

Extract from Council Hansard 14 June 2007

CONSOLIDATED FUND APPROPRIATION BILL (No. 1) 2007 (No. 17)

CONSOLIDATED FUND APPROPRIATION BILL (No. 2) 2007 (No. 18)

Noting of Budget Papers

Resumed from 13 June 2007 (page 87)

[11.26 a.m.]

Mr PARKINSON (Wellington - Leader of the Government in the Council) - Mr President, I will not take the time to repeat part of the speech that I made yesterday.

Mr President, the Budget unveiled by my colleague, the Treasurer, is very much about making the right kind of fiscal decisions and investments for the future. I want to comment on a number of aspects detailed in the Budget that are helping to secure the lifestyle of future generations of Tasmanians.

The Budget provides not only additional services for the coming year but will also lead to increased productivity and a sustainable future. It is a pity the honourable member for the Huon is not here. The Government is investing for the future, and responsible management of our finances is the best way to ensure that our economy continues to grow. This Budget invests in essential services and infrastructure for all Tasmanians, to enhance our productivity and secure our unique and enviable lifestyle for generations to come. I want to outline some of the important reforms in health, education and transport and also address some of the other issues that are relevant to our future development.

Tasmania is embarking on a massive program of renewal with \$920 million to be spent over the next four years updating our key community infrastructure to ensure the State is prepared for the challenges of the future. And I want to emphasise the ongoing nature of budgets - plural - from year to year. There seems to be creeping into the commentary on budgets, in particular from some members of both Houses, the notion that a budget is a one-off event, separated by the physical financial year, as if nothing happens outside of the one document, whereas, quite clearly, what happens in one budget is ongoing for a number of years, often many years. I will come back to that point.

The Government's investment in new and improved infrastructure will support key services like education and health for decades. Improving our infrastructure is vital to improving our productivity. The Government is in touch not only with Tasmania's current needs but also with emerging trends that will dictate how public services are delivered in the future. The \$902 million capital investment program includes funding for new schools, hospital equipment, ambulances, roads, national parks infrastructure, sporting facilities, jetties, libraries, police vessels, housing and more. And this is the budget that some have described as being heartless. It is a joke to use descriptions of that nature.

Health and housing infrastructure will benefit from a \$54 million investment in 2008 alone, including \$744 000 as part of a \$5.1 million redevelopment at George Town District Hospital, \$9.1 million from the \$25 million Hospital Equipment Fund to purchase high-need medical equipment for the State's major public hospitals. To date, commitments have been made for three

linear accelerators, a holmium laser, two mammography diagnostic units, an echo machine, urology equipment and orthopaedic equipment. There is also \$3.3 million as part of the \$6.5 million hospital information systems project to replace the existing computer systems in the Royal Hobart Hospital, the Launceston General Hospital and North West Regional Hospital with a new single, statewide basic information system. In addition, there is \$2.5 million as part of the \$4.4 million investment in mental health facilities including the development of a level four facility in the northern region of \$2 million and a level three facility in the north-west of \$1.5 million. There is \$755 000 as part of the \$12 million redevelopment of the Department of Emergency Medicine at the Launceston General Hospital Emergency Department which is expected to be completed in 2010 and that further emphasises the point I am making, that these expenditures are part of the long-range expenditure commitments into future years.

There is \$3 million as part of the \$5 million redevelopment of the North West Regional Hospital Mersey Campus; \$3.4 million as part of the \$10.7 million commitment to purchase 100 new ambulances to replace ageing vehicles in Tasmania's ambulance fleet; and \$2.6 million as part of the \$13.2 million commitment to purchase equipment for the new Department of Emergency Medicine Neonatal/Paediatric Intensive Care Unit, operating theatres and building works for the statewide paediatric enhancement initiative at the Royal Hobart Hospital. There is \$8.8 million from the Royal Hobart Hospital Redevelopment Fund to complete construction of the infill building, finalise the new Department of Emergency Medicine in advance of planning for the new Royal Hobart Hospital; and \$4.1 million as part of a \$5 million redevelopment and upgrade at Smithton District Hospital.

Just note in particular some points on housing, Mr President, because this is one of the areas where commentators on this Budget have said nothing is happening. Again, I make the point that just because huge amounts of money are not allocated in one particular financial year budget does not mean that people should not remember the expenditures that have been allocated in previous budgets and, therefore, are ongoing. With the forward planning that has been occurred for affordable housing, expenditure does not just stop on a calendar-year basis.

On housing it is particularly important to note that the Government continues with its Affordable Housing Strategy which was laid down some years ago. Over \$95 million has been made available since 2003 and it is an ongoing thing. To date that strategy has delivered over 400 public housing properties, either built or purchased. It has also delivered over 400 upgraded public housing properties. That is a total of in excess of 800 extra properties delivered to date under the strategy. There has also been upgrading or replacement of six disability group homes, and commencement of three new supported residential facilities - Indigo Lodge at Prospect, Welcome Inn at Kingston and Burnie Lodge. There has been the ongoing expansion of the private rental support scheme assisting an extra 3 300 households. Private rental tenancy support is also ongoing, assisting 1 200 households. These are households that are already assisted. There are grants to 28 community groups. Over all, more than 5 000 households are assisted to access affordable housing and, Mr President, it is all ongoing. This, supposedly, is the heartless budget, heartless on affordable housing. I mean, phrases like that are absolute nonsense.

