

## INTERSTATE MIGRATION

**Mr WHETSTONE ( Chaffey ) ( 11:27 ):** I move:

That this house—

(a) notes the ongoing exodus of South Australia's population interstate;

(b) calls on the state government to address the concerning population drain to ensure our skilled workers are not continually moving away to seek work, career and lifestyle opportunities;

(c) notes the latest Australian Bureau of Statistics figures show that South Australia had 27,467 people move interstate resulting in a net loss of 5,887 people in the 12 months to March 2016; and

(d) acknowledges South Australia's net population loss interstate is almost double the 10-year average of 3,480 people.

It is with great concern that I bring forward this motion today, but the facts are clear: South Australia's population growth rate is well below the nation's and we continue to see significant interstate migration from South Australia. At the time I put this motion forward, the ABS showed a net loss of 5,887 people to interstate in the 12 months to March 2016. The figure, in fact, rose in the updated statistics to a net loss of 6,484 people to interstate from South Australia in the 12 months to September 2016.

According to the ABS statistics, the preliminary estimated resident population of South Australia as at 30 September 2016 was 1,710,800 people, an increase of 9,450 people since 30 September 2015 and an annual growth rate of 0.6. However, the nation's growth rate over the same period was 1.5 per cent. A positive net overseas migration of 9,300 people helped to counter South Australia's extensive net interstate population loss.

These losses are long term under this Labor government, with net population loss interstate almost double the 10-year average of 3,480 people. The 6,500 who moved interstate in the 12 months to September 2016 are no longer employed in South Australia, no longer studying, no longer buying houses and not eating at restaurants or educating their children in our state. They are no longer contributing to growing our economy, and that is of great concern to me.

There is no doubt that South Australia's status of having the highest unemployment in the nation is contributing to the loss of people to interstate. Comparisons have been made that there are more people looking for work than could fit into Adelaide Oval. In terms of where Australia's existing population shifted over the past 12 months, it was a continuation of a familiar theme: more people left than arrived in New South Wales, South Australia, Western Australia, Tasmania and the Northern Territory, while the opposite occurred in Victoria, Queensland and the ACT.

Population growth has recently been thrust back into the spotlight with Deloitte releasing a report titled 'Make it big Adelaide', which identified that growing the population to two million people in the next 10 years is critical to the state's future. The report stated that we now have fewer 15 to 34 year olds than we did in the mid-eighties, and Deloitte's managing partner, Andrew Culley, told radio:

It's really staggering for us to find that there are less young people in the state today than there was when I started working. I've got children at 24 and 21 and I just want them to have the opportunity to build a career in South Australia.

I have the same story to tell. Deloitte found that South Australia needs two million people by 2027, which is essentially another 290,000 above where we are now.

Through this report, eight industries were identified and four of those have particular global demand from South Australia, such as agribusiness, tourism, higher education, energy and gas. Deloitte believe that by accelerating the growth in these industries we can boost our economy and build services and jobs.

A key element of attracting more overseas migrants to South Australia is international students. As the state's largest service export industry, our international student attraction has experienced strong growth, although not at the same level as that of other states. This is an area where I believe that there is even more room for us to grow. The South Australian Liberals will have some positive announcements in this space in the lead-up to the March 2018 election. As Aaron Hill, who co-authored the Deloitte report, stated:

What you see is the growth of these big cities around the world, like Sydney and Melbourne and San Francisco and New York ...All the really big exciting jobs are being sucked into the big centres ... Unless we actually build our economic scale there's a real risk that a lot of the best jobs might go with them, so I think that it's not just about the change, we're going to change regardless of what we choose to do, it's about making sure that the future looks how we want it to look and we think that that ultimately has to come back to people.

He goes on:

One of the things that's driving this as well is the fact that the natural growth ultimately, according to our modelling, will eventually reach almost zero over the next couple of decades as the baby boomers age and what that might mean is you start to see the similar effects that are happening in some of our regional centres that are seeing stagnating, declining populations in some places in the Adelaide metropolitan area, which is a really scary prospect.

The population growth prospect is an interesting one, but I believe that in order to grow the state's population in line with the national average we need to stop the interstate brain drain. In many ways, people are also leaving because they cannot find a job as skyrocketing electricity prices, the most expensive water in the country and the massive hike in the ESL tax strangle local economic growth.

South Australia's small to medium businesses are the backbone of this state and we need them to be investing in their businesses and creating job opportunities, not just investing in power generation, as are many of the businesses, particularly SMEs, in South Australia. Instead, they are forced to continually dig deeper into their pockets to pay utility bills and government taxes.

I want to see South Australians remain in our great state with secure jobs and a long-term future, and the state Liberals are committed to providing sound economic policy that will address the loss of people from South Australia. The state's economy cannot afford to have thousands of people continue to migrate interstate. If we look further to South Australia's Centre for Economic Studies at the Adelaide University, they released a report last year that suggested South Australia risks an exodus of young people not seen since the State Bank collapsed in the early 1990s unless more jobs are created. The report noted:

Most notably, young people and young families left the State from 1993 - 2002, adding to other states' younger populations and depleting our own.

We are a transforming economy based on innovation and industries of young people and young ideas, but we are losing the population. Michael O'Neil said that one of the most important things in the paper was that South Australia has 25,000 fewer young people under the age of 24 than it did in 1982. All states have an ageing population, but South Australia has a more rapidly ageing population, which will put a lot of pressure on our workforce because a smaller size workforce will be supporting a larger retirement population.

The South Australian Centre for Economic Studies also predicted that it is not likely that we will reach the South Australian government's two million population target until approximately 2034, and there is a fair chance that we will not reach it by then either. The Property Council has also raised concerns about the net loss of almost 6,500 people to other states and they are calling on the state government to undertake urgent research to better understand the brain drain.

