

HOUSE OF ASSEMBLY
Friday, 30 June 2023
ESTIMATES COMMITTEE A

Chair:

Hon. A. Piccolo

Members:

S.E. Andrews
Mr J.A. Batty
Mr M.E. Brown
Mr J. Fulbrook
Mr S.J.R. Patterson
Mr A.S. Pederick

The committee met at 09:00

Estimates Vote

DEPARTMENT FOR ENERGY AND MINING, \$174,870,000

Minister:

Hon. A. Koutsantonis, Minister for Infrastructure and Transport, Minister for Energy and Mining.

Departmental Advisers:

Dr P. Heithersay, Chief Executive, Department for Energy and Mining.

Ms N. Johnston, Chief Financial Officer, Department for Energy and Mining.

Mr V. Duffy, Executive Director, Energy and Technical Regulation, Department for Energy and Mining.

Mr N. Panagopoulos, Acting Executive Director, Energy Resources Division, Department for Energy and Mining.

Mr B. Zammit, Acting Executive Director, Mineral Resources Division, Department for Energy and Mining.

Mr S. Crafter, Chief Executive Officer, Office of Hydrogen Power SA.

Mr D. Penov, Director, Commercial Projects, Office of Hydrogen Power SA.

Mr M. Reid, Director, Land, Environment and Approvals, Office of Hydrogen Power SA.

The CHAIR: Good morning and welcome to today's hearing for Estimates Committee A. I would like to welcome members of the committee. I would like to welcome the minister and his advisers. I respectfully acknowledge the traditional owners of this land upon which the committee meets today and pay our respects to them, and their cultures, and to their elders both past and present.

The estimates committees are a relatively informal procedure and, as such, there is no need to stand to ask or answer questions. I understand that the minister and the lead speaker for the

opposition have agreed on an approximate time for the consideration of proposed payments, which will facilitate a change of departmental advisers; is that correct?

Mr PATTERSON: Yes.

The Hon. A. KOUTSANTONIS: Yes.

The CHAIR: Changes to committee membership will be notified as they occur. Members should ensure the Chair is provided with a completed request to be discharged form. If the minister undertakes to supply information at a later date, it must be submitted to the Clerk Assistant via the Answers to Questions mailbox no later than Friday 8 September 2023.

I propose to allow both the minister and the lead speaker for the opposition to make opening statements of about 10 minutes each, should they wish to do so. There will be a flexible approach to giving the call for asking questions. A member who is not a member of the committee may ask a question at the discretion of the Chair.

All questions are to be directed to the minister and not the minister's advisers. The minister may refer questions to advisers for a response. Questions must be based on lines of expenditure in the budget papers and must be identifiable or referenced. I just reaffirm that, as some people asking questions yesterday had difficulty in referencing particular budget papers and also lines. Members unable to complete their questions during the proceedings may submit them as questions on notice for inclusion in the assembly *Notice Paper*.

I remind members that the rules of debate in the house apply in committee. Consistent with the rules, photography by members from the chamber floor is not permitted while the committee is sitting. Ministers and members may not table documents before the committee; however, documents can be supplied to the Chair for distribution.

The incorporation of material in *Hansard* is permitted on the same basis as applies in the house; that is, it is purely statistical and limited to one page in length. The committee's examinations will be broadcast in the same manner as sittings of the house, through the IPTV system within Parliament House and online via the parliament website, so hopefully we can all be civil today and present to the committee.

I now proceed to open the following lines for examination: Department for Energy and Mining. The minister appearing is the Minister for Energy and Mining. I declare the proposed payments open for examination and call on the minister to make a statement, if he wishes, and to introduce his advisers, followed by the lead speaker, who can make a statement, and then move to questions.

The Hon. A. KOUTSANTONIS: To my left is Dr Paul Heithersay, the Chief Executive of the Department for Energy and Mining. To my far left is Natalie Johnston. To my right is Sam Crafter. Sitting directly behind me is Mr Vince Duffy, the deputy chief executive of the department; David Penov; Nick Panagopoulos; Martin Reid; and Ben Zammit.

The CHAIR: Minister, the floor is yours.

The Hon. A. KOUTSANTONIS: I do not wish to make an opening statement. I will give the opposition every opportunity to ask as many questions as they like.

The CHAIR: Lead speaker, member for Morphett?

Mr PATTERSON: Thank you. I will get straight into questions, Chair. We turn to Budget Paper 4, Volume 2, page 106, objective. Can the minister advise if South Australians are paying more or less for their energy bills than at this time last year and the reasons for it?

The Hon. A. KOUTSANTONIS: They are, and that is why it is fraught for people to make irresponsible promises to the public that they can lower their power prices, as members to my right did in 2018. They promised that they would lower power prices by over \$300, yet at the end of their four-year term prices had increased by \$65. In fact, I think that during the entire time that they were in office power prices were cheaper under the previous four years of the Weatherill Labor government, despite the promises and protestations they had made.

You might remember, at the last election, the then Leader of the Opposition Peter Malinauskas was at a SACOME event, and someone in the audience had taped his remarks and they were published. His remarks were, to paraphrase: 'People are sick of politicians standing up and promising a dollar figure on how much they will save on their power bills, only to be disappointed later.' South Australia, like every other jurisdiction in the world, has been exposed to international price shocks.

If you can bear with me, and I do not mean to take up too much time of the committee, I thought I would give a brief explanation of what I think is occurring. South Australia has been a beneficiary of massive international investment in the oil and gas sector—massive investment. That investment has led to the development of lots and lots of gas that has been exported, not only out of South Australia to New South Wales and Queensland but internationally. The result of those export facilities has internationalised the price in South Australia.

The South Australian gas market is relatively small, and the Australian gas market, on an international level, is relatively small. For those investments to have made any sense they needed to be export. I think it is fair to say that was bipartisan, creating an export industry within Australia for LNG. Gladstone was developed, and those export facilities, not only off the North West Shelf but out of Queensland, are powering the world.

Last year, Western Europe, which was largely reliant on Russian gas, for the first time since World War II faced war on continental European soil. What that meant was an international price shock and shortages. Two things occurred: immediately, Europeans started burning a lot more coal because of the gas shortages they had.

That caused an international price shock for coal and shortages of coal, which impacted the Australian market and led to considerably higher prices on the eastern seaboard for coal-fired generation. Simultaneously, all of a sudden, 360 million people who had relied entirely on Russian gas now had to find other sources of gas, which created a dramatic spike in prices. Australia is not isolated from that dramatic spike in prices; of course we are subject to it.

The question that faces this government, the commonwealth government and future governments is: how do we decouple domestic gas from international price shocks? How do we decouple domestic energy prices from what is occurring in Ukraine, what is occurring in China and what is occurring around the world?

There are two ways of doing that: one is more gas, more domestic gas, but we attempted that previously and members opposite opposed that and brought in the moratorium on the exploration for gas in the South-East of this state and in fact legislated it for 10 years; the other way, of course, is to find an alternative energy source like renewable energy and make it dispatchable. That is what this government is attempting to do with a \$593 million facility in Whyalla, which is out to tender now. That tender process is ongoing.

What we are attempting to do is build a long-duration form of renewable energy—long duration as in building a capacity to make renewable energy at a time when prices are cheap because of an overabundance of renewable energy. I might add that the policy at the last election of members opposite was to turn that power off. Our policy is to try to use that power to create a form of storage and then to provide that energy and decouple ourselves from international price shocks.

Simultaneously, the commonwealth government has capped domestic gas prices and is introducing a code of conduct for oil and gas companies for the way they market, sell and conduct themselves in the Australian market. To deal with the increased prices across the world, jurisdictions around the world are offering subsidies, subsidies that are unaffordable and dramatic.

I remind members to my right that as of Saturday 1 July people who are pensioners in South Australia will be receiving over \$700 worth of subsidies for their power bills. They will be getting a \$240 payment, I think, from our Cost of Living Concession. That is paid directly into their bank accounts, and \$500 will be taken off their bills over a 12-month period in increments of \$125 per quarter.

Those people will be paying less next financial year than they did this financial year for their power bills. That gives the commonwealth government time to come up with and implement their

policies. It hopefully gives the international community time to find a settlement for what is occurring in Ukraine. It is unacceptable, I agree, but to try to lay the blame on a subnational jurisdiction of 1.6 million people for what is occurring and impacting billions of people around the world because of war in Europe I think is a long bow, even for the member for Morphet.

Mr PATTERSON: I refer to the same page and volume. You did mention, minister—to my job first—that the default market offer will take effect. The next determination of it sees household bills go up by between \$439 and \$512, which is nearly 24 per cent. Of course, not everyone is on that, as they are on standing offers as well, but those who do have contracts with their electricity providers are also starting to receive notices saying that their bills are going up in a commensurate fashion. What is the government doing to help struggling South Australian households on a broad-based basis?

The Hon. A. KOUTSANTONIS: I can refer you back to my initial answer. The first thing we are doing is offering an unprecedented level of subsidy. We are spending a quarter of a billion dollars, combined with the commonwealth government, on South Australian families: nearly one in two South Australian households will be receiving a minimum of \$500 and we are offering small businesses \$650, which is covering a large part of the increase.

As I said, a lot of those households will actually be paying less next financial year than they have this financial year for their bills. I also remind members to my right that only about 6 per cent of South Australians are on a default market offer. I am very concerned about the default market offer. I am concerned about its accuracy. I have noted some of the retail offers being made by AGL and Origin. I am not sure what EnergyAustralia is doing. Alinta have certainly put out theirs. Some are below the default market offer and some are above it, and it is very difficult for consumers to navigate this.

It is very, very confusing. People are being offered discounts, but they are not sure what the base they are being offered a discount on is. It is very confusing, but as a rough guide and estimate you can look at your power bill and say, 'Right, half of this bill is infrastructure.' It is poles and wires, regulated assets—basically half. It could be 48 per cent or 45 per cent. I am not quite sure of the exact numbers. I can see my officers looking just as confused as I am about this, but roughly one out of every \$2 that you pay in your bill is to poles and wires. They are regulated assets that we have no control over at all.

The part that we are talking about is about 25 per cent to 30 per cent of the bill, which is the retail aspect. Then there is the wholesale aspect and then there are the green schemes. For us to effect major change in the retail offerings of a bill, 75 per cent of our bill before we start doing a thing is already factored in. To impact the retail offerings, to make a substantial difference to a bill, there needs to be considerable change, and it is very difficult. It is difficult because gas prices are higher, coal prices are higher, and the only thing bringing prices down is renewable energy.

The unfortunate part about renewable energy—and the only unfortunate part about it—is that technology has not yet given us long-duration storage, which is what we are investing in. So when you ask what we are broadly doing, when we invested in grid-scale battery storage we were mocked: it was called experimental and they said it would not work. It is now the template for every jurisdiction around the world on what they should do. People are looking at grid-scale storage; indeed, I note that members to my right, when they entered office after having ridiculed the large battery at Hornsdale, sang its praises.

We were then investing in a solar thermal plant, which members to my right promised they would deliver while they were in office. They abandoned that and did not deliver the solar thermal plant in Port Augusta, which probably explains the appalling results they received in the seat of Stuart in the last election.

The third thing we are doing is again we are investing in new technology to try to take advantage of our abundant renewable resources through hydrogen. To capture the abundant natural resources we have through wind and solar that members opposite would simply turn off at times of overproduction, we are going to use that to make hydrogen relatively cheaply in comparison to other jurisdictions because we have an oversupply. We could also give some benefit to the grid by turning

demand on at that time—like a sponge, as it were. Then we can use that hydrogen to operate a generator.

Broadly, given the nature of the grid, given the nature of our renewable resources and given the nature of the dispatch system within AEMO, it is always that last bid that sets the price. But if we have a generator that is operating in the grid that is not attempting to capitalise on high prices but is attempting to just get a rate of return to make sure it covers its cost of production, we can put downward pressure on wholesale prices. That is the aim.

All the commentary, all the criticisms we had about the big battery at Hornsdale—how it is a tourist attraction, how it is experimental—are the same things we are hearing now about hydrogen production. I point out, for people who call this experimental, which is a direct jibe at members to my right, that the Inflation Reduction Act, which was passed in the United States, incentivises and subsidises this very type of activity. China, Europe, Korea and Japan are all accelerating and subsidising investments in electrolyzers and hydrogen-powered generators. There has been no criticism, bipartisan criticism, in any of those jurisdictions on any major scale opposing hydrogen production.

The only place where there is a criticism about using hydrogen to power generators is here in South Australia—the only place. There is not in New South Wales, not in Queensland, not in Victoria, not in Western Australia, not in the United States, not in Europe, not in China, not in Japan, not in Korea—only here. I think that is symptomatic of a fear of what is coming next, which is that we are going to decouple ourselves from fossil fuels and move to a fossil-free future.

Mr PATTERSON: On the same budget line, we talked about the dollar increase in the default market offer, in dollar terms up to \$512. This default market offer also covers other states—south-eastern Queensland and New South Wales, and Victoria does its own thing as well. Of all those states, South Australia had the highest dollar increase for households, so why is it that South Australian prices have gone up more than other states?

The Hon. A. KOUTSANTONIS: You might remember an event that occurred in 1999 in South Australia with the sale of ETSA. South Australia, of all those jurisdictions, has the longest and skinniest grid of any jurisdiction. We have fewer customers and the longest grid—it is possibly the least populated grid anywhere in the world, but I stand to be corrected on that—so it is the most expensive grid in the world because we have only about 860,000 to 900,000 customers on a grid that goes basically from Ceduna up to the New South Wales border and right down to the Victorian border. We are talking about a large, long, skinny grid.

New South Wales, Queensland and especially Victoria have much more density around their grids, so there is a lot less cost and a lot more customers per kilometre than we have, and a lot of their grids are broken up into two jurisdictions, two regulated regions. We have not done that. That was done deliberately by then Treasurer Lucas to maximise the sale price of the assets and to cross-subsidise regional communities.

South Australia cross-subsidises regional communities on average between \$200 million and \$250 million per year on transmission costs. If you broke up the grid between metropolitan Adelaide and regional South Australia, like they have in Victoria, for example—they have two grids—you would get a much lower price in Adelaide because you would have more density.

The default market offer looks at the level of competition we have, the level of contracts being signed, the privatisation of ETSA locked in monopolistic behaviour amongst generators. We are entirely a gas market and gas prices are expensive, but we have had lower increases previously and higher increases, so there might have been a lower increase in a previous year and a higher increase in a later year, but by and large none of the results in any of the states are any good. They are all terrible. They are all over 20 per cent, from my memory of it, and I think it is unacceptable.

Again, it goes back to this core principle. Is it a policy decision that we have made in South Australia that has caused this massive increase in power prices or is it an international factor? If you answer that question honestly, there is no policy that this government has implemented in 14 months that could have possibly increased power prices by the level we are seeing now in the market. It is

not us, it was not the Perrottet government, it was not the Morrison government: it was Vladimir Putin—and that is the honest answer.

Mr PATTERSON: Same budget line: we have talked about households but, of course, businesses have also experienced skyrocketing prices, so the default market offer for a business will see their bills go up by an average of \$1,310. What is the government doing to help struggling South Australian businesses?

The Hon. A. KOUTSANTONIS: We are offering them a \$650 rebate, which should halve that increase and that goes a long way to helping them. Again, I refer you back to my original answer: there is not a single South Australian solution for this. This seems to be a national problem. This is a national problem and it is an international problem. What the government is doing is racing at speed to decouple ourselves from international price commodity prices—the shocks—by using what we have most of: our renewable energy.

The department is working at speed to create the world's first hydrogen renewable energy act to try to get as much renewable energy built behind the meter to incentivise as much hydrogen production as possible. We are working to make sure that wind farms and solar farms have a speedy approval process to get built. I also note that, from my memory, from my recollection, not a single new wind farm was opened in the four years of the Marshall government.

Mr PATTERSON: What about Goyder South?

The Hon. A. KOUTSANTONIS: I stand to be corrected on that. If you have evidence that I am wrong, I am happy to accept that.

Mr PATTERSON: Goyder South got started.

The Hon. A. KOUTSANTONIS: Opened? No.

Mr PATTERSON: Lincoln Gap, Port Augusta Renewable Energy Park.

The Hon. A. KOUTSANTONIS: They were opened, were they?

Mr PEDERICK: Operating.

Mr PATTERSON: I went past the blades going up.

The Hon. A. KOUTSANTONIS: My point is: we are attempting to, again, decouple ourselves from international price shocks as much as we possibly can because we cannot continue to have an international commodity do this damage to South Australian businesses and households.

I do point out that in jurisdictions where they own their resources, when I say 'own' I am talking about the generators and distribution lines, these impacts are a lot less. I just wonder whether members to my right take any responsibility at all for privatising those assets and putting them in the hands of foreign owners, multinationals and shareholders who are simply looking at making a return on an investment on an essential service. I am happy to take criticism on our policies, but I do not think there is a single policy we introduced that has done anything to increase power prices over the last 14 months.

Mr PATTERSON: On the same budget line, we talked about households and businesses, but of course then there are sporting clubs and recreation centres as well. They are also struggling, and I have been contacted by a number. One of them in Clare said their electricity provider said prices are set to increase by 35 per cent for them. What is the government doing to help struggling sporting and recreation organisations?

The Hon. A. KOUTSANTONIS: I would refer that to the Minister for Recreation, Sport and Racing, who I think is on later today or later on during the week.

The CHAIR: It is actually in Estimates Committee B at 9.30.

The Hon. A. KOUTSANTONIS: I am not trying to dodge the question; it is just that sport and recreation clubs are in the direct purview of the minister for sport and recreation, so I would ask you to refer that question to her.

Mr PATTERSON: I can do that. On the same budget line, ESCOSA have their energy retail offer prices, basing up to June, and they put reports out. You mentioned before that the ESCOSA report in June 2018 showed that the average power price for families was \$2,244, and then by September 2021 it had reduced down to \$1,823. There was \$421 worth of energy bill reductions.

The Hon. A. KOUTSANTONIS: But you are talking about the lower base in 2016-17.

Mr PATTERSON: In June 2022, the average power bill had increased \$2,041, and of course quite shortly ESCOSA will release their prices for this year. Are you expecting that figure to be similar to the default market offer increase for households of up to \$512?

The Hon. A. KOUTSANTONIS: If I can give the committee some background, in the last full year of the Weatherill Labor government power prices on average, according to ESCOSA, were \$1,976. Every year up until 2021—so the next year went up to \$2,244, so that is first year you were in office; then in 2018-19 it went up to \$2,182, still \$206 higher than it was under a Labor government. In 2019-20, it was \$2,086. In 2020-21, you were able to decrease power prices by \$35. Then in your last year they increased again to \$2,041. The base you talk about there, you take an unfair base and then pretend that there is a decrease the last full year that we were in office. I will leave that to one side.

I do not know what ESCOSA are going to find. They are an independent agency. I expect them to do their work diligently, and they do. I will not be doing what the previous government did and ask them to give us July to October, or June to October. For some reason, the previous government changed the methodology that ESCOSA always use, which was year on year, and then when asked for this very strange outlier between July and October, or June to October, to try to show a lower power price—we do not interfere with the work ESCOSA do—they will come out with an average price. I expect it to be bad.

I agree with the shadow minister: power prices are too high. But I also ask: if we are going to have an honest debate about this, what is the policy measure that this government has implemented since March 2022 that has caused this price increase?

Mr PATTERSON: On the same budget line, talking about last year's federal budget (this is in November 2022) it forecast power bills to rise by 56 per cent over two years, so it was 30 per cent in the first year, followed by 20 per cent, so the cumulative goes up 50 per cent. We have seen price increases roughly in line with that: between 24 per cent for households and 29 per cent for businesses. Where does the minister forecast power prices to go over the next 12 months and then, after that, over the longer term?

The Hon. A. KOUTSANTONIS: It is fair to say that the terrible forecast we saw on Mr Chalmers' first budget has not been met, that the interventions the commonwealth government have made have had an impact and that prices would have been a lot worse had they not made those interventions. I think the subsidies I have spoken about at length will go a long way to helping people get through it.

In terms of forecasts, we are seeing prices come down. I am loath to make forecasts. I think the path to hell is paved with politicians making promises about lowering power prices. As you saw—

Mr PEDERICK: Albo did.

The Hon. A. KOUTSANTONIS: So did Steven Marshall, and it did not work. I think no-one saw the war in Ukraine coming—no-one. That has had a dramatic impact. There is no policy measure that the opposition can point to and say, 'This is the reason why prices have gone up and it is a direct result of the election of the Malinauskas Labor government.'

I think if we are going to make these criticisms, if we are going to have an honest, intellectual debate about power prices—which I am up for because I also think they are unacceptably high—I am prepared to say what I think has caused it. I know what it is; it is what every international expert says it is: it is the war in Ukraine. The war in Ukraine has created a massive demand for gas because one of the largest suppliers of that gas is now no longer able to sell it. The question then becomes: if coal prices and gas prices have increased and we have internationalised those prices in Australia, why would we be immune?

The government's policy is to move to a form of generation that is not linked to those commodity prices. We are investing our money, taxpayers' money, into that endeavour to prove up this technology, to get it operating and to create an industry around it. There is cause and effect and we are doing it. We have not caused the increase; we are simply attempting to manage it. The way we are managing it is to make sure that the most vulnerable in South Australia are not impacted. If you are on a Family Tax Benefit Part A or Part B, or a concession cardholder or a pensioner—there is a whole long list, and the Department of Human Services has that comprehensive list—we are going to make sure that those people are no worse off.

Then there is small business, where we are also offering a \$650 rebate, but then there is the other one in two households in South Australia, people like the member for Morphett and myself, who are not eligible, and the thousands and thousands of people in our electorates who are not eligible for these concessions. They are doing it tough and we accept that. That is why we have given the commonwealth government 12 months to try to find a solution and implement their policies.

I do not know what impact the code of conduct is going to have; I suspect it will lower prices. I did not think that the price cap would have the impact it has. It has lowered prices. Getting more gas out of the ground and more renewable energy, the commonwealth government has also announced the Capacity Investment Scheme. I have also seen their discussion that South Australia and Victoria will be the first two jurisdictions to participate in that auction scheme, which will see the underwriting of more renewable energy in the form of storage to backup and firm renewable energy.

Our generator is being built. It would be nice to have the two gas-fired generators the previous Weatherill government bought that members opposite privatised as soon as they got into office. It would be good to have those right now to be operating in the state's interest. Instead, they are operating in the interests of private shareholders, and that is disappointing.

Mr PATTERSON: They were sitting idle for two years.

The Hon. A. KOUTSANTONIS: They were not sitting idle for two years; they were operating at a time when they were needed. The previous government ran them flat strap to try to keep the lights on in South Australia. Not once did they acknowledge how lucky they were that they had them, otherwise there would have been brownouts in South Australia—and you sold them anyway.

Mr PATTERSON: We did not sell them.

The Hon. A. KOUTSANTONIS: Do we own them? We own them, do we? They are controlled by the state government, are they? This is like saying we own our poles and wires because they are leased for 200 years. Come on, you are better than that.

Mr PATTERSON: Next question: what actions are the minister and your department undertaking to reduce the cost of power bills for South Australian families and business?

The Hon. A. KOUTSANTONIS: I just spent—

Mr PATTERSON: You talked about the Department of Human Services.

The Hon. A. KOUTSANTONIS: You might have heard me talking about a \$593 million investment in Whyalla, where we are attempting to build the world's first electrolyser and hydrogen power plant working alongside each other as a unit at a scale that has not been seen anywhere in the world. It will be the largest electrolyser in the world. My understanding is it will be the largest generator, if the generator is the option chosen by the tender, to be operating at that scale.

We are reforming legislation by bringing in the Hydrogen and Renewable Energy Act to incentivise new renewable energy being put into the system. We have embarked on the largest ever subsidy in South Australian history to offset the costs. We were the only party at the last election to take any cost-of-living measure to the election.

It has now been 14 months, and in those 14 or 15 months we have been in office we have been blamed for a lot by members to my right. If we are to blame for all of this and we have done all this in 15 months, perhaps it is fair for me to say, 'Well, in the 15 months you have been sitting in opposition, where is the alternative policy? Where is the alternative plan?' We have been doing a lot, and I have been explaining a lot, and you know we have.

We have established the Office of Hydrogen Power SA almost immediately, we have employed a chief executive and we have begun the tender process. The government has been moving at pace since we came to office, and it is probably a good lesson for members to my right about how quickly you need to move when you enter office and the fierce urgency of getting things done quickly because there is no time to waste.

I note that the single energy policy members took to the 2018 election, Project EnergyConnect, was meant to be operational by now: it is not. It was meant to cost a lot less than it does now: it has blown out dramatically, it is behind schedule and we are connecting to a jurisdiction that is seeing power prices increase dramatically. So we need an alternative policy. We took one to the election, we were successful and we are implementing it at pace.

Mr PATTERSON: On the same budget paper, different page, page 121, objective, you talk about your hydrogen plan and its specifically targeting South Australian industry. Will the government's hydrogen power station lower energy bills for households?

The Hon. A. KOUTSANTONIS: As we promised, we are going to attempt to lower wholesale energy prices, which will have an impact on retail prices. I am not going to fall for the trap that the Marshall government fell for by making promises that they could not and did not keep on power prices. What good did that do anyone? What good did that do the then Liberal government making those promises? Look at you now; 16 members of parliament making promises that you knew you could not keep.

