

Mr ←MARTIN→ - Taxes are taxes; a levy is a tax. There is also privatising of some government-owned assets and some minor tax relief. All of these components add up to be really economic rationalism at its best. As I said, if I was a supporter of economic rationalism I would probably give the Budget an eight or nine out of ten. Let us look at the state of the economy and I think when you do that there is basically good news. On the positive side there is much to be pleased about the State's current financial situation and the continued buoyancy of the economy. However, that is what makes it just a little bit more difficult to accept that we cannot do more for those most in need in our community. I have often quoted Roosevelt who in 1936 said, and I quote: 'The test of our progress is not whether we add more to the abundance of those who have much but it is whether we provide enough for those who have too little.'

In saying this I am certainly pleased that the Government has taken a long-term structural view on the provision of hospital services and education. The Minister for Health and Human Services, the Honourable Lara Giddings, I think is to be sincerely congratulated and praised for her courage in tackling the difficulties we have in providing high quality care in the face of an ageing population, shortages of doctors and nurses and growing demands from the health system.

Likewise, the Minister for Education, the Honourable David Bartlett, I think deserves credit for tackling the problem of retention rates by foreshadowing a major overhaul of the senior secondary college and TAFE system and also for record levels of capital expenditure he has managed to secure in this Budget.

I think these ministers deserve our admiration for having the vision and courage to implement longer-term strategies to address the two big areas of Health and Education needs. I also acknowledge that the Budget builds on increased funding commitments in previous years and that there is certainly no comparison now to the situation of the mid-1990s before Labor came into power where services had been allowed to run down to parlous levels. However, I do find it difficult to understand the lack of new funding for key areas like housing and disability services. As I said, I will come back to this in much more detail later in my contribution.

Mr President, from the budget papers and most independent commentators, there is no doubt in my mind that the Tasmanian economy is performing well and certainly the honourable Treasurer, as well as his predecessor, deserves enormous credit and praise for this.

Unemployment has just reached its lowest level in more than 30 years and at 4.8 per cent is the first time in 30 years it has been under 5 per cent; that is quite an achievement. Treasury has forecast economic growth of 2.5 per cent for 2007-08 and further employment growth at 2.25 per cent. I also note that Treasury is predicting economic growth of 3 per cent even if the pulp mill does not go ahead, which is interesting, given that the need for this major investment was one of the justifications for legislating the assessment process. In other words, as I said during that debate in this Chamber, maybe the sky is not going to fall in if the pulp mill does not eventuate. Again that is another story for another time and if rumours are true maybe it is not too far into the future.

The Budget predicts the economy will return to stronger growth and generate a further 6 000 jobs. It also forecasts an increase in private sector investment and further growth in export earnings. Following a trend set by other States recently, the Government aims also to encourage economic growth by investing in new infrastructure and I certainly applaud that.

The 2007-08 Budget also includes some relatively minor tax initiatives which will provide some assistance to small business and help encourage more building activity.

Mr President, this Budget also articulates a long-term strategy for maintaining Tasmania's economic prosperity. The Government is looking to address the barriers holding the Tasmanian economy back from realising its full potential. The focus on improving productivity in our year 12 retention rates, which I have already mentioned, along with the proposal to invest in Tasmanian infrastructure needs are all honourable initiatives.

If I do have one concern, though, it is that these proposals, as a number of previous speakers have already pointed out, promise a lot but are highly dependent on finding money through

sometimes dubious sources. For example, the Government's investment in the proposed Brighton transport hub depends on the privatisation of the Hobart International Airport, the Southern Regional Cemetery Trust and the Printing Authority. The Government's investment in water infrastructure depends on funding from the Commonwealth Government.

Perhaps most concerning, I heard on radio I think yesterday or the day before the Minister for Education say that his reforms to the college and TAFE system will depend on how successful he is in arguing for funds from Treasury, so I wish him luck.

Mr President, in relation to the economy, I believe the Budget's heavy focus on positioning the Tasmanian economy for future growth is certainly encouraging even if lacking in firm commitments on how and when the Government may fund many of its major reforms.
[5.45 p.m.]

Mr President, I turn to part 2 of the triple bottom line and I am pleased to note that the Tasmanian environment has not completely missed out in this Budget. I think it is of critical importance that we effectively manage our environment. That is really what is so unique about Tasmania. It is critically important to look after our environment for the enjoyment of future generations of Tasmanians as well as for those who visit our beautiful island State.