The Property Council's director, Daniel Gannon, has said that we need greater clarity around the movements and motivations of the approximately 6,500 South Australians who left our state last year to fully understand the risks and the opportunities. He said that we need population growth and that we need it now to futureproof the state's economy and create jobs for forthcoming generations. Factoring in an additional 9,400 residents, South Australia's population is now 1.71 million. Again, this is the lowest of any state, bar Tasmania.

Recently, the UDIA released the national State of the Land report, which stated that South Australia's slow population growth significantly contributed to a weak demand for housing and land. The report quotes Lael Mayer, the Project Manager of Adelaide Development Company, who said:

We need to increase the number of people Aged 0-30 in Adelaide. We need 1% total population growth per annum of people in that age bracket, and we need to stop losing them interstate.

The loss of people has flow-on effects. The State Strategic Plan set a population target of two million people by 2050, with an interim target of 1.64 million by 2014. The Economic Development Board then recommended that the target of two million be brought forward to 2027. The last detailed government policy on population, Prosperity Through People, published in 2004, predicted a population decline to 2030 because of falling fertility rates, the ageing population and South Australia's slow share of international migration. The NAB state economic update in 2017 states:

An increasingly narrow industrial base, characterised by ongoing structural declines in steel works and car manufacturing activity (Holden's Elizabeth plant will officially shut down in October this year) and the lack of 'modern' job opportunities in finance and technology that appeal more to younger workers, have witnessed a continuous outflow of interstate migration and consequently, our rapidly ageing population.

One of the really concerning points of South Australia's population growth is the loss of people from the regions. I am sure that this contributes to what this current government's centralisation policy means. We have seen an increase in the Barossa, the Fleurieu and Yorke Peninsula, but we have seen population declines in the Lower North, the Murray Mallee, Eyre Peninsula, the south-west of the state, the Limestone Coast, the Mid North and the outback in the north and east of South Australia.

Many other regional areas in Australia experienced positive population growth, but South Australia had a net loss of 109 people. KPMG demographer, Bernard Salt, believes that we could better encourage migrants to settle in regional areas and ask that they spend the first three years in that region.

I have also had a number of meetings and correspondence with migration solutions agent Mark Glazbrook, who last year wrote a letter stating that in 2012 our population grew by 16,500, whilst in the 12 months to December last year our population growth fell to 11,200. Unless action is taken now based on the current trends, it is likely that South Australia's population will continue to fall below the 10,000 mark in 2017 which will have long-term ongoing economic ramifications.

It takes South Australia approximately 10 years to experience the same level of economic growth and development in construction, new jobs and consumption expenditure that Victoria experiences every 13 months. I repeat: it takes South Australia 10 years to experience the economic growth that Victoria experiences in 13 months. The more people who leave, the more jobs you lose. He has cited that his research indicates that between 1.3 and 1.6 jobs were created for every migrant worker who came to live in a regional or rural sector and worked in a job that no-one else wanted to do.

Again, I think it is important to take on all these ideas that are being put forward. We need to consider all options in addressing our interstate population loss. The state government in 2016 said, 'South Australia's population growth has averaged 1 per cent per annum over the past decade, and by the standards of most western countries it is a very solid population growth.' Really? I am not at all convinced that this is the right response. We need to act and have a focused population policy to address the issues that we currently face.

In my electorate of Chaffey, the Riverland has suffered a population exodus between 30 June 2015 and 30 June 2016, losing a net total of more than 300 people, raising concerns about the impact of high unemployment and current barriers to providing career opportunities for our youth in the region. ABS statistics show that the Riverland has lost a staggering 2,256 people in net terms over the past 10 years. The reality is that high unemployment and underemployment are impacting upon the region's ability to maintain population size.

What are we doing wrong? One of the key points in ensuring people do not leave South Australia is that they have secure jobs, and we want to ensure that business can thrive in South Australia. A

Marshall Liberal government will reduce the tax burden on businesses and households, cut red tape and unnecessary regulation, invest in productive infrastructure, support export businesses to encourage their growth, foster entrepreneurialism and support growth opportunities for our regional businesses and industries.

We will reduce the tax burden by putting \$360 million back into the pockets of South Australians by slashing ESL bills. We will invest in productive infrastructure through the Globe Link plan to assist our exporters and get their products to market. We will open up four new overseas trade offices to support our exporters in business. We will encourage entrepreneurs to invest in new ideas and innovation and foster entrepreneurialism at our high school level. We will always support our regional businesses and industries to grow and create jobs in South Australia.

**Mr PICTON ( Kaurna ) ( 11:42 ):** I move to amend the motion as follows:

Delete the words after ' That this house— ' and insert in lieu:

(a) notes that South Australia has enjoyed population growth of 0.6 per cent which while relatively slow in Australian terms is relatively robust in international terms;

(b) notes the importance of maintaining a population growth policy which fundamentally addresses our workforce development needs;

(c) notes South Australia's relatively high unemployment rate has been contributed to significantly by the uncertainty created by the federal government's decisions including the closing of the car industry, an incoherent energy policy and dithering around our defence procurement which means that the priority is for the utilisation of our existing underutilised workforce rather than supplementing our workforce through population growth;

(d) notes that South Australia has crafted an enviable lifestyle, a harmonious community, steady economic growth and an affordable and attractive investing environment which makes us well placed to respond to these economic challenges; and

(e) rejects the Liberal opposition policy of rapid population growth as the policy for South Australia's present economic circumstances.

I rise to speak to this motion, and particularly my amendment, which is to describe more accurately the situation facing the state of affairs in South Australia. Unfortunately, the motion put forward by the member for Chaffey fundamentally misrepresents and oversimplifies our state, so we are seeking to remedy that.