What we are doing is we know that the world is in a transition. What do we have an abundance of? We have an abundance of wind and solar that is coincident and it is consistent, and the quality of that wind and solar is better here than almost anywhere else in the world, especially in terms of haze and other pollutants that can stop sunlight hitting solar panels.

Nearly one in three households have solar panels on their roofs, if not a higher average, and as a jurisdiction we are reaching net negative demand of about 100 megawatts, which means that we are producing nearly all of our needs from renewable energy, and it is becoming quite challenging. The previous government put in what they thought was a prudent measure to curtail that renewable energy to stabilise the grid. That is a very good way of stabilising the grid, no doubt about it, but it also misses the opportunity you have to use all this free power that there is no demand for.

So we can either use that to charge batteries, pump water uphill, or invest in electrolysis and make green hydrogen. What are the applications of green hydrogen, other than replacing it as an energy source in generation? South Australia is unique in the world. Through the Australian Gas Infrastructure Group's investments over the last 15 years, most of the distribution network in South Australia is of a type of plastic that can take hydrogen. So, hypothetically, there is a feasibility that we could have 100 per cent of our gas network in South Australia operating using hydrogen. That is not proven yet, but hypothetically we can because it is the nature of the network that has been rebuilt over the last 15 years.

We chose Whyalla for a reason for our electrolysis plant, because alongside it are the world's best magnetite resources, and alongside those magnetite resources is a port, and alongside that port is a steelworks with a trained workforce, and alongside that steelworks with a trained workforce is a city that has a social licence and an acceptance of these industries. So, while we are decarbonising the electricity sector, we also had an eye to decarbonisation of the steel sector which makes up between 9 and 12 per cent of the world's emissions.

What Australia has done exceptionally well over the last 70 years is export our commodities to Japan, Korea, China, the United States and Europe, so they can add complexity to their economies and advanced manufacture their goods and we can buy it back off them. No doubt, that has given us an amazing standard of living. And look at Australia—our standard of living is just remarkable.

But we are now faced with an opportunity where Europe is decarbonising and there are active carbon prices in measure. Japan and Korea are decarbonising at pace and have set targets that are enforceable. China is looking to decarbonise to maintain civil order. The United States is decarbonising and heavily subsidising it. The question then becomes: can Japan make hydrogen

cheaply, can Korea, can Europe? The answer to that question as to those three countries is, no, they cannot.

So the question for us is: do we make hydrogen here using our abundant renewable resources and export it to those countries, or do we use the hydrogen where we make it and decarbonise our products? Do we decarbonise iron and add complexity to our economy here and export that decarbonised base product to Nippon Steel, to POSCO, to Krupp? Or do we say to those companies and every other steel manufacturer in the world: you have to decarbonise. Steel is not going away any time soon and the only reductant and beneficiary you are going to have that you can use instead of coking coal is hydrogen, and it needs to be green and the best place to do that is here. It is expensive to move. We are going to value-add to our economy here.

That is the government's plan: create more demand, create storage, invest in generation, create an industry around it, invest in it, create a regulatory framework around it, create a government-owned company like ETSA that will own these assets—our generator and our electrolyser—and then firm renewable energy into the market to lower power prices. Will it reduce wholesale power prices? Yes. Will that have an impact on retail power prices? It will. It depends on how much of it there is, it depends on what is going on internationally, but I can tell you one thing is true: making promises you cannot keep gets you nowhere and we are not going to do that.

We are doing everything we can to lower household power prices, and those wholesale power prices should come down if we have a generator operating in the grid that is not bidding opportunistically at the current market bids but is bidding above its marginal cost of production and getting a legitimate and fair return but not super profits. That will have an impact. If every generator behaved that way in the market, our wholesale power prices would go down dramatically.

Mr PATTERSON: Referring to the same budget line, you said that the hydrogen power station is to target business by having contracts with large energy businesses rather than households, so when will these wholesale cost reductions occur?

The Hon. A. KOUTSANTONIS: We are in the middle of the tender process now for its construction. Its operational date is before the next election, so we are hoping that, once we establish the business, once the tender process is complete and we construct the infrastructure, they will turn their attention to contracting in the market, what the capacity is going to be and they will then start entering the market and making offers. So, hopefully it will be operational in 2025-26, offering those wholesale contracts into the market and firming capacity.

Mr PATTERSON: You said the target was to reduce wholesale prices by 8 per cent for industry. Is that the amount that you still believe will be the case?

The Hon. A. KOUTSANTONIS: That is what we are hoping it can achieve; I hope it can do more. Go back again to 2017. What would you pay to have Steven Marshall not make that promise of reducing power prices by \$300 that he never had a chance of meeting and got nowhere near meeting? What I am doing is I am being honest with the people of South Australia. We can achieve building a power plant that can run cleanly without emitting carbon—or less carbon than a traditional generator; a lot less carbon than a traditional generator—and we can offer prices, because the idea is that the Office of Hydrogen Power SA will operate in the interests of not just itself but in the interests of taxpayers and consumers.

They are not motivated in the same way that AGL are or Origin are or Alinta are, or Energy Australia are. They are motivated to get a return for their shareholders. So if spot prices are very, very high, that is what they get paid. We will lead to the wholesale market at just above our cost of production, which is what generators in Western Australia do. Western Australia have some of the lowest prices in the country subsidised by the taxpayer through the operation of their generators in the interests of their taxpayers, not in the interests of foreign owners.

Mr PATTERSON: Can you explain to the committee where work elsewhere in the world has occurred around hydrogen, because it seems you are spending \$600 million of taxpayer money on a hydrogen power station, but you have not been able to confirm what the impact will be on household bills. Will they actually even go down? Where else has it worked to reduce power prices?

The Hon. A. KOUTSANTONIS: First and foremost, I refer you to the Inflation Reduction Act in the United States, probably the most consequential piece of legislation in the early 21st century. That is going to change the nature of renewable energy. It does everything from incentivise and pay and subsidise the production of hydrogen. There are two ways you can do this. You can have the Liberal Party strategy, which is hope—'Let's hope someone builds something,' you can have a subsidy in place where you pay people to produce hydrogen, give them tax cuts for producing hydrogen, a direct subsidy, which is what the IRA is doing in the United States, or you can do what we doing which is a direct investment of a government-owned facility.

From my most recent visit to the Port of Rotterdam—which, to be fair to members opposite, they have signed a very good memorandum of understanding with the Port of Rotterdam, and a lot of other jurisdictions have as well—the Port of Rotterdam are looking around the world, casting their net far and wide.

So you are seeing an H2-Fifty project involving an energy company, BP—you may have heard of them—and green hydrogen solution provider HyCC in a planned 250-megawatt electrolyser. I am not going to pronounce this correctly, but the Uniper (and this sounds like a rude Greek word) Maasvlakte Energy Hub involves a 100-megawatt electrolyser in stage 1, with an additional 400-megawatt capacity planned as part of stage 2.

I understand that in Utah there is a 200-megawatt electrolyser being built. I understand in Texas there is a 240-megawatt electrolyser being planned. Ours is the largest. Like the Hornsdale battery, it was the largest grid-scale battery built in the world, and now it is a template. This is going on around the world; there is a race. Calling it experimental is, I think, short-term thinking. It is that sort of Marshall-esque short-term thinking that will get you into trouble.

Mr PATTERSON: Speaking of the short term, and we have talked about this, in terms of any hydrogen technologies that will be able to help out people's household and business power bills in the next 12 months, I could not see any new initiatives in the budget.

The Hon. A. KOUTSANTONIS: They take time to build. We announced our policy in 2017. We were elected in 2022, and we said that in four years we will build and construct this operation. That is record pace—record pace. Without being rude, we lost four years. We lost four years. What was the strategy on hydrogen from the Marshall government, other than hope?

Mr PATTERSON: The Port Bonython hydrogen hub, which we can—

The Hon. A. KOUTSANTONIS: That was a land sale that turned into a hydrogen—

Mr PATTERSON: No.

The Hon. A. KOUTSANTONIS: I have seen the documents. It was a land sale. It was a land sale by the Treasury, but then they were embarrassed into making it into a hydrogen hub.

Mr Patterson interjecting:

The Hon. A. KOUTSANTONIS: I asked a question in the—sorry, the then shadow attorney-general asked a question, in the Budget and Finance Committee, in the Old Chamber, of the Department for Energy and Mining, and the chief executive at the time, who shall remain nameless, was asked: 'The tender is being issued by the Marshall government at Port Bonython. Do they require a hydrogen development?' Do you know what the answer to that was? It was no. It was a land sale, and it is this government that has made it about hydrogen. It is this government that is making sure that a hydrogen facility is being built in Whyalla.

Mr PATTERSON: I refer you, further down on the same page, to the \$70 million for commonwealth funding for the hydrogen hub and the work that I did, as Minister for Trade and Investment, in attracting international companies here to invest in hydrogen, but we will get to that a bit later.

I turn to page 122 in the same budget paper, program summary. If we refer to the 2022-23 budget figures—so last year's budget—we sat here and it said that the new initiative of the Office for Hydrogen Power SA would be funded with \$2 million and eight full-time equivalents. However, in these budget papers, for the same 2022-23 budget, it now says the cost was budgeted at \$4 million

and 23 full-time equivalents. Why is there a difference between what was published last year and published this year, for what should be the same figures?

The Hon. A. KOUTSANTONIS: I will take that on notice, but my understanding is that we brought the Port Bonython team from Treasury over into the unit, so that could account for the extra cost. But I will check and get you a thorough answer. Can I take that notice; would you mind?

Mr PATTERSON: Thank you. I refer to the same budget line. We will use those figures, the \$4 million and 23 FTEs, and the estimated result then says that the cost has increased to 7.59—

The Hon. A. KOUTSANTONIS: Did you say \$4 million?

Mr PATTERSON: Yes. I have a net cost of \$4.012 million. So now that cost has increased to \$7.59 million. Why has there been such a significant increase in the budget expenditure?

The Hon. A. KOUTSANTONIS: In the Mid-Year Budget Review, we got additional resources for the acceleration of the development of the Port Bonython hub. We brought the people over from the Port Bonython group into DEM, some additional promotion and industry development people over from DEM into the Office of Hydrogen Power SA, and additional resources. So, yes, we are gearing up. We are investing.

Mr PATTERSON: So the increase in spending is not because you are struggling to action the Hydrogen Jobs Plan?

The Hon. A. KOUTSANTONIS: Sorry, why would an increase in spending equate to us struggling?

Mr PATTERSON: You are just throwing more resources at it.

The Hon. A. KOUTSANTONIS: What is wrong with throwing more resources at it? We have just spent an hour talking about what we are doing to try to get people's power prices down, and now we are throwing more resources at it and you are criticising us.

Mr PATTERSON: Questioning.

The Hon. A. KOUTSANTONIS: Okay, so you are not criticising?

Mr PATTERSON: Going forward, as I said before, when it was budgeted at \$2 million a year, indexed of course, it now seems the 2023-24 budget has gone up to \$6.2 million. Are there expected to be commensurate costs in the next two years in the forwards?

The Hon. A. KOUTSANTONIS: We will wait to see those costs in the forward estimates.

Mr PATTERSON: Thank you. I refer to the same budget line: in terms of the new structure in the Department of Energy and Mining, you have the Office of Hydrogen. Does the CE for the Office of Hydrogen Power SA report to the Department for Energy and Mining CE?

The Hon. A. KOUTSANTONIS: He reports to me. The contract is with the Premier, of course.

Mr PATTERSON: Does the office interact with the Department of the Premier and Cabinet and, if so, how? You have said yes, but can you explain how?

The Hon. A. KOUTSANTONIS: I would expect every agency to interact with the Department of the Premier and Cabinet, including Energy and Mining, including the Office of Hydrogen Power SA, Treasury and Finance, Human Services, DEM, DEW, everyone. We are one government.

Mr PATTERSON: Does the office interact with the Premier's Delivery Unit?

The Hon. A. KOUTSANTONIS: Of course they do.

Mr PATTERSON: How do they do that?

The Hon. A. KOUTSANTONIS: By keeping the delivery unit up to speed on how they are going about delivering our key election commitments. It is important to keep your promises, as all 16 of you must realise by now.

Mr PATTERSON: How often is the CE of the Office of Hydrogen Power SA briefing the CE of the Premier's Delivery Unit?

The Hon. A. KOUTSANTONIS: I would imagine as he needs to. I hope all chief executives speak to each other on a regular basis. I know that they have regular scheduled meetings—SLC, senior leadership committee. They should absolutely be talking. You should try it sometime. You should all get together and talk to each other. It might work.

Mr PATTERSON: If we move to page 107 of the same budget paper, the workforce summary, does the department have a clear plan and time line in place for staff who are working from home to return to the office?

The Hon. A. KOUTSANTONIS: Say that again, sorry.

Mr PATTERSON: Does the department have a clear plan and time line in place for staff who are working from home to return to the office? If so, can you table that plan?

The Hon. A. KOUTSANTONIS: The department advise me that they think there are better productivity benefits in having people work from home a couple of days a week, and there would be an active policy in place to deal with that. I am comfortable with it; as long as the work is being done I think it is a good initiative.

Mr PATTERSON: So you are comfortable and confident that the department has the right balance between working from home and staff being in the office?

The Hon. A. KOUTSANTONIS: This is a chief executive your government appointed as chief executive of the department and I have full confidence in him.

Mr PATTERSON: What is the current proportion of staff working from home and staff working from the office in the department?

The Hon. A. KOUTSANTONIS: I will take that on notice.

Mr PATTERSON: On the same line, which you may take on notice as well, has the proportion of staff working from home and working from the office changed over the past year; if so, by how much?

The Hon. A. KOUTSANTONIS: The same. I was going to say they are probably more enthusiastic going back to work now that I am the minister again, but I do not think that is true.

Mr PATTERSON: Does the department measure staff in productivity and efficiency as it relates to remote working; if so, how?

The Hon. A. KOUTSANTONIS: Do we measure productivity?

Mr PATTERSON: Staff productivity and efficiency.

The Hon. A. KOUTSANTONIS: I have to say, and let's be clear here, that the KPIs I have and the KPIs the department have are not necessarily the same. The KPIs I have are on timely regulation and approvals, the work they do, the advice they provide, the regulation they provide to people they regulate, and from what I have seen the department is world class. In terms of their productivity, I have not seen any fall in productivity, and I know that Paul and his leadership team regularly monitor it. If there is a fall, they will address it.

Mr PATTERSON: Moving along to page 109, the same budget paper, investing expenditure, we talked about skyrocketing energy prices, and that is also inflation. We have seen that in Australia and worldwide it is at high levels, so this is obviously impacting construction costs not only in South Australia but across Australia. How much will the hydrogen power station cost?

The Hon. A. KOUTSANTONIS: It is budgeted for \$593 million.

Mr PATTERSON: How much of that \$593 million has been spent to date?

The Hon. A. KOUTSANTONIS: We have not spent any of the capital yet because we are out to the market. The first budget allocation of capital is the \$118.6 million. As at May this year, OHPSA has an expenditure budget of \$6.6 million and a capital budget of \$0.9 million. The OHPSA

capital budget in 2022-23 of \$940,000 relates to the transfer of the Port Bonython hydrogen hub from DTF effective from 1 March 2023.

At the end of April, OHPSA forecast an overspend of \$4 million due to some design work done at Port Bonython to try to accelerate some of that work and some advisory services and analysis in terms of the request for proposals process we had conducted. As of 30 June, they have not capitalised any expenditure towards the plant build.

Mr PATTERSON: Just to confirm, with the \$118 million budgeted for capital there was \$50 million budgeted last year. Was that in addition to the \$50 million, or does that \$118 million include rollover?

The Hon. A. KOUTSANTONIS: It was not spent.

Mr PATTERSON: So, effectively, that office has got budgeted up to \$168 million to spend; is that right?

The Hon. A. KOUTSANTONIS: No, an authorisation of \$118 million.

Mr PATTERSON: Is that \$118 million new money, or is it \$50 million from last year that is rolled in?

The Hon. A. KOUTSANTONIS: There has not been new money for capital put into the budget, so \$593 million is the budget.

Mr PATTERSON: Is the office aware of any further cost escalations since your initial modelling?

The Hon. A. KOUTSANTONIS: Other than what has been published in the budgets across Australia. Cost escalation is everywhere and we are in the middle of a tender process, so we will have to wait and see what that tender process comes back with.

Mr PATTERSON: Does the \$593 million cost include transmission lines or any upgrades to transmission lines to get power to the hydrogen power station and electrolyser?

The Hon. A. KOUTSANTONIS: We will have to wait and see when the tender process is complete.

Mr PATTERSON: In a similar vein, does the \$593 million cost include water connection and dedicated pipelines into the hydrogen production facility?

The Hon. A. KOUTSANTONIS: Again, we will have to wait and see at the conclusion of the tender process. This is our signature energy policy—\$593 million. The opposition signature policy was Project EnergyConnect. My understanding is the blowout is close to a billion dollars on your signature EnergyConnect policy. I will measure success or failure against that.

Mr PATTERSON: Project EnergyConnect has just had modelling released where it is going to reduce prices by \$127 for households.

The Hon. A. KOUTSANTONIS: Has it really? Is that like the \$301?

Mr PATTERSON: We will see, as you say. If we go to Budget Paper 4, Volume 2, page 121, the target around the water, we talked about water. You might not be certain about the costs, but do you have an estimate of how much water the proposed hydrogen production facility will acquire per year?

The Hon. A. KOUTSANTONIS: About 200 million litres.

Mr PATTERSON: Where will that water come from?

The Hon. A. KOUTSANTONIS: SA Water.

Mr PATTERSON: In terms of that water that will be supplied by SA Water, you are not certain how much the cost for the pipelines will be.

The Hon. A. KOUTSANTONIS: Can I interrupt you there for a moment, if I can. Is your proposition that no South Australian industry can have any other demand for water in this state at

all? That what water we took from SA Water for industrial purposes as of March 2022 is fixed for the next four years; is that your proposition? You do not want any industrial growth, you do not want any new water allocations, you do not want anyone growing any industrial capability with water?

Mr PATTERSON: It was a question not a proposition, I think you will find.

The Hon. A. KOUTSANTONIS: The proposition here is that this water is somehow going to damage the River Murray, or it is going to damage our credentials. The logical conclusion to that argument by the opposition is that they want no further industrial activity of any kind that uses water. That means any mining operation that uses water for a slurry is out; is that the proposition? What is the proposition here? What is the problem with us using extra water? I am trying to understand what the concern here is.

Mr PEDERICK: We are just asking the questions.

The Hon. A. KOUTSANTONIS: You are not asking anything. You are just sitting there.

Mr PATTERSON: Is the office looking at constructing a desalination plant either now or in the future to provide water to the electrolyzers?

The Hon. A. KOUTSANTONIS: Yes, you may have heard of it: it is called Northern Water. The Premier has announced an EIS and we are doing work; hopefully, in the future that supply can also supply the Office of Hydrogen Power SA.

Mr PATTERSON: Which of course we did the business—

The Hon. A. KOUTSANTONIS: So you want now more water? Right, okay, here we go. Our desalination plant is a white elephant. Northern Water is essential. Okay, I understand how it works now: if I float, I am a witch and you will hang me; if I drown, I was innocent. Is that how it works?

Mr PATTERSON: I refer to page 121, objectives. Taking into account you have uncertainty about connections for the water and the transmission lines—

The Hon. A. KOUTSANTONIS: You say that; I do not.

Mr PATTERSON: —will the plant be completed by December 2025?

The Hon. A. KOUTSANTONIS: That is the plan.

Mr PATTERSON: Will it be operational by December 2025?

The Hon. A. KOUTSANTONIS: That is the plan.

Mr PATTERSON: When will construction start?

The Hon. A. KOUTSANTONIS: When the tender is finished.

Mr PATTERSON: When will the tender be finished?

The Hon. A. KOUTSANTONIS: When it is done.

Mr PATTERSON: Is that this year, next year?

The Hon. A. KOUTSANTONIS: We have set time lines. We have published them. We have made it clear we want this operational by December 2025. There have been other projects where we have changed scope, like the Aquatic Centre, and we come out and we talk about that. As of right now, December 2025 is what I am aiming for, what the Premier is aiming for, what the Office of Hydrogen Power SA is aiming for. We are in the middle of a tender process. We are doing everything we need to in sequential order to get this operational.

Mr PATTERSON: What stage of the process will the hydrogen plan be sent to Infrastructure SA for their scrutiny and their processes?

The Hon. A. KOUTSANTONIS: We have been through the initial gateway and we are going through all the gateways as required.

Mr PATTERSON: When are you anticipating the final contracts resulting from the request for proposal to be awarded?

The Hon. A. KOUTSANTONIS: That depends on the tender assessment. This is an independent process. We do not interfere in tenders. The tender process will be done independently by the Office of Hydrogen Power SA in conjunction with its advisers and Treasury, and they will make recommendations to us. There could be more questions asked, there could be some backwards and forwards, there could be some joint venture operations also included, so we just have to wait and see.

Mr PATTERSON: When the contracts are awarded, the proponents will put forward technology choices for this. Will those technology choices be locked in as of what is currently available this year?

The Hon. A. KOUTSANTONIS: I do not understand the question. I do not understand what you mean.

Mr PATTERSON: They have put in their proposal, what technology they are putting in as part of the proposal to supply the components of it, all with the technology at this point in time or what they can deliver. Does that contract have the ability to change the technology as you go along?

The Hon. A. KOUTSANTONIS: If we contract for a tunnel, we expect a tunnel not a bridge. If we contract for a gas-fired turbine that operates on hydrogen, we expect a gas-fired turbine that operates on hydrogen. If we contract for a fuel cell, we expect a fuel cell. If they ask for contract variations as the process goes on, we will consider that on its merits as it comes up.

Mr PATTERSON: Is there a risk that the technology relating to some of the elements, all of the elements—production, storage, generation. This technology is still in its infancy. There could be significant advancements coming along the way that South Australia could miss out on.

The Hon. A. KOUTSANTONIS: You mean like GlobeLink?

Mr PATTERSON: No, I am asking questions about this specific item.

The Hon. A. KOUTSANTONIS: No, I do not think it is experimental. I am overwhelmed and very happy with the level of interest. The Premier and I visited the Siemens factory in Berlin. Siemens are one of the premier manufacturers in Europe. They do not think this is experimental. Baker Hughes do not think this is experimental. General Electric do not think this is experimental. Kawasaki and Mitsubishi Heavy Industries do not think this is experimental. I have to say, if the opposition's tactic is to go down the experimental line path: good. Good, I am glad. Continue your questions.

Mr PATTERSON: On the same budget line, will the plant have 3,600 tonnes of liquefied storage for a cost of \$31 million?

The Hon. A. KOUTSANTONIS: We will wait to see what the tenders give back to us.

Mr PATTERSON: So you are still confident of delivering that. Will the hydrogen plant have 250-megawatt electrolysers for a cost of \$220 million?

The Hon. A. KOUTSANTONIS: That is the plan.

Mr PATTERSON: Will the hydrogen plant have a 200-megawatt combined cycle turbine power station for \$342 million?

The Hon. A. KOUTSANTONIS: That is the plan. We are out to tender for these things now. The previous government claimed that they could build the north-south corridor for \$9.9 billion. In my first briefing on entering office that was immediately questioned by the bureaucrats.

Mr PATTERSON: I think you have infrastructure and transport coming up.

The Hon. A. KOUTSANTONIS: Yes, I know.

Mr PATTERSON: So we can talk about it then, if you like.

The Hon. A. KOUTSANTONIS: Sure. What we have done is we set out before the election a plan to build a 200-megawatt generator, a 250-megawatt electrolyser and associated storage and

infrastructure. We put a price on it. We are out to the market now to validate those prices. We got the very best independent advice leading up to the election as an opposition, the best we could.

We went to Frontier Economics, who I think are the premier modellers and energy advisers in the country. They advised the then Morrison government, they have advised the Gillard government, they have advised the Weatherill government, they have advised the Malinauskas government, they have advised the Perrottet government and the Berejiklian government. They have advised governments across the country, and a whole heap of private operators. The market will give us the prices and the market will tell us what it is we can build for the money we have put.

Mr PATTERSON: On the same budget line, how much hydrogen is expected to be produced by the hydrogen plant per annum?

The Hon. A. KOUTSANTONIS: That depends entirely on the nature of the electrolyser we build, which will be subject to the tender process.

Mr PATTERSON: Is it anticipated that there will be any excess hydrogen produced over and above what is required by the turbine?

The Hon. A. KOUTSANTONIS: It depends entirely on the cofactor the generator will operate within the market.

Mr PATTERSON: I turn to page 113 of Budget Paper 4, Volume 2, highlights. Was the Accelerated Discovery Initiative released in the 2022-23 budget year?

The Hon. A. KOUTSANTONIS: Sorry, I do not understand the question.

Mr PATTERSON: The round 4 of the Accelerated Discovery Initiative, was that released?

The Hon. A. KOUTSANTONIS: I do not have that detail here with me now. The Accelerated Discovery Initiative is still budgeted at 10.7 for this financial year.

Mr PATTERSON: But in terms of 2022-23, are you saying it was not released?

The Hon. A. KOUTSANTONIS: No.

Mr PATTERSON: No worries. I refer the minister to Budget Paper 4, Volume 2, page 112, Agency Statements. In the line item, you have the FTEs as of 30 June at 297.6 within Mineral Resources and Energy that was budgeted in 2022-23. It was reduced down to 282 in the 2023-24 estimates. Where have these resourcing reductions come from?

The Hon. A. KOUTSANTONIS: Savings measures.

