will need to be considered. Esperance is undertaking grain and mineral handling alongside one another with no dust or contamination problems, and provides a template of what could be achieved at Thevenard and Port Lincoln.

This government is sitting back, enjoying the mining boom fuelled by the appetite of China and India and the price increases, but does not seem to see that, if this is to translate into royalties on new mining ventures, then the infrastructure must be planned now and the government's share of the costs factored into its budgets.

Heavy road transport access to the Port Lincoln harbour from the north is a problem for the road trains (70-plus tonne capacity B-doubles and triples), as all trucks are forced to use the main street in Port Lincoln's CBD. In excess of 1 million tonnes of grain is exported through the main shopping precinct. A Port Lincoln Freight Access Study by Tranport SA in April 2002 states that about 125 heavy vehicles per day use this route. The lowest cost estimate by Transport SA for a heavy vehicle bypass road around Port Lincoln to allow access from the western approach road was $13 million. While AusBulk can be encouraged to upgrade strategic sites on the rail line to reduce traffic from silos located on highways, and upgraded rail infrastructure would increase the use of rail provided the economics stack up, freighting grain by road will always remain a major exercise. Despite Port Lincoln's growth and a bypass being a priority for the council and becoming urgent, there is no apparent state government support.

Thevenard, the port of Ceduna, will service Iluka mineral sands and other minerals, in addition to the grain, salt and gypsum already catered for. Preliminary findings from the consultancy firm show that the future demand for the port and its infrastructure is very positive in terms of projected economic growth. Surveys on deepening the channel and profiling of the sea bed are being undertaken. The upgrade of this port and its infrastructure is vital to the viability of the new mineral sands mining projects and also the current exports of gypsum, salt and grain. Sadly, however, this budget does not mention, that I am aware of, the Port Lincoln or Thevenard ports, nor the connecting roads and railways that will need upgrading.

While the main arterial roads on Eyre Peninsula are either fully or partly sealed, only 5 per cent of all roads are sealed, with approximately 12 000 kilometres still to go. The Lincoln Highway upgrade is completed, but passing lanes and adequate parking bays for trucks are needed, especially when the proposed mining projects come on stream. As well as community roads, the special roads program to seal roads of economic importance put in by the previous government needs to be reactivated for both tourism and mining roads.

Port Lincoln has the busiest airline terminal outside Adelaide, with 140 000 passengers annually, with full fares being $462 return, varying down to $198 where conditions apply. Ceduna fares vary from $298, where conditions apply, to $713. Regional Express (that is, REX) is now the only commercial service to Port Lincoln and Ceduna. The government should facilitate the reintroduction of commercial services to Cleve, Wudinna, or other Eyre Peninsula towns, perhaps with some form of subsidy as applies in the Adelaide metropolitan public transport system. The expenditure of $31 million for trams to replace free buses is very unfair when compared with regional travel costs.

Air transport is essential for moving people and locally produced fresh seafood quickly to and from our capital city. A visionary and economically competent government would assist the Port Lincoln airport owner, Lower Eyre Peninsula District Council, to lengthen the runway to take larger aircraft and upgrade the terminal, while developing freight linkages to overseas air-operator connections. However, this budget has withdrawn even the $4 million in assistance that was announced in last year's budget, and the busiest South Australian airport outside of Adelaide remains an embarrassment.

There are good soils across the region for these industries—for viticulture and horticulture. Vineyards using desalinated water (one is operating on the edge of the Nullarbor Plain and there are others near Port Lincoln), and olive groves are two new industries. Flowers and vegetable products are grown locally. With plentiful water and support from PIRSA, these could be expanded and air freighted out with existing seafood into Asian and European markets. However, the reality is that PIRSA's funding has been reduced significantly in real terms in the budget over the five years of this government, and this Labor government needs to remember that our state relies heavily on our farmers. They are well aware of the effects that the drought has had on the state government coffers.

Other infrastructure that is overlooked includes housing that will be required for the hundreds, possibly thousands, of new workers employed in the near future, first, in mining, then in other sectors through a flow-on effect. The increase in population will also affect the delivery of health, education and other services. Skilled workers to build homes are already in short supply. The government must work with local government to provide housing of an acceptable low-maintenance standard while facilitating the immigration of skilled workers to fill the mining, tourism, fishing and farming jobs that are being created.