South Australia has recently enjoyed population growth of 0.6 per cent as of September 2016, up from the previous year, according to the ABS data released mid-March this year. Over the long-term average, the growth rate has been 0.9 per cent over the past 15 years. Although this level of population growth is relatively slow compared with that of some interstate counterparts, it is quite strong if you compare it internationally. The United Kingdom as a whole, for instance, grew by only 0.53 per cent last year, France by 0.41 per cent, and Germany experienced a reduction in population of minus 0.16 per cent, according to the statistics through the CIA website.

It is also important to note the long-term trends in our population growth. Over the past five years, from 2001 to 2005, South Australia's net population increased by 43,000 people. However, over the most recent five-year period, from 2011 to 2016, our net population increased by 67,529 people, representing a 57 per cent increase over the previous five-year growth. It is important to look not only at the interstate migration figures but also at both international migration figures to South Australia as well as the natural population growth in South Australia to get the true picture of the fact that we already have population growth happening in this state.

You only have to compare that with a state like New South Wales, which, of course, you would think has had rapid population growth in recent years. However, they have consistently had negative net migration interstate from New South Wales, and in the most recent year 11,733 people left New South Wales by interstate migration. That has been as high as 32,891 in

2003 leaving New South Wales. So obviously we have to factor in the international migration as well as the natural growth to give us the true population figure.

There is a lot of discussion about the need for population growth and some of the reports that have been released recently. On this side of the chamber, we believe it is important to pursue population growth that takes into account the needs of our state's workforce development and economic development in South Australia. We need to make sure we are growing the economy, creating jobs, so that the population will grow to meet that. South Australia is at a time when the identity of our workforce is rapidly changing, ensuring our focus remains on transitioning our workforce to the jobs of our future—and that is imperative work.

This government is committed to ensuring that we fully address our workforce development needs and help South Australians find employment in our new and expanding industries. We know that it is not just about growing population for the sake of it; we need to focus on investing in South Australians, too. This government is doing a great deal to address our workforce development needs. We are focusing on helping transition our automotive industry workers through to areas of the defence sector. We are committed to making South Australia the defence state and we have worked tirelessly to make sure we have contracts in this state; contracts which were going to go to Japan are now coming to South Australia to build submarines as well as frigates and other work in the defence sector.

We have established a Northern Economic Plan with a focus on creating jobs and are working with local communities to assist them in this time of transition. We have established WorkReady, strategically targeting those skills that are required for meeting the needs of our growing industries. We established the Tonsley precinct in the southern suburbs, a hub of innovation. What could easily have been just a whole bunch of warehouses is now becoming an innovation precinct with universities, TAFE and start-ups all operating on that site. It has been a great achievement.

We can see the government's commitment to creating jobs for South Australians evidenced clearly in the work of the Industry Advocate, helping Australian companies tender for government contracts and find opportunities for growth, and obviously we have had something to say about that this week. We know it is important to ensure that our South Australian companies are getting work here, and the Industry Advocate will continue to do a great deal in working with these companies to ensure they can continue to expand their workforce and continue to employ local people.

And, of course, the other significant factor in the past year is that we have introduced the Job Accelerator Grant program, which is providing grants of up to \$10,000 for small and medium-size businesses in South Australia who want to employ extra people. We are seeing a lot of small businesses and a lot of medium-size businesses take up those grants and employ extra people in South Australia, and we want to encourage much more of that in the future.

Sadly, we have seen higher unemployment levels compared with those in other states and a below trend population growth recently. We have to attribute a large part of that to the uncertainty created by the federal Liberal government's decisions, which have impacted negatively on South Australia. It is clear that Prime Minister Malcolm Turnbull and his government are not interested in helping to address South Australia's workforce development needs and they do not care about the high unemployment levels that their apathy fuels. The federal government's lack of support for the car industry in this state has been appalling.

Members interjecting:

**Mr PICTON:** It has been appalling, and members opposite laugh at that.

**The DEPUTY SPEAKER:** Order!

**Mr PICTON:** Members opposite laugh at that, but it is no laughing matter.

**The DEPUTY SPEAKER:** Order! There is no need to reflect on them and they needn't laugh.

**Mr PICTON:** Well—

**The DEPUTY SPEAKER:** No, they needn't laugh and we needn't reflect on them.

The Hon. T.R. Kenyon interjecting:

**The DEPUTY SPEAKER:** If he is going to laugh audibly, I will have to call him to order or something. Just go straight on with the debate.

**Mr PICTON:** I do not believe it is a laughing matter for anybody in the northern suburbs of South Australia—

**Mr Pederick:** Don't worry. I'll address that.

**The DEPUTY SPEAKER:** Order, member for Hammond!

**Mr PICTON:** —or people in the southern suburbs in my electorate who work in the car industry. This is a significant issue and unfortunately we did see the federal government pull support. In fact, they still have hundreds of millions of dollars in an automotive transformation fund that is sitting there—

**Mr Pederick:** Stop trying to rewrite history, mate.

**The DEPUTY SPEAKER:** The member for Hammond is called to order.

**Mr PICTON:** —that could be going to support those car manufacturing businesses in South Australia, those people in the supply chain who are looking to transfer their business to work in other areas. That money is sitting there. It is going to become a saving for the federal government. They are saving money out of the destruction of the car industry in South Australia, so I do not believe it is a laughing matter at all.

The last day for Holden this year will be a very sad day for South Australia, particularly because it could have been so easily prevented. We have also seen a lack of certainty around energy policy that has driven away investment as a result, not just in South Australia but around the country. We have seen the closure of many coal-fired power stations and we have seen an investment drought where companies are too fearful to invest in new technology that is needed in our power supply because they are not sure what the certainty for our national electricity policy is going to be.

From our perspective, we have done what we can with our state's energy plan to secure a certain energy future for South Australians and to secure the investment in our state that comes with that certainty. We have also seen delay upon delay and a lack of certainty around our defence sector, and there has been a lack of investment in the federal budget in infrastructure in South Australia. Despite all these challenges facing South Australia, we know that we are in the best possible position to respond to what lies ahead. We can point to a great combination of factors that will help to underpin a successful future for our state.