Mr PATTERSON: If we could move back to what we were talking about before, Budget Paper 4, Volume 2, page 121, targets, the hydrogen plan, we talked about storage, so you are still in the process of going through the tenders. Are any alternate forms of hydrogen storage being contemplated as part of the storage solution that is ultimately selected?

The Hon. A. KOUTSANTONIS: The tender process is independent of government, that is, the executive government. This is being conducted by the Office of Hydrogen Power SA. I am not in the data room, I am not opening up the tenders, I am not reading the tenders. They will do the assessments. This is at arm's length from me and it is inappropriate for me to ask my agency to comment on the tender process while it is active.

Mr PATTERSON: In terms of the RFP, we know that the Upper Spencer Gulf has peak temperatures up to about 50° Celsius. Were there any conditional measures required to ensure that the hydrogen storage facility can operate effectively?

The Hon. A. KOUTSANTONIS: We are in the middle of a tender process. We have put out our RFP. People are coming back to us, they will assess them, and then we will release them.

Mr PATTERSON: Have you received any advice in relation to the potential hydrogen loss due to leakage and, if so, what percentage rates of hydrogen loss that could be?

The Hon. A. KOUTSANTONIS: We lose natural gas at 1 to 2 per cent in our distribution lines. I do not know how much we would lose in our distribution lines. I imagine it might be slightly

higher for hydrogen, given the density of hydrogen, but I do not know. We will find out from the tender process when it comes back with the cost of the infrastructure and the rate of loss, but whatever it is, it is. It is the technology and the nature of the element.

Mr PATTERSON: On Budget Paper 4, Volume 2, page 121, targets, you have said, depending on what is submitted as part of the RFP—will it be a combined cycle turbine, will it be hydrogen fuel cells? Do you intend on the power station being a base load generator or a peaking station?

The Hon. A. KOUTSANTONIS: It will have the capability of being base load but its operation will be based on thermo-renewable energy, and how it contracts into the market will be a matter for the Office of Hydrogen Power SA.

Mr PATTERSON: Have you received advice around turbine technology that it can run on 100 per cent hydrogen?

The Hon. A. KOUTSANTONIS: Yes, I have received advice. There are options to blend hydrogen with gas, there are options to use gas at the start-up and then run on 100 per cent hydrogen, there are options to use 100 per cent hydrogen, so these are all options that are open to the government.

Mr PATTERSON: If the generator itself is running at nameplate capacity, so at 200 megawatts per hour, what is the quantity of hydrogen that is required to be supplied in an hour to produce that 200 megawatts?

The Hon. A. KOUTSANTONIS: It depends entirely on which generator is successful in the tender process. Are we talking about a Siemens generator, Baker Hughes, General Electric, Mitsubishi Heavy Industries? Who knows who has tendered, who knows who is involved? Is it a fuel cell? I do not know. It is a hypothetical question. I cannot answer it. You are asking me to measure a unicorn's horn.

Mr PATTERSON: So you have received no advice at this stage, even indicative amounts?

The Hon. A. KOUTSANTONIS: I have received advice in general about the efficacy and the appropriateness of what we are doing and the department is supportive. Can it be done? The department thinks it can be done. We are going out to tender. My instinct from what I have seen, the market thinks it can be done. The only doubters in this room are members to my right.

But then again we have faced this before. We faced it with the grid-scale battery at Hornsdale. We faced it with the solar thermal plant at Port Augusta, which members opposite ultimately killed. Every time we attempt to do a renewable piece of infrastructure, we are faced with roadblocks from the commonwealth LNP and the local Liberal Party, and that is fine, that is the nature of things. The only thing that frustrates me is we get in, we build this infrastructure, then they sell it, we get back in again, we build it again, then they sell it. This is a continuous revolving door. It would be nice to have some bipartisanship on energy.

So yesterday we released the energy green paper which looks at a long-term solution for energy solutions in Australia. Countries that are dealing with a challenge fight at the margins on this. We are here fighting the core principles. It would be nice for the country to move on and just accept the science and say that climate change is real, global warming is occurring, polar ice caps are melting, the weather is changing, fires and extreme events are happening more often, carbon is having an impact on the economy and the climate, and we need to decarbonise.

If we could just accept those principles, we can argue about health and education, but it has got to the point now where we are arguing about everything. It would be nice to have some bipartisan support here. It would be nice for the opposition to wish us well and say, 'I hope this works,' because imagine if it works. It means we can keep Pelican Point. Can we transition Pelican Point to hydrogen? Wouldn't that be great? Wouldn't that save us a fortune? We can transition Osborne to hydrogen. Wouldn't that be great? We could save a fortune. Instead, you are hoping we fail.

Mr PATTERSON: Same budget line: in terms of the modelling that you have received in regard to the electrolyzers, how much water—even a range—would be needed to produce one tonne of hydrogen?

The Hon. A. KOUTSANTONIS: About nine litres for one kilogram of hydrogen is a rough rule of thumb.

Mr PATTERSON: That is of course if the water itself is highly purified. At Tonsley, you have your electrolyser and then there is a purification there as well as part of the electrolyser equipment that you have put forward. Does that also include purification equipment?

The Hon. A. KOUTSANTONIS: This is a rough rule of thumb. Once the tenders are complete, at the next estimates you can go your hardest and ask me all these questions.

Mr PATTERSON: Same budget line: have you had discussions with ElectraNet, the transmission line provider, around connecting up the hydrogen power station?

The Hon. A. KOUTSANTONIS: I have not, no.

Mr PATTERSON: Has the department?

The Hon. A. KOUTSANTONIS: I am sure they have as part of the tender process, yes.

Mr PATTERSON: Can you give advice to the committee around what the process is for connecting up the power station to be able to supply and generate into the grid?

The Hon. A. KOUTSANTONIS: There is a regulated process in place. The Office of Hydrogen Power SA will make its normal application like any other generator in the NEM and go through the procedure.

Mr PATTERSON: As part of the power station, it requires construction. How many jobs are expected to be created as part of the construction phase?

The Hon. A. KOUTSANTONIS: It is a good question. It depends entirely on who the successful tenderer is.

Mr PATTERSON: Will there be any minimum percentage of South Australian workers?

The Hon. A. KOUTSANTONIS: We have an industry participation plan that must be enforced, yes.

Mr PATTERSON: Once the plan is in operation, it is claimed to unlock 10,000 jobs through a \$20 billion pipeline for renewable energy projects. Does that include the \$15 billion of renewable projects that were already in place?

The Hon. A. KOUTSANTONIS: Sorry, \$50 million worth of?

Mr PATTERSON: \$15 billion of pipeline.

The Hon. A. KOUTSANTONIS: \$15 billion?

Mr PATTERSON: Sorry, did I say 'million'? Okay, apologies.

The Hon. A. KOUTSANTONIS: Could you rephrase that question, sorry.

Mr PATTERSON: Certainly. Your claims are that it will unlock jobs for a \$20 billion pipeline of renewable energy projects, and when the former Liberal government left office there was already a \$15 billion pipeline of projects. Is this \$20 billion in addition to that \$15 billion of projects?

The Hon. A. KOUTSANTONIS: I apologise to the committee. I am not following the member. Are you saying I have said that there is a \$20 billion pipeline of renewable projects as a result of Project EnergyConnect? Or are you saying that there is a pipeline of projects because of—

Mr PATTERSON: That is what was proposed to occur.

The Hon. A. KOUTSANTONIS: If Project EnergyConnect was built? I proposed that?

Mr PATTERSON: No, for the Hydrogen Jobs Plan.

The Hon. A. KOUTSANTONIS: Obviously, as development occurs, pipelines grow. So, yes, there is a pipeline of jobs that will create a market that will feed itself obviously. We are putting up a hydrogen renewable energy act, which will incentivise renewable energy being built through an auction process on pastoral and Crown land and private land.

We will go out and people will build and they will build renewable energy to feed the hydrogen industry. It is very important that we do that on an orderly basis not an ad hoc basis so we can make sure that we are not having extraordinary prices being charged behind the meter. Yes, there is a very promising long list of projects that is growing as part of the government's exciting investment. We are hydrogen central again. We lost four years and now we are back.

The CHAIR: The allotted time having expired, I declare the examination of the Department for Energy and Mining complete and the further examination of proposed payments adjourned until Monday 30 July.

Sitting suspended from 10:31 to 10:45.

DEPARTMENT FOR INFRASTRUCTURE AND TRANSPORT, \$1,107,742,000
ADMINISTERED ITEMS FOR THE DEPARTMENT FOR INFRASTRUCTURE AND
TRANSPORT, \$7,863,000

Membership:

Hon. V.A. Tarzia substituted for Mr Batty.

Minister:

Hon. A. Koutsantonis, Minister for Infrastructure and Transport, Minister for Energy and Mining.

Departmental Advisers:

Mr J. Whelan, Chief Executive, Department for Infrastructure and Transport.

Mr W. Buckerfield, Deputy Chief Executive/Executive Director, North-South Corridor Program Delivery Office, Department for Infrastructure and Transport.

Mr G. Jackson, Executive Director, People and Corporate Services, Department for Infrastructure and Transport.

Mr S. Morony, Executive Director, Infrastructure Delivery, Department for Infrastructure and Transport.

Mr S. Cooper, Acting Executive Director, Transport Strategy and Planning, Department for Infrastructure and Transport.

Mr B. Seidel, Director, Financial and Procurement Services, Department for Infrastructure and Transport.

The Hon. A. KOUTSANTONIS: Chair, the Minister for Regional Roads has fallen ill and is unable to attend.

The CHAIR: So you will cover those areas as well?

The Hon. A. KOUTSANTONIS: Yes.

The CHAIR: I declare the proposed payments open for examination. I invite the minister to make a statement, if the minister wishes, and to introduce his advisers. I will then call on the lead speaker to make an introduction statement and then go to questions, if he wishes.

The Hon. A. KOUTSANTONIS: Thank you, sir. To my left is Mr Jon Whelan, the Chief Executive of the Department for Infrastructure and Transport. Sitting behind me is Mr Wayne Buckerfield, the Executive Director of the North-South Corridor Program Delivery Office. Alongside him should be Graham Jackson, the Executive Director of People and Corporate Services. Behind

him should be Simon Morony and Scott Cooper. Simon Morony is the Executive Director of Infrastructure Delivery, and Scott Cooper is the Acting Executive Director of Transport Strategy and Planning. Behind them is Ben Seidel, who is Director, Financial and Procurement Services. If I have missed anyone, I apologise. There will be no opening statement. I would like my young friend to have as many questions as he possibly can.

The Hon. V.A. TARZIA: I might kick off by getting the omnibus questions out of the way so we can all move on, so let's do those:

1. For each department and agency reporting to the minister, how many executive appointments have been made since 1 July 2022 and what is the annual salary and total employment cost for each position?

2. For each department and agency reporting to the minister, how many executive positions have been abolished since 1 July 2022 and what was the annual salary and total employment cost for each position?

3. For each department and agency reporting to the minister, what has been the total cost of executive position terminations since 1 July 2022?

4. For each department and agency reporting to the minister, will the minister provide a breakdown of expenditure on consultants and contractors with a total estimated cost above \$10,000 engaged since 1 July 2022, listing the name of the consultant, contractor or service supplier, the method of appointment, the reason for the engagement and the estimated total cost of the work?

5. For each department and agency reporting to the minister, will the minister provide an estimate of the total cost to be incurred in 2023-24 for consultants and contractors and, for each case in which a consultant or contractor has already been engaged at a total estimated cost above \$10,000, the name of the consultant or contractor, the method of appointment, the reason for the engagement and the total estimated cost?

6. For each department and agency reporting to the minister, will the minister advise whether it met the 1.7 per cent efficiency dividend for 2022-23 to which the government committed and, if so, how was the saving achieved?

7. For each department or agency reporting to the minister, how many surplus employees are there in June 2023, and for each surplus employee what is the title or classification of the position and the total annual employment cost?

8. For each department and agency reporting to the minister, what is the number of executive staff to be cut to meet the government's commitment to reduce spending on the employment of executive staff and, for each position to be cut, its classification, total remuneration cost and the date by which the position will be cut?

9. For each department and agency reporting to the minister:

- What savings targets have been set for 2023-24 and each year of the forward estimates; and
- What is the estimated FTE impact of these measures?

10. For each department and agency reporting to the minister, will the minister advise what share it is receiving of the \$1.5 billion the government proposes to use over four years of uncommitted capital reserves held in the budget at the time it took office and the purpose for which this funding is being used in each case?

11. For each department and agency reporting to the minister:

- What was the actual FTE count at June 2023 and what is the projected actual FTE count for the end of each year of the forward estimates;
- What is the budgeted total employment cost for each year of the forward estimates; and

- How many targeted voluntary separation packages are estimated to be required to meet budget targets over the forward estimates and what is their estimated cost?

12. For each department and agency reporting to the minister, how much is budgeted to be spent on goods and services for 2023-24 and for each year of the forward estimates?

13. For each department and agency reporting to the minister, how many FTEs are budgeted to provide communication and promotion activities in 2023-24 and each year of the forward estimates and what is their estimated employment cost?

14. For each department and agency reporting to the minister, what is the total budgeted cost of government-paid advertising, including campaigns, across all mediums in 2023-24?

15. For each department and agency reporting to the minister, please provide for each individual investing expenditure project administered, the name, total estimated expenditure, actual expenditure incurred to June 2023 and budgeted expenditure for 2023-24, 2024-25 and 2025-26?

16. For each grant program or fund the minister is responsible for, please provide the following information for the 2023-24, 2024-25 and 2025-26 financial years:

- Name of the program or fund;
- The purpose of the program or fund;
- Budgeted payments into the program or fund;
- Budgeted expenditure from the program or fund; and
- Details, including the value and beneficiary, or any commitments already made to be funded from the program or fund.

17. For each department and agency reporting to the minister:

- Is the agency confident that you will meet your expenditure targets in 2023-24;
- Have any budget decisions been made between the delivery of the budget on 15 June 2023 and today that might impact on the numbers presented in the budget papers which we are examining today; and
- Are you expecting any reallocations across your agency's budget lines during 2023-24, if so, what would be the nature of this reallocation?

18. For each department and agency reporting to the minister:

- What South Australian businesses will be used in procurement for your agency in 2023-24;
- What percentage of total procurement spend for your agency does this represent; and
- How does this compare to last year?

19. What protocols and monitoring systems has the department implemented to ensure that the productivity, efficiency and quality of service delivery is maintained while employees work from home?

20. What percentage of your department's budget has been allocated for the management of remote work infrastructure, including digital tools, cybersecurity and support services, and how does this compare with previous years?

21. How many procurements have been undertaken by the department this financial year, how many have been awarded to interstate businesses, and how many of those were signed off by the chief executive?

22. How many contractor invoices were paid by the department directly this financial year? How many and what percentage were paid within 15 days, and how many and what percentage were paid outside of 15 days?

23. How many and what percentage of staff who undertake procurement activities have undertaken training on participation policies and local industry participants this financial year?

The CHAIR: Questions?

The Hon. V.A. TARZIA: I refer to Budget Paper 4, Volume 3, Agency Statements, page 117, Adelaide Aquatic Centre—a deep dive into the Aquatic Centre. I note that, in addition to the \$55 million increased cost to what is an eye-watering \$135 million, the centre still will not have a pool that meets international swimming competition standards. Is the minister able to explain why that is the case?

The Hon. A. KOUTSANTONIS: Yes: it is a recreational centre. We have a competition centre, and it is in Marion and it is named after the shadow treasurer the last time I checked, so I am not sure what the confusion is. Maybe my young friend could reread the election commitments we made at the last election. We never said we would build an international competition arena; we said we would build a brand-new aquatic centre, and that is what we are doing. Who ever said it would be up to international competitive standards?

The Hon. V.A. TARZIA: Is that the answer? Okay, we will move on to the next question. Referring to the same line and the same project, minister, I note that the estimated completion time has also been pushed back by six months, to December 2025. Was this date revised as a consequence of the cost increase?

The Hon. A. KOUTSANTONIS: We always said it would be opened in December 2025. Nothing has changed. You might be looking at the flow over. You might remember me sitting here, asking you a question about some projects, when Mr Braxton-Smith began to lecture me about the nature of the way projects are concluded for financial reporting purposes. However, the opening date remains the same.

The Hon. V.A. TARZIA: Does the minister believe that this time could further be delayed, following what is clearly—you could call it a blowout, but it has definitely been a rescoping of the project from what was originally planned to what is planned. Will we see this project completed before the next state election?

The Hon. A. KOUTSANTONIS: I am glad my young friend has finally conceded that it is a scope increase. We are doing more, which undermines his argument of a blowout. Yes, we are very keen, and we are working towards having it open before or during the summer of 2025-26. If it coincides with a state election, happy days. If we can open it earlier, we will, but we are working to that time line.

We said at the last election that we would either build it on the existing site, which would have facilitated a closure of the existing site, or we would find another location alongside it to keep it open. We made those plans clear to people. They endorsed them. We consulted with people once we were elected. From memory—and I am prepared to be corrected on this—about 1,200 respondents who use the facility were very keen to make sure that the Parklands were continually used. What this solution gives us is the ability to have two playing fields ready faster, by closing the facility.

I do not discount that it is a tough decision to close it. It is a tough decision, but tough decisions are important to get the right outcome, and we are giving South Australians a world-class recreational centre, the likes of which South Australians have never seen before. I look forward to the thousands and thousands of people who live in Prospect, who live in Adelaide and who live in the eastern suburbs coming down to enjoy the amenity of a brand-new swimming centre, to be opened in the summer of 2025.

The Hon. V.A. TARZIA: We do have one in Campbelltown, minister; you never know, I will probably visit that one as well. Referring again to this project, I am advised that there are volunteer swimming groups, sporting clubs and also schools that are obviously dependent on the centre and that are somewhat concerned that they will now have no access for 16 months or more during construction, which we say is a clear broken promise. What will you be doing to help them find a new home during that period?

The Hon. A. KOUTSANTONIS: I would like to move a matter of privilege.

The CHAIR: Can you just hold on a second, minister. I have given people who ask questions some latitude in their questioning. The purpose of this committee is to interrogate the financial matters of the budget, and the questions you have just asked are more properly asked in other forums, which you have done also. I will allow this question, but I just say that you are swimming in some dangerous waters.

The Hon. V.A. TARZIA: I can rephrase, if you like. I refer to the same budget item and the same project: Budget Paper 4, Volume 3, page 117, Adelaide Aquatic Centre. It has been well presented in the public domain that for about 16 months there will be some people who will have to relocate to another swimming centre. The clear question to the minister is: what will the minister be doing to help those people find a home during that period?

The Hon. A. KOUTSANTONIS: The Department for Infrastructure and Transport and the Office for Recreation, Sport and Racing are working together with the Department for Education, and every other government department that has relevant resources to house people, to make sure that they do not miss out on that core activity. We are pretty confident we can house about 90 per cent or more of the people who use the facility.

As I said to my young friend earlier, we made an election commitment that gave people two options that we would investigate: one was building on the existing site—anyone reading that document would know building on the existing site would mean closing the existing site, so no-one can fairly categorise this as a broken election commitment, no-one—or we would build on an alternative site alongside it.

After our consultation with the users of the site, we have given ourselves more than a year to help find people alternative locations. We are working overtime. It is a mammoth task and it is going to be difficult. A young, enterprising shadow minister could find lots of people to stand up over winter and the summer months talking about how they have lost their pool, but one problem at the end of that is that the new pool will be open. Then what will they say?

This is like any piece of infrastructure, it is like promising to build any piece of infrastructure—there is going to be some disruption while you are building. What we are going to give people is a better service, a better outcome, an increased scope of outcome. That is going to give people the ability to learn how to swim, to stay fit and healthy, to engage in the Parklands and actually interact with the Parklands.

There are so many people who are just driving by our parklands and not using them. I for one want to see our Parklands activated, and this is a great way of activating them. We promised we would do this, and we are going to deliver it.

The Hon. V.A. TARZIA: On the same project, page 117, Budget Paper 4, Volume 3, Adelaide Aquatic Centre, a number of people are going to lose their job because they are employed at the centre at the moment. What is the government doing to assist those people who will lose their job, who will not have the same job for that 16-month period?

The Hon. A. KOUTSANTONIS: That is a good question. They are employees of the Adelaide City Council, and we are working with them. My view is that we will be needing them; there is a shortage of swimming instructors across the state. One of the unfortunate consequences of the election of a Labor government is close to full employment in the state, which means there are labour shortages across the state, whether it is in mining, whether it is in the services, fast food, retail, hospitality. Every sector we speak to are saying the same things.

I am confident that a lot of the employees who are working there will be re-employed by the state government—if we can keep them on we will. Obviously we are asking for additional services to be done at other facilities. This is work that people who work at the Aquatic Centre could deliver, and we are working with the Office for Recreation and Sport to deliver that.

In a market where we are close to full employment, I am confident that people who want to work can work. These people are essential; we will be delivering these services to people once we reopen the facility, so we would like to get them back. We are working through a process. A lot of

them are students who work part time and do casual work there, others are full time. There is a need for these staff, and we are working overtime to make sure we can relocate or keep as many as we can.

The Hon. V.A. TARZIA: To go to the specifics, and the same budget line item, referring again to this project and the people affected by it, how many of the groups and people who will be affected by the 16-month closure have actually been contacted by the government? What method have they been contacted by?

The Hon. A. KOUTSANTONIS: That is a question best put to Minister Hildyard, who is running the Office for Recreation, Sport and Racing. She is coordinating this: we are the builders. They will be the people who will be coordinating the relocation; we are assisting where we can but that responsibility largely rests with them. We are coordinating and helping as much as we can, of course.

I do not have that detail here with me, but I understand that the majority have been contacted. The advice I have is that all the major sporting bodies that were using the facility were contacted before the announcement. In terms of individuals, there may be one or two individuals who still do not know this is occurring. I understand we are holding consultations about it as well, and there has been a lot of media, a lot of attention, a lot of noticeboards put up about this.

Ultimately the responsibility sits with Minister Hildyard, although we are coordinating with her—this is not just her responsibility. I do not have that detail here, but my understanding is either all or an overall majority of the sporting bodies have been contacted.

The Hon. V.A. TARZIA: On the same line item, and referring again to the project, what consideration has been given to groups, including private sector disability providers, for example, that have a valid lease over the facility to use that centre if, by the government building a new centre, that lease is effectively being terminated somewhat. Will the government be providing any compensation to these groups for any lost opportunity or income?

The Hon. A. KOUTSANTONIS: It is difficult for me to answer that question given that this is a lease with the Adelaide City Council. The Adelaide City Council are the landlords, for lack of a better term, and all the lessees are operating through them. The Adelaide City Council is managing that and will be putting a new operator of the pool in place, a YMCA-type—I do not want to generalise and just throw them in it—or someone like that to operate it and then they will start new lease negotiations. In terms of compensation or otherwise, I would refer to the Adelaide City Council.

The Hon. V.A. TARZIA: Referring again to the same project, same budget line, and I know that the minister has an array of experience negotiating with other levels of government over his tenure, why has the government obtained no capital contribution from either the local council or federal government towards the build of this Aquatic Centre?

The Hon. A. KOUTSANTONIS: There never has been any commonwealth contribution, ever, not by the Marshall government—

The Hon. V.A. TARZIA: Why have you not attempted to? Did they say no?

The Hon. A. KOUTSANTONIS: The Adelaide City Council has remediation and demolition work to do.

The Hon. V.A. TARZIA: Yes.

The Hon. A. KOUTSANTONIS: And that is the contribution to the works. So I dispute that; I think that there is a contribution by the Adelaide City Council.

The Hon. V.A. TARZIA: But no capital contribution.

The Hon. A. KOUTSANTONIS: Demolition is capital. This is going to be a state-run facility. We like running what we think are essential services, like schools and educational programs, and I consider this one of those. This is an important recreation facility that will teach young children how to swim. It will keep people fit, healthy and active. It will be a great recreation and leisure centre. It will be a state asset and it should be run by the state.

The Hon. V.A. TARZIA: We will move on to a thing called the Torrens to Darlington, at Budget Paper 4, Volume 3, page 119. As well as obviously noting the significant blowout, and time line delay that we are all too familiar with, I would also note that this project has required additional acquisitions. The department previously suggested that there may possibly be additional acquisitions as part of the project, including recently during Economic and Finance Committee. Is the department still ruling in the possibility of additional acquisitions?

The Hon. A. KOUTSANTONIS: I would like to unpack that, Chair. My young friend said that there were time blowouts. Completion date is still 2031, so could he point to me where there has been a time blowout?

The Hon. V.A. TARZIA: In the past there has been a proposition that that would be done sooner, that the project would be finished sooner than that date.

The Hon. A. KOUTSANTONIS: By whom?

The Hon. V.A. TARZIA: Let's not go back and forth. You can dispute the time line that I am giving you.

The Hon. A. KOUTSANTONIS: I am not disputing the time line. I am saying you had a time line of 2031 and we have a time line of 2031. You have just told the parliament there has been a time blowout. I would ask you to tell the committee where are you referencing that in the budget papers.

The Hon. V.A. TARZIA: In the budget papers initially it has been said that the project would be done sooner and that has increased.

The Hon. A. KOUTSANTONIS: Where? Which budget?

The Hon. V.A. TARZIA: I am talking about what has been said previously, what has been reported previously.

The Hon. A. KOUTSANTONIS: All I am asking for is a reference. This is important because you claim there has been a cost blowout—

The Hon. V.A. TARZIA: Yes.