All hospitals on Eyre Peninsula must be maintained as acute-care hospitals to service the industrial, mining and other developments, in addition to their traditional roles. The service at Port Lincoln Hospital should include a recompression unit to protect divers and for its general health benefits. All hospitals and specialist health services, not just those in Port Lincoln, Berri, Whyalla and Mount Gambier, should be adequately funded by the government instead of some being downgraded (as the current government is doing). With a cut over the next four years in regional health services of $35 million this budget, the only highlight of the budget in rural health is the new hospital at Ceduna, possibly to start in 2009 and be completed in 2010. As this much-needed facility has been announced in this budget, surely it could be started in this financial year and be completed by 2009. The reason for the delay in providing this one major regional health development is beyond my comprehension, unless it is to ensure that the opening will be just before the next state election.

All area schools and secondary schools on Eyre Peninsula must be retained with specialist courses, such as the olive industry at Tumby Bay and aquaculture at Cleve and Cowell, being supported.

Time expired.

Following is rest of prepared speech that was not read in parliament.

I am fearful However that added costs for workcover, utilities and first aid training being put directly to school’s to budget will cause a reduction in school options and possibly close some schools altogether.

Tertiary courses at Port Lincoln and Ceduna TAFE colleges, and degree courses at Port Lincoln Marine Science Centre and Minnipa Research Centre should be developed and expanded but instead it seems that TAFE courses and degree courses across the region are under threat from cost savings that have to be made by this city-centric government.

The government must expand *affordable* VET programs in our schools to encourage our young people to take up trades. They must facilitate apprenticeships and group training programs and develop appropriate trade courses and upgrades, coxswains tickets, heavy vehicle machinery, forklift driving at Port Lincoln and Ceduna TAFE colleges. More local input is needed into local training requirements at schools and TAFE.

A visionary government with economic expertise and the will to be a 'trail-blazer rather than an also-ran' is needed for Eyre Peninsula and our regions to develop potential and to lift already high inputs into the state's economy and the quality of life of all Australians.

As stated by the member for Napier, 'this boom won't last forever,' and the government must 'make hay while the sun shines,' however as stated by the Liberal leader, this is a budget of debt, disappointment and delay that provides no optimism, vision or excitement for regional people.
ENDS.

APPROPRIATION BILL
26 October 2006

Mrs PENFOLD (Flinders): The Rann government has $2.7 billion more to spend every year than did the former Liberal government—it should be drowning in money—but with this budget it missed the opportunity to relieve taxes on South Australian businesses, thereby stimulating jobs, economic growth and prosperity for the future. There are 80 000 small businesses in South Australia. They are the foundation of our economy and an extremely large employer, especially of young people. It is from these small businesses that big, new, innovative world-class businesses grow. They are the incubators. Assets such as these should be given the best possible chance to maximise production for the benefit of all South Australians.

However, what is in this budget for small businesses is no tax relief and increased costs. What could have been a lifeline for the South Australian economy—setting it up for the future—has been sadly ignored. It is a missed opportunity from which some of our 80 000 small businesses will never recover. The negative impacts will be felt by all South Australians because the high level of tax affects the cost of all goods and services as well as the ability of businesses to provide more jobs and economic growth.

The major assault on business costs pledged by Labor during this year's election is obviously nothing more than a broken promise. Even the Treasurer admitted in *The Advertiser* of 22 September that we need to reduce business taxes in this state if we are to keep pace with our interstate competitors. Payroll tax is not only a major cost, it is a major employment disincentive, with many small businesses resisting taking on new staff to avoid going over the threshold. The striking reality is that our South Australian businesses remain burdened with the highest payroll tax regime in the country (5.5 per cent), and our payroll tax threshold remains the lowest at $504 000.