Maintaining and enhancing our clean and green image highlights the Tasmanian brand. It gives us a positive advantage in the niche markets of food, wine, agriculture, ecotourism and also aquaculture, to name just a few. We do need the environment to be treated seriously in a triple bottom line approach. Mr President, I therefore encourage the Government's investment in the Tasmanian environment.

I welcome the \$12 million over four years to upgrade the Parks and Wildlife Service's infrastructure and visitor facilities. I welcome also the almost \$10 million for the new sewage treatment plant at Cradle Mountain and I welcome the \$2.69 million for the Living Environment Program.

I am also pleased that the Government is taking some steps towards doing our part to tackle climate change. While some other States have announced actual targets with strategies they will undertake to reduce greenhouse emissions, the new Tasmanian Climate Change Office is, I think, a step in the right direction and I look forward to seeing the office implement the yet-to-be released climate change strategy which I also hope will have set targets in the same way as other States have already committed to. I hope also that Tasmania's expertise and investment in renewable energy will be used strategically by the Government to take advantage of the new marketplace opportunities created by the global warming phenomena.

Mr President, though not part of this Budget, I would also like to take this opportunity to congratulate our Treasurer for his skill in brokering a deal with the Federal Environment minister in regards to Macquarie Island. I am sure it took some skill to negotiate a deal that was, to all intents and purposes, the same as that first put on the table by Minister Wriedt over 12 months ago. Whatever the story of who deserves credit, I am pleased that the Government has finally acted on this issue. I think it had become a total embarrassment to the State. I think it is disappointing that our reputation as good environmental caretakers took an unnecessary beating and I can only hope that the Government woke up to the fact that most ordinary Tasmanians, not just those the Government can label as greens, care passionately about the environment and care about our responsibilities to look after it in a balanced and timely manner.

Mr President, I also noticed the Government is earmarking \$240 000 to, and I quote: 'assist with the regulation of the proposed pulp mill should it be approved as well as other major projects under way'. I welcome this announcement and can only hope that this regulatory process is more transparent with its findings than the Government has been to date with the whole pulp mill fiasco. A large proportion of the Tasmanian community I think have lost confidence in the accuracy and the honesty of the Government in regards to the planning of major developments and their corresponding impact on the environment.

Mr President, I also welcome the Government's announcement in regards to Arts and Tourism which I believe should be closely aligned to our care for the environment. I think a thriving vibrant arts sector is vital for not only the way outsiders view us as a community but, more importantly, a vibrant arts sector helps define the way that we view ourselves. The arts help to shape our identity now and for generations to come into the future. I am certainly pleased to see the \$1.5 million injection of new recurrent funding for arts organisations and artists through Arts Tasmania for an increase in grants programs. I will certainly look forward to reading and contributing to the discussion paper soon to be released by the minister to look at a new vision for the arts in Tasmania.

I am also pleased to see the Government implementing its election promise with the \$8.7 million in this Budget as part of the \$30 million for the TMAG redevelopment. Mr President, in regards to tourism I am happy to see that the Government is continuing to treat this very important industry as a significant priority in terms of funding. Tourism is the State's largest contributor to jobs and economic activity. I think the privatisation of Hobart Airport, which I will talk about in more detail later, but potentially that plus the additional funds for Parks and Wildlife, plus importantly the \$9 million over three years for the interstate marketing campaign should all have a positive impact on tourism in the State.

I would like to take this opportunity to congratulate the outgoing executive director of the Tourism Industry Council, Daniel Leesong, for his excellent efforts to represent the State's tourism interests and the work that he did to maximise the effectiveness of funding for the sector. I wish him well in his new position as the Premier's Chief of Staff.

Mr President, I would like to talk for a few moments about Tasmania Together. I have been a strong supporter of the Tasmania Together process since its inception and I remain an ardent fan. It therefore saddens me a little bit to see that the public perception is that the current Government appears to now only half-heartedly support it. As I said earlier, in the entire State Budget speech, Tasmania Together is not mentioned once; something that I find quite remarkable considering that the Treasurer himself was, along with Premier Bacon, the State Government's champion of the Tasmania Together process as a way of uniting the Tasmanian community behind a shared vision and shared values.