We have an enviable lifestyle, one that has been getting us international recognition by the likes of Lonely Planet and also the economists. We are further improving our city's image by investing in Adelaide, the Riverbank Precinct and our biomedical precinct. We have a harmonious community and a multicultural community in South Australia. We are seeing steady economic growth over the past decade in South Australia and we have created an environment here that makes it an affordable place to live, the best place to do business—

Time expired.

**The DEPUTY SPEAKER:** I just remind everybody that we do need to all listen in silence. Not that you did, but everybody is going to, I am sure. Observe the standing orders. The member for Hammond.

**Mr PEDERICK ( Hammond ) ( 11:53 ):** Thank you, Madam Independent Deputy Speaker, and I thank you in advance for your protection. I rise to support the motion by the member for Chaffey:

That this house—

(a) notes the ongoing exodus of South Australia's population interstate;

(b) calls on the state government to address the concerning population drain to ensure our skilled workers are not continually moving away to seek work, career and lifestyle opportunities;

(c) notes the latest Australian Bureau of Statistics figures show that South Australia had 27,467 people move interstate resulting in a net loss of 5,887 people in the 12 months to March 2016; and

(d) acknowledges South Australia's net population loss interstate is almost double the 10-year average of 3,480 people.

I just want to reflect on some comments made from the other side in regard to power policy and the dreadful power policies that have been implemented in this state because of both the Rann and Weatherill Labor governments' passion to have 50 per cent renewable energy. We heard the member for Kurna talk about coal-fired power stations closing down. The Weatherill Labor government were directly responsible for shutting down—

**Mr Picton:** You privatised it.

**The DEPUTY SPEAKER:** Order, member for Kurna!

**Mr PEDERICK:** —directly responsible for shutting down Port Augusta and—

**Mr Picton:** You privatised it.

**The DEPUTY SPEAKER:** Member for Kurna!

**Mr PEDERICK:** —shutting down a perfectly good coalmine at Leigh Creek, putting 650 people out of work and turning Leigh Creek into a ghost town. They came up with an arrangement, 'It will turn into a tourism mecca.' There has already been tourism going through Leigh Creek for decades, and I am yet to find out whether there are extra tourists going through there just because Jane Lomax-Smith is working in that field.

It is an absolute disgrace that people put ideology before reality. We saw it back in former premier Rann's day with the mini wind turbines they put on top of Parliament House that were not worth a cracker. They were not worth an absolute cracker in regard to power generation in this state. We saw the result of the shutting down of the Port Augusta power station on 28 September—black Wednesday in South Australia—when, because of the power policies that have been implemented, South Australia was essentially left with one circuit breaker for the whole state when towers fell over 250 kilometres north of the city. That is just outrageous.

You have to be an absolute genius to put things like that in place—and I hope people notice the sarcasm—that put the state at such risk. It is absolutely crazy. On that Wednesday, anyone who lived along the border, whether it was through the Riverland, right down past the Mallee or down to the South-East, could see the lights glowing in Victoria and New South Wales, but just across the border, in South Australia, nothing has happened.

What also happens with the loss of power in this state is there is a lack of companies that want to invest in South Australia. I have mentioned the almond industry here before. In a previous speech, I said that, in light of power costs and the uncertainty of power in this state, if I had properties in the Riverland or on the Victorian border and I was working out where to put my packing shed, I know which state I would put it in. Sadly, I would not put it in this state. Victoria's power was privatised at the same time ours was and their power prices are half the cost of ours.

I see the ludicrous arrangements that people have to make to put power into their businesses, especially new businesses like the Swan Reach almond hulling plant. I think it was a \$6 million project that I was pleased to be at the opening of the other week. This is a massive contribution by the Costa family, and do you know what they have done? They have gone completely off grid. They have hybrid power generation, and they need diesel. They have set up diesel generation because they can get that power for half the cost of hooking up to the grid.

The power policies in this state cause more and more people to go off grid. You can see it with investments like this. These policies are supposed to constrain emissions. They are certainly not constraining emissions with all these diesel power plants going in and not just for business. There are plenty of people, as I have mentioned in this place before, who are installing generators worth over \$20,000 so that they can have power in their homes when the lights go out in South Australia, because they just do not have confidence in the policies of this state government.

We look at the taxes that are killing investment in this state. The emergency services levy is another impost not just on home owners but on businesses and community groups. It hits everyone, yet there is no relief. Sorry, there was some relief: we could buy a small cup of coffee with the relief offered this last week by the Treasurer. What a great effort! There is \$3 of relief for every ESL payer. He would have been better off saying nothing. I am sure he would have got better media out of it.

What we do need in the regions is skilled migration. We need skilled migration because there is a lack of resources for people willing to work, who could work, who do not go through the processes or, if they do, they either do not turn up for the drug tests or they fail them. That is just a fact of what happens. There are thousands of jobs in my electorate, and if they were not filled with visa holders and migrants we would be in real strife. Yes, a lot of locals work in these jobs. People are expanding their businesses in my community, businesses such as Adelaide Mushrooms. Their biggest problem will be sourcing those 200 workers. That will be their biggest problem: sourcing 200 workers for that expansion.

I want to make a few comments with regard to Globe Link. I note that the member for Lee, the transport minister, and members on the other side do not like it because we—

Members interjecting:

**The DEPUTY SPEAKER:** Order! The member for Kaurana is called to order and the members on my left are reminded that it is unparliamentary to interject.

**Mr PEDERICK:** —put up this groundbreaking policy that looks at the future of all South Australia and what we can do with freight diversion around the city with road and rail transport and an airport at Monarto. Yes, it is a project that would be worth billions, but this is a project that would probably be up to 20 years in the making. It is a great forward-looking project for South Australia. I can say that 95 per cent of the people who have given feedback to my office support the plan to put rail and road freight around Adelaide.