The Hon. A. KOUTSANTONIS: —and a time line blowout. Let's unpack that. Where is the time line blowout?

The Hon. V.A. TARZIA: We can dispute that, but we are asking the questions.

The Hon. A. KOUTSANTONIS: I want to answer your question. Where is the time blowout?

The Hon. V.A. TARZIA: When you consider former documents and reports, the initial time line has been sooner. But for all intents and purposes we can—

The Hon. A. KOUTSANTONIS: Are you criticising Mr Wingard? Because his time line was 2031.

The Hon. V.A. TARZIA: I am asking you why—if you want to dispute the time line, we can come back to that point.

The Hon. A. KOUTSANTONIS: I am not disputing the time line—it is 2031. I agree with Corey Wingard. You are the one disputing it.

The Hon. V.A. TARZIA: The cost blowout is quite clear here—

Members interjecting:

The CHAIR: Order!

The Hon. V.A. TARZIA: —and the minister knows it.

Mr FULBROOK: If you make an assertion, back it up.

The Hon. A. KOUTSANTONIS: Back it up.

Mr BROWN: Back it up!

The CHAIR: Member for Florey!

The Hon. V.A. TARZIA: I have backed it up. It has been extensively noted for the time line and the costing here that has been provided in the budget papers is more than \$15 billion—initially it was \$9 billion. The minister knows what I am getting to and I am asking about additional acquisitions.

The Hon. A. KOUTSANTONIS: First and foremost, the \$9.9 billion number that was referenced in the last Marshall budget and the last Marshall Mid-Year Budget Review, from my best estimations and my best memory, that cost was never adequate. I received advice pretty early on that it would be inadequate. We conducted the appropriate review of that project.

One of the things that concerned me the most about the project was the underscoping of the work; that is, to meet an election timetable or an election frame, the number of properties to be acquired was set at a lower level than was actually needed. There were exits coming out of the tunnels that were these elevated roadways where two lanes would merge into one, and you would have queueing in the tunnel and on the roadworks, and you would have this bizarre situation where the exit path from the tunnel on Anzac Highway was sweeping right onto Anzac Highway and heading into the city. Rather than landing on the left-hand side of the road, it landed in the middle of the road with traffic merging to their left rather than merge to their right.

I was very concerned about a \$9.9 billion spend on tunnels that might have meant that the access and exit points would have been so unusable that people would have avoided using the tunnels and it would not have worked for people or freight, so that we had to revise the project. Luckily, we conducted that review. The price came back in at \$15 billion.

On the previous design cost that was done by the previous government, the advice I have from the Australian and South Australian governments is that the true cost for the 2021 reference design would have been \$14.3 billion. If you include the essential other network upgrades, which have now been included in the updated design, there would have been an additional \$850 million worth of work, which is the associated works alongside the corridor, which were not contemplated as part of the project, giving you the cost of \$15.15 billion.

I do not accept that there is blowout. I assert that the previous government's reference design was underdone and deliberately underestimated the number of houses that needed to be acquired, for political purposes. I also assert and claim that there has been no change to the time lines of 2031. I challenge my young friend to show me a budget paper that says something different.

The Hon. V.A. TARZIA: Thank you, minister. Referring to the same line item, can the department identify the final number of homes, businesses and properties that will need to be acquired for this project?

The Hon. A. KOUTSANTONIS: I am advised the total properties, including partial acquisition—that means taking some of the property but not the home necessarily—is 522.

The Hon. V.A. TARZIA: Out of those, how many businesses have been formally acquired and at what cost?

The Hon. A. KOUTSANTONIS: I will take that on notice and get back to you.

The Hon. V.A. TARZIA: How many businesses still need to be acquired and at what cost?

The Hon. A. KOUTSANTONIS: I will take that on notice and get back to you. I just point out to the committee that we are in the process of negotiation with people. There are active negotiations about valuing businesses, whether we relocate businesses. One of the unfortunate parts about compulsory acquisition and these roadworks is the question of businesses. Homes are tough as it is, and acquiring someone's home is probably one of the most profound powers the state has, other than taxation and imprisoning someone. Taking someone's home for a public good is a really big power, and it has to be used properly.

Taking a business also has twofold consequences. Sometimes we lose the jobs altogether because you acquire the business, and the business just shuts down and those jobs are gone. We are much more keen on keeping the businesses open, which is why you are seeing usually

households acquired rather than business. Where we do acquire businesses, we would much rather keep the business open and operational, so that means a negotiation. That can be quite difficult and timely because we have to find a new place for the business to go.

Often these businesses are located deliberately on main arterial roads for the traffic that flows by, so it is important that we do this sensitively. No department under any leadership, whether it is Labor or Liberal, has got this right 100 per cent of the time because we are dealing with very emotional matters. Taking someone's home or business is very, very difficult and we get it wrong sometimes.

I have made a point of meeting personally with as many people who have disputes about compulsory acquisitions as possible, at my office or at their homes or at their businesses. That is not to pat myself on the back; that is to say how seriously I take the power we have to exercise here. I would encourage members who ever hold this position to maintain that level of interest in compulsory acquisition because it is a very terrible thing to have to do to people.

The Hon. V.A. TARZIA: Just coming back to before, if I look at an indicative time frame from an Infrastructure Australia document, the indicative time frame for completion was 2030. I understand where the minister is going on page 119, but clearly, as the minister pointed out, there has been a rescoping of the project. We will move on.

Referring again to the project, when does the department anticipate that all the businesses and homes properties will be acquired, and when will those funds be transferred? What date do you anticipate that will be finalised by?

The Hon. A. KOUTSANTONIS: By 2026-27. Remember, this is a two-stage project. We are doing the southern end first then the northern end, so we do not want to move people out unnecessarily early.

The Hon. V.A. TARZIA: Referring again to the same project, how much have the additional change design acquisitions impacted on the total project cost in future and new expenditures for the project?

The Hon. A. KOUTSANTONIS: The 2021 reference design had 412 homes; the updated one has 522. I say that the 412 was always a myth and that there were always going to be around 522 to 525. The additional cost there, I do not have a breakdown, but I can get that for you.

The Hon. V.A. TARZIA: Referring to the same line item, when do you expect the project to go to tender? It will be a happy day when that happens.

The Hon. A. KOUTSANTONIS: It is out to tender now.

The Hon. V.A. TARZIA: Fully out to tender? It is currently out, right, good. Referring to the same project, is the minister aware of any additional costs that would push the total project cost beyond the \$15.4 billion?

The Hon. A. KOUTSANTONIS: If we hit a big copper deposit or—I cannot think of anything. This is a P90 estimate, I understand. The P90 estimate is very robust. I am supremely confident that the department have done everything they can to get this reference design to a point where it is fit to go out to tender. We see those tenders are coming back. The Reserve Bank is doing everything it can to put the country into recession and to hit economic activity, so we could see some slowing of the national economy as a result of the Reserve Bank's actions to deal with inflation, which could have an impact on the tenders, but we will wait and see.

The Hon. V.A. TARZIA: Referring to the same project, does the minister or the department anticipate the possibility of any other further delays to the project, and what could cause that?

The Hon. A. KOUTSANTONIS: Labor losing the next election.

The Hon. V.A. TARZIA: I will not ask the minister to commentate on the possibility of that. Referring to the same project, can the minister advise if the Premier has received confirmation from the Prime Minister that the federal government will honour the fifty-fifty funding arrangement for the Torrens to Darlington section of the north-south corridor, and can the minister advise why so much of that expenditure on the north-south corridor sits outside the forward estimates?

The Hon. A. KOUTSANTONIS: Because that is when the work is due. The tunnel-boring machines are the largest part; that starts at the end of the forward estimates. Budgeting works in four-year frames. There was a discussion by the ABS to include maybe a fifth year of the forward estimates. That might occur; it might not occur. As far as I know, the commonwealth government have put everything we require into the forward estimates that meets the new framework.

There is no question whatsoever, I think, of any federal government not supporting this project. This is a key project. We are lucky to have a Prime Minister who is an infrastructure Prime Minister. He is the father of Infrastructure Australia and probably our most successful national infrastructure minister. He is bringing that expertise to bear as Prime Minister, and I have complete confidence and faith that he will be here for the entire duration of this build. I look forward to him opening it with the Premier.

The Hon. V.A. TARZIA: Given that there has been a change, a rescoping in the design, and what appears like a modification in the time line based on related documents, has there been a reprofiling of that expenditure from what was and what is, and how much has that changed? I would like a comparison.

The Hon. A. KOUTSANTONIS: The Infrastructure Australia document you are quoting was published when?

The Hon. V.A. TARZIA: It is hard to say by this document I am looking at, but we are talking over a year ago.

The Hon. A. KOUTSANTONIS: Yes—what, over five years ago?

The Hon. V.A. TARZIA: I do not believe so.

The Hon. A. KOUTSANTONIS: My understanding is that with Infrastructure Australia, the former Marshall government published a time line of 2031. We have stuck to that. My understanding is that Infrastructure Australia, Infrastructure South Australia, the gateway process and the state and commonwealth governments are committed to this project. I see nothing that is going to get in its way other than some catastrophic event internationally or nationally, but I think we are tendering at a perfect time. We have chosen the sweet spot to tender. We expect very competitive tenders. It is the largest project in Australia right now. We hope to see a lot of competitive tension. I have no concerns about this project going forward, given the work we have done.

The Hon. V.A. TARZIA: Do you have the publicly available date of the tender documents being sent out? Do you have that date?

The Hon. A. KOUTSANTONIS: I think it was on the tender website in March. I will double-check that and get back to you.

The Hon. V.A. TARZIA: Are you talking about expressions of interest?

The Hon. A. KOUTSANTONIS: It was April. Registration and interest began in January, then expressions of interest were released in April not March—11 April, out by 11 days.

The Hon. V.A. TARZIA: And that closes by?

The Hon. A. KOUTSANTONIS: I am advised that the first stage is closed and we go out for RFP in September this year.

The Hon. V.A. TARZIA: On the same project, same line item, given the importance of the completion of the project for South Australia, can the minister explain why it appears that the section from Regency Road to Pym Street had been slightly pushed back, comparing former budget papers to this one? Is there any reason for what appears to be a delay?

The Hon. A. KOUTSANTONIS: Tony Braxton-Smith took great pleasure in trying to school me here, claiming that as a former Treasurer, I should know all this. This is basically an accounting measure, I understand, rather than in terms of works. There are acquittals and things that are being done on the project, but the people who have driven on Regency to Pym know it is open.

The CHAIR: Member for Hartley, are you going to ask questions on the same project, or are you going to move to another project?

The Hon. V.A. TARZIA: I am going to move to another item.

The CHAIR: Before you do that, the member for Kavel has a question.

The Hon. D.R. CREGAN: If I can take the committee to Budget Paper 4, Volume 3, page 134, targets, what proportion of work has been completed for the strategic business case in respect of the High Productivity Vehicle Network?

The Hon. A. KOUTSANTONIS: Mr Speaker, it is a very important project and I know how much you have been advocating to me quietly—and when I say 'quietly' I mean incessantly—about this project. The strategic business case should be completed by the end of this year, all things being equal. That could spill over into the early part of next. We will obviously consult with industry again on that, but that is what we are hoping for. It is a very important piece of strategic work that is being done.

I want to reiterate to you, Mr Speaker, through the Chair, that I have no preconceived notions here about what this will find. I am not attempting to do a body of work that will give me a self-serving answer to do or not do something. I actually want to find out the facts here and I have full confidence in the agency to deliver that.

The Hon. D.R. CREGAN: Has any modelling been conducted as the impact of the Greater Adelaide Freight Bypass or other associated projects on the South Eastern Freeway? If so, what was the result of any modelling?

The Hon. A. KOUTSANTONIS: Early modelling undertaken as part of last year's planning study suggests the previous estimates that a Greater Adelaide Freight Bypass could remove 20 to 30 per cent of trucks from the South Eastern Freeway underestimated the significant amount of road freight travelling to and from the Adelaide Hills region itself. So the business case is currently underway ahead of independent evaluations by state and federal infrastructure bodies, as I said to you previously, Chair, and further modelling is being undertaken as part of this process.

The report comments about the viability of a bypass proposal being referred to the overall High Productivity Vehicle Network access proposal, of which the freight bypass corridor forms a part. The government has engaged in a pretty extensive and detailed examination of the implications of HPV Network access proposals. Previous options that were rejected by the former Liberal government as part of its GlobeLink visibility are not under consideration. But following three industry and stakeholder round tables last year, we have improved alerts and communications to heavy vehicle drivers using freeway descent, increased monitoring in partnership with the National Heavy Vehicle Regulator and continue to roll out additional signage through the Managed Motorways programs.

The Hon. D.R. CREGAN: Supplementary question: I wonder if the minister can share the benefit of his views or any conclusions he has reached with respect to the GlobeLink business case report prepared—at great cost, I might add—by KPMG.

The Hon. A. KOUTSANTONIS: As to the previous options rejected by the former Marshall Liberal government as part of its GlobeLink feasibility study, quite frankly it was a half-baked idea to fix traffic congestion in the Hills and has the hallmarks of a one-way expressway. It was a cruel joke on the people of the Adelaide Hills because they were fearful of a Xenophon-type proposal, and it must feel like *deja vu* for Hills residents when they did it to them again on the Greater Adelaide Hills freight network.

I think, Mr Speaker, you can be assured that the work that we are doing is about getting the right solution. I am not going to make promises we cannot keep. We are going to do the work, but as I said there will be no self-serving reports. We are not making an announcement just to get some votes and then getting rid of it afterwards. We are actually going to do the detailed work needed to make sure that we can give the people of the Adelaide Hills the appropriate transport infrastructure they need, including potentially public transport options in and out of Mount Barker.

The Hon. D.R. CREGAN: I want to touch on those options in the next session. But if we might remain with Budget Paper 4, Volume 3, page 134, what level of progress has been made on

the public transport strategy and will the development of the strategy involve consideration of the any rail connections to the Adelaide Hills, including for example Nairne or Mount Barker?

The Hon. A. KOUTSANTONIS: The short answer is yes. It is our fastest growing city. It is the fastest growing population area outside of Adelaide. It will surpass Mount Gambier relatively soon. Our strategy outlines a plan to make public transport modes the mode of choice between Mount Barker and Adelaide. We think it is a strategic piece of infrastructure that needs to be worked out properly, and I thank him for his support and his advocacy because we are going to need a lot of help getting this done.

The Hon. D.R. CREGAN: Mr Chair, bear with me. On the same budget line item, has the minister formed any views about the potential trial of Talgo rail technology in South Australia?

The Hon. A. KOUTSANTONIS: This is a difficult question. I met with Talgo when I went to Madrid and they are very keen to trial their trains. Their trains that are gauge convertible are not commuter trains for the purposes of what we would consider to be normal travel between suburb to suburb or suburb to city; these are interstate trains. Nevertheless, the technology is fascinating of gauge-convertible infrastructure. Think of the cost savings for us of being able to use a standard gauge line from Murray Bridge, and then convert that to a broad gauge line coming into Adelaide. Getting onto the broad gauge network would be a gamechanger for people in Murray Bridge and Mount Barker.

The question of us is can we do it at speed and can we do it faster than traffic flowing from the South Eastern Freeway to Adelaide? We are doing everything we can to facilitate that trial. I understand that Talgo have received their grant from the EU. They are looking for track to run their trial at speed, and gauge conversion, and we will do everything we can to facilitate that outcome.

The Hon. D.R. CREGAN: Thank you, minister. A supplementary, Mr Chair: what assistance will the minister or the department provide to Talgo to ensure for example, but not exclusively, that Talgo might require to receive rail safety accreditation?

The Hon. A. KOUTSANTONIS: We are working with ONRSR as we speak on this. We think this is a good trial—we think this is a very good trial. We made a commitment to do everything we could to facilitate it. My department have been instructed by me to make every approach, every introduction necessary for Talgo to conduct this trial.

The fastest train anywhere in Australia right now is running at about 153 km/h. A Talgo train has a capacity of 300 km/h. It is nearly double what we have available in Australia. They are keen to test their gauge conversion materials here in Adelaide, and they are keen to test their speed capability on a long straight stretch, and we are happy to facilitate both where we can.

The Hon. D.R. CREGAN: Thank you, minister. Mr Chair, I have two further questions. I understand there maybe other members, but I will address these ones speedily. Is the minister able to inform the committee as to when the Mount Barker and Adelaide Hills Transport Study might be completed and will the results or any reports be made available; and will the study consider the potential role of any passenger rail connection? I appreciate, Mr Chair, that I have wrapped up some content there within that question.

The Hon. A. KOUTSANTONIS: Again, the short answer to that is yes we are considering passenger transport—rail into Mount Barker—and we want to have that report released later this year.

The Hon. D.R. CREGAN: Is there any overlap between the transport strategy and the Mount Barker and Adelaide Hills Transport Study? If there is, will the outcomes from either project inform and provide a reporting process?

The Hon. A. KOUTSANTONIS: Yes, they are symbiotic. I think that they are linked—absolutely they are. It is an important piece of work. Adelaide Hills and Mount Barker will be complementary; of course they will be. When complete, the transport strategy provides for strategic direction and guidance that will inform the development and the outcomes of various planning studies, and the transport strategy will also enable the assessment and prioritisation of any proposed initiatives.

We are going to need partners: this will be a very expensive piece of work. Without wanting to go too much further into detail here, Mount Barker and Osborne are connected, and the idea that we might have five and a half thousand employees working at Osborne, and the fastest growing city in South Australia on our doorstep is not being serviced by public transport at speed and quality and amenity is crazy. Just asking for the money will not make it so. We need to do the work and the study, and we are doing that now and we are getting it done, we are bedding it down and we will consult, and then we will go out and make decisions, as necessary, afterwards.

The Hon. D.R. CREGAN: Thank you, minister. I might, Mr Chair, return at 2.15 to public transport and other matters, and also to roads and marine at 11.45.

The Hon. V.A. TARZIA: Budget Paper 4, Volume 3, page 120, Truro bypass: with the federal government's 90-day infrastructure review nearing completion, is the minister able to advise if he has any knowledge of whether this critical piece of infrastructure is likely to go ahead, given that it is slated as of course being substantially funded by the commonwealth government?

The Hon. A. KOUTSANTONIS: That is a question you have to put to the commonwealth government.

The Hon. V.A. TARZIA: On the same project and same line item, in that case, then, has the minister contacted the federal minister in relation to this project, and what has been the outcome of that correspondence?

The Hon. A. KOUTSANTONIS: I have contacted her about all the projects. I love all my children the same. I do not differentiate between my children; they are all special to me. I am very keen, as is every state infrastructure minister and transport minister, to keep every cent of commonwealth money we can.

The Hon. V.A. TARZIA: Have you been informed of the outcome of that very diligent, I am sure, lobby done by yourself?

The Hon. A. KOUTSANTONIS: There is a bit of a recurrent theme going on here with my young friend, about time. On the day of the announcement—it has not been 90 days yet. There is a 90-day review, and at the end of that 90 days we hopefully find out what they are up to.

The Hon. V.A. TARZIA: We look forward to that. Referring to Hahndorf, we can use a number of references but we will use Budget Paper 4, Volume 3, page 118, Hahndorf traffic improvements. I note that the community has called for an interchange to be built in Hahndorf as part of Hahndorf traffic improvements, and a number of models have been put forward. My question is: has the government settled on a final model for those traffic improvements? Have you settled on a final model?

The Hon. A. KOUTSANTONIS: Yes, we are building an interchange at Verdun and Mount Barker, two vital pieces of infrastructure. For some reason, the Hahndorf interchange was halted by the previous government. No decision was made. On entering into office, I saw these plans by Minister Wingard and Minister Knoll to carve up Beerenberg, which is an iconic piece of South Australian infrastructure. If you go to any good supermarket in Adelaide, they will carry Beerenberg jam and preserves. The number of children I know who have gone to the Beerenberg Farm to pick strawberries, including mine, would be horrified to know that the previous government had a secret plan to carve up Beerenberg.

I have been presented with these plans. It is pretty obvious what my view of that would be, and the department have not proceeded with it. It is fair to say that I do not think the department wanted to carve up Beerenberg either. It is clear to me that there was a delay in place, by the previous government, on Hahndorf. Given that Verdun and Mount Barker will do a lot of the heavy lifting to move freight and trucks from Hahndorf's main street, there is still the question of that flow-through traffic.

Hahndorf is busy for a reason. People want to go there. It is one of the most popular tourist destinations in South Australia. People love going to Hahndorf. It has good food, it has good people and it is busy. There is no piece of infrastructure that anyone can build that will make Hahndorf a sleepy little town again. I think if you speak to the broader population of the Adelaide Hills they see

what we are doing, but I have asked the department to do further work on the Hahndorf traffic issues. We have not settled on that part, but Verdun and Mount Barker are locked in.

The Hon. V.A. TARZIA: Referring to the same project, is it the case that the current government has no plan to build a bypass road to divert traffic into the main street of Hahndorf, away from Echunga Road and Pine Avenue?

The Hon. A. KOUTSANTONIS: I have to take that on notice. I am not sure what you mean by saying 'to divert traffic into the main road'. Do you mean away from the main road?

The Hon. V.A. TARZIA: Yes, away. It should be 'away'.

The Hon. A. KOUTSANTONIS: Yes, because you said 'into'.

The Hon. V.A. TARZIA: Yes, 'away'.

The Hon. A. KOUTSANTONIS: Well, the plan here is to get traffic out of the main street. If the Liberal Party have a secret plan to put more traffic into the main street—

The Hon. V.A. TARZIA: No, no, away.

The Hon. A. KOUTSANTONIS: Okay. Well, it will be interesting to read the *Hansard* afterwards. But, no, the plan is to take traffic away from the main street.

The Hon. V.A. TARZIA: There has obviously also been some other commentary referring to the same project. I believe that in September there was a range of community feedback that was overwhelmingly about still wanting more to be done in relation to diverting traffic away from the main street of Hahndorf. You say there is other work being done there around traffic solutions. When do you think that would be finalised?

The Hon. A. KOUTSANTONIS: It is amazing how much of this Hahndorf activity is coming up in Liberal Party branches all across South Australia. There must be very keen interest. I understand there is a lot of activity in Liberal Party branches. A little birdie told me yesterday that even the Hartley sub-branch had been subjected to some change. No?

The Hon. V.A. TARZIA: Not really.

The Hon. A. KOUTSANTONIS: Not really? No takeover?

The Hon. V.A. TARZIA: Not really.

The Hon. A. KOUTSANTONIS: Steady as she goes?

The CHAIR: Stick to the script, minister.

The Hon. A. KOUTSANTONIS: That's not what I heard. Anyway—

The Hon. V.A. TARZIA: We are a broad church, minister.

The Hon. A. KOUTSANTONIS: 'Church' being the right word, from what I have heard.

The Hon. V.A. TARZIA: Do you have an answer to the question?

The Hon. A. KOUTSANTONIS: We are working on it; when it is done. I will add that I have met with the Hahndorf group on numerous occasions in my office and run through modelling. I have made myself available to them on numerous occasions, and the level of engagement that they have had with me is probably more than any other minister they have ever had to deal with.

The Hon. V.A. TARZIA: I refer to the same line item: can you advise if the federal infrastructure minister, Catherine King, knew about the decision to initially cancel that project in September 2022?

The Hon. A. KOUTSANTONIS: It has not been cancelled.

The Hon. V.A. TARZIA: The change, the announcement. Was the federal government aware of that change?

The Hon. A. KOUTSANTONIS: This is the way it works. The commonwealth government does not design the projects; we do. The commonwealth government does not deliver the projects;

the states do. The commonwealth government funds projects. I note that a number of Adelaide Hills MPs have attempted to badge and name this project a certain way. The project is about improving traffic outcomes in the Adelaide Hills, including Hahndorf, Mount Barker and in and around Verdun. That is what this project is doing.

The Hon. V.A. TARZIA: I refer to Budget Paper 4, Volume 3, page 128: Majors Road on/off ramp. I note that the contract was awarded. It seems to be for construction of the on/off ramp. However, I also note that the target for commencing construction on these on/off ramps is still a bit vague. When does the department anticipate beginning works on the on/off ramps?

The Hon. A. KOUTSANTONIS: I understand that announcement is imminent, coming to you in a hard hat soon.

The Hon. V.A. TARZIA: Maybe a Sunday afternoon press conference, minister?

The Hon. A. KOUTSANTONIS: That sounds about right to me, yes. It is a very popular project in the local area.

The Hon. V.A. TARZIA: Hard hats and steelcaps.

The Hon. A. KOUTSANTONIS: A young, ambitious former backbencher did a video of himself driving along the Southern Expressway, lamenting his inability to access Majors Road. I was inspired by that video, and I think it is important that we continue this project despite the recalcitrance of members to my right.

The Hon. V.A. TARZIA: I might throw at 11.45 to my colleague, the very hardworking shadow minister for regional roads. I will throw to him for a while. Just for clarity, at 11.42, Mr Chair, I will get ahead, because I know the agency staff may want to move around. Referring to the same project, does the department anticipate any cost increase from the \$120 million price tag?

The Hon. A. KOUTSANTONIS: Not that I am advised, no.

The CHAIR: Member for Kavel, were you trying to get my attention?

The Hon. D.R. CREGAN: I was. I was a little bit worried that we might switch into the next item before two final questions on Hahndorf. Since I now have the call, will the minister spend the full \$250 million on Hahndorf and was there any design that the minister is aware of that was finalised by the previous government? In other words, has there been any change?