While I acknowledge that the Government has recently undertaken the five-year review of Tasmania Together, and certainly it has been advertising the revised plan on television and elsewhere, I do not think this is the same as solidly getting behind it. I believe that because of the lack of strong political support for the plan at the very top, departments are only going through the motion of linking their policy initiatives to Tasmania Together and that is certainly the feedback I receive from government officers.

I believe that the time has come for the Government to either fully re-endorse Tasmania Together as a process and to put it back at the fore of its policy processing priorities as it was three or four years ago, or if they are not going to do that then maybe it would be better to just scrap it. In that case, we would be better off putting the money currently going to Tasmania Together into another area like disability services, for example, if we are not going to fully support it and ensure that it does what it is supposed to do.

Mr President, I remind the Chamber that the first goal of the revised Tasmania Together plan is, and I quote:

'A reasonable lifestyle and standard of living for all Tasmanians.'

I note that it distinctly and boldly refers to all Tasmanians, not just the haves, but the have-nots as well. Mr President, that is a very worthy goal indeed, which brings me to point three of the triple bottom line.

Late last year I attended the launch at the Hobart Book Shop of **←Martin→** Flanagan and Tom Uren's book *The Fight*, a wonderful book. Apart from once again reminding me of what an inspirational human being the great Tom Uren is, I think it was a little bit ironic, considering Tom is

an atheist, that he introduced me in this book to a 1963 Easter message of Pope John XXIII. Let me use Tom's words to introduce the start of the Pope's message. Tom Uren said this:

'My strongest hope for the future of Labor is that men and women of goodwill will be able to find the strength to take a strong moral stand and turn around the political and economic culture that has taken hold. With the advantage of being able to look back over many years I can confidently say that the current culture has only recently come so strongly to the fore, and so I am confident that with proper leadership it can be displaced with something worthy of our humanity. In recent history there have been a number of outstanding individuals to inspire and guide us: Nelson Mandela, **Martin** Luther King, Mahatma Gandhi, our own Mary McKillop and Pope John XXIII. Though not a catholic, I found in John XXIII's Easter message of 1963 an inspiration for how humanity could relate to each other individually and collectively through government. Especially for our age over 40 years on, it stresses the personal moral integrity as central to the solving of social and political issues including conflict between countries and cultures. It sets out a moral, ethical and social program which Labor party men and women of goodwill could well give consideration to implementing.'

He then quotes the Pope's speech and I start that. The Pope said:

'We must speak of man's rights. Man has the right to live, he has the right to bodily integrity, and to the means necessary for the proper development of life, particularly food, clothing, shelter, medical care, rest and, finally, the necessary social services. In consequence, he has the right to be looked after in the event of illhealth; disability stemming from his work; widowhood; old age; enforced unemployment; or whenever through no fault of his own he is deprived of the means of livelihood'.

The Pope then goes on to articulate an inspirational manifesto for social justice which is probably the best articulation of social justice I have ever come across. I certainly agree with Tom Uren's opinion that this should become the social justice test for any government. It is the test I will use to judge this Budget for its credentials in relation to the social justice component of the triple bottom line.

Mr President, let us look at what I think is clearly one of the most basic of human rights and that is shelter. Members will be aware of my interest in **affordable housing**, an issue I have spoken on several times in this Chamber. I consider housing to be a black-and-white issue. By any measure the right to shelter is a fundamental human right. It is an absolute. We have no excuse, as Parliamentarians or as a compassionate society, for accepting a situation where people in their own community can be allowed to continue to live in such perilous situations; that on any one night over 2 000 Tasmanians are considered homeless; or where on any one night Bethlehem House can turn away as many as six people into a cold night when they are already full. Or where instead of trying to find families a bed welfare agencies resort to handing out sleeping bags and tents and, in some cases, blankets if a family is fortunate enough to have a car to use as a shelter for the night. Mr President, this is the kind of situation you would expect to find in a third-world country, not in Tasmania.

Mr Dean - You are always going to get some people doing that, aren't you? It does not matter what you do, there will always be some and that can be their life.

Mr MARTIN - But there are 2 000 people who are homeless and that is just not good enough. We are a civilised society.

Mr Dean - Through the President - I do not know if any of you have looked at the situation in San Diego which is a good example of what people do to live out on the streets. They will live on the streets whatever you do for them. No matter what you do they still will live on the streets and that is where they want to live.