I note the comments made about the Coorong council saying that they do not like it. Coorong council does not like it because we suggested putting it at Monarto instead of near Tailem Bend. That is their position. If they want to build a freight hub at Tailem Bend, that is up to them—if they want to put in a submission, they are more than welcome to and we will have a look at that submission—which would mean extra bridges across the River Murray and more expense. The government do not like it because they are not forward thinking enough to think about positive outcomes in the regions.

I want to correct the government on its comments about Holden's closing down. They really need to check history. After billions of dollars of subsidies from both Labor and Liberal governments at the federal level—and those on the other side can check; they know it is true—Detroit pulled the plug no matter what subsidies were coming in to South Australia. That is exactly what happened, so we have to stop hearing these untruths from the other side. Detroit pulled the plug and said that they were doing that no matter what subsidies were coming in.

There is another project that looks like it will not happen in South Australia, and that is the LAND 400 project. I note that the member for Waite is sitting here today. General Dynamics fell over at the first hurdle as a bidder, and it looks like Rheinmetall or BAE Systems will either have that work in Melbourne or Queensland. So, there we go: more jobs out of South Australia. I support the motion of the member for Chaffey.

Time expired.



**The Hon. M.L.J. HAMILTON-SMITH ( Waite—Minister for Investment and Trade, Minister for Small Business, Minister for Defence Industries, Minister for Veterans' Affairs)**

**(12:03):** I congratulate the member for Chaffey on bringing this important issue before the house. I do not quite agree with his motion, and I will be supporting the amendment to be moved by my parliamentary friend and colleague the member for Kaurana, but it is a matter of substance that does need the attention of the house.

I think that when the member for Chaffey and others look at the facts they will find that it is not so much a net loss of people out of South Australia that is the issue but, rather, a failure to attract new migrants to South Australia from interstate that gives us the net difference. As the minister responsible for migration, I want to put some facts on the table for the member for Chaffey and others to consider. For instance, the net interstate loss of population from South Australia across all age groups in 2015 was about 4,967. This is quite evenly balanced by gender, because there have been issues raised about women or males leaving as well. The figure was 2,518 males and 2,449 females.

It is important to note, however, for the purposes of debate that a net figure of this sort is merely a residual. It is the difference between two much larger figures: departures and arrivals. There were 26,546 departures in 2015 and 21,579 arrivals. In the 10 to 24 age bracket, which is very much in focus, there was a net loss of 591, which does indeed show a relatively large imbalance by gender—178 males versus 413 females. When you break it down into arrivals and departures, it is made up of 3,365 departures and 2,774 arrivals; that is, South Australians moving interstate numbered exactly 11 more females than males. I know that has come up in previous media commentary.

Furthermore, net loss in each of the next three age groups—25 to 29, 30 to 34 and 35 to 39—is higher than that which has been in the public realm and, overall, contains more males than females. In 2015, net loss of population to interstate over all age groups was 4,967 and it was the highest dataset in around 20 years, though not by much (it was 4,920 in 2008), and that is an interesting point. There is hardly a whisker between net departures now and net departures in 2008. In every year in this dataset, there was a net interstate loss.

In fact, only in two years out of the last 35 years has there been a net interstate population gain, and the current figures for net loss do not approach the peak of 7,070 departures in 1994-95. It was actually during the period of a Liberal government that departures were at their record level of 7,070, in 1994-95. I make the point that in only two of the last 35 years has there been a population increase over successive governments.

What does that tell us? We have some specific issues in South Australia. No, we do not enjoy the sort of population growth seen in Sydney and Melbourne. We are not Sydney and Melbourne: we are Adelaide. We are at the end of the river. We are the driest state in the driest continent and, as Playford found, we have some fundamental economic challenges. He tried to address them in his economic climate by attracting whitegoods and manufacturing here—Holden and so on—and now the economic situation has changed and we are finding new solutions, new formulas and new ways to make this an attractive destination.

It is a very important point because those opposite and some in the media want to talk about a 'brain drain'. It is not factual to characterise it in that way. It is actually a failure of people to come. We are not sufficiently attractive as a destination, compared with some other states, for people to move here from interstate, and that is a challenge we need to overcome. We need to make South Australia a more attractive destination. We need to get more people to come here. It is not so much stopping people from going, important though that is.

In a regional location like Adelaide, South Australia, there will always be a desire for young people to go and live in the big smoke. In America, they leave smaller cities and go to New York and San Francisco. In Britain, they leave cities all around the UK and go to London. In Europe, they might go to Paris. They move because they want the excitement, the energy and the experience of travel and working somewhere else. It is whether they come back and it is whether Adelaide is a sufficiently attractive option for people to move here from Sydney and Melbourne. This is a dynamic and fluid process, and the doom and gloom of 'For heaven's sake, everybody is leaving' is not factual and not an accurate portrayal of the physical movements of people.

A growth rate of around 0.6 of 1 per cent by OECD averages is formidable. Compared with most countries in the OECD, South Australia's population growth rate is good. It is strong. True it is, though, that it is around half the national average. A lot of migrants want to go to Sydney and Melbourne, particularly internationals. A lot of young people want to go and live in the big city. It is true that we need some solutions, and therein lies the weakness in the motion and in the contributions so far from those opposite.

We need some suggested alternative policy measures. It is not enough just to moan about this issue and discuss the problem. It would be encouraging to hear some solutions from members opposite. The government has some solutions. We fought the fight to keep submarines, frigates and shipbuilding in Australia, based in South Australia. Those opposite gave up on that. We are arguing that they did nothing. It was pathetic. We are doing everything we can to promote—

Members interjecting:

**The DEPUTY SPEAKER:** Stop the clock. We can spend all morning waiting for members to observe the standing orders with the clock stopped. It is entirely up to you. On your behalf, the Chair is tasked with keeping the house in order, and I do call on you all to assist me in that task. Minister.