The Hon. A. KOUTSANTONIS: Just to be clear, the Wingard/Knoll, Knoll/Wingard overarching Marshall plan for Hahndorf never anticipated spending the entire amount of money on Hahndorf, ever. I am not sure who has told the people of Hahndorf that that money was all going to be spent on them. That was never the plan by Minister Wingard or Minister Knoll, to my advice.

The Hon. V.A. TARZIA: I have just one very important question on Budget Paper 4, Volume 3, page 117, Lightsvue to CBD. Obviously there is lots of new development traffic happening out there in the outer north-east, not so much the inner north-east but the outer north-east. What exactly does the project entail? I see there really being some traffic issues that need addressing.

The Hon. A. KOUTSANTONIS: It is about increasing the frequency of the 206 bus route to 15 minutes between 7.30am and 7pm starting January 2024.

The CHAIR: The allotted time having expired, I declare the examination of Infrastructure Planning and Management complete.

Membership:

Mr Telfer substituted for Mr Patterson.

Departmental Advisers:

Mr J. Whelan, Chief Executive, Department for Infrastructure and Transport.

Mr G. Jackson, Executive Director, People and Corporate Services, Department for Infrastructure and Transport.

Ms E. Kokar, Executive Director, Road and Marine Services, Department for Infrastructure and Transport.

Mr S. Morony, Executive Director, Infrastructure Delivery, Department for Infrastructure and Transport.

Mr S. Cooper, Acting Executive Director, Transport Strategy and Planning, Department for Infrastructure and Transport.

Mr M. Lorenz, Director, Road Maintenance, Department for Infrastructure and Transport.

Mr B. Seidel, Director, Financial and Procurement Services, Department for Infrastructure and Transport.

The CHAIR: I now open for consideration Road and Marine up to 12.45pm. Minister, do you have any new advisers?

The Hon. A. KOUTSANTONIS: I do have new advisers. I have Emma Kokar, who is the Executive Director, Road and Marine Services. Alongside Ms Kokar is Graeme Jackson, Executive Director, People and Corporate Services. Behind them are Ben Seidel, Director, Financial Procurement Services; Mick Lorenz, Director, Road Maintenance; and Scott Cooper, Acting Executive Director of Transport Strategy and Planning.

The CHAIR: Do you wish to make any opening remarks?

The Hon. A. KOUTSANTONIS: No, I look forward to the detailed questions.

The CHAIR: Member for Hammond, you are the lead on this one?

Mr PEDERICK: I am ready to go, thank you. Just before we get into roads, I want to get some clarity around Budget Paper 4, Volume 3, and I am linking it to page 117 in regard to Adelaide Hills productivity. You made a comment in one of your previous answers on rail through to the Hills about broad gauge to Murray Bridge. Murray Bridge had broad gauge until about 1995, when it was changed with the Melbourne-Adelaide rail standardisation project. Do you have plans to put broad gauge in, which will disrupt the freight route through to Melbourne?

The Hon. A. KOUTSANTONIS: No, I do not have plans to do that.

Mr PEDERICK: Well, you did mention about putting broad gauge to Murray Bridge.

The Hon. A. KOUTSANTONIS: No, I said if you were able to use a gauge-convertible train that can operate on standard and broad, as is the Talgo train, you could operate on the standard line between the ARTC operations and run passenger services into the city.

Mr PEDERICK: You did also mention bringing broad gauge back, but I will let that go.

The Hon. A. KOUTSANTONIS: No, I never said anything about bringing broad gauge back—ever.

Mr PEDERICK: We will go to Budget Paper 1, overview, page 30.

The Hon. A. KOUTSANTONIS: Budget Paper 1, the overview?

Mr PEDERICK: Yes, page 30, the road safety package. Can you justify why there was no inclusion of new funding to tackle the state's road maintenance backlog, which is set to reach \$3 billion?

The Hon. A. KOUTSANTONIS: So the question here is: why can you not fix in 14 months what we did not do in four years? Is that what you are saying?

Mr PEDERICK: No, I am asking for inclusion of new funding; that is what I am asking. That is exactly what I asked.

The Hon. A. KOUTSANTONIS: We are spending a record amount on infrastructure over the forward estimates, more than any other government in South Australia's history. If there is one accusation you cannot make of the South Australian government, it is that we are not spending on infrastructure. The privatisation of the road maintenance contracts, especially in the South-East of the state, has been a disaster, an absolute disaster. Ask anyone driving on the South-East roads what that contract privatisation has done. It is appalling. As a junior member of the former government, watching budget after budget privatise those road maintenance operations, to walk in here now and say, 'Why haven't you fixed it?' is a bit rich.

Mr PEDERICK: The question is about inclusion of new funding; that is the question.

The Hon. A. KOUTSANTONIS: There is new funding for infrastructure in the budget. What we are attempting to do is make scarce dollars go further. I cannot fix in 14 months what happened in four years.

Mr PEDERICK: This question is on the same budget line. What platforms will the additional road safety campaigns be rolled out on?

The Hon. A. KOUTSANTONIS: I think you need to speak to the road safety minister about that. This is Agency Statement Volume 3; that is the line that is open now—

Mr PEDERICK: On Budget Paper 1, Budget Overview, page 31, roads and public transport, are you able to provide in more detail what the land transport infrastructure planning studies will involve?

The Hon. A. KOUTSANTONIS: In the most recent state budget, the state government allocated \$5 million to be matched by the commonwealth government to include a planning study to seek a review shaping our satellite cities like Mount Barker, outer metropolitan and regional railway network expansions, greening our metropolitan rail network, Main South Road to the southern Expressway and alternative River Murray crossings.

We are pretty keen to try to make sure we can take full advantage of the planning works now we need for future asks of the commonwealth government to partner with us. They are pretty keen for us to do the planning work, so we have allocated money to match their funding and that should give us a good slice of money to do some planning for some long-term thinking.

Mr PEDERICK: Referring to Budget Paper 2, the speech, page 5, line 23, the Treasurer said, and I quote, that 'more than \$350 million is budgeted over the forward estimates for regional road maintenance'. How is this figure calculated and on what percentage of the unmet need of \$3 billion plus does that work out to?

The Hon. A. KOUTSANTONIS: Can I ask for a point of clarification from the member. He said the unmet need of \$3 billion. Where did he reference that number from?

Mr PEDERICK: That is in commentary from various stakeholders across the state, whether it is local government, the MTA, the RAA. If that is not the right figure, you tell me what it is.

The Hon. A. KOUTSANTONIS: The question you asked is: the \$350 million referenced by the Treasurer, how did he calculate that number. That is what you are asking.

Mr PEDERICK: Yes, in reference to the need.

The Hon. A. KOUTSANTONIS: We are spending about \$160 million per year on road maintenance. That is more than the Treasurer quoted over the forward estimates. I do not have the Treasurer's speech. This is the first time that I have been a minister that someone has asked me a question—

Mr PEDERICK: It is part of the budget.

The Hon. A. KOUTSANTONIS: Yes, but I have never been asked a question about the budget speech. In terms of road maintenance, our road maintenance budget is \$160 million a year, indexed, so that is \$640 million.

Mr PEDERICK: I will go to Budget Paper 3, Budget Statement, page 95, Chapter 8: Regional South Australia. Dot point 3 mentions \$95 million over the forward estimates for regional road and

transport improvements, including \$40 million for the upgrade at the roundabout in Mount Barker. My question is: given the Department for Infrastructure and Transport extended its metropolitan boundary to include Mount Barker and parts of the Adelaide Hills, how can you justify calling Mount Barker regional?

The Hon. A. KOUTSANTONIS: I encourage you to go to the centre of Mount Barker and tell them that they are not a regional centre.

The Hon. D.R. CREGAN: Keep hammering away, Peds.

The CHAIR: Order!

Mr PEDERICK: No, I am just asking a question. It is your own department.

The Hon. A. KOUTSANTONIS: I am stunned.

Mr PEDERICK: It is your own department on state boundaries that are ratified across the state.

The CHAIR: Member for Hammond—

Mr PEDERICK: Well, I am putting up with interjections from behind me, sir. I am sorry.

The Hon. A. KOUTSANTONIS: You should be.

The CHAIR: Order! You have asked a question. The minister will respond.

The Hon. A. KOUTSANTONIS: Thank you, sir.

The CHAIR: Once the minister responds, I would like to ask a question as well.

The Hon. A. KOUTSANTONIS: The previous Labor government was accused by members that we rezoned Mount Barker without the requisite infrastructure in place to meet that rezoning and that we had abandoned a regional centre to growth without the infrastructure they required. There is part of me that thinks that is right: we did. We have unfinished business with people in Mount Barker. That unfinished business is basically making up for what it is we did. I have been criticised by Liberal MPs while I was Treasurer and previously as infrastructure minister about that rezoning. Now that we are investing in Mount Barker, they are complaining about investing in Mount Barker.

Mr PEDERICK: I did not say that. I just asked about the boundaries.

The Hon. A. KOUTSANTONIS: The Hon. Ms Centofanti has complained about it. The Hon. Mr Hood has complained about it. Liberal MPs are out in regional South Australia saying money is being spent in Mount Barker and it is not a regional centre. Say that to the people of Mount Barker.

The CHAIR: We have two other members of the committee here. I actually have three. Please indicate if you wish to ask questions.

Mr ELLIS: I would not mind getting a couple in at some point.

The CHAIR: I will go to the member for Kavel, followed by the member for Narungga.

The Hon. D.R. CREGAN: If we can turn to Budget Paper 4, Volume 3, page 117, the Mount Barker roundabout upgrade, what is the estimated commencement date for upgrades to the roundabout, which the minister will know joins Adelaide, Alexandrina, Flaxley and Wellington roads in the regional centre of Mount Barker?

The Hon. A. KOUTSANTONIS: The regional centre of Mount Barker is receiving an upgrade of a roundabout. It is identified as a priority as part of the Mount Barker Infrastructure Deed between the state developers and that regional council. Following completion of design and land acquisitions, it is expected that the construction work will commence in late 2024 and no later than early 2025. We want to get that done as quickly as possible. It is the compulsory acquisitions that are going to be part of the issue, but it is an important piece of infrastructure for that regional community and I think they are looking forward to it.

The Hon. D.R. CREGAN: Supplementary question: is the minister able to update the committee on any modelling with respect to the scope of compulsory acquisitions that might be required for the project?

The Hon. A. KOUTSANTONIS: Could you repeat the question for us?

The Hon. D.R. CREGAN: Do we know whether there is a scope that has been prepared that suggests the range of acquisitions that might be required?

The Hon. A. KOUTSANTONIS: Yes. Land acquisitions are going to be required to expand the size of the roundabout, which will include additional lanes. The exact land requirements will be determined as part of a detailed design stage, so we will be consulting with council about that. It is going to be difficult, but it is important to meet the growing demands of Mount Barker.

The Hon. D.R. CREGAN: What modelling is being conducted with respect to the project and its impact on traffic flow through the regional centre of Mount Barker?

The Hon. A. KOUTSANTONIS: It is a regional community that is bursting at the seams. Initial modelling has been undertaken to inform options to develop and there will be further modelling. We would like to engage with you as a local member of parliament as well and, of course, the federal member.

Currently, Adelaide Road carries around 29½ thousand vehicles per day, Wellington Road carries approximately 15,000 vehicles a day, Flaxley Road carries approximately nearly 14,000 vehicles a day and Alexandrina Road carries approximately 7,800 vehicles per day. That modelling will inform the infrastructure, but obviously we want to consult with council and local MPs.

The Hon. D.R. CREGAN: Thank you, minister. I take the committee (or remaining, rather) to Budget Paper 4, Volume 3, and turn to page 118 from 117. On page 118, the Hahndorf traffic improvements line, what is the estimated commencement date for the Mount Barker Interchange component of the project?

The Hon. A. KOUTSANTONIS: Further works as part of this program are subject to the commonwealth government's review. That 90-day period will end sometime in August. As soon as we get some clean air around this—there is no-one who does not think the Mount Barker Interchange is a vital piece of infrastructure, as is the Verdun, so I am pretty confident we can get started on that as quickly as we can once the review is clear.

The Hon. D.R. CREGAN: Has any modelling been undertaken as to traffic impacts during the construction phase?

The Hon. A. KOUTSANTONIS: The department has made an assessment that the works can be constructed whilst maintaining access to traffic lanes, particularly during peak periods, to minimise impacts as much as we possibly can, but there are going to be interruptions.

The Hon. D.R. CREGAN: Has any of that modelling also examined the traffic flow through the broader Mount Barker regional township?

The Hon. A. KOUTSANTONIS: Good question. I understand the department's data shows that the interchange is or at near capacity. Modelling has been undertaken to inform the concept designs. The project has to respond to existing capacity concerns at the interchange. When you are reaching capacity, you need to make sure that the modelling is done and the work is done in advance to get the design right.

The Hon. D.R. CREGAN: Supplementary question: has any modelling been undertaken regarding the possible works to the remainder of Adelaide Road between the proposed new interchange and the regional township of Mount Barker?

The Hon. A. KOUTSANTONIS: That would have to form part of the infrastructure deed, which we are up for, I am up for. I am up to having a discussion on that with the developers and the council, so yes.

The Hon. D.R. CREGAN: At page 118 of the same volume, the Adelaide Hills road safety package, is the minister able to give an outline of the scope of works currently contemplated by that package?

The Hon. A. KOUTSANTONIS: Which package?

The Hon. D.R. CREGAN: The Adelaide Hills road safety package, page 118. It may be that the minister wishes to take it on notice, because I understand my colleagues have some questions as well.

The Hon. A. KOUTSANTONIS: The Adelaide Hills Productivity and Road Safety Package will deliver the second overtaking lane along Long Valley Road between Wistow and Strathalbyn, as well as commence a safety and accessibility upgrade along Main Road, Cherry Gardens, delivering the government's election commitment. I note that works as part of this program are subject to the commonwealth government's infrastructure and investment program review. As I said earlier, I love all my children the same but we all have our few favourites.

Mr ELLIS: I have a few questions on jetties which I hope the committee will permit me to ask consecutively. Budget Paper 5, page 57, SA Jetties Renewal Program: will the SA Jetties Renewal Program be the only state government funding source for jetty maintenance work?

The Hon. A. KOUTSANTONIS: We are hoping councils kick in some money. Now that there is new leadership in Tumby Bay, there probably will be some money spent on regional jetties, as opposed to the previous administration.

Mr TELFER: Outrageous! We spent hundreds of thousands of dollars. Scurrilous!

The Hon. A. KOUTSANTONIS: Really? A few council members have contacted me with some information.

Mr TELFER: Current council members?

The CHAIR: Member for Flinders, interjecting is—

Mr TELFER: He's trying to sully my name, Mr Chair.

The Hon. A. KOUTSANTONIS: I don't need to try.

The CHAIR: The minister and the member for Flinders will cease.

The Hon. A. KOUTSANTONIS: So, sir, we are putting in \$20 million and we are hoping that councils can contribute as well. Unfortunately, there was a previous study done by the previous government which they took to cabinet, taking it out of my reach. I know Edithburgh jetty, Port Vincent, and another one that the member has spoken to me about—

Mr ELLIS: Port Victoria.

The Hon. A. KOUTSANTONIS: —Port Victoria, he is very concerned about, and I am very keen to see what body of work we can do on those. Some councils have a greater capacity to pay, some councils have done a lot of exceptional work on trying to maintain jetties, but it just gets beyond them and their rate base, so I am pretty sympathetic to that. I am very keen to try to work with the member about what the appropriate works are. I would be looking for some local intel as well. Obviously jetties are very emotive subjects in local communities.

There is a \$20 million package that we have available, which is government work on its jetties and associated works, and \$10 million in direct grants which we want matched by councils. So there could be potentially as much as \$30 million to \$40 million spent on jetties across South Australia in the next four years. The government does not believe that this jetties program will fix every jetty in the state; it will not, and it will not rebuild them to the point where they can withstand another 100 years.

This is about getting them open and making sure that local communities can enjoy them. If there are improvements that local members think have been overlooked by their local councils, my door is open. I would especially encourage the member for Narungga if he feels that there are jetties in his area that have a priority, I am very keen to look at them.

Mr ELLIS: A question arising out of that: you reference the work that had been done previously that found its way to cabinet. Is there any scope to pick that work up and/or start a new jetties strategy that might investigate that?

The Hon. A. KOUTSANTONIS: I would love to, but it is locked away and I cannot get hold of it.

Mr ELLIS: Are there any plans to start a new equivalent strategy?

The Hon. A. KOUTSANTONIS: We have been doing our own body of work through a pilot program on Port Germein, Tumbay Bay, Edithburgh, Kingston and Rapid Bay. The five draft business cases are now underway by DIT, so we are working on those. We want to see some long-term management of these jetties, we want to see actual results for our work, but in some cases some councils are reluctant because they do not have the rate base.

The question for us is: do we focus on one jetty, do we spend that money on lots of jetties to try to get them open and operating for the local community so that they have somewhere to go and use them, and look at a broader package later on? This is \$20 million that was not there previously. So it is a good package, but I am not pretending for a moment that this is going to solve all the problems of regional jetties—because it cannot. We are talking about hundreds of millions of dollars for regional jetties but we have to start looking. I think every jetty is important because they are so important to the lifeblood of local communities.

Mr ELLIS: You reference the question about whether you identify some or all the jetties. That is a question that remains unanswered to this point. Are you still waiting for the outcome of the final program?

The Hon. A. KOUTSANTONIS: It is pretty clear that Port Germein is very important. It is pretty clear Tumbay Bay is pretty important. Given it is on Eyre Peninsula, and the tourist nature of that town, it is important. Yorke Peninsula is very, very important. The South-East is very, very important. We only have a certain amount of money to spend, plus we have our own assets to look after as well and our own jetties to look after as well, so I do not want to see us end up in the situation where we are not maintaining our current jetties that are up to speed and then we have some storm event because of climate change which means we have to spend more money again. Regular maintenance is everything.

Mr ELLIS: A final question—and I will reference Budget Paper 4, Agency Statements, Volume 3, page 117—regarding the regional road safety infrastructure package. Specifically with reference to that line but any other lines that I may have missed as well, are there any plans to upgrade any roads in the Narungga electorate over the coming financial year, after Kulpara has been identified as a poor road and any others?

The Hon. A. KOUTSANTONIS: We have identified some roads on Yorke Peninsula. I do not have the names here with me, but again I would love to hear from the local member about what roads he thinks are priorities. I am happy to work with him on those because I know how in touch he is with his local community. He might have better knowledge than us, so we are happy to talk to him about it.

Mr ELLIS: No worries. Make sure the door is sturdy; I will come and bang on it.

The Hon. A. KOUTSANTONIS: Absolutely.

Mr PEDERICK: I will go to Budget Paper 4, Volume 3, page 120, line 33. Minister, can you provide an update on how the Strzelecki Track upgrade and sealing project is tracking? What has led to its completion date being delayed by one year compared to last year's budget? In particular, because I was up there 12 months ago, I am interested in whether the Della-Dullingari Road section has been bitumenised because it was in a pretty poor state.

The Hon. A. KOUTSANTONIS: My advice is that by the end of May 2023 we have completed about 188 kilometres of the 472, and we have been hit by 36 separate inclement weather events on that road. It has been pretty tough. These events have led to the track being closed to all traffic for a total of 83 days, which has lost construction, with a further 184 days where restrictions were in place and the track has progressively reopened, so it is on track. The sections that have not

commenced yet are subject to the review. This a very important project for the state, so I am fairly confident we can continue the work.

Mr PEDERICK: I know it is a bit particular, but do you have any information on the Della-Dullingari Road because it is quite a main route in the Cooper Basin?

The Hon. A. KOUTSANTONIS: I will check. I can get back to you privately about that, if you like.

Mr PEDERICK: No, that is okay. Thank you. In line with that answer, is that why there has been a \$16 million underspend on the Strzelecki Track upgrade and sealing project in the current financial year because of those delays?

The Hon. A. KOUTSANTONIS: Yes.

Mr PEDERICK: I will go to Budget Paper 4, Volume 3, page 125, Program 2: Roads and Marine. My first question is: what will the longer term repairs on flood affected roads include, as stated in the last dot point under targets 2023-24?

The Hon. A. KOUTSANTONIS: I am advised that intense rains and significant flooding across Eyre Highway and Stuart Highway caused extensive damage to large sections of the state's national highways impacting transport, essential supplies, commodities and services. The targeted investment to improve the national supply chain within this program focused on flood recovery to improve flood resilience in these highways in the Far North. Works include upgrades to the flood-affected area and include Eyre Highway west of Kimba, Stuart Highway at Glendambo, Woocalla Creek to Lake Windabout, and Olympic Dam Highway.

Mr PEDERICK: I have just been up the Stuart Highway and Fulton Hogan are doing excellent work on the Stuart. Referring to the same budget line, can you itemise what state government budget funds have been allocated to assist local councils in the repair of roads after the River Murray flood event?

The Hon. A. KOUTSANTONIS: The Treasurer and the Chief Executive of the Department for Infrastructure and Transport allocated \$60 million of our annual program to flood-affected events in the River Murray. We put out a press release on 5 February. We talked about, obviously, the Bookpurnong Road, Berri to Loxton and we talked about a \$60 million road repair package, which no doubt has been formulated by the chief executive.

Mr PEDERICK: In regard to those funds, have some of them been directly allocated to affected councils with their road repair package?

The Hon. A. KOUTSANTONIS: I am advised that councils have been issued \$30 million by DTF through a separate package. We are not administering that, so I have no oversight of it. I would encourage you to ask the Treasurer. Yes, the Treasurer would be the appropriate person to ask.

Mr PEDERICK: I refer to Budget Paper 5, page 10, in response to that answer and the previous question, and to dot point 10, River Murray flood event, support, assistance and response. How much of the \$104 million in operating expenses has been spent on road repairs in the current financial year?

The Hon. A. KOUTSANTONIS: In the River Murray area?

Mr PEDERICK: Yes, in regard to the River Murray flood event support, assistance—

The Hon. A. KOUTSANTONIS: Can I take that on notice because I do not think I would have that breakdown here with me.

Mr PEDERICK: Thank you, minister. How much of the \$28 million in operating expenses for 2023-24 is expected to be spent on further flood-affected road repairs?

The Hon. A. KOUTSANTONIS: I will take that on notice as well.

Mr PEDERICK: Thank you, minister. I go to Budget Paper 4, Volume 3, page 128, program 3, delivery of transport projects, line 23. Under the subheading Targets 2023-24, it mentions the completion of works on the Old Murray Bridge refurbishment project. However, on page 119 of

the same paper it lists the estimated completion date for this project as June 2025. Which one of these dates is the correct one?

The Hon. A. KOUTSANTONIS: There is a difference between closing off a project and opening it and finishing construction work. One is an accounting measure and one is physical. We planned to finish it in 2024, but it was flood affected. So that is the plan, and if there is a change to that I will let the local member of parliament know.

Mr PEDERICK: Do you have any detail on how much effect the flood had on the project?

The Hon. A. KOUTSANTONIS: I will have to take that on notice.

Mr PEDERICK: Thank you. I refer to Budget Paper 4, Volume 3, page 135, infrastructure planning and policy, line 8. What departments did the \$6.675 million in intragovernment transfers come from in the current financial year?

The Hon. A. KOUTSANTONIS: My advice is that it is primarily due to the timing of the contributions of the business case funding for the Augusta Highway, stage 3 of the Highway Productivity Vehicle Network Project and the community grants construction program.

Mr PEDERICK: I refer to Budget Paper 4, Volume 3, page 128, program 3, delivery of transport projects, line 18. The first target of 2023-24 mentions the completion of the Victor Harbor Road duplication. Is that project on track to be completed in 2023-24?

The Hon. A. KOUTSANTONIS: Stage 1 will be completed by 2024 and stage 2 is subject to the commonwealth government's review.

Mr PEDERICK: On Budget Paper 4, Volume 3, page 135, infrastructure planning and policy, line 7, why is the 2022-23 estimated result for commonwealth revenues nearly double what was budgeted for 2022-23?

The Hon. A. KOUTSANTONIS: This is a timing issue with the commonwealth government. That is all it is—projects.

Mr PEDERICK: I go to Budget Paper 4, Volume 3, page 120, line 16. Why has only \$15 million of the \$34 million that was budgeted been spent on upgrades to Eyre Highway in 2022-23?

The Hon. A. KOUTSANTONIS: My advice is that it is predominantly weather, but I can check for you, if you like.

Mr PEDERICK: On Budget Paper 4, Volume 3, page 120, line 5, why has the estimated completion of the Port Wakefield Overpass and Highway Duplication Project been delayed by a year, compared with last year's budget?

The Hon. A. KOUTSANTONIS: The overpass is open and operating, so this is a financial treatment.

Mr PEDERICK: But the duplication to Lochiel is still well underway

The Hon. A. KOUTSANTONIS: Yes, that is right—for 2024.

Mr PEDERICK: I refer to Budget Paper 4, Volume 3, page 120, line 9. In last year's budget, the completion date for the Princes Highway corridor upgrade was estimated to be June 2024. What has led to the estimated completion date being delayed by one year, as listed in the current budget?

The Hon. A. KOUTSANTONIS: That is part of the commonwealth government's review.

Mr PEDERICK: Do we have any idea how much longer that review is going to take?

The Hon. A. KOUTSANTONIS: Ninety days, as it was announced, so it should be completed by August.