Mr MARTIN - Yes, but I doubt very much that there are very many Tasmanians who are willingly living out on the street in weather conditions like we have at the moment. I just find it hard to believe that 2 000 people are considered homeless in this State. I think it is a disgrace to us as a society.

Mr Finch - Through you, Mr President - you mentioned tents and sleeping bags. I have heard that before. Have you got an example of that, Terry?

Mr ←MARTIN→ - Yes, it is well documented by a number of agencies. I have plenty of correspondence which is not with me at the moment, but various agencies like Shelter Tasmania and some of the homes like Bethlehem House, for example, do that on a regular basis when they are full.

Mr Finch - That is the best they can provide?

Mr ←MARTIN→ - That is the best they can provide when there are no beds left. As I said, in a third-world country you could expect it but not in the civilised society we claim to be. Mr President, it was with this in mind that I turned to see what this Budget contained to address the housing affordability crisis in our community. I have to say it was a bitter disappointment when I read this area has again been largely overlooked.

Granted the Government is continuing to fund the successful private rental support scheme at its current level of \$3 million and there is also the proposal to establish a new shared equity arrangement for Housing Tasmania to retain partial ownership, that is 25 per cent of properties purchased by tenants under the Home Ownership Assistance Program. Although I would be interested to see the details of this proposal and how it will assist low-income earners to access finance rather than just reduce by 25 per cent the level of debt they will incur in a property, either way the reality is that it will only ever assist a very small number of existing Housing Tasmania tenants to move from tenants into home ownership and it will not have a significant impact on the housing market. It certainly will not address the critical, unmet demand for public housing.

[6.00 p.m.]

Mr President, in late 2005 this Council considered a notice of motion regarding the Auditor-General's inquiry into Housing Tasmania. Honourable members may recall that the Auditor-General's report emphasised a need for continued government investment in public housing to ensure the service's capacity to respond to the needs of the Tasmanian community. This was the Auditor-General's report.

It was also around this time that the Government's own review of its ←affordable→ ←housing→ strategy reported that any gains achieved in that strategy would be lost without continued Government investment and expanding the supply of public housing. No doubt, largely in response to these two reports together with persistent lobbying of community welfare advocates, the Premier announced in his 2005 state of the State speech the Government's response to what was then the emerging housing crisis. That was the community housing trust linking private capital to develop new ←affordable housing→ based on similar successful housing trusts interstate.

I strongly supported this as a complement to public housing, but I argued at the time that it should never be considered as a substitute for public housing. It was always, to my way of thinking, designed to be a complement not a substitution. The Premier at the time said it would deliver 700 new homes to ease the public housing waiting list at significantly reduced cost to the traditional government investment in public housing. I warned at the time that this time frame was simply impossible to achieve because setting up a trust like this without rules and anything else in place was going to take a lot of time.

I heard the Treasurer explain today that is exactly why it has taken so long and why it is not up and running at the moment. In other words, I might have been right.

Mr Parkinson - It is coming.

Mr ←MARTIN→ - I am sure it must be after two years. Nearly two years later, and according to its chairperson, Lynn Mason, in today's *Mercury* - and Lynn is a person I have enormous respect for - the Tasmanian ←Affordable→ ←Housing→ Ltd is still inactive and, according to reports, there is no hope of delivering the 700 properties promised by the Premier within the foreseeable future. I do acknowledge the Treasurer's comments during question time about the 170-odd, I think, houses in the pipeline. That sounded okay until he mentioned the first lot being the 18 properties being

developed by OneCare in Glenorchy. No, they are not - there is still a vacant paddock - there is nothing happening there at the moment. I will welcome them when they are under way, but speaking to a board member of OneCare just a few weeks ago, there are no immediate plans to start. It would be interesting to know what the starting date on some of these properties is.

The original announcement by the Premier did say that there should be 700 built by, well the fact is, now. I refer to media release put out on 7 **June** by Anglicare, and I quote one section which puts the current situation into perspective:

'Tasmanian **Affordable Housing** Limited has again been offered up as the only solution to the current housing crisis. More land has been released to developers. This organisation should be halfway towards its original 2009 goal of 700 properties by now, but has only delivered a commitment by private investors to build 178. It must surely be clear to the Government by now that it can't rely on this one solution. It must take more steps to increase the supply of housing.'

That is the direct quote from Anglicare.