**The Hon. M.L.J. HAMILTON-SMITH:** I will get back to some statistics about population growth. Looking at departures, on only five occasions since 1997 have there been fewer departures in this 20 to 24 age bracket and on only three occasions fewer female departures. Furthermore, in terms of gender imbalance, which is not specifically raised in the motion but has been raised in the media, while a small imbalance towards females is the norm across the state, in both 2014 and 2013 more 20 to 24-year-old males left the state than females. The issue is not a sudden and unusual exodus from the state of its young females or males; it is a matter of systemic trend over a long period of time—in fact 35 years, as I have mentioned.

It is hard to generalise about all this. Interstate population movement is the definition of a zero sum gain. If some states have net losses interstate, others have net gains, and the reasons will vary state to state, not necessarily bearing on the question of concern of why South Australia, according to the motion put by the member opposite, is losing population overall; nonetheless, there are some interesting points that warrant consideration.

On a national basis, the numbers of interstate arrivals and departures must be identical. They totalled 350,134 in 2015. South Australia contributed 26,546 in South Australians departing for other jurisdictions. That is 7.6 per cent of the Australian total, or almost precisely what one would expect on a proportional population basis. The same calculation on the basis of interstate departures in the 20 to 24 age bracket shows that South Australia accounts for 7.3 per cent and accounts for 7.4 per cent when the calculation is further narrowed to females in this particular young age group.

While some tweaking of these figures to take into account slightly different demographic structures across the state might be needed to make them more strictly comparable, it certainly does not seem that the current interstate exodus, so-called, from this state across the board or in this specific category that we are discussing, is wildly out of line with those of other states. Sustained trends in net migration between jurisdictions are the norm not the exception.

I get back to the very point that it is not so much the number who are leaving but the failure of others to arrive. It is up to us as a government, as a parliament, to make South Australia a more exciting destination for migrants, from both overseas and interstate, to come here. Our government has a plan to do that. We are transforming this economy. I urge members opposite in this debate to tell us what they would do—provide some constructive suggestions and recommend some policy steps. Let's see if there is anything to offer. It is easy to talk about a problem. The member for Mount Gambier says, 'We'll see.' I doubt it. We need solutions, not navel gazing.

Time expired.

**Mr BELL ( Mount Gambier ) ( 12:14 ):** The rewriting of history that goes on in this place amuses me, but we will move on. I rise to support the member for Chaffey's original motion:

(a) notes the ongoing exodus of South Australia's population interstate;

(b) calls on the state government to address the concerning population drain to ensure our skilled workers are not continually moving away to seek work, career and lifestyle opportunities;

(c) notes the latest Australian Bureau of Statistics figures show that South Australia had 27,467 people move interstate resulting in a net loss of 5,887 people in the 12 months to March 2016; and

(d) acknowledges South Australia's net population loss interstate is almost double the 10-year average of 3,480 people.

I want to briefly address the member for Kurna's comments about electricity and power prices in South Australia, which is again another attempt at rewriting history, a history that will condemn this current Labor state government as making some of the most fundamental mistakes this state has seen.

Power is certainly one of the key cornerstones of a thriving economy. If you do not have reliable power, and if you do not have affordable power, not only are your costs of living high but the ability for businesses to produce jobs and produce becomes more and more difficult and then, of course, businesses seek other jurisdictions to do their business in. What was particularly alarming was the offer from Port Augusta power station (Alinta) to keep generating electricity until mid-2018 in return for \$25 million from the state government, which is 22 times less than the \$550 million so-called power plan that the state government has put together—all this before the Finkel report has even concluded, which will be released next month. It will be interesting to see what is in that report.

Alinta warned of significant risk to the security of South Australia's power supply and a surge in electricity prices. These people are actually in the game and warning the state government what would happen if there were not an orderly transition from coal to other sources of power. The secret Alinta letter also warned that the closure of Flinders Power, which included the Northern power station and Leigh Creek, would trigger a \$150 million annual blow to regional gross domestic product and cost 450 jobs.

Since that time, South Australia has been hit with three major blackouts, including a statewide outage last September since the closure last May of Alinta's Flinders power operations. Businesses across the state took an estimated \$450 million hit because of the statewide blackout, and mining giant BHP has said that the outage at Olympic Dam cost it \$137 million alone. Not only would you say that the original offer was good value for money but not accepting it has indeed cost businesses and the people of South Australia far more and, not surprisingly, the majority are in regional South Australia.

Electricity prices for forward contracts in South Australia have jumped from about \$80 per megawatt hour in mid-2016 to about \$140 per megawatt hour now, and all this is because of an ideology of, in the Premier's words, 'a clunky old coal-fired power station'. Well, if that does not sum up where this government is heading, then I do not know anything else that will. The member for Kurna comes in here and tries to rewrite history about it being someone else's fault, but he only needs to look at the stats.

Of course, the regional population estimates by the Australian Bureau of Statistics indicate that South Australia's population rose by 0.5 of a per cent (in actual terms, about 9,000 people). South Australia's population growth rate is well below the national rate of 1.4 per cent. The member for Waite comes in here and says, 'We have to compare it with England or we have to compare it with somewhere else where the statistics are more favourable. Let's not compare with other states in Australia.' What he would have found was that we were only slightly above the Northern Territory and equal with Tasmania, which is certainly not a great statement going forward. Of course, this decline is largely felt in regional South Australia, whilst we have a modest gain in metropolitan areas.

I did a little research and dragged out the population strategy from the Environment, Resources and Development Committee dated 27 June 2012. A number of members of that committee are still in this house, but maybe some for not much longer. It is quite surprising that there needed to

be a minority report put in by this committee because members on the committee thought that it was being driven in a direction by the numbers of the government of the day. So, there are actually minority reports put in there.