Mr PEDERICK: What is the reason for the \$28 million discrepancy between the 2022-23 budget and the 2022-23 estimated result for the Princes Highway corridor upgrade?

The Hon. A. KOUTSANTONIS: I suspect, like the other ones, it is a timing issue with commonwealth government payments, but I will check. It could be weather, but I suspect it is a timing issue in this case. We will check and get back to you.

Mr PEDERICK: Thank you. On line 22, what has led to the estimated completion date of the Renmark to Gawler upgrades—this would obviously be on the Sturt Highway— being extended to June 2025, as opposed to June 2024 in last year's budget? How does this fit in with future duplication of the Sturt Highway?

The Hon. A. KOUTSANTONIS: The two are not correlated. In terms of the timing, my guess is it is a tender issue, a construction issue or a weather issue, but I will find out and get back to you.

Mr PEDERICK: Is there any planning (this may be slightly off that budget line) for duplication of the Sturt Highway?

The Hon. A. KOUTSANTONIS: The government is always looking at duplications across the network.

Mr PEDERICK: I refer to Budget Paper 3, Budget Statement, page 97, Regional Roads and Infrastructure Fund. Despite Grain Producers South Australia calling for immediate investment from the state and federal governments to tackle its top 10 worst grain roads, none of them were addressed in the budget. Will any of the estimated \$491 million that is projected to be paid over four years into the Regional Roads and Infrastructure Fund go towards fixing these roads?

The Hon. A. KOUTSANTONIS: We are looking at all our roads, making sure that they are maintained to a standard that is usable.

Mr PEDERICK: What about, in particular, the roads in regard to the—

The Hon. A. KOUTSANTONIS: We look at all requests and evaluate them on the basis of need.

Mr PEDERICK: On the same budget line, will money from this fund be used to repair Kangaroo Flat Road near Millicent, which, according to Wattle Range and Grant district councils, requires urgent maintenance and consideration for a rebuild?

The Hon. A. KOUTSANTONIS: We will have a look at all those roads and allocate the resources that we have accordingly.

Mr PEDERICK: I note that Minister Brock is not here. Referring to Budget Paper 4, Volume 3, page 115, ministerial office resources, can you list the job titles and the roles of the 10 full-time equivalent staff employed in the minister's office?

The Hon. A. KOUTSANTONIS: No.

Mr PEDERICK: Can you get that to me? Thank you. Referring to Budget Paper 4, Volume 3, page 117, line 31, last year's state budget had the estimated completion date of stage 1 of the Augusta Highway duplication as June 2024 and stage 2 as June 2025. They have both been pushed out to June 2027. What is the reason for this significant delay in completing this project?

The Hon. A. KOUTSANTONIS: My advice is that the project is supposed to be open to traffic in 2024.

Mr PEDERICK: That is including stage 2?

The Hon. A. KOUTSANTONIS: Yes, that is the advice I have.

Mr PEDERICK: Thank you. I refer to line 35. Is the Augusta Highway duplication stage 3 Port Pirie to Crystal Brook business case on track to be completed by June 2024 as stated?

The Hon. A. KOUTSANTONIS: I am advised the business case was completed. It has been reviewed by Infrastructure South Australia and relates to payment milestones between the commonwealth and the state.

Mr PEDERICK: I go to Budget Paper 4, Volume 3, page 118, line 32. I know you have touched on this answer a little bit, but I just want an update on it. It has been listed under the High

Productivity Vehicle Network project, but can you provide an update specifically on the Murray Bridge to South East Links, which is the five kilometres out to the Mallee Highway, and the Swanport Bridge business cases that come under that project?

The Hon. A. KOUTSANTONIS: I am advised we are continuing with all those planning works, which also contemplates the duplication of the Swanport Bridge.

Mr PEDERICK: In regard to the duplication of the Swanport Bridge, have other sites been looked at apart from directly adjacent or bolted onto the current bridge, so to speak?

The Hon. A. KOUTSANTONIS: I would imagine the department has been looking at all options, but we will take the most cost-effective route.

Mr PEDERICK: I refer to Budget Paper 5, page 56, regional road safety infrastructure, line 10. Are you able to provide a list of locations where the additional regional road safety upgrades are going to take place?

The Hon. A. KOUTSANTONIS: The road safety package announced is \$98 million as part of the 2023-24 state budget, and includes the following new infrastructure projects:

- the Mount Barker roundabout at the Adelaide Road/Alexandrina Road/Wellington Road/Flaxley Road intersection, \$40 million;
- regional road safety infrastructure, \$10 million over the forward estimates, \$2.5 million per annum; and
- additional mobile phone detection cameras and road safety camera infrastructure \$4.1 million.

The road safety package also includes ongoing operating expenditure for the following:

- Kangaroo Island road maintenance, \$6.2 million over the forward estimates or \$1.5 million indexed per annum;
- additional road safety campaigns at \$6.2 million over the forward estimates, \$1.5 million indexed per annum;
- Rider Safe reform at \$3.8 million over the forward estimates, \$0.8 million indexed; and
- ultra high-powered vehicle licensing scheme, \$0.5 million over the forward estimates or \$0.12 million per annum indexed.

An additional fund of \$19 million over the forward estimates was also allocated to SA Police for the operation of additional cameras, and additional funds were allocated to DIT and SAPOL as outlined as part of the most recent budget.

The Hon. V.A. TARZIA: I refer to Budget Paper 4, Volume 3, Agency Statements, page 115, workforce summary. I just have some general questions. Does the department have a clear plan and time line in place for staff who are working from home to return back into the office? If so, are we able to be presented with that plan?

The Hon. A. KOUTSANTONIS: I encourage my agencies to have flexible work arrangements, and I am not in the camp that working from home somehow does not give us the productivity we deserve, although I do like public servants being at work, especially regarding 'out of sight, out of mind'; people need to be around their workmates, they need to be around and be encouraged. There is evidence to show that people who are not at work are sometimes overlooked for promotion, and do not get the engagement with teams that you might.

However, at the same time we want a flexible workforce, we want a model workforce. People have families, there are difficulties sometimes, and we also make some great savings by having smaller floorspace or workspace. I am satisfied that the department has the appropriate mechanisms in place to have a flexible workplace agreement and workplace management rules that allow the best outcomes for the department. I have yet to date seen anything that says to me they are not operating on all eight cylinders.

The Hon. V.A. TARZIA: Does the department measure staff productivity and efficiency as it relates to remote work? If so, how do they do that?

The Hon. A. KOUTSANTONIS: Not to my knowledge, no.

The Hon. V.A. TARZIA: Coming back to Budget Paper 4, Volume 3, page 119, Penneshaw and Cape Jervis ports, I note that it looks like the estimated completion date has been pushed back from 2024 to 2025. Is the minister able to explain the reason for that? Does the \$37 million project budgeted include the cost of the new onshore ramps and also parking alterations?

The Hon. A. KOUTSANTONIS: I am glad my young friend has asked this question. I have a lot to say about this project and its mismanagement by the previous government. I just got back from Kangaroo Island, where I spoke to—

The Hon. V.A. TARZIA: Point of order, sir: given the time remaining, could the minister stick to what is within the budget.

The CHAIR: Actually, the minister has not started to—

The Hon. V.A. TARZIA: I would have thought this minister, of all the other ministers, did not need to chew up the clock.

The CHAIR: Member for Hartley—

The Hon. A. KOUTSANTONIS: You are the one who had your junior minister asking question after question, not me, mate.

The CHAIR: Member for Hartley, the interjection is actually wasting your own time.

Members interjecting:

The CHAIR: Members on my left, if you want to waste your time for asking questions, feel free to do so.

The Hon. V.A. TARZIA: Penneshaw and Cape Jervis.

The Hon. A. KOUTSANTONIS: Yes. I just got back from the island, where I spoke to freight logistics operators on the island and asked them what level of consultation they had by the previous government on the design and operation of the new operations. Do you know what they told me, Chair? None.

I spoke to the council about what level of consultation they had with the then government about the contract that was signed on the death knell of the most recent election before the caretaker period. They said that, other than KPMG doing an exercise they thought was simply about ticking a box—and that is not a reflection on KPMG, more a reflection on the former state government—council feel overwhelmingly underconsulted.

We had a public meeting in Kingscote, where over 300 local residents on the island turned up. I was asked about the time lines for the upgrade of Penneshaw and Cape Jervis, and I asked the crowd, 'Who here has been consulted by SeaLink or the former state government about the freight charges and the operation of the new facility?' Not one person put their hand up—not one.

The previous government went out to tender with a design and construct proposal. That design work, given that they had already signed the contract with SeaLink and had put measures in place, meant that the design work was, quite frankly, substandard. The project cost was initially budgeted at \$22 million—this is the last budget of the Marshall government—which was clearly inadequate. We had to supplement that budget by putting in a further \$15 million.

We had to take that contract off the successful consortium that tendered and do our own design work. We found out that the work being done with signing this contract by the previous government was so substandard that the design and application of both entry points at Penneshaw and Cape Jervis were not done to any satisfaction at all, so we had to redesign the whole thing.

In redesigning it, we have had to work with SeaLink, which work should have been done well in advance of any contract being signed, about the operation of the ferries coming in and out of the terminal and what the requirements are. What we found out is that the cost structure put in place by

the previous government means that freight will actually be more expensive now to get on and off the island than it was previously, despite the investment by SeaLink on new infrastructure.

Quite frankly, the entire process has been a disaster. Now my chief executive and I need to step in and fix this process and get it right because it has been underfunded, underscoped, underbudgeted, rushed, poorly designed, poorly planned, and the previous government should now reflect on why it is they are the first former government to have lost every booth on Kangaroo Island. Good work.

The Hon. V.A. TARZIA: I refer to the same item. How much delay is there into the Cape Jervis and Penneshaw jetty works for the new SeaLink ferries due to start next year, I believe midyear, and what is the estimated cost of the new onshore ramps and also those parking alterations required?

The Hon. A. KOUTSANTONIS: The parking alterations that are required were not funded as part of the original project, of the \$22 million. I understand that boats will be in Australian waters by the second half of 2024. That will require commissioning and training by SeaLink, so I am not expecting those ferries to be operational and ready, and our works to be ready, until probably the first quarter of 2025.

The Hon. V.A. TARZIA: Referring to the budget line relating to jetties that was mentioned before, why has the minister not released to affected councils the draft business case prepared by the department for the jetties at Kingston SE, Tumbay Bay, Port Germein, Edithburgh and Rapid Bay in late 2022 as part of the pilot project that could be extended to other jetties?

The Hon. A. KOUTSANTONIS: We have met with the councils. We have agreed with the works that have been done. We have waited until the state budget is complete. Once the state budget passes the parliament, I will meet with the councils and discuss where we go to next.

The Hon. V.A. TARZIA: I refer to Budget Paper 4, Volume 3, page 125, specifically the target to complete upgrade works on the O'Sullivan Beach boat ramp, including improved access. I understand that the SA Boating Facility Advisory Committee has supported a much-needed upgrade of the Marion Bay boat ramp prepared for Yorke Peninsula Council to cater for growing demand for offshore fishing and also to enable launching by the Sea Rescue boats. Is the minister able to advise why he and the department are yet to make a decision on that very important piece of infrastructure down there?

The Hon. A. KOUTSANTONIS: We are still considering it and we will make a decision soon. That is my advice: we are still considering it.

The Hon. V.A. TARZIA: Referring to Budget Paper 4, Volume 3, page 120, Riddoch Highway intersection upgrade, I note that project seems also to have been delayed. Is there any explanation for that delay?

The Hon. A. KOUTSANTONIS: It is a developer-led piece of infrastructure work upgrade, so we are working with them to get them back on track.

The Hon. V.A. TARZIA: I refer to Budget Paper 4, Volume 3, page 120, the Strzelecki Track, which has also apparently been delayed back from 2025 to 2026. Is there any explanation for that delay?

The Hon. A. KOUTSANTONIS: I was just asked this question while you were out of the chamber by your—

The Hon. V.A. TARZIA: Thank you. We will move on. I refer to Budget Paper 4, Volume 3, page 119, the marine package. That also seems to have been delayed by one year, with a project cost of \$34 million. Is the minister able to detail what works that project involves and explain the reason behind that apparent delay?

The Hon. A. KOUTSANTONIS: The timing was shifted to meet with some local community needs for a local community event, so we have allowed that community event to occur, and then we will get back on track as quickly as we possibly can.

The Hon. V.A. TARZIA: Before I move to the member for Hammond, I refer to Budget Paper 4, Volume 3, page 119, the Port Bonython jetty refurbishment. That has also experienced a similar delay by a year, from 2024 to 2025. Is there any explanation for that delay?

The Hon. A. KOUTSANTONIS: We still think it is on track. Of course, this is the financial treatment, but we are dealing with very difficult conditions. We cannot work on the jetty while ships are being loaded or unloaded, so it is causing some difficulties, but we think we are on track to meet the time lines.

Mr PEDERICK: I refer to Budget Paper 4, Volume 3, page 126, line 21. Why is the expenditure for grants and subsidies in 2023-24 more than double what was budgeted for in 2022-23?

The Hon. A. KOUTSANTONIS: One is the timing for the South Australian Boating Facility Advisory Committee; the other is an increase in Kangaroo Island road maintenance funding, and then there is some timing for some marine package works.

The CHAIR: The time allotted having expired, I declare the examination of Road and Marine complete.

Sitting suspended from 12:46 to 13:45.

Membership:

Mr Patterson substituted for Mr Telfer.

Mr Batty substituted for Mr Pederick.

Mr Odenwalder substituted for Mr Brown.

Mrs Pearce substituted for Mr Fulbrook.

Departmental Advisers:

Mr J. Whelan, Chief Executive, Department for Infrastructure and Transport.

Mr G. Jackson, Executive Director, People and Corporate Services, Department for Infrastructure and Transport.

Ms E. Kokar, Executive Director, Road and Marine Services, Department for Infrastructure and Transport.

Mr B. Seidel, Director, Financial and Procurement Services, Department for Infrastructure and Transport.

Ms M. Dowling, Director, Service SA.

The CHAIR: Welcome back. The portfolio under examination is Service SA and Public Transport. The proposed payments remain open for examination. From 1.45 to 2.15 we will have Service SA, followed by Public Transport from 2.15 to 3.15. I invite the minister to make a statement if he wishes and to introduce his advisers, if they have changed. I will then invite the lead speaker for the opposition to make some comments and also ask questions.

The Hon. A. KOUTSANTONIS: I introduce Ms Maggie Dowling, Director, Service SA. I have no opening statement and give my young friend as many questions as he possibly can get out.

The CHAIR: Member for Hartley, you are the lead speaker.

The Hon. V.A. TARZIA: No opening statement. I am happy to go straight into questions if I may.

The CHAIR: Go ahead.

The Hon. V.A. TARZIA: In Budget Paper 4, Volume 3, Agency Statements, page 115, in relation to the general workforce summary, what is the current proportion of staff working from home and staff working from the office in your department?

The Hon. A. KOUTSANTONIS: For Service SA?

The Hon. V.A. TARZIA: Service SA, across the board.

The Hon. A. KOUTSANTONIS: I have answered this question previously.

The Hon. V.A. TARZIA: Not this particular question.

The Hon. A. KOUTSANTONIS: The percentages? We have a two-day maximum we allow people to work at home. People are entitled to take that up as they see fit. I encourage it; I think it works well. It saves us on office space and it encourages better work-life balance. How many people have taken up that two days, I do not know, but I am satisfied and comfortable with the level of productivity the department gives me.

The Hon. V.A. TARZIA: I move on specifically to Service SA in Budget Paper 4, Volume 3, page 126, explanation of significant movements and the increase in revenue associated with motor vehicle registration, licensing, and personalised numberplates under the Motor Vehicles Act in 2023-24, \$39.5 million. In relation to that item, are you able to provide an update on the koala state licence plates project, including the estimated production cost compared with other licence plates?

The Hon. A. KOUTSANTONIS: The koala numberplates have arrived. I look forward to the member for Hartley and the member for Bragg, two great tree huggers, putting their koala numberplates on their motor vehicles. I look forward to his friends and family seeing those koala numberplates on his car and the associated jubilee that will come with it.

The Hon. V.A. TARZIA: Minister, will you be buying a koala numberplate yourself?

The Hon. A. KOUTSANTONIS: No, I have already purchased the black XC numberplates for the 540; they are on the car and they are working quite well. I look forward to my young friend putting the koala numberplates on his car. I know he is a big fan of koalas. This is a great initiative by the government. The sale of these numberplates goes towards nature and conservation. They will be distributed to Service SA centres, and I look forward to their prolific take-up, especially by the member for Bragg. I am sure I will look forward to seeing it on his car soon.

The Hon. V.A. TARZIA: Referring to the same item, will the cost of koala plates be fully recovered from the public? Is there an estimated number of licence plates predicted to be sold, and will it result in a donation value near the \$250,000 estimated by the then opposition in December 2021?

The Hon. A. KOUTSANTONIS: Let's hope.

The Hon. V.A. TARZIA: On Budget Paper 4, Volume 3, page 125, we come to highlights, advising that Service SA responded effectively to customers affected by third-party data breaches. Many were both startled and obviously inconvenienced by this unfortunate breach involving Optus at the time. Is the minister able to provide more information about how that happened and what has been done to address future risks?

The Hon. A. KOUTSANTONIS: It is very difficult to address future risks. There are a number of companies that decide they require certain levels of identification which requires state infrastructure. I think this was Service SA's finest hour. I have to say the level of anxiety and concern amongst South Australians over data breaches was high and justified. The way our staff responded showed the very best of the public sector. The way the community responded to the way Service SA reacted was the very best of community spirit.

For some anecdotal evidence of this, I have been informed by local members of parliament—the member for King, the member for Gibson, the member for Newland—of examples of members of the public bringing in scones and cakes, singing the praises of our staff who worked above and beyond, who value Service SA. I think we saw the real value of Service SA when this breach occurred, remembering of course that the previous government wanted to rationalise these services and close Service SA centres across South Australia. What we saw here was the real value.

I ask the committee for a moment to consider the counterfactual here. Imagine that there had not been the election of a Malinauskas Labor government, that the previous government were somehow re-elected, that those Service SA rationalisation programs had been continued and then we had these massive data breaches. What then? What then for South Australians? I think this has been a remarkable example of how important government services are.

We have gone further. We have implemented our election commitment to keep Service SA open on Saturdays, and that is working exceptionally well. We have to remember that this is a service the state requires people by legislation to attend at these facilities to get things done. I think we have done an exceptional job. I am very proud of the work they have done. I think South Australians are very proud of the work they have done. I think Service SA is the tip of the spear when it comes to service delivery for the South Australian government. They can hold their heads high for how hard they have worked, and I know that in the parliament we are all very proud of the work they have done.

The Hon. V.A. TARZIA: Again to highlights, in terms of extending Service SA operating hours to include Saturday for five key metro centres, what took so long to operate those key metro centres?

The Hon. A. KOUTSANTONIS: We had to win an election, defeat a recalcitrant government that did not want to extend Service SA centres and, in fact, actually wanted to close Service SA centres. That took four years.

The Hon. V.A. TARZIA: I am talking about after the election.

The Hon. A. KOUTSANTONIS: After the four years, we were able to get into office, plan it and recruit staff, remembering we had been through COVID, remembering our staff still operated, remembering we had massive data breaches, remembering we were not compelling people to work. We did everything we could to get this ready and operational, and we have done an exceptional job and I am very proud of the work everyone in Service SA has done.

The Hon. V.A. TARZIA: Can the minister please advise the house what is the cost to the budget of reopening Service SA centres all day on Saturday by individual office: Marion, Seaford, Prospect, Modbury, Elizabeth?

The Hon. A. KOUTSANTONIS: The combined cost is \$1.7 million. I will not be breaking it down by site. I think that is unnecessary. If I could extrapolate from that answer, it seems to me that the opposition are once again planning on more savings tasks applied to Service SA for their upcoming election commitments.

The Hon. V.A. TARZIA: No, we never said that.

The Hon. A. KOUTSANTONIS: I think anyone paying attention to this would say, 'Why would an opposition want to know the operating costs of extra operating hours by location?' I would extrapolate from that that it is because they are planning to make announcements of budget savings.

The Hon. V.A. TARZIA: No, we never said that either.

The Hon. A. KOUTSANTONIS: It was pretty clear to me that there was a war waged against Service SA by the previous government. We have come in, ended that war, increased their budget, extended their services, and they have served the state well. The cost to the budget is \$1.7 million and that is all the opposition need to know.

The Hon. V.A. TARZIA: Why won't the minister explain the individual costs of opening each office?

The Hon. A. KOUTSANTONIS: Well, I do not want you to use that to rationalise your decision-making process to close Service SA centres.

The Hon. V.A. TARZIA: I think that is debate there, sir.

The Hon. A. KOUTSANTONIS: Debate? Well, how about we go on past experience?

The Hon. V.A. TARZIA: We will move on. Thank you, minister, for your answer.

The Hon. A. KOUTSANTONIS: You are welcome.

The Hon. V.A. TARZIA: Again referring to this item, can the minister advise of the progress—the government has mentioned plans to make Service SA a one-stop shop for lots of government services, including among other things fishing licences—and what are the increased costs for budgeting in this expansion?

The Hon. A. KOUTSANTONIS: That is work that the Premier's department is doing, DPC. The opportunity to ask those questions was of the Premier and his chief executive. I understand they appeared here yesterday.

The Hon. V.A. TARZIA: They did, but I thought given that it specifically pertains to—

The Hon. A. KOUTSANTONIS: We are one government and it is being led by DPC. The Department of the Premier and Cabinet are leading this body of work, and I direct you to them.

The Hon. V.A. TARZIA: Okay. Referring again to this item, is the minister able to advise on changes in customer foot traffic for each Service SA outlet for the past year?

The Hon. A. KOUTSANTONIS: For the Saturday extended hours or every one in particular?

The Hon. V.A. TARZIA: Every one in particular.

The Hon. A. KOUTSANTONIS: Again, this is another concern. Anyone paying attention to this line of questioning would think, 'Why would an opposition be asking questions about foot traffic in individual Service SA centres?' I would extrapolate from that a secret plan being devised by the opposition to close Service SA centres again, as they did when they were in office.

The Hon. V.A. TARZIA: No, I do not think so.

The Hon. A. KOUTSANTONIS: They proposed to close the Prospect Service SA, I think Modbury Service SA.

The Hon. V.A. TARZIA: I can categorically rule that out. The minister is now debating, sir.

The Hon. A. KOUTSANTONIS: What is the rational reason to ask a question on the foot traffic per Service SA centre other than, going on track record of the opposition, a rationalisation of services?

The Hon. V.A. TARZIA: Minister, this is estimates. We ask the questions and you, hopefully, answer them.

The Hon. A. KOUTSANTONIS: Yes.

The Hon. V.A. TARZIA: That is what we are trying to get out of this. I know you miss opposition—

The Hon. A. KOUTSANTONIS: As my young friend—

The Hon. V.A. TARZIA: —but we are the opposition. We ask the questions.

The Hon. A. KOUTSANTONIS: —would know: me forever the teacher, and you forever the student. I am attempting to teach you and school you in the ways of how to conduct yourself when you eventually get here, and I am sure you will one day at the ripe old age of 62, 63, in the last two years before you take your superannuation.

I have to say, our Service SA centres are well patronised. They perform an important public service. They are busy and, if anything, they are busy to a point where we could probably expand them rather than contract them.

The Hon. V.A. TARZIA: We thank Service SA staff for all that they do, of course, but just by way of millennials, they would tend to use their mobile phones, for example, to renew most of their licences and things like that. I am curious. Does the department track what portion of a customer base would renew, say, their licence per year by phone as opposed to going in to a site? I think that is very much in the public interest. I would be curious to know if you have any data on that at all.

The Hon. A. KOUTSANTONIS: The shadow minister is right; there is a public interest here. This is the exact same argument former Minister Knoll made for rationalising Service SA centres: millennials.

The Hon. V.A. TARZIA: With all respect, sir, this is debate.

The Hon. A. KOUTSANTONIS: Well, we are in a debate—we are debating a bill.

The Hon. V.A. TARZIA: This is quite a genuine attempt at a question.

The Hon. A. KOUTSANTONIS: We are actually debating this bill; this is not question time. We are debating this bill, and we are at the committee stage of this bill and debate is allowed.

The Hon. V.A. TARZIA: Yes, but this is 'tedious repetition', if you want the standing order.

The Hon. A. KOUTSANTONIS: Tedious repetition—yes, okay. Let me put it to you this way: I think millennials who like to use online services also know that cyber attacks on our country and on institutions are at an all-time high, and the best way to deal with cyber attacks and cybersecurity is with face-to-face, in-person presentations. The previous government oversaw a system where driver's licences could online have a change of details, which would allow greater property theft or risk of financial theft and identity theft.

Given the nature of online services, the role of Service SA now has never been more important. Sometimes in the interest of security and safety, online presentations are good and convenient, sometimes in-person presentations are just as important. So we get the balance right. Where we think we can maintain cyber safety and security, we allow online transactions. Where it is more convenient, we allow online transactions. But there are some transactions that are complex, need an explanation, and sometimes—just sometimes—you need a real person to talk to.

Having that real person to talk to makes a real difference, especially for people who are elderly, who are pensioners, who are IT poor, who require that face-to-face service. So, yes, we keep data on those types of transactions, we do monitor it and we look at the best way to deliver our services, but that does not resile from our commitment in any way to keep as many Service SA centres open as possible. I am a lot more interested in dealing with the tyranny of distance than I am with dealing with the tyranny of convenience.