Mr President, quite seriously if this was not such a tragic situation and there were not so many in the community suffering because of this you would have to say the whole thing would be a joke. Worst of all is that the **affordable housing** organisation has been repeatedly used by the Government over the last two years as an excuse for ignoring the needs of its own public housing stock with absolutely no additional investment to increase its own supply and that has been a deliberate policy of government. It has also been used as the excuse for government to ignore the recommendations of the Auditor-General and its own review of the **Affordable Housing** Strategy. It has also been used as the excuse for Government to ignore the recommendations of a feast of reputable Tasmanian community organisations, including Anglicare Tasmania, Colony 47, the Tasmanian Council of Social Service, Shelter Tasmania, Centacare, the Salvation Army (Tasmania Division), the Council of the Ageing, the Youth Network of Tasmania and the Tenants Union who all contributed solutions to the Treasurer this year highlighting **affordable housing** as being the most critical social issue impacting on the Tasmanian community and requiring urgent government attention through this Budget. Could all of those organisations be wrong? It has also been the excuse for Government to ignore the 2 650 Tasmanians currently on public housing waiting lists.

Mr President, let us also look at what other State Labor governments have invested in housing this year. The Victorian Labor Government's 2007-08 Budget committed, believe it or not, \$510 million in additional funding for **affordable housing**. The Northern Territory, a little bit smaller than Tasmania, Labor Government's 2007-08 Budget committed an additional \$90 million in **affordable housing** programs.

Mr Dean - Whilst it is smaller they would probably have a larger problem than us though, I would think.

Mr MARTIN - Yes, but they still managed to fund it.

The Western Australian Labor Government's 2007-08 Budget committed an additional \$417 million over four years to make housing in Western Australia more affordable and the recently re-elected New South Wales Labor Government has already committed \$230 million over four years for affordable rental housing. And, and to top it off, the Queensland Government in their 2007-08 Budget committed to a \$719 million housing assistance package including \$297 million for new or upgraded public housing.

What is the solution for us as a State? There is no difference between an individual borrowing money, taking out a mortgage to fund a new home and the Government borrowing money to build new housing stock for those who are unable to acquire secure housing through their own means. In both cases the loan is underpinned by the value of the asset while the economic and social benefits of safe and secure housing to both the individual and the community provides an obvious return on the investment. This brings me to the issue of the State debt, but before that I would like to take a look at another social issue ignored in this Budget: the problems confronting the disability services

sector. There are at present over 300 Tasmanians with disabilities who are on waiting lists for services like day support and flexible accommodation and there is simply not sufficient government funding to cover the cost of support workers and respite and day centres.

I have had numerous constituent inquiries regarding the Government's community equipment scheme, which unfortunately is not even mentioned as a line item in this Budget. This scheme has not received, as I understand, any additional funding since its inception and, unfortunately, consistently runs out of funds halfway through the financial year. Thus people then have to wait for unnecessarily long periods of time for a wheelchair which would enable them to a quality of life that the rest of us simply take for granted.

I know it is argued by the National Disability Services that there could be sufficient funds already, that these funds are wasted on an over-large bureaucracy and micromanagement in Hobart rather than enabling the not-for-profit sector organisations to get on with it. The National Disability Services have a view that centralisation, duplication and micromanagement are denying people urgent service delivery throughout Tasmania and they consider that government must get out of service delivery and focus its efforts on funding, policy and monitoring standards.

In Tasmania it is estimated that the Federal Government's contribution under the Commonwealth, States and Territories Disability Agreement has fallen by 8 per cent in the last five years. The Federal Government deserve a lot of criticism for their lack of funding in disability services. I can only hope that the new agreement between the Commonwealth, the States and Territories, to be finalised by 30 **←June→** this year, acknowledges the crisis in disability funding through effective planning for future increasing needs, and that, as a result of that, we see a substantial increase in Commonwealth funding and not a fall that has been happening, especially considering the \$15 billion surplus that the Federal Government are comfortably sitting on.