This morning, I had the pleasure of meeting Mark Glazbrook, who was really talking about migration and the assistance that migration can lend to population growth in South Australia and particularly in regional South Australia. He talked about the multiplier effect of employment for somebody who travels here on a visa either to undertake work or relocates here and what that multiplier effect is.

What struck me was that for every job that is created another one is created in another area—normally in a service area as a shopkeeper, a pharmacist, a publican, for example, or any of those types of jobs—and you have people working here and earning money. However, we are seeing the effects of decline in population in regional areas, and that is to do with our hospitals and our schools coming under more and more pressure, as well as cuts to legal aid services in Mount Gambier and the Riverland just this week. Of course, this comes on top of palliative care cuts, mental health bed cuts and a whole range of other cuts that this state government has inflicted on regional South Australia.

Mr Glazbrook said that it was not that long ago that population growth in South Australia was more than 20,000 per year, including 5,000 in regional South Australia. In fact, the former Rann government—and who would have thought that that appeared to be a better government than the one we have now?—had a plan for a population target of two million by 2027. However, to achieve that we would need to grow at 30,000 per year, not the 9,000 we currently have. Yet again another statistic is thrown out with a bit of massage and a bit of popular press and the facts seem very different.

I would like to see a Labor frontbencher stand up and defend yet another failed target of their government, but the fact is that there were more people living in regional South Australia 12 months ago than there are today, and that is a real cause for concern. The member for Waite wanted some solutions; well, he does not have to look too far past the City of Pittsburgh, which I visited last year. They have gone through a transition and their major transition was into universities and technologically advanced manufacturing, along with research, and I think that is one place we need to look at.

**Mr WINGARD ( Mitchell ) ( 12:24 ):** I rise today to recognise and speak on the motion put forward by the member for Chaffey, namely:

That this house—

(a) notes the ongoing exodus of South Australia's population interstate;

(b) calls on the state government to address the concerning population drain to ensure our skilled workers are not continually moving away to seek work, career and lifestyle opportunities;

(c) notes the latest Australian Bureau of Statistics figures show that South Australia had 27,467 people move interstate resulting in a net loss of 5,887 people in the 12 months to March 2016; and

(d) acknowledges South Australia's net population loss interstate is almost double the 10-year average of 3,480 people.

The South Australian government is one that does not care about the people of South Australia. They claim they do, but the facts are that they do not. They do not care that our young people are leaving South Australia; they do not care that it is important to keep these people here in our state and grow opportunities for young people. That is what the Marshall Liberal team is very much focused on. It is a big part of the reason that I came into this place.

As a father of four young people in South Australia and knowing lots more in my community, I am very aware of how important it is that we create opportunities to keep young people in South Australia and to give them an opportunity to grow. Also, we need to create an opportunity that will attract great people we have lost back to South Australia and bring others to our great

state. We have a great state—no-one is disputing that—but the way that it is being run under this current Weatherill Labor government is an absolute shame. It is a big part of the reason that after 15 years of this government people are just leaving and not coming back to South Australia. It is a real shame, as I said, to see this happen, and South Australia is paying the price.

We need to do all we can to create the right environment to keep businesses here. We see businesses leaving all the time. Recently, we have seen Coca-Cola investing \$90 million to go to Queensland and exiting South Australia. We need to do all we can to keep businesses like that operating here in South Australia. It is the economic environment that has been created by this Weatherill Labor government that is causing this mass exodus.

We heard the member for Mount Gambier talking about the high electricity prices we have in South Australia, higher than any other jurisdiction, and the lack of reliability with our electricity. It causes great conjecture for businesses when they are facing a decision to (1) set up in South Australia or (2) reinvest and stay in South Australia. They can do the sums and work out that they operate better on the eastern seaboard or outside South Australia. We are losing the battle because of the environment that has been created by this current Labor government.

The push for renewables and the 50 per cent renewable energy targets that have been set by the state Labor government are forcing up our electricity prices, decreasing the reliability and the supply side of the electricity market and forcing businesses to say, 'There is that uncertainty. We are going to be paying more for electricity in South Australia.' If they have to make a decision, they often choose to go interstate. That takes out opportunities, businesses, industry and jobs for people in South Australia and as a result people are flowing out of our wonderful state.

We know South Australia has the highest unemployment rate in Australia and has done for 29 months in a row on trend. That is phenomenal. We have been at the bottom of the ladder when it comes to our employment. We have been the worst state in the nation with the highest unemployment rate for 29 months in a row. Let's just think about that for a minute, because this is another blight on this government. We hear those on the other side keep blaming anyone else they can—the federal government, anyone who is moving. They will blame them for the situation that they have put our state in. They take no responsibility.

We hear it with other issues as well, social issues like Oakden. It is someone else's fault. Child protection? It is someone else's fault. This Labor government has made a mess of our state, and this is just one area where we have seen the exodus of people from South Australia because of what they have done to our state. We see how bad the unemployment rate is in South Australia, how long it has been absolutely woeful and how much it is hurting the retention of people staying in South Australia. We look at the youth unemployment rate as well and that is also the highest in the country at 18.7 per cent. We are approaching a situation where almost one in five people aged under 25 are unemployed, and that is just horrendous.

We know that Holden is closing later this year, it has been on the cards for a long time. The government has underspent in its automotive transformation funding and the schemes that it has set up. It has talked about helping these people, but it actually has not delivered on its programs, and that has been another big setback. It has alarm bells ringing for the future unemployment rate in South Australia as well as the youth unemployment rate. Again, to have the highest unemployment rate and the highest youth unemployment rate in the nation, to have had it for such a long and extended period of time, is incredibly damaging, and we can see why people are leaving the state because of it. It is unacceptable.