In 2007-08 the department will buy another supported residence facility which will lead to more affordable housing options in the south of Tasmania. The Tasmanian Affordable Housing Limited in this coming financial year will get \$6 million to oversee construction of a number of affordable housing properties which will be part of the projected 700 properties in the Affordable Housing Strategy over the next four years, which are expected to be valued at around

\$100 million when that project is completed. I could say more about that but perhaps I do not need to at the moment.

On education, the Government will invest a record \$91.6 million over four years to reinvigorate schools and other key education facilities. The unprecedented funding for capital works in schools, libraries and TAFE campuses across the State will have immediate effect in 2007-08 when \$26.9 million will be invested, up 45 per cent from \$18.5 million from 2006-07.

Initiatives include, and they are worth noting, for the Kingston high school redevelopment \$1.8 million will be spent in 2007-08 as part of a \$30 million development to build a new Kingston high school in the Kingborough Sport Centre precinct. The project is expected to be completed in 2011. An investment of \$5.2 million will be made in 2007-08 for contemporary primary school facilities in Launceston's northern suburbs, including the redevelopment of the Mayfield Primary School. There will be \$2.8 million for the completion of the southern branch contemporary learning centre for students with disabilities and an inclusive education training facility. Projects in TAFE Tasmania will get \$3 million, including the redevelopment and construction of buildings at the Allanvale campus and the Thynes building in Launceston, capital works at the Burnie campus and information technology upgrades at a number of sites. In 2007-08, \$7.1 million will be spent to upgrade primary schools at Lansdowne Crescent, Mount Stuart, New Norfolk, Snug and Taroona.

I would like to make some comments about the most important reform of Tasmania's post-compulsory education system in 35 years announced by Minister Bartlett. Qualifications and Skills for Tasmania Tomorrow will revitalise post-year 10 education to help drive Tasmania's longer-term economic and social wellbeing. The State's education retention into year 12 is well below the national average, leaving more young Tasmanians without qualifications in a market where 86 per cent of jobs will soon require post-secondary qualifications.

We know that for every year we can add to the average level of educational attainment by young Tasmanians, we will add 8 per cent productivity to the Tasmanian economy. The Government is deeply committed to improving our retention rates and offering more options to encourage year 10 students to stay on to further education. By investing in more qualified and skilled people and more productive enterprises we will improve our society and economy, not just for today but for Tasmania tomorrow.

The three new organisations would be created from senior secondary colleges and TAFE Tasmania. They will be: an academy focused on academic learning with a curriculum and academic pathway for years 11 and 12 students seeking university entrance; a modern technical college, or polytechnic focused on practical learning with a vocational pathway supported by academic courses as well for both year 11 and mature students seeking employment outcomes or university articulation; and a training enterprise focused on skills development for employees in enterprises in line with their enterprises' skills needs. The academy and the polytechnics will be statewide organisations located at many campuses around the State. The minister has indicated that there would be extensive consultation about the implementation of the reforms and students, parents, employers, staff and community groups will be kept fully informed. A project team in the Department of Education will implement the initiative with the new organisation scheduled to start in January 2009. I want to commend the Minister for Education for working together with Tasmanian teachers to provide dynamic and relevant courses for Tasmanian students.

On roads and transport a safe, accessible and equitable transport system is important to the future development and the sustainability of our community and our economy. The State Government roads investment program includes funding of \$95 million with a further \$45 million from the Commonwealth for improving the long-term viability of the State's transport network. The roads program includes funding of \$20.5 million over the next four years to improve road infrastructure under a new 2007-16 road safety strategy, so again that is an ongoing budget commitment.

In addition to the roads program, the 2007-08 Budget provides almost \$25 million for development, maintenance and management of the State's rail network. There will also be \$5.2 million provided for the redevelopment of the motor registry system to better meet business needs and enable integration with the national system. The project is expected to be completed by June 2009.

The Government will also keep working with the Commonwealth on a submission it is considering for a \$280 million upgrade of road and rail infrastructure in southern Tasmania. Tasmania has offered to meet about 20 per cent of the cost of the first five-year construction phase, which would include improving the Midland Highway's northern approaches to Hobart by bypassing Brighton.

A second construction phase for a further five years will involve replacing the Bridgewater Bridge and bypassing Bagdad and Mangalore, with the total package expected to cost a further \$200 million. Again, this is an example of the type of forward planning which is going on.

Transport costs are a key to ensuring the competitiveness of many Tasmanian businesses. In 2007-08 the Government will pursue the development of a major new transport hub near Brighton in southern Tasmania, which I have just mentioned.