What turns this Budget from a poor performance in social justice into what can only be described as an attack on lower income Tasmanians is the new user-pays tax on ambulances. Most honourable members have already spoken in similar terms. It is an attack on potentially some of the most disadvantaged in our community, some of whom will simply not access an ambulance knowing the impost that they will be hit with. I think it is unreasonable and naive in the extreme to assume or expect that there will not be a large number of people who, for one reason or another, will not take out insurance. As we all know, not everyone has private health insurance. Many people also cannot afford or they choose not to insure their own household belongings and vehicles. I cannot understand that. I would not think for a minute of not doing that but a lot of people do not do it. So I think it is naive to assume that every Tasmanian will take out insurance for ambulances.

There are many reasons for this - from the inability to pay to ignorance of the need to do so. We all know that many of the people who access ambulances in our community are frail and elderly. As several honourable members have already articulated, it is that moment when an elderly person could be by themselves in their home, they might feel chest pains. Do they then hesitate for that extra 10 or 15 minutes because of the fear of the cost of the ambulance? This 15-minute delay could cost them their life.

Rather than a user-pays levy I would personally prefer to see the Government impose a levy across the entire community. No, Mr Treasurer, it does not necessarily have to be collected by local government through the rates demands. The reality is that the State Government could, if it wanted, have its own opportunity to collect the money through their own land-based rating system, which is the land tax system. But then the amount would be on the Government's land tax bill -

Mr Parkinson - Not everybody owns land.

Mr ←MARTIN→ - Exactly, which means they do not pay rates so there is no difference between who pays rates and who pays land tax other than that you do not pay your land tax on the home you live in. But that is a government policy decision. The fact is the system is there for the Government to collect not only the ambulance levy but also the fire levy. I think local government would be quite happy with that, as the honourable member for Windermere said yesterday.

What I find extraordinary is that we have a Labor government that prefers to implement new taxes in the form of user-pays charges when we know that user-pays charges are a regressive form of taxation; in other words, a tax that proportionately hits the lower-income Tasmanians comparatively more than those who can afford to pay more. Again, I think this is an example that this Budget and the mentality of this Government is focused on an economic rationalist ideal rather than a social justice approach to taxation.

We are flying in the dark here a little bit, as several members have already mentioned, because we do not really know how the Government are going to implement this new user-pays tax. They may very well ultimately provide some relief from it for people on low incomes. The difficulty we have today is that, as the honourable member for Montgomery said yesterday, the Government has made this announcement thus creating unnecessary worry in the community without having worked out exactly how they are going to implement it. Since it is not part of this Budget, why was it necessary to make this announcement as part of this Budget prior to having worked out the details? Quite honestly, it has me beat. All I can hope for is that the final arrangements show some compassion and some good old-fashioned Tom Uren Labor values in alleviating this tax from the shoulders of low-income Tasmanians.

[6.15 p.m.]

Just briefly, I would like to mention my total agreement with the honourable member for Windermere and several other honourable members in relation to the scrapping of the criminal injuries compensation scheme. I note with some concern the Police Association of Tasmania's comments in relation to this matter and I must say I find the scrapping of this fund to be simply extraordinary. I note the minister's comments that the fund apparently was not meeting its planned objectives and also had the potential to be rorted. I would like to see some examples of where it has been rorted in the past.

Like the other honourable members, I saw the minister on television in relation to this matter - **Mr Parkinson** - Claims by prisoners. Punching each other up and then putting a claim in.

Mr ←MARTIN→ - If that is the case, and that is kind of what I heard the minister say on television, but I would certainly want some more details of that. As I said, I saw the minister on television in relation to this matter and found his explanation to be totally inadequate. If there are in fact good reasons for the scrapping of this program I look forward to much more coherent and cogent explanation from the minister at some point and I am sure it is something that we will pursue in budget Estimates. Mr President, given the combination of these issues I believe that the Budget badly fails the social justice test and the sad thing to me is that I do not believe it needed to do so.

Mr President, let me return to the issue of debt and here the Government also has a good story to tell about the reduction of State debt. Net debt is said to have improved further to a net credit position of \$456 million as at 30 **←June→** 2008. This year the Government's budget for net operating deficit is \$39 million which it says will improve to a surplus of \$22 million in 2008-09. The budget also forecasts a fiscal deficit of \$31 million improving to a surplus position over the forward estimates. The Consolidated Fund is to remain in surplus to the tune of \$10 million in 2007-08, \$11 million the following year and so on. Mr President, in budget paper 1 we are told that net financial worth, which is a measure of net holdings of financial assets and which incorporates such things as superannuation liabilities and entitlements, is now \$313.5 million, an increase of some \$240.5 million over 2006-07. We have done so well with debt that we are now earning interest. This year we earned \$19 million and next year we will earn \$28 million.