The Hon. V.A. TARZIA: I am just curious: what is the proportion of people who renew online versus in person? Do you have that data, minister, and the trend on how that has changed, if you have the data?

The Hon. A. KOUTSANTONIS: For example, in the last financial year Service SA handled 9.2 million transactions, which was a record. Payment made or a fresh document issued: 69 per cent were conducted online, 22 per cent at a Service SA Centre, 8 per cent at a Service SA agent (including Australia Post), and 1 per cent through a contact centre.

During the 2022-23 financial year, compared to the average of the last three years, there was a 4.9 per cent increase in the number of digital transactions completed and a 25 per cent decrease in the number of calls to the contact centre. This was due to the removal of SAPOL's expiation payments and the reduction of licence theory testing bookings as a result of the introduction of myLs, and a reduction of calls in relation to the mySAGOV app and the removal of QR check-ins.

The Hon. V.A. TARZIA: Thank you. I refer again to the same line item. Is the minister able to provide a breakdown of transaction types, including numbers of vehicle registrations and then L-plate and P-plate registrations, motor vehicle registrations and motorcycle registrations? Could we get that data? Do you have any of those general figures?

The Hon. A. KOUTSANTONIS: We will take that question on notice. Obviously, all those transactions are done through Service SA. Every motor registration, every change of ownership is done by Service SA.

The Hon. V.A. TARZIA: Yes, so I am just wondering if we could get a breakdown?

The Hon. A. KOUTSANTONIS: Compared to what?

The Hon. V.A. TARZIA: Just a breakdown of the number of L-platers, the number of P-plate rego renewals and the number of motor vehicle renewals per vehicle type. Do you have that data? Per licence type, rather.

The Hon. A. KOUTSANTONIS: We will look at that.

The Hon. V.A. TARZIA: Do you have a breakdown of the licence type?

The Hon. A. KOUTSANTONIS: As compared to what?

The Hon. V.A. TARZIA: I am just after—

The Hon. A. KOUTSANTONIS: The last year's—

The Hon. V.A. TARZIA: Last year, whatever you have. Yes, last year. Do you have that data? Could you tell me how many people, for example, are currently holding a licence at this point in time for motor vehicles, Ls, Ps and motorbikes? Would you have that data?

The Hon. A. KOUTSANTONIS: We will look at it.

The Hon. V.A. TARZIA: Thank you. I will appreciate you looking at it, minister.

The Hon. A. KOUTSANTONIS: You are welcome.

The Hon. V.A. TARZIA: Again coming to the commentary around a one-stop portal for all government services, what in the past year have we put on in addition? What possibilities have been made and what other services are you looking to incorporate into Service SA? No doubt they serve a fantastic purpose, but there probably is an opportunity to incorporate and allow more payments at these services. Has the government done any work around that?

The Hon. A. KOUTSANTONIS: I am advised that the one-stop shop is a government platform that brings all agencies together on one platform.

The Hon. V.A. TARZIA: Again talking about Service SA, is the minister able to advise what plans he and his department may have to improve efficiency by digitising licences and registrations in this very digital era?

The Hon. A. KOUTSANTONIS: I am advised that we are continuing with our digitisation strategy, but, in terms of the specifics the shadow minister asked for, I will get back to the committee on notice.

The Hon. V.A. TARZIA: Again referring to the same subject, are there other services online? I know, for example, the New South Wales government took this matter very seriously during the former Liberal government, with Victor Dominello as the minister at the time. Do you see any quick opportunities to increase the digital opportunities in terms of licences? Is there anything planned for the next 12 months?

The Hon. A. KOUTSANTONIS: In terms of revenue?

The Hon. V.A. TARZIA: Just in terms of digitising and modernising the system from a Service SA point of view.

The Hon. A. KOUTSANTONIS: We are constantly looking to improve, constantly looking to try to create ease and constantly trying to use technologies to do as many services as we can online. If we can improve the offering to our customers, we will.

The Hon. V.A. TARZIA: Do you have any other plans to extend the opening hours at any other Service SA centres across the state?

The Hon. A. KOUTSANTONIS: As of yet, no.

The Hon. V.A. TARZIA: Why is that the case?

The Hon. A. KOUTSANTONIS: We have only just opened them, so let's see how it works for at least 12 months, do an assessment and then see where there are gaps and potentially open more, or leave it as it is.

The Hon. V.A. TARZIA: Are you effectively ruling out any reduction in any hours at any Service SA centres during this term of government?

The Hon. A. KOUTSANTONIS: Yes. If only members opposite had made the same promise there would not be just 16 of you sitting there asking me questions.

The Hon. V.A. TARZIA: On that note, we have a few minutes to go, but I am happy to transition into public transport.

The Hon. A. KOUTSANTONIS: Service SA is allocated. We will keep going.

The Hon. V.A. TARZIA: Okay, more questions on Service SA.

The CHAIR: Do you have more questions on Service SA?

The Hon. V.A. TARZIA: I can do.

The CHAIR: It is up to you.

The Hon. V.A. TARZIA: We have more questions on Service SA. You made mention of the fact that there were customers affected by third-party data breaches. I know at the time the government put on extra services at the weekend, extra opening hours, and I remember seeing the massive line-ups that occurred. The government did respond; to their credit, I think they got there in the end. In terms of exposure, how many South Australians experienced that data breach? Were there any severe cases of data breach that have resulted in theft or fraud from that hack?

The Hon. A. KOUTSANTONIS: We would not know that. What we would know is people who applied to have their licences changed.

The Hon. V.A. TARZIA: And how many licences were changed?

The Hon. A. KOUTSANTONIS: I will take that on notice and get back to you.

The Hon. V.A. TARZIA: In relation to the Conditional Registration Scheme to include classic and historical vehicles manufactured and that there was also reinstatement of outer area concessions, increasing the number of vehicles eligible for cheaper car registration, how many people this past year have actually taken up that offer?

The Hon. A. KOUTSANTONIS: No, it was a right that a lot of people in regional South Australia lost under the previous government. It has been returned to them. You will have noticed that on Kangaroo Island that was taken up by a large number of people. I do not have the exact numbers, but I will get back to you. As I said in the parliament, I think on Tuesday or on Monday, what a stupid idea to cut that concession for regional communities. Whose idea was that?

The Hon. V.A. TARZIA: I am talking about the Conditional Registration Scheme to include classic and historical vehicles.

The Hon. A. KOUTSANTONIS: Sorry, I thought you were talking about the regional concessions for people in regional and remote areas.

The Hon. V.A. TARZIA: Yes, you mentioned the outer area concession.

The Hon. A. KOUTSANTONIS: You mentioned the outer area concession.

The Hon. V.A. TARZIA: I will go back. The first part of my question was: in regard to the expansion of the Conditional Registration Scheme to include classic and historical vehicles manufactured prior to 1997, how many people this past year have taken that up?

The Hon. A. KOUTSANTONIS: We have been inundated. This is a very popular piece of policy reform that people have flooded in with. This is pre-1997 now, I imagine, just when I entered parliament. All those VN SSs and EA Fords are now eligible for motor registration concessions. A lot of people who are motor enthusiasts were very keen to get these cars registered. It has been great.

I think if you go out and about in local communities and you speak to people who have these vehicles who are motor enthusiasts, they know, they realise that this Labor government is their friend. This Labor government listens to them. They were ignored for four years. Under those four years of

the Marshall government, they got almost no action, but under our government there has been an influx.

In terms of the actual numbers, I can get those, because it is something that the government is quite proud of. If you go to any Coffee N Chrome event on a Sunday morning, you will see that, through our extensive programs, the number of communities this government has reached to talk about these programs has been immense.

I know the member for King has been at these events, the member for Newland has been at these events, the member for Gibson has been at these events, I have been at these events, the Treasurer has been at these events, the Premier has been at these events. These are people who love their motor vehicles. They are proud of their motor vehicles. They restore them, they keep them and now they finally have a government that understands the work, time and effort they have put into those motor vehicles, and we look after them. It is a great initiative. Thank you for asking.

The Hon. V.A. TARZIA: There are a couple of HQ Monaros in Campbelltown. I am sure they would have also been—

The Hon. A. KOUTSANTONIS: They were already covered. The HQs were already covered; 1971 was a great year—a great year.

The Hon. V.A. TARZIA: Coming to expanding the On the Right Track program to additional locations across South Australia, including Maree, Leigh Creek, Copley, Nepabunna and Iga Warta, to provide local communities with a bimonthly service delivery to improve access to Service SA and motor driving instructors, I think it is a really good initiative. How is that going and how many people have taken up that program?

The Hon. A. KOUTSANTONIS: While we wait for the numbers, I am advised that it is the 10-year anniversary of that program next year, and we have expanded it to heavy vehicle licensing as well. It is a very good program.

On the Right Track client base numbers continue to grow with the expansion into Flinders Ranges and Far North locations across the state. Right Track now provides services for 18 communities with a client base of 2,700, with 900 gaining a learner's permit and almost 300 gaining a driver's licence. With expansive heavy vehicles testing and licensing across the APY lands, 11 clients of On the Right Track have commenced training, with eight successful in gaining medium rigid licenses. This is a great program.

The CHAIR: The allotted time having expired, I declare the examination of Service SA complete.

Departmental Advisers:

Mr J. Whelan, Chief Executive, Department for Infrastructure and Transport.

Mr G. Jackson, Executive Director, People and Corporate Services, Department for Infrastructure and Transport.

Mr R. Stopp, Acting Executive Director, SA Public Transport Authority.

Mr B. Seidel, Director, Financial and Procurement Services, Department for Infrastructure and Transport.

Ms E. Cavaggion, Program Lead, People and Corporate, Department for Infrastructure and Transport.

The CHAIR: I open the examination of Public Transport. Is there a change of advisers?

The Hon. A. KOUTSANTONIS: Yes. To my immediate right is Mr Rob Stopp, the Acting Executive Director of SAPTA. Behind me is Graeme Jackson, Emma Cavaggion is the Program Lead in the Public Transport inhouse program, and Ben Seidel the Director of Financial and Procurement Services remains. Of course, there is Jon Whelan and myself.

The CHAIR: Do you wish to make an opening statement?

The Hon. A. KOUTSANTONIS: I will give my young friend every opportunity to ask as many questions as he likes.

The CHAIR: You are referring to the member for Hartley?

The Hon. A. KOUTSANTONIS: Yes. I am forever the teacher, sir.

The Hon. V.A. TARZIA: Thank you, minister, and thank you, staff.

The Hon. A. KOUTSANTONIS: You are welcome. You will thank me one day. One day you will be able to say, 'I put up with Tom Koutsantonis. You're no match.'

The Hon. V.A. TARZIA: Are you finished talking to yourself, minister? I refer to Budget Paper 4, Volume 3, page 117, Adelaide Railway Station. It appears that this project has been delayed. Is there any explanation for that delay?

The Hon. A. KOUTSANTONIS: You are talking about the facade treatment along the railway station?

The Hon. V.A. TARZIA: Yes.

The Hon. A. KOUTSANTONIS: There are a number of tenancies within the Railway Station, and we are moving the work around to accommodate them and their work practices. It is not so much a delay as much as we are listening to the local businesses that are tenants and making sure they are not disrupted.

The Hon. V.A. TARZIA: Your favourite topic, minister: public transport boardings. Obviously, the public saves money when more people catch public transport.

The Hon. A. KOUTSANTONIS: That is true.

The Hon. V.A. TARZIA: I have just a few questions in regard to these boarding figures. Total boardings in 2022-23 of 61.1 million were well below the target of 77.7 million. Why does the minister believe that target was not reached, and what other KPIs has the minister used to assess the performance of this?

The Hon. A. KOUTSANTONIS: I will not lie: I think we have a lot of work to do on passenger transport boardings. There have been a lot of attacks on passenger transport. As much as we in here like to think people know that there are changes in lineal time between changes of government, if you think about the publicity on public transport, the previous government were planning to close up to 1,000 bus stops across South Australia. Despite there being a change of government, there are some people who still think those changes have occurred.

I think what is occurring here is that there has been a sustained attack on public transport over the life of the Marshall government. There was the privatisation of our trains and trams, which was basically an admission that they could not do it as well as a private operator, and there was the attempt to rationalise bus services by closing bus stops. I think that residual attack, plus COVID, and obviously public safety fears, health and risks, have an impact, along with some antisocial behaviour on public transport.

It is also fair to say that the most recent surveys done through our QR code show that 48 per cent of respondents are complaining about fare evasion on public transport. If nearly one in two complaints to SAPTA through our program are saying it is fare evasion, we cannot accurately forecast patronage. We forecast and report patronage on the basis of money received, rather than trips taken.

If one in two complaints are about fare evasion, what does that actually equate to in terms of real fare evasion, in terms of actual percentage of all trips taken? Let's say it is 20 per cent, or let's say it is 10 per cent, we do not know but, given it makes up nearly half the complaints that we receive, I would say it is a pretty high number. I suspect the question for us is that it is not that people are not using our bus services; it is that some people are not paying for them.

I have had a number of people come to me and say we should make all public transport free. I disagree with that and I am prepared to argue against it. I say this: public transport is an essential service, it also has a value and it is already heavily subsidised. It is subsidised to within, I think, nearly 90 per cent of the cost of delivering the service. What we ask South Australians is to make a contribution towards their public amenity and their public good. We do so through their taxes and through their patronage. It is important that we keep a value on public transport.

We have given our seniors a free public transport service in recognition of their work and dedication to our state and country. We have given our healthcare workers free public transport in recognition of their commitment to keeping our hospitals operating and working. I do think it is important we maintain a level of appreciation of the services we are offering, which is why we should maintain fees, and that is why we are conducting operations to try to crack down on fare evasion.

Without taking up too much time of the shadow minister's questioning, I take this opportunity to thank the government and my cabinet colleagues and the caucus for the extra money we have to put pay-as-you-go facilities on our train, tram and bus services, which will make it a lot easier for us to police fare evasion. It makes it a lot more convenient to get on a bus, train or tram and, of course, it gives it a greater amenity.

It will also give us the ability to come up with a comprehensive new fare structure, which I am looking at as a result of bringing our trains and trams back into public hands. Once that transfer is complete, we can come up with a comprehensive service that will see public transport become the tip of the spear for this government's transport and infrastructure strategy.

The Hon. V.A. TARZIA: On that note, can the minister explain the key time lines of what you call returning trains and trams back into public hands? I am talking about when that transitions back into public hands, those key milestones. Could you please provide those to the house?

The Hon. A. KOUTSANTONIS: January and July 2025 for trains and trams respectively. It is important to note that we are entering an alliance now, so we will be relearning the business and reacquainting ourselves with the operation of an essential public utility that members to my right privatised. We are bringing that back into public hands for one very important reason: public transport is not a luxury, it is an essential service.

I wish we had won an earlier election and we could have undone the privatisation of ETSA. We could not. This is a privatisation that we can undo. I think over the long term history will regard this as the right decision.

Mr TEAGUE: Since the parliament is sovereign, will you also deprivatise bus services?

The Hon. A. KOUTSANTONIS: Well, the parliament is sovereign; I agree with that principle. However, sovereign risk is real. The parliament is only as good as the commitments we make. We went to the election promising that we would undo the privatisation of our trains and trams. We wrote to all the proponents before they bid, saying, 'Buyer beware. If you participate in this process and a Malinauskas government is elected, we will undo this privatisation.' We did not do that with our buses.

What we said was we would investigate bringing our buses in. We never said anything about using the parliament. We never said anything about undoing contracts. We are investigating our buses, having a look at our bus contracts as they expire and whether or not they would be better in public hands. That work is ongoing. Once it is completed, the cabinet will assess it and make decisions, but we are not breaking contracts without advanced notice before an election, and I stand by that.

This parliament is sovereign and can do as it pleases, and it is the master of its own destiny. However, people have invested in good faith on the basis of the rules. Bus contracts were let on the basis of rules. Train and tram contracts were privatised on the basis that there would be an election on 19 March 2022 and that one of those two political parties was saying we would undo this contract, and we warned everyone in advance.

The Hon. V.A. TARZIA: When those bus private contracts come up for renewal, will you return them into public hands, or will you continue with those contracts?

The Hon. A. KOUTSANTONIS: That will be entirely up to what the independent examination by SAPTA tells us and what the decision of the cabinet is.

The Hon. V.A. TARZIA: When will that be known?

The Hon. A. KOUTSANTONIS: Soon.

The Hon. V.A. TARZIA: What does 'soon' mean?

The Hon. A. KOUTSANTONIS: 'Soon' means in a time coming up relatively proximate to the announcement of the intent.

The Hon. V.A. TARZIA: I refer to Budget Paper 4, Volume 3, page 117, the bus fleet replacement program. Can you clarify that this refers to the replacement of our bus fleet gradually coming to, I suppose, zero emission and provide any information you have around that? How many buses are being purchased? Are they electric buses, hybrid buses, hydrogen buses? What do we have there in the mix?

The Hon. A. KOUTSANTONIS: It is a good question. It is important that we do the appropriate studies to make sure we get it right. For example, for a thousand buses in our fleet, by and large, if we go completely electric battery, that would mean that in the middle of the day we would have to build the infrastructure required to charge all those buses at once, which could have a lot of unintended consequences. Hydrogen fuel cell—still electric buses but fuelled by hydrogen—could be an alternative, but that would need hydrogen refuelling facilities. A hybrid model—diesel, battery, hybrid, hydrogen fuel cell battery—these are all options we are looking at. We are testing. We are looking what works in Australian conditions. We are not rushing into this.

I also point out just think of the infrastructure costs of having to build charging stations for a thousand buses. It is not a matter of just plugging these things into your home charging. This would have to be a centralised charging facility. It is a very complex piece of work, and I have complete faith in my department to do that work, and they are doing that now. We are running strategies on hydrogen fuel cell buses, hybrid electric buses, hydrogen fuel cell battery buses—all the options. One thing is very clear: I am not ordering any more diesel buses.

The Hon. V.A. TARZIA: Are you able to highlight how many of the first fleet will be zero-emission buses, how many will be hybrid diesel and how many will be potentially hydrogen?

The Hon. A. KOUTSANTONIS: I understand my young friend's anticipation for an answer and rush to get the answer here, but I will say this again: we have to get this right. I want my agency to do the appropriate baseline study. This is work that was not done over the last four years. Again, we lost four years here in the transition, when everything stood still. While we stood still, we were not doing the work we needed to do about hydrogen refuelling, hydrogen supply chain, electric charging, electric battery hybrid charging, charging infrastructure, where would you charge them, what is the impact on routes and how that would work in Australian conditions.

These are answers to questions I wish I had now. If the work had been done between 2018 and 2022, I might have had the answer. Unfortunately, that work was not done. We are doing that work now. As soon as I have the answers, I will be singing it from the rooftops across Adelaide because South Australians are itching for this transition. We lead the world, and we want to lead the world not just in solar rooftop PV and in grid-scale generation but also in public amenity and public transport fleets. I think we can do that not only with buses, trains and trams. Why not taxis, why not Uber all being considered as part of this transition?

The Hon. V.A. TARZIA: I add to that, Toyota had an EV forklift I recently saw, so there are a whole range, I am sure. I refer to Budget Paper 4, Volume 3, page 118, Ethelton Railway Station. Is that part of the railway Station Refresh Program, or separate to? Or take it on notice?

The CHAIR: While the minister is seeking advice, I would just like to acknowledge in the gallery former Premier and member for Salisbury, the Hon. Lynn Arnold.

The Hon. A. KOUTSANTONIS: I can confirm that indeed it is. I also welcome one of the most distinguished former premiers this state has ever had.

The Hon. V.A. TARZIA: Hear, hear! Referring to the same project, it also appears that that has also suffered some sort of a delay. Is there any explanation as to why that one has been delayed?

The Hon. A. KOUTSANTONIS: We want to make sure we do not disrupt services as we roll out the infrastructure, so I think it is a coordination issue rather than a delay in infrastructure rollout.

The Hon. V.A. TARZIA: I see my friend from Mount Barker here as well.

The Hon. A. KOUTSANTONIS: He is the leader of the House of Assembly.

The Hon. V.A. TARZIA: Yes. In Budget Paper 4, Volume 3, page 118, extended bus depot, Mount Barker, I note that there seems to be a delay in that from 2023 to 2024. I am not sure how he puts up with it. Are you able to explain that delay, minister?

The Hon. A. KOUTSANTONIS: One man's delay is another man's investment. I do not consider it a delay; I consider it a dramatic investment in a great regional centre. I will get some details. We are not aware of any delay.

The Hon. V.A. TARZIA: I will hand over.

The CHAIR: Member for Kavel.

The Hon. D.R. CREGAN: If I can keep us on Budget Paper 4, Volume 3, page 118, what is the status of funding for the on-demand bus service trial referred to as Keoride that has been operating in Mount Barker, Nairne and Littlehampton? Has funding been committed to ensure this service can continue into the future?

The Hon. A. KOUTSANTONIS: It is fair to say that that is probably the most successful on-demand trial conducted anywhere in Australia, if not—I will go further—the world. The former government commenced these trials I think in Gawler—

The CHAIR: Some years ago.

The Hon. A. KOUTSANTONIS: —Nuriootpa and Mount Barker. By far, Mount Barker has been the most successful. I can commit to the Speaker that this will continue. We are phasing this out of a trial to becoming regular services. That transition is being negotiated now, but it has worked so well that I think it is something that warrants its continuation.

I have to say, had it not been for the advocacy and work of the member for Kavel in this matter, I am not sure that this service would have survived. I think it is a testament to his local capacity as a member of parliament and his hard work and diligence that this trial will now transition into a regular service.

The Hon. D.R. CREGAN: You are far too generous.

The Hon. A. KOUTSANTONIS: Okay, which part should I take back?

The Hon. D.R. CREGAN: I refer the minister to page 118, the direct express service from Adelaide to the Hills, which is the third of the line items. Is the minister able to provide an update to the committee on the implementation of that proposed service, the direct express service? I understand that there is \$5 million to be acquitted in the 2023-24 year.

The Hon. A. KOUTSANTONIS: I do not have the full details here with me. Can I apologise to the committee and offer the member for Kavel a briefing post the committee, and I will give him an answer on notice for his community as fast as possible.

The Hon. D.R. CREGAN: Turning to the Bus Fleet Replacement Program. I think that is on the previous page 117. Is the minister able to update the committee, or perhaps take it on notice, as to which of the buses presently in operation in the Hills might be replaced as part of that fleet separate to the express service?

The Hon. A. KOUTSANTONIS: We basically run a 25-year fleet life on our buses. Obviously we would like to get rid of our oldest buses first and replace them, but I leave that entirely in the hands of SAPTA and our maintenance and repair units. I am not sure it is done by route; I think it is done by age of bus. So if there are particularly older buses in the Adelaide Hills, they are probably

heading for a scrap yard soon and will have a brand-new hybrid electric, hydrogen fuel cell or full electric bus heading their way.

The Hon. D.R. CREGAN: Thank you, minister.

The Hon. V.A. TARZIA: On Budget Paper 4, Volume 3, page 122, public transport services, targets 2023-24, regional bus services: I am curious to know where will the new, large replacement buses in regional SA be placed and does this complete the regional bus passenger services procurement?

The Hon. A. KOUTSANTONIS: We are in the middle of negotiations and discussions with delivery service proprietors, so rather than pre-empt what we are doing, if I could be so bold as to ask the shadow minister for his forbearance and take this on notice to give him a detailed answer after we have spoken to the providers of the service in regional South Australia.

The Hon. V.A. TARZIA: Budget Paper 4, Volume 3, page 117, Adelaide Metro tap and pay, \$7 million investment: does the department consider this to be a full estimation project cost? Do they think that will be enough for the entire rollout of that tap and pay method?

The Hon. A. KOUTSANTONIS: If I know my department, yes, it will be enough, and it is probably paying for something else as well.

The Hon. V.A. TARZIA: Very efficient. When will that tap and pay project be finished? When will all the vehicles be fitted?

The Hon. A. KOUTSANTONIS: That is a good question. We are planning for the middle of next year, so we are trying to align this with the return of all of our public transport fleets into government control. I am assuming it is the middle of next year, which would give us the ability to start thinking about our price restructure.

The Hon. V.A. TARZIA: You link that to fare evasion, and I understand the logic: if you make it easier for people to tap, obviously fare evasion goes down. What are you expecting by way of KPI? What are you expecting to see both from boardings going up and fare evasion going down?

The Hon. A. KOUTSANTONIS: It is a good question. Why are we doing this and what benefit do we want? I think there are a number of inhibitors to public transport use, and one is amenity. We are competing against people who are sitting in the comfort and amenity of their own car. That is pretty hard to overcome. What we have on our side is the cost of car parking, the cost of fuel, the cost of insurance, the cost of living is going up, everything else is going up, and you can save tens of thousands of dollars catching public transport over cycles.

The question for us is: how do we improve that amenity? One of the easiest and most amenable things to do is, rather than have someone charge a Metrocard and then go on and use that Metrocard on a service, tap and go should improve it. How does it improve fare evasion? First, it removes excuses for fare evasion. It is fair to say that there are people who get on buses, trains and trams today with Adelaide Metrocards who have not recharged, refreshed or whatever the terminology is, who attempt to go online and recharge their card and cannot do it in time for the fare that they are on, and they still get the negative beep on their card.

The Hon. V.A. TARZIA: It is very clunky, I agree.