So, again, I could highlight the investment of \$12 million over four years on parks maintenance, repairing and replacing visitor facilities such as roads, bridges, walking tracks, toilets. There will also be \$9.6 million spent in 2007-08 as part of a \$13 million stage construction of new sewerage treatment infrastructure to support current and future tourism development at Cradle Mountain.

The \$30 million redevelopment of the Tasmanian Museum and Art Gallery received \$8.7 million in 2007-08. This project includes preservation of key heritage buildings, an archaeological dig and a design for a new TMAG building. Commercial fishers will benefit from \$500 000 to reconstruct the Southport jetty, providing sustainable infrastructure as part of a five-year, \$5 million commitment to maintain and improve Tasmania's recreational and commercial jetties.

In the sporting area, more Tasmanians will have a chance to take up active, healthy lifestyles under the Government's investment in new sporting infrastructure. In 2007-08, \$1 million is being provided for development of a high-quality gymnastics training centre at Kingborough. There will also be \$2.25 million in additional funding for redeveloping the Tasmanian Hockey Centre, on top of \$4 million provided in 2006-07 - this is the Cornelian Bay complex - and a further \$800 000 will complete the State Government's \$3 million redevelopment of Launceston's Silverdome. Launceston and the north will also benefit from a \$500 000 allocation towards the cost of a new regional tennis centre. Netball is not left out either, with an additional \$690 000

provided on top of the \$1 million already announced to complete upgrades of the Creek Road Netball Centre.

Mr President, during 2007-08, \$2.7 million will be provided for the final phase of the \$7 million investment in a statewide telecommunications project, including the extension of the optic-fibre cable into Burnie, Devonport, Launceston and Hobart.

On the flood levee situation, the Government, as we know, has committed up to \$13 million towards the upgrade of Launceston's ageing flood levees. It is also committed to ongoing funding for levee maintenance of \$150 000 a year and \$250 000 for dredging the Tamar River, both indexed by the Hobart consumer price index. A further \$750 000 contribution has been made to design and planning costs associated with the new flood-protection measures.

[11.45 a.m.]

Again, on road safety, Mr President, as a former chair of the Road Safety Council between 2002 and 2006, I am pleased to note the State Government's biggest-ever road safety program of \$42.5 million over five years has been announced in the 2007-08 Budget. The program will be funded, as we have been told, by a \$20 road safety levy applied to the annual registration fees of all vehicles from 1 December, with a review after five years. The levy is expected to raise \$8.5 million per year, with the funds to be applied directly to road safety initiatives such as improved line markings, infrastructure improvements and public awareness campaigns. At the same time the Government will introduce other changes that will see many motorists noticing a decrease in the cost of registering their vehicles.

On the arts, Mr President, the biggest injection of funds into the arts in Tasmania's history has now been announced. The Government will provide an additional \$11.1 million as part of the 2007-08 Budget. One-and-a-half million dollars of this historic increase is recurrent and is a significant increase in the annual arts budget. This shows the value the Tasmanian Government places on the important role of the arts in communities throughout the State. Never before has the State seen such a significant amount of new funding provided for the arts in a single hit. Importantly this money provides us with some great opportunities to build on our already vibrant cultural scene. The Minister for the Arts has indicated that \$8.7 million in funding has been allocated in the 2007-08 budget for the continuation of stage 1 of the \$30 million redevelopment of the Tasmanian Museum and Art Gallery. The redevelopment was part of the State Government's election commitment to create a world-class museum to better showcase not only TMAG's magnificent collections but also the buildings themselves. TMAG has the most diverse and significant collection of heritage buildings on the one site in Australia and the public will have much greater access to them through this redevelopment.

The massive cash injection also includes \$500 000 to refurbish seating in our much-loved Theatre Royal, Australia's oldest continuously operating theatre. The Tasmanian Symphony Orchestra, Australia's greatest small symphony orchestra, will also receive \$400 000 to improve acoustics in the Federation Concert Hall. Lovers of fine music will be able to more fully appreciate the magical sound of the TSO, and this funding will also enhance the acoustics for recording. The Government is also delighted to be delivering such a significant boost to the arts in this State.

Mr President, in conclusion there are other aspects of the Budget that could be noted but I leave this to other members and much of this has already been done. We have come a long way since Labor took control of the Treasury in 1998 and the Legislative Council, I believe, can be

proud of providing two members from this House that have been treasurers. The Government has provided strong financial management over the past nine years, which has seen the State reduce debt and be upgraded to AAA rating, the highest possible credit rating. During our time in government we have created more than 30 000 new jobs, unemployment rates have been reduced from 11 per cent to a record low 5.4 per cent, population decline has also been reversed, we have witnessed five consecutive years of growth and private investment in Tasmania has been at record highs.

Mr President, this Budget makes a significant investment in providing the basis for sustained economic growth into the future and I commend our Treasurer for this Budget.