Mr President, in these circumstances where our economy is seemingly buoyant and debt is under control to the extent that we are earning interest rather than paying out, surely it is time to reassess some priorities. I am not for one minute an advocate for big debt and I am certainly not an advocate for debt to fund the current expenditure, however I believe there is a strong case for governments to borrow money to meet essential infrastructure needs. Housing is one of those needs. Hospitals, transport hubs, water, sewerage and roads are others. If the Government cannot find the

money to invest in public housing from other sources then I believe that it is time to take on some debt to fund infrastructure. I am not talking about billions of dollars but enough to make a difference.

I note that other States are now borrowing for infrastructure. For example, Queensland has gone into debt for the first time in six years and the Treasurer, Anna Bligh, said that she will borrow \$16 billion over the next four years to pay for infrastructure that she hopes will sustain population growth and keep the economy booming. In regards to Victoria, and this is really interesting because this is the excuse given by this Government in Tasmania to not go into net debt, the international ratings agency, Standard and Poor's, have said that Victoria's projected increase in net debt from \$3 billion or 1.2 per cent of gross State product now to \$8.8 billion or 2.9 per cent of GSP in 2011 posed absolutely no threat to Victoria's AAA credit rating. The honourable member for Huon also mentioned the South Australian Government is also going into debt..

I have always believed, Mr President, in borrowing for infrastructure development because of the premise of intergenerational equity. I have always believed that it is unjust for today's generation to pay totally for an asset which has the life of maybe 30, 50 or sometimes 100 years or more.

Mr President, likewise I am not opposed to the principle of government divesting itself of some non-core assets to reinvest in other priority areas as long as it is done for the right reasons. Looking at the three proposed sales, in relation to the Hobart Airport I do have a little bit of a prior history to this because back in the early to mid-1990s when the Federal Government decided to divest themselves of the airports around the country and through my mayoral role at Glenorchy I was a member of the Southern Tasmanian Economic Development Board which took a great interest in the sale of the Hobart Airport. I was also at the same time president of the Tourism Council of Tasmania.

The former Premier and then executive director of the Tourism Council, the Honourable Harry Holgate managed to secure a promise from the Federal Labor Government at the time to give Hobart Airport to the local community. We were given special consideration because of our island status plus our dependence on air transport. The then most senior Liberal politician in the Federal Opposition at the time, Senator Jocelyn Newman, prior to the Federal election also announced a Liberal policy along the same lines. Unfortunately, the Liberals actually reneged after the election, but time moves on.

I support the sale now but I do share some of the concerns that were expressed last week by the current Chairman of the Tourism Industry Council Tasmania, Simon Carrant, who, whilst saying that the plan to sell the airport should benefit the tourism industry, made the proviso that the new operator needed to aggressively promote the destination and improve the quality of services for visitors. He also said that they welcomed the decision but urged the Government to be cautious and to get a guarantee before any sale goes ahead that it would benefit the whole State and the tourism industry in particular. He also made the point that we need to see competition and it is a little bit of a worry that the Launceston Airport is owned by Australian Pacific Airports Corporation in partnership with the Launceston City Council and the same company, Australian Pacific Airports Corporation, also owns the major destination airport, the Melbourne Airport. So there is a little bit of a concern possibly. If the same company was to buy the Hobart Airport it could lead to a problem with competition.

In relation to the sale of the Printing Authority, we were due last week to speak on the GBE scrutiny committees. If we had done that I would have spoken about my support for the sale of the Printing Authority because clearly the evidence provided to the committee, together with evidence I have heard anecdotally, is that the printing industry has changed dramatically over the past 10 to 15 years and it is continuing to change. The original reasons for a government printer to provide a secure and reliable printer for government and parliamentary documents and to maintain employment for printing tradesmen and apprentices is simply no longer as relevant as it once was.

Many private sector printers on a regular basis provide secure printing services to the Government as well as other clients. Companies also print annual reports for Australian Stock Exchange-listed companies which of course require a high level of security to ensure information is not released prematurely to avoid giving anyone an unfair advantage to trade in shares. As we all know, circumstances and requirements for Parliament have also changed and government agencies are using new technology to undertake in-house printing.