The Hon. A. KOUTSANTONIS: Very clunky, right? So we remove that. That should improve fare evasion immediately because that is actually a form of fare evasion, even though it is not deliberate. They are attempting to pay; they just cannot do it in time. That is one point. The second point is enforcement. If you can pay using Metrocard, prepaid ticket or your Apple watch, iPhone, credit card, debit card, what is the excuse for not paying on a train, tram or bus? Next to nothing now. So I think there will be greater enforcement.

As a result of bringing our trains and trams back in, there will be a greater number of PSAs. They will be repurposed into transit ticketing enforcement officers who will be going about making sure that we can have a level of social order on our trains and trams and buses, and of course tackling fare evasion. We are also running covert operations on our buses, trains and trams through our QR code program where we are asking the public to let us know when they see antisocial

behaviour or when they see fare evasion. We are then reporting that to our transit police who are then responding.

Tap and go makes it a lot easier and it does create a level of public pressure, social norms to tap on as you get on. There are other things we can do here as well. We can do tap and go on the outside of the bus before the doors open. We could potentially even change the way people enter. Currently, on the O-Bahn you can enter from both doors to get on and off. Potentially there is an opportunity now, given the speed of tap and go, to change that. We have not decided on that yet, but this gives us plenty of tools in our arsenal to look at how we can better improve public fare evasion.

I think that will go a long way to increasing revenue and improving amenity, because people who fare evade—and this is not a generalisation. I assume if you are behaving in an antisocial way on a train or tram, why would you buy a ticket? So cracking down on fare evasion seems to kill two birds with one stone.

The Hon. V.A. TARZIA: Thank you. Again, on page 124, Volume 3, under metropolitan public passenger services, today I noticed in my own electorate on the 176 travelling to the city there was an ad on the back of it, 'Public transport: time to forget petrol prices'. How much is that ad costing and how long does it go for? There is obviously an advertising campaign encouraging people to use public transport.

The Hon. A. KOUTSANTONIS: Are you saying it is a state government ad?

The Hon. V.A. TARZIA: Yes, by the looks of it.

The Hon. A. KOUTSANTONIS: I am not sure we charge ourselves for our own advertising campaigns. It is part of a program to encourage more public transport use. There is a great suggestion by the PSA to put a sign on the back of every bus, saying 'You are not in traffic. You are traffic.'

The Hon. V.A. TARZIA: This one says 'Time to forget petrol prices.'

The Hon. A. KOUTSANTONIS: Well, it is about time you lose sitting in the car rather than having to fill up your car with petrol and paying insurance, paying car parking. There are great new offerings now—and without advertising one company, one of the most advertised is Youi, where you can explain how long you drive your vehicle for, how often you drive your vehicle and you get a different rate of insurance as opposed to the old flat rates that assume you drive every day. Catching public transport every day to and from work can save you over \$10,000 a year in some scenarios. That money can go straight off your mortgage.

The Hon. V.A. TARZIA: Coming back to validators, how many old validators have been replaced with new validators?

The Hon. A. KOUTSANTONIS: I am advised by the end of this program that all of them will be, but I do not have a number to date.

The Hon. V.A. TARZIA: Referring to that project and this discussion around tap and go, does the department intend at any point to phase out the Metrocards?

The Hon. A. KOUTSANTONIS: Yes.

The Hon. V.A. TARZIA: When will that phasing out occur?

The Hon. A. KOUTSANTONIS: Paper tickets will be gone by next month.

The Hon. V.A. TARZIA: Great, so I have to spend my Metrocard.

The Hon. A. KOUTSANTONIS: Metrocard will remain; it is the tickets that are going.

The Hon. V.A. TARZIA: So you will not be phasing out Metrocards?

The Hon. A. KOUTSANTONIS: No. The great thing about Metrocards versus the credit card tap and pay is that we are being told that there is technology available now where you can purchase a type of ticket using your Visa card, and the memory embedded within the Visa card or the Mastercard or the American Express card or the Apple phone, or the phone you use, will

remember the type of ticket you have bought, which might make Metrocards redundant at a later date. If we are able to go full Visa card, we will. Metrocard is there to make sure that people who want to buy a monthly concessional ticket or have some other form of concessional ticket available can use their Metrocard as well. Ultimately, there should be a way of us phasing this out long term, and we are looking at all that now.

The Hon. V.A. TARZIA: It would be Mastercard, Visa but probably not Amex?

The Hon. A. KOUTSANTONIS: Probably not Amex, no.

The Hon. V.A. TARZIA: Probably not crypto?

The Hon. A. KOUTSANTONIS: No. Crypto is the sort of thing Steven Marshall invests in, so it will not work.

The Hon. V.A. TARZIA: If only I had bought it many years ago, minister. Referring to the same project, can the department confirm there will be no extra associated fee or cost by using their credit card rather than a Metrocard on trams and trains?

The Hon. A. KOUTSANTONIS: Other than the fees that Visa cards charge.

The Hon. V.A. TARZIA: Standard?

The Hon. A. KOUTSANTONIS: Yes.

The Hon. V.A. TARZIA: When does the department expect to have the entire public transport network covered with tap and pay? I know you have said 'as soon as possible', but do you have any time line in mind?

The Hon. A. KOUTSANTONIS: By the middle of 2025 I think I said—yes, mid-2025.

The Hon. V.A. TARZIA: Referring to the same project, and you touched on it before, I understand that a portion or percentage of cost for the new system will be recouped by reducing fare evasion levels. Do you have any data on that at all?

The Hon. A. KOUTSANTONIS: No, not that we are going to release. Again, the main play here is amenity and ease of use. Think about it now: you are a first-time public transport user—how do you get on a bus? You have to go somewhere and buy a Metrocard or a paper ticket to get on a bus. You cannot use cash and you cannot use a credit card unless it is already a tap and pay facility. I want to make it as easy for anybody who wants to make a last-minute decision to catch a train, a bus or a tram. Since we took cash out, we need to have an alternative, and this is the right solution in my opinion.

The Hon. V.A. TARZIA: What are the current figures for fare evasion, and what do you expect the improvement to be after the tap and go and also once these services are returned to public hands?

The Hon. A. KOUTSANTONIS: If we go on the basis of what our inspectors are finding through random searches, 4 per cent to 5 per cent of trips are fare evasion. If you look at the reports we are getting in from people who complain about things on public transport, nearly half are fare evasion. So the question for us is: is the enforcement and the reporting misaligned? It is hard to get accurate numbers.

Without revealing all the methods we use, I can flag that I am very keen at cracking this nut because I think it is something that will encourage South Australians to use more public transport. If you are cracking down on fare evaders, it means that there is more presence on our buses, trains and trams, which probably means it is safer and they get more use.

The Hon. V.A. TARZIA: You touched on this before you anticipated what I was going to get to: page 122 under targets 2023-24, complete the regional bus passenger services procurement. Are you able to elaborate on what steps of the procurement are still required?

The Hon. A. KOUTSANTONIS: I might take that on notice to not waste your time. I have the answer here, but would you rather have it on notice?

The Hon. V.A. TARZIA: That is fine, thank you—and, related to the same project, how much does the department estimate that procurement will cost?

The Hon. A. KOUTSANTONIS: Sure.

The Hon. V.A. TARZIA: I refer to Budget Paper 4, Volume 3, page 125, highlights. I note the claims of support for the taxi industry (and we have not really touched on the taxi industry today):

...through increased compliance activity, with additional compliance officers, a rebate on CTP Insurance, and the re-introduction of managed taxi ranks—

which I think has been positive. What is the government doing to help reform an industry that, if we are honest, in some aspects still has relatively low profitability levels through so many of those taxi licence plates that are not on the road at the moment.

The Hon. A. KOUTSANTONIS: That is a very good question that needs a bit of a detailed answer, with your forbearance, Mr Acting Chair. David Rohrsheim, who was a close business partner and friend of former Premier Steven Marshall, was the proponent of Uber. They brought Uber into South Australia. The then Liberal opposition had a policy of complete deregulation of taxis, leading into the 2018 election and the complete introduction of Uber.

Mr Rohrsheim was able to convince his Liberal friends about the importance of this policy matter, and the South Australian government conceded to allowing that decision to proceed. I was excluded from those cabinet deliberations because of a perceived conflict, which I disagree with. I have no immediate family members who own taxis. Nevertheless, that was what I did at the time.

We are conducting a review. We took to the election a policy of rebates for compulsory third-party premiums to bring those right down. We are paying those rebates. We tried to harmonise and lower costs for taxidriviers as much as we can. We have increased, two years in a row, the normal CPI wage price index government formula for taxi fares to try to incentivise more taxis on the road. We are cracking down on the use of taxi ranks by Uber, and we have inspectors and compliance officers out, enforcing, to try to improve the regulatory standards that taxis operate under.

The truth is this: there is one part of the economy that is running a de facto taxi service that is almost completely unregulated and there is another that is running a regulated taxi service that is completely governed and regulated. One has swamped the market with over 3½ thousand Ubers. I will say this about Uber: Uber is meant to be an opportunistic way for someone driving to work to make a bit of money.

What has happened instead is that people are professional Uber drivers operating as taxidriviers. They are leasing vehicles from professional organisations in conjunction with Uber and they are operating as taxidriviers. This is not some mum or dad, dropping kids off at school, who downloaded the app and said, 'I am heading into the city. Why don't I pick up someone and get some extra money on the way in?' These people are operating as taxidriviers.

We have no cameras in those cars. Those cars are not as regularly inspected. I have grave concerns about the exploitation of Uber drivers and the potential for crimes to occur in Uber vehicles. Taxidriviers are regulated, there are cameras and there are more inspections. They have livery on the side of their vehicles, they are highly noticed, they are visible and much safer than Uber.

However, because of the software packages in place, Uber is more popular than taxis. The question we have to ask ourselves is: what do we do with the existing taxi licences that are out there? Some people have bought at government auctions, with up to \$400,000 that they have borrowed, a taxi plate only to see, through the advocacy of Steven Marshall's close personal friend David Rohrsheim, his Wokinabox partner, the complete deregulation of that industry, allowing the introduction of Uber at great financial gain to Mr Rohrsheim.

The question then becomes: what do we do about this? We are conducting a review, looking at what it is that we can do. We have some interim measures in place. Those interim measures are good for now, but there needs to be a greater consolidation. I have not even spoken about the impacts on the disability sector and what access cabs are doing. We have a lifting fee in place. Access Taxis can do ordinary taxi work. Some of them are not travelling. I know, Mr Chair, that in

your area in Gawler it is particularly hard to get an Access Taxi. Think of the people we are disadvantaging.

An honourable member interjecting:

The Hon. A. KOUTSANTONIS: Exactly. Think of the people we are disadvantaging, people who cannot go out. I myself have had personal experience with a very close friend of mine who is now confined to a wheelchair. If it is a birthday party, a family celebration or just a regular lunch, there is the inconvenience for them and the personal guilt they feel at having people wait extended periods of time to get an access cab back to their facility, to where they live. It creates a lot of strain, which leads to the point where they just do not go out. They do not go to doctors' appointments, they do not go shopping, they do not go to restaurants, they do not engage, and it is a disaster.

In my opinion, the introduction of Uber has been an unmitigated disaster. It has done nothing to improve and lift the standards of the delivery for accessible taxis. It has harmed taxis and enriched a few people in Uber. However, the reform is about making sure that Uber can still flourish along with taxis and access. That work is being conducted by Emma Kokar, who is the motor registrar as well, and I am looking forward to, once we have completed that report, consulting with the industry, consulting with the cabinet and consulting with the opposition.

I know that the shadow minister also has strong connections to the taxi industry and cares deeply and passionately about these thousands of small businesses that have been hurt terribly. We need to do something about it, so I have my eyes firmly set on a reform package.

The Hon. V.A. TARZIA: When can we expect that review of the taxi industry but also Access Taxis? Minister, you would be well aware, including a couple of days ago, I had a similar stakeholders meeting with you, to your point that people with real accessibility issues are waiting hours and hours to get one of these vehicles. When will these reviews be released or deliberated on, and when do you think we can see some action items put out there on these?

The Hon. A. KOUTSANTONIS: I think it is at least 12 months away because of how detailed the work is. We are talking about, if you combined it all together, probably 99 Access Taxis, 1,000 taxis and 3,500 Uber vehicles, so we are talking about nearly 4,500 people involved. Times that by three for three shifts, sometimes two shifts, so 10,000 people are involved in this industry. It requires a lot of consideration and a lot of consultation—a lot of consultation—and I am firmly focused on it.

So, I agree. I am not trying to shuffle what the shadow minister has said. You are right: people are waiting too long for an access cab and it is not good enough—not good enough. The question is: what is the reform process we put in place to make sure we alleviate it?

The Hon. V.A. TARZIA: What is the minister doing in the meantime? Twelve months away is still a long time for these people who are struggling. Are there any interim measures that the government is looking at to assist?

The Hon. A. KOUTSANTONIS: Incentivise access cabs with a lifting fee, with increased fares. For the entire time members to my right were in office, taxi fares did not go up once. Although they put fees and charges up each and every year, not once did they increase the ability of taxis to charge higher fares. From my memory, anyway—I stand to be corrected—they did not increase them once, the ability for them to catch a taxi, to make it more profitable. If you make these things more profitable, they are more likely to drive longer and further to pick up people. If access cabs have more work, they will do less taxi work and more access cab work. That is what we are trying to incentivise.

The Hon. V.A. TARZIA: We will move on, thank you. I refer to page 122, targets 2023-24, and plans to introduce the first fleet of zero-emission buses and diesel hybrid trains. What proportion of the budget is allocated to that, and what are the expected impacts on carbon emissions from—I think we have touched on that before, so I am going to move on from that. I refer to Budget Paper 4, Volume 3, page 123, explanation of significant movements—probably the second favourite topic for the minister, Keolis Downer. Do any of these cost variations relate to a Keolis Downer break cost associated with the Adelaide Metro passenger rail network?

The Hon. A. KOUTSANTONIS: My advice is that it is entirely about the increase in diesel costs.

The Hon. V.A. TARZIA: We were previously told, on several occasions, that there would not be any break costs, but there obviously have been costs in moving from outsourced rail operations back into public hands, as you characterise it. What is the total cost of moving from Keolis Downer back into public hands for those services?

The Hon. A. KOUTSANTONIS: The only cost we are impacted by is about us gearing up to deliver the service. We have not paid them a cent of compensation—and we won't.

The Hon. V.A. TARZIA: Why is it okay to utilise them for maintenance?

The Hon. A. KOUTSANTONIS: Maintenance is not the essential service we are interested in. The essential service we are interested in is public transport delivery.

The Hon. V.A. TARZIA: Yes.

The Hon. A. KOUTSANTONIS: For example, our doctors and nurses who run our hospitals are paid for by the state government. The companies that run the servicing to make sure that the air conditioner is working at the hospital is a private operator, not a government business. What is the essential service: the doctor and the nurse or the air conditioner repair guy? We are focused on the essential service delivery, which is for the public good. Those maintenance workers are doing good work where they are; they are still employed, they are not losing their jobs, they are good union labour. Why would we disturb that?

The Hon. V.A. TARZIA: Again referring to the same matter, what tangible improvements do you expect from breaking that contract, or varying that contract as you put it, and what KPIs were used to measure that success or otherwise?

The Hon. A. KOUTSANTONIS: The KPI I would use is that once we see that piping shrike on every single bus—not bus, train and tram—you will see an improved service. The public sector runs things in the public interest, and Keolis Downer are running their train service in the interest of their shareholders, and there is a gap.

I will go back to your first year economics course at Adelaide University. For anyone who invests in capital, there is a gap there between what they pay their workers, what we pay them and what they deliver, and that gap is called profit, which they take out. The question then becomes: what is their profit margin? If they have a profit margin, they are not reinvesting that into the South Australian government transport services. If the state government makes that gap and there is a profit, we reinvest it into our transport services—or we can provide more services for the same money.

That is the advantage the government has, and that is why it is important it remains in public hands. What is the benefit? We are running this in the public interest and the public good, not for the good of a shareholder or investor whose base may be in France, may be in Germany, may be in Saudi Arabia—which I know members opposite have a particular aversion to.

My point is that public services, public amenities, should be run in the public good and the public interest, and that means the government should run them. Any profits that are made should be reinvested into those services, and that is what we will be doing. That is why it is better for us to run them.

The Hon. V.A. TARZIA: Doesn't that argument also apply to buses?

The Hon. A. KOUTSANTONIS: Potentially, but, like I said, the difference here is that when you privatised our bus services, when Diana Laidlaw privatised our bus services—and I saw her here in the parliament the day before yesterday having a nice feed with our former Premier—when she privatised our bus services, that was nearly three decades ago. There was no new contract we could take to the election and say, 'Vote for us; we'll break this contract.'

What we are doing with our trains and trams is saying that the members to my right broke an election commitment: they promised they would not privatise anything. They privatised our trains

and trams against their election commitments; we promised to undo it and we warned everyone we would.

Yes, it would be better for buses to be in public hands, but we did not make that commitment. The commitment we made was that we would investigate it and not cause any sovereign risk and we never promised to use the parliament.

The Hon. V.A. TARZIA: Agency Statements, Budget Paper 4, Volume 3, page 125, under targets 2023-24 there is an item to 'progress implementation of recommendations of the review of the Passenger Transport Act 1994'. We touched on this before, but what progress has been made to date regarding the review noting that public submissions closed in August 2022 and what are the future steps in the review and the intended time frames for each step?

The Hon. A. KOUTSANTONIS: I will take that on notice, if I can.

The Hon. V.A. TARZIA: Regarding outsourcing that has occurred, does the minister think that competition, threat of competition, drives an efficiency dividend?

The Hon. A. KOUTSANTONIS: Sometimes it does, yes. I think that is absolutely right. I think in a competitive market, where things are not essential and there is a competitive tension, absolutely. But when you get a competitive tension on a monopolistic item, like power, water or public transport, remember you cannot just buy a bus and start turning up at bus stops, picking up passengers and charging them.

The Hon. V.A. TARZIA: You could, but it would probably be illegal.

The Hon. A. KOUTSANTONIS: Sorry?

The Hon. V.A. TARZIA: It would be illegal if someone did it.

The Hon. A. KOUTSANTONIS: Yes, that is right, so it is a monopoly. When you have monopolies, they should be run by the government or properly regulated. What members opposite did was privatise a monopoly without regulation. You socialised all the risk and privatised all the profits. Congratulations.

The Hon. V.A. TARZIA: I think he is talking to you, sir.

The Hon. A. KOUTSANTONIS: No, I am talking to you.

The Hon. V.A. TARZIA: I will move on. Agency Statements, Budget Paper 4, Volume 3, page 122, under objectives, in relation to the provision of accessible public transport services, what role is South Australia playing regarding the national reform process for the Disability Standards for Accessible Public Transport 2002, the transport standards?

The Hon. A. KOUTSANTONIS: The DDA standard has been handed back by the commonwealth government to the states to make their own assessments. We will be making that assessment. The department is doing that work now. I am open-minded here. There are a lot of providers in regional communities who say, 'We have no disability customers. We will be required to upgrade our buses to meet a DDA compliance that might be redundant.'

There are two answers to that question. You might not have any disability customers because your bus is not DDA compliant, so therefore they do not turn up to use the service or, legitimately, there may be no-one there who needs that service but we are making you come to this expense. We are looking at that on a case-by-case basis and we are rolling out a number of improvements. That is not the complete answer, so I will take the rest of it on notice for you and get back to you.

The Hon. V.A. TARZIA: I refer to Budget Paper 4, Volume 3, page 125, under targets 2023-24, line 5. I note the targets to improve Access Taxi services. We have spoken a little bit about that. I am drawing attention, obviously, to the \$1 levy introduced in 2017 on all point to point travel in order to fund such initiatives such as some of these Access Taxis. Is the department able to advise how much revenue has been raised from this levy over recent financial years and what is the amount of revenue expected to be raised from the levy in 2023-24?

The Hon. A. KOUTSANTONIS: I will take that on notice and get back to you.

The Hon. V.A. TARZIA: Further to that budget line, what is the specific breakdown by initiative of how revenue from the Point to Point Transport Service Transaction Levy (the \$1 levy) has been spent in financial years 2021-22 and 2022-23?

The Hon. A. KOUTSANTONIS: I will get back to you about that as well.

The Hon. V.A. TARZIA: Further to that budget line, what is the specific breakdown by initiative of how revenue from the Point to Point Transport Service Transaction Levy (the \$1 levy) is expected to be spent in 2023-24?

The Hon. A. KOUTSANTONIS: It goes to debt reduction and general revenue, so I will get back to you about that. It is an important revenue stream that could be utilised ultimately for some major reforms.

The Hon. V.A. TARZIA: Yes, it could. Referring again to the same budget line, has that \$1 levy been flowing directly into Access Taxi services, or has it been flowing into DIT general revenue? I think you touched on that. Can you just explain?

The Hon. A. KOUTSANTONIS: That levy was not put in place for access cabs. It was put in place for all point-to-point transport. There are a number of initiatives, as I said to you. There is a lifting fee. There is a CTP reduction.

The Hon. V.A. TARZIA: All of that.

The Hon. A. KOUTSANTONIS: There is the compensation package paid to taxidriviers, registration fees are down, licensing fees are down, so there is compliance being put in place for taxidriviers to make sure that we can police ranks and fine people who are illegally using ranks, bring back the monitors on taxi ranks so people can get an orderly access to cabs so they are safe. There are all these measures being put in place the need to be paid for.

The Hon. V.A. TARZIA: You may have to take this on notice too. On the same page, highlights, 2022-23, line 3, I note that as achievements it is noted that there is a rebate on CTP insurance. You mentioned that. How much longer is the government going to subsidise CTP insurance for taxidriviers, and what was the total cost of the CTP rebate between 1 July 2021 and 30 June 2022 and between 1 July 2022 and 30 June 2023?

The Hon. A. KOUTSANTONIS: I refer you to the Treasurer's estimates for that. He is the one who pays the subsidy.

The Hon. V.A. TARZIA: Even though it is in the public transport highlights, but that is okay.

The Hon. A. KOUTSANTONIS: I am not criticising you; I am just saying he is the one who is responsible for it.

The Hon. V.A. TARZIA: No problem. I refer to the same line. Is the department considering, or has it ever been discussed, introducing any kind of premium or tax on rideshares to further subsidise CTP or other element of the taxi industry? I have also noticed in recent times, generally speaking, residents saying to me that Uber initially had much lower fares, but in recent times that seems to be evening out.

The Hon. A. KOUTSANTONIS: The government have a policy of no new taxes, which we are sticking to, so there is no plan to increase a specific tax. But it is fair to say that during the four years of the Marshall government Uber were given a very, very easy ride. I am sure it has nothing to do with David Rohrsheim.

The Hon. V.A. TARZIA: Referring to page 125, Volume 3, Budget Paper 4, Agency Statements under targets 2023-24, there appears to be an item to progress measures to improve Access Taxis. I understand one of those measures implemented so far has been changes to the lifting fee, which you mentioned, and also removal of the on-time bonus for Access Taxis from 22 February 2022. What is the specific amount of the additional cost to the budget between 22 February 2022 and 30 June 2022, and between 1 July 2022 and 30 June 2023 of that change to the lifting fee?

The Hon. A. KOUTSANTONIS: There are a number of things we are implementing. The other thing is we have also increased the life of their vehicles. There was a restriction on the life of their vehicle. We have increased that. That is being implemented as part of this review. In terms of the cost breakdown, I will check *Hansard* and get back to you.

The Hon. V.A. TARZIA: Thank you. I refer again to the same line. How has the department measured the impact of that measure, and what are the outcomes of that? You might have to take that on notice.

The Hon. A. KOUTSANTONIS: The impacts of that are that access cab drivers do not have to spend \$45,000 to \$100,000 buying a brand-new vehicle. That means they can save that cost and keep on working. There is obviously work at the extremities here. There is work at Gawler, there is work out south, there is work in the north-east for disability point-to-point services. Why are they not doing it? How can we lower costs and incentivise that work? How can we put incentives in place?

We are looking at this holistically. One might argue that, well, there are only 99 or 90 of them—I cannot remember what the number is—doing this work. Maybe it is not enough structurally. Maybe because they have vans they can do a lot more taxi work that is not disability specific. Is that what is causing the problem?

One of the disability advocacy groups said to us that if all taxis were made disability accessible it would remove this inhibition. There would be taxis operating in Gawler, taxis operating down south or the north-east and if there is disability work they are not even notified of it; it is just a job. They turn up and if it is disability they do it; if it is not disability, they do not do it; they do ordinary work. If all the vehicles are disability accessible, that could be a solution.

That is what we are looking at with our review. What is the holistic response to this, or is it enough just to think we have enough access cabs in place and we fix just them, or is it something else? There are a lot of trains of thought we are looking at here. I do not think there is one right solution just yet, to be honest.

The CHAIR: That was the last answer, unless the minister wishes to add to it.

The Hon. A. KOUTSANTONIS: I understand that there are 100 disability-only access cabs; there are only 90 on the road as we speak, so there are 10 that are not on the road.

The CHAIR: Not a good situation.

The Hon. A. KOUTSANTONIS: Yes, it is terrible.

The CHAIR: The allotted time having expired, I declare the examination of Public Transport complete and refer further examination of the proposed payments to Estimates Committee B. I would like to thank the minister, his advisers, the members of the committee and also the parliamentary staff for making this a productive session.

At 15:16 the committee adjourned until Monday 3 July 2023 at 09:00.