

HOUSE OF ASSEMBLY

Tuesday, 4 July 2023

ESTIMATES COMMITTEE A

Chair:

Hon. A. Piccolo

Members:

Mr J.A. Batty
Mr M.E. Brown
Mr M.J. Cowdrey
Mr J.P. Fulbrook
Ms L.P. Hood
Mr J.B. Teague

The committee met at 09:00

Estimates Vote

DEPARTMENT FOR INDUSTRY, INNOVATION AND SCIENCE, \$67,109,000

**ADMINISTERED ITEMS FOR THE DEPARTMENT FOR INDUSTRY, INNOVATION AND
SCIENCE, \$10,891,000**

ATTORNEY-GENERAL'S DEPARTMENT, \$114,607,000

ADMINISTERED ITEMS FOR THE ATTORNEY-GENERAL'S DEPARTMENT, \$158,992,000

Minister:

Hon. A. Michaels, Minister for Small and Family Business, Minister for Consumer and Business Affairs, Minister for Arts.

Departmental Advisers:

Mr A. Reid, Chief Executive, Department for Industry, Innovation and Science.

Ms N. Kilvert, Small Business Commissioner, Department for Industry, Innovation and Science.

Ms P. Chau, Executive Director, Portfolio Delivery, Department for Industry, Innovation and Science.

Mr C. Markwick, Executive Director, Industry and Workforce Capability, Department for Industry, Innovation and Science.

Ms K. Calaby, Director, Small and Family Business, Department for Industry, Innovation and Science.

Mr M. Smith, Director, Finance and Investment Services, Department for Industry, Innovation and Science.

Ms A. King, Manager, Corporate Operations, Office of the Small Business Commissioner, Department for Industry, Innovation and Science.

Mr A. Swanson, Chief Financial Officer, Attorney-General's Department.

The CHAIR: Welcome to today's hearing for Estimates Committee A. 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 elders 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 the proposed payments, which will facilitate a change of departmental advisers; is that correct?

The Hon. A. MICHAELS: Yes.

Mr BATTY: Yes.

The CHAIR: Changes to committee membership are notified as required. Members should ensure that 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 up to 10 minutes each, if they wish do so. There will be a flexible approach to giving the call for asking questions. A member who is not on the committee may ask a question at the discretion of the Chair.

All questions are required to be directed to the minister, 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. 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 the committee. Consistent with the rules of the house, 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 it must be purely statistical in nature 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.

I now open for examination the Office of the Small Business Commissioner, Department for Industry, Innovation and Science. The minister appearing is the Minister for Small and Family Business. I declare the proposed payments open for examination and call on the minister.

The Hon. A. MICHAELS: I would like to introduce the advisers around me