In terms of employment, the biggest threat to jobs in the industry appears to be from the rapid developments of technology which improve productivity as well as from competition that both the Printing Authority and other Tasmanian printing companies face from interstate and overseas. Bigger printing operations interstate and overseas have the turnover to allow them to invest in new technology which gives them a competitive advantage. The Tasmanian market is relatively small and it is therefore difficult for the Printing Authority or local private sector printers to invest in new recruitment or to gain the scale of economies necessary to compete against its interstate and overseas rivals.

The Printing Authority, that is only supposed to offer services to customers who receive government funding, is controlled by legislation that is so extraordinarily worded and broad that it gives them the opportunity and ability to compete against the private sector for just about any Tasmanian work. So the legislation and the intent that it had certainly has not worked.

The Printing Authority is also able to source business from outside Tasmania but again sometimes this is at the expense of other Tasmanian printers who tender for the same jobs. We are certainly not protecting the jobs of the 46 full-time employees by allowing the situation to go on. In the end the jobs will be lost and not just from the Printing Authority but from the whole State due to competition from interstate and overseas rivals. I think it was a recommendation of the committee that the Government consider its future and as a result of that I certainly support the Government's decision to sell it.

One of the last things I would like to comment on is the regional planning initiative announced in the Budget by Minister Kons. To me, it certainly is very important. The State, as we know, has more planning schemes than it has local councils - 43 compared to 29. That in itself is not a total disaster but what is, is the fact that many of these schemes are antiquated. There have been previous attempts to achieve more consistency especially through Planning Directive No. 1, the common key element template which has been available as a model for revising schemes since December 2003. I am told that the results to date have been very disappointing.

I think the regional planning initiative offers a fresh road to achieving this. The fact that the Government will be working in partnership with local government on a program of regional renewal of planning schemes, supporting local government by significant financial assistance, is certainly the best way of dealing with this. Working through the three regional structures is certainly the way to go.

The last thing I would like to comment on is the water and sewerage issue. I think most other honourable members have spoken in some detail on this. I have an open mind on the subject but within some parameters. My feedback from councils is that they are feeling isolated in the process. I know the Treasurer has spoken to 20 of the 29 councils, I think the figure is, and that is good but there are nine that he has not spoken to and also there is fear amongst local government that it is a divide and conquer exercise. The Treasurer might like to respond to that.

Ms Forrest - What's your opinion on having the local government body having a seat at the table -

Mr ←MARTIN→ - That is exactly where I am heading.

Ms Forrest - I am sorry.

Mr ←MARTIN→ - The feedback from councils is also that they really fear the Government's intentions. As the honourable member for Windermere argued, local government really should have a representative on the task force and I think that would take a lot of the suspicion away and would

certainly be a good example of open and transparent government if that could be arranged. I think the honourable members for Montgomery and Murchison also argued in support of the regional models and that is something I certainly think would be well worth exploring.

I note that the Southern Tasmanian Councils Board have apparently - I am not sure whether they submitted or are in the process of submitting - just such a model for consideration. The concern is, though, that there are mixed messages coming from the Government. Given the spirited commentary given by the Treasurer last Thursday, he does seem to be giving the impression that he has already made up his mind in pushing for the statewide model. He is certainly constantly defending the statewide model. I would be delighted to be contradicted if that is not the case.

[6.30 p.m.]

I have no philosophical problem with the issue of this water and sewerage project provided local government is fairly and justly compensated with the acquisition of their assets. Local government will not have a problem as long as they are fairly and justly compensated. That should be the absolute bottom line. I would have a major problem if there was any attempt by the State Government to take over the assets without fair and equitable compensation.

Mr Dean - There is a lot more to it than that, though. It is the controlling of it and how it would be done at the end and who would look after it and all of these other issues, a myriad of issues that really have to be worked through.

Ms Forrest - They cannot take the asset without taking the debt either.

Mr ←MARTIN→ - No that is right.

As I said, I do have an open mind on the subject provided there is fair and equitable compensation and, of course, we would all need to see the details. But that is the problem. We do not quite know what is going on at the moment.

In conclusion, Mr President, judging the Budget on a triple bottom line approach, economically I would say it is very good, especially if you are an economic rationalist, environmentally I believe it is good, but in relation to social justice I would say it is very poor. It does not in my eyes pass muster as a compassionate budget which you would expect to see from a Labor government.