When I go out and speak to people in my community, doorknocking or at the local supermarkets or shopping centres, at the local sporting clubs or just walking the streets or having a coffee on the weekend, people tell me they are concerned. They are concerned about where the opportunities are for young people in South Australia, they are concerned that they will leave the state and they are concerned that there is nothing for them to come back to.

I have talked about unemployment, but let us talk about underemployment as well. That is also at a very high rate here in South Australia and more needs to be done to get people more hours. They are working and they are available to work more but, again, there is not the opportunity there for them to get more work. There are 85,500 people in South Australia who fall into that underemployed category at the moment. Again, no wonder people are looking interstate for more opportunities.

The cost of living is another issue. I have mentioned electricity prices, which are a real kicker, and we know there are things like the ESL, and fees and charges that go on households and businesses here in South Australia are through the roof. When I get out and talk to people in industry and people in business that is something fed back to me all the time, that the cost of doing business in South Australia is far greater than it is in other states.

A lot of operations that have arms here in South Australia as well as in other states actually line their bills up and they show me, 'Look, this is what it costs for electricity, this is what it costs in fees and charges here in South Australia, and this is what it costs in Western Australia, Queensland or other states.' There is a marked difference: it is a lot more expensive here in South Australia, and that is a great concern.

We see that the government has released the 2017 version of their 30-Year Plan for Greater Adelaide. They have been in government for half that time, 15 years, and you would think they might have achieved something in that time, that they might have actually cared about the South Australian people. Clearly, the figures we see show that they do not. In that plan, we see that the government has revised down their population growth projection for the next 30 years, with their initial population increase of an additional 560,000 people by 2040 now reduced to 545,000 by 2045.

This is a great insight, an example, of how this government has failed. They have failed to grow the population, they have failed to grow the pie. If we grow the economy, if we grow South Australia, we will generate more jobs and everyone will succeed. However, this government has just strangled South Australia, strangled any growth here and, as a result, people are leaving. On our side, the Marshall Liberal opposition have a plan.

We put out our '2036' manifesto, which had the direction we want to take. We have been slotting in our policies around that and we are getting a very good response. We want to reduce the tax burden on businesses and households, and we want to cut red tape and unnecessary regulation to allow these businesses to grow and employ more people. We want to invest in productive infrastructure, support export businesses and encourage their growth. We want to actually send stuff overseas and send stuff interstate and bring their money into South Australia to grow our pie.

We want to foster entrepreneurialism; we have great people in South Australia and we want to see them doing wonderful things. We support growth opportunities for our regional businesses and industries. We have already said that we will return the ESL remissions, put money back into the pockets of South Australians and businesses, \$90 million a year, which is a total of \$360 million over four years, with council rate capping, again to reduce the costs on families and households and allow more money to go back into the economy to grow that pie. There is Globe Link, a great infrastructure project that will allow us to get more product and produce out to the international market and grow that—a great initiative.

Trade offices overseas, too, are a great initiative of the member for Chaffey, to say, 'Let's get more trade offices overseas so that we can sell more of our goods and services overseas and, again, bring money into South Australia,' and this is exciting, With entrepreneurialism, we want to encourage our entrepreneurs to take big and bold ideas and turn them into industries we can grow in South Australia. We have a lot of upside, but under this Labor government we are not seeing it. A Marshall Liberal government would deliver a brighter future for our next generation.

Time expired.

**Mr WHETSTONE ( Chaffey ) ( 12:34 ):** I thank speakers on this side of the house. I will be opposing the amendments put forward by the member for Kaurana. The reason I will oppose paragraph (c) is that this continual blame game of the federal government is a bit of a broken record. I think what we need to understand, as the member for Hammond has said, is that the closure of Holden, our last car manufacturing plant here in South Australia, was a decision made in Detroit in the head office. Let us be clear about that.

In relation to other issues we talked about, such as the cost of power and the reliability of power, it is all about the transition of power generation. Yes, we are moving to renewable energy, but the manner in which this government has moved the transition process has led to the high cost of power, the continual disruption and the unreliability of power, and that is what is driving business

away. That is why businesses are not employing people and that is why we have people moving interstate. That is why we have a brain drain in South Australia.

In terms of a stimulus for jobs, a \$90 billion defence contract is coming into South Australia. That is a federal government announcement that is a game changer for South Australia—a \$90 billion defence contract. We heard the minister laying a bit of blame and using overseas stats. We are not overseas: we are South Australia. We are part of a great nation and what I am doing is comparing the stats here in South Australia with those of our neighbouring states and territories.

It is very clear that South Australia is not performing, and it is not performing because we have a state government that has the wrong policy settings. It does not have its eye on the ball. It is all about survival and not about growth, and that is a real concern. The current government has the 'silver bullet' approach and it is clearly not working. They are always looking for one silver bullet to solve all our problems.

Paragraph (e) rejects the state Liberals' population growth policy, but why? Because we are going to do more of the same? Are we going to continue to perform at the bottom of the pack? Are we going to continue to see the high cost of living and the high cost of doing business? Are we going to continue to have the highest unemployment rate in this great nation? I think it is about creating opportunity and that is what Liberal policies present.

We have put out some great Liberal initiatives to date and there will be many more. The state Liberal Party in opposition today is ready to take over. It is ready to govern. It is ready to turn South Australia around to be a great state once again. It is about giving our youth and every South Australian an opportunity to be—

Members interjecting:

**The DEPUTY SPEAKER:** Order!

**Mr WHETSTONE:** —to reduce unemployment, to reduce the brain drain here in South Australia.

**Ms Digance:** Bring it on.

**The DEPUTY SPEAKER:** Member for Elder!

**Mr WHETSTONE:** It is about making South Australia a great state again. I will be voting against the amendments and I commend the motion.

Amendment carried; motion as amended carried.