The government has budgeted to take $840 million in payroll tax out of businesses this financial year. By the end of this term of government, it is estimated that payroll tax will be nearly $1 billion a year for the South Australian business community. That is a $1 billion tax on employment in South Australia. That money should be spent by businesses on innovation and technology to enable them to better compete in international markets. It should be spent on employing young South Australians, but, instead, this money will be paid in payroll tax, even on trainees and apprentices.

It should be noted that we have one of the highest rates of youth unemployment in Australia at around 28 per cent. This is no wonder when our government makes South Australia the hardest of any of the states in which to employ people. Many other states have lower payroll tax rates and do not charge payroll tax until the payroll reaches $1 million or more. This gives these small businesses a huge advantage over their South Australian competitors. Even respected South Australian charitable organisations, such as Greening Australia, the RSPCA and the Animal Welfare League, are not exempt from this miserable tax. These volunteer organisations are exempt in other states, but in South Australia volunteers are treated as second-class citizens.

As one former Labor Teachers Union leader once said: if a job is worth doing, it is worth being paid for. Without these volunteers, our communities—particularly those in regional Australia—would collapse. We could not afford to pay for all the work they do. Businesses voiced their concerns to the government about state taxes but, of course, this government, which says it listens, does not really listen, despite all the public meetings and all the gratuitous words by the government and the resulting media hype.

Land tax collections are set to increase from $140 million in 2001-02 to $342 million in 2006-07—a $200 million tax increase. The land tax revenue from the private sector has increased by about 21 to 22 per cent this year alone. The estimated land tax grab from the private sector in 2006-07 will be around $193 million compared with $76 million in 2001-02. In total, the government intends to collect more than $1 billion in property taxes each and every year over the next four years. In 2001-02 the government collected about $731 million—a significant increase of $250 million each and every year. The Treasurer has continued to underestimate revenue collections by the government. During the past four years he has generally underestimated total revenues by close to $570 million per year.

South Australia has one of the highest WorkCover levies in Australia, and the unfunded liability has increased nearly tenfold from $67 million under the previous Liberal government to $617 million in December 2005. That is a staggering $550 million increase. There are no proposals for reform of WorkCover in this budget and, therefore, another opportunity to make a difference and a real investment in economic development has been lost in South Australia.

It is vitally important that South Australia grows its economy and a key component of any growth will be improving the competitiveness of our business sector, currently being placed at a distinct comparative disadvantage with other states by higher rates of payroll tax, property tax and WorkCover levies—and that is an absolute disgrace. It makes a mockery out of the Treasurer's pre-election promise that a Labor government would make it cheaper and easier to do business in South Australia. The sad reality is that, until the state government creates conditions in which businesses can create jobs and lure people back, the outlook for economic growth will continue to be ordinary, despite the best efforts of business.

The Labor government grabs taxpayers' dollars from the regions, but it is well known for being Adelaide-centric in its policy formation. It shocked even me, although I was prepared for a lack of investment in the regions. The whole of regional South Australia has been let down by the Minister for Regional Development's acceptance of Labor's population-based funding policy that gives priority to the city. Despite the continued budget surpluses, Labor's miserable record of investment outside the city area is becoming even worse. No matter what kind of positive spin Labor tries to put on it, the truth cannot be avoided.

This budget snubs regional South Australia. Its needs are largely disregarded. The economic development to increase state revenue is not recognised because it is not understood by this minister and this government. Rural regions are forced to endure a lower standard of living and much poorer health and education outcomes than their metropolitan counterparts. Overpasses, bridges and tramline extensions in Adelaide will not do anything to help long-term jobs in Adelaide or regional South Australia.

Net debt has increased by six to $700 million so where is it all going? Obviously, it is not to the regions. This is in total contrast to the stated goal of building sustainable communities in regional South Australia. The Regional Development Infrastructure Fund has just $9.6 million over three years for the whole state. How much of a difference can be made with such little funding to help with things such as mining, where the government is blowing the trumpet of success so hard? Exploration is just that—exploration. However, in order to get successful mines operating quickly, help has to be provided with the infrastructure—or projects will go elsewhere. Mining is an important industry for regional South Australia, but there is no provision in the budget for infrastructure required to tap into the state's mining potential.

Of the billions allocated to capital works projects, not one project is targeting important rail, port or road projects for the mining sector. Grants and subsidies from a government that the Premier has touted as being unashamedly pro-mining have been cut by around $5 million. Funding for the Office of Minerals and Energy Resources has been frozen, despite predicted growth in the mining sector. Funding for the agricultural, forestry and fishing portfolios—all key economic portfolios—now make up a paltry 1.8 per cent of the budget.

In the previous budget the government announced a $4 million infrastructure upgrade for Port Lincoln airport—the busiest outside Adelaide. I was delighted that the government had recognised the importance of this regional airport, yet there is no mention of the upgrade in this year's budget, nor have any of the promised funds been spent. Other airports have closed across Eyre Peninsula and people often have to travel 200 kilometres, or more, to Port Lincoln.

Funding is urgently needed to bring the airport up to a standard befitting a busy regional gateway. Presently, there is often inadequate room for passengers to sit and wait, and there is no food, drink, newspaper or local product to purchase. King Island in the Bass Strait, with about 10 000 passengers per year, has better facilities than this state's second busiest airport, with more than 130 000 passengers per year—and do not tell me there is no money to pay for infrastructure and services for regional South Australia.

The Premier and the Treasurer need to explain how they let the number of public servants blow out above the budget to now total an extra 7 750 full-time equivalents over the budget. How did this happen? The cost of this blow-out is estimated at more than $500 million per year. What would even half that figure per year do for infrastructure in regional South Australia? Perhaps children might finally be able to wear seatbelts on school buses and not be crowded into school bus aisles. I find the poor buses for regional children to be particularly insulting, when $21.2 million is being allocated to upgrade the existing metropolitan bus fleet.

Health is another area where the government's attitude towards regional South Australia is particularly pronounced. Despite planning to spend just over $3 billion on health this year, country health is virtually being ignored. It is insulting to regional South Australians that almost $130 million is allocated for health projects this year in the budget, but country health is receiving $1 million for just 10 dialysis chairs at Port Augusta and $3.5 million for refurbishment of rural and remote mental health beds at the Adelaide suburban hospital of Glenside. Waiting lists are growing, while people suffer pain and are treated with contempt. Labor has made much of the $160 000 it has given to Whyalla Hospital to reduce its waiting list of 450 for joint replacements, but this small amount is a drop in the ocean. The eight or so additional operations that $160 000 will allow will not put much of a dent in a waiting list of 450.

Regional hospitals have been allocated about $10 million extra to operate, compared with over $85 million extra allocated to metropolitan health. As one-third of the population lives in the regions, surely even taking into account the majority of specialists being located in the city, at least a quarter of the funding should go to regional hospitals, particularly as city people have easy access to both private and government hospitals. The majority of the extra funds to regional hospitals will be soaked up by the pay increases through enterprise bargaining. Rural South Australian hospitals are being left to rot by a city-centric government.

The former minister for health in her estimates speech mentioned with pride the population-based funding model that is used by Labor, but I would like her to explain to me why so much funding is being channelled into the cities, while country people are fundraising for their local hospitals, the Adelaide Children's Hospital, the Royal Flying Doctor Service and to subsidise the accommodation for country families coming to the city to have babies, cancer treatment and operations of all kinds that could be undertaken locally.

The Rann government preaches to the people of this state about safe driving, and then puts together a budget that clearly fails in its duty to keep roads properly maintained and safe. The government announced a paltry $7.6 million for ongoing work on regional roads and a shoulder sealing program, and about the same amount of money for improvements to selected Outback roads. The sum of $7.6 million would seal about five kilometres of road when, on Eyre Peninsula alone, there is about 12 000 kilometres of unsealed roads. There is no question that people have a responsibility to use roads safely, but speed it not the only killer: so are dangerous, neglected roads. Reducing regional speed limits will only keep us longer on the roads, and drivers will inevitably be tired and bored as they crawl along these roads. Many young ones, in particular, will not, and we will continue to see them in our statistics.

The money spent on trams and opening bridges could seal more than 1 000 kilometres of road, and 1 000 kilometres of sealed regional roads would save lives, decrease greenhouse gases, increase our competitiveness and lower our costs for freight and road maintenance. If it were not for the federal Liberal government's Roads to Recovery program, regional South Australia would be in a parlous state.

The federal government recently provided a grant of $900 000 to help seal the road between the Lincoln Highway and Lucky Bay, where the new ferry is expected to arrive before Christmas. The berths on either end are currently being completed after an onerous process of negotiations were finally completed with government departments and the state government. However, despite this ferry, cutting driving time by as much as four hours one way for people travelling to and from Eyre Peninsula, the state government is withholding matching funding that would enable the road to be sealed before the ferry starts and before the Christmas holiday traffic. I can only think that it is must be for philosophical reasons that a Labor government does not want to be seen to support a private enterprise. I beg it to consider the benefits for the people of not having to travel that extra eight hours, often for hospitals and with children—as in one case, with three under the age of five. This is without all the other benefits that would come from increasing safety and reduced wear and tear on the roads.

Primary industry has always been an important sector for South Australia, and this year the sector faces severe drought. You would think that the government might find it somewhere in its conscience to address this issue, but the budget has deserted rural South Australians. Despite the situation being desperate, cuts have been made to vital services for agriculture. Government funding for agriculture, wine and the State Food Plan has been reduced, totalling a 15 per cent cut over the past two years and a 20 per cent cut in real terms. These cuts come on top of the slashed budgets in the first two years of the Rann government. The former Liberal government embarked on the State Food Plan, investing in the plan with South Australian food producers and saw huge growth in the industry. The plan is now in disarray.

The food industry continues to decline and ABS figures reveal other key primary sectors are in decline, including the gross value of agricultural production, livestock and crops. The government continues to ignore our primary industries and our regions. The state's water supply is critical, with global warming a reality and drought upon us. No solution is being offered by the government or its government owned SA Water—and I understand that it has had special mention in the Auditor-General's Report for taking into general revenue nearly $300 million in dividends, instead of using this money to provide water to the people of the state, as SA Water's charter demands. Instead, we are supposed to feel glad to reduce our consumption. Labor promotes itself as a party for those on low income and the disadvantaged. However, its rhetoric is sadly at odds with its actions or, more particularly, its lack of action for ordinary people.

This is evident in the content of this budget not only in my shadow areas of regional development and small business but also in consumer affairs. Every member in this house should be aware of the difficulties that constituents experience when they have a problem with a service or a business. One might suppose that this whole area would be of immense interest and concern to Labor. However, judging by the government's treatment of both the Office of Consumer and Business Affairs (OCBA) and Consumer SA, this Labor government could not care less.

OCBA is a division of the Attorney-General's Department. It is customer focused and flexible in its activities, providing accessible services and information, ensuring that the legislative framework and its administration are fair and effective, yet funding for this important customer protection body has been doled parsimoniously. Because of lack of funding, it is difficult to get answers, even for Freedom of Information Act applications, and now we hear that six of the nine regional OCBA jobs are to be chopped and offices closed. It is part of this government's tactic of obfuscation so that its shortcomings and failures are hidden from scrutiny and public knowledge. This is also evident in its decision to withdraw funding from the voluntary organisation Consumer SA, which is the independent consumer voice in South Australia.

Established in 1977, Consumer SA is a longstanding part of the consumer protection scene in South Australia and receives national recognition through membership of the Consumers Federation of Australia. Consumer SA not only deals with complaints and grievances but, more importantly, takes preventative action by way of distributing information warnings to consumers, representing consumer interest to government and industry and researching matters that affect consumers. The organisation drafted a business plan for 2006-07 based on an application for core funding to the state government for $38 000 to help pay for a part-time staff person in the office, but this was not included in the budget.

We waited four months for this budget and we are still left with many more questions and answers. Why are South Australians taxed more than any other state in Australia? Why are country South Australians being ignored while the government wastes money on opening bridges and trams in Adelaide? Why is funding being withdrawn from key consumer protection bodies when offences are spiralling? I could go on, but members get the point: it is the same old Labor mismanagement of government that eventually Liberals will be called in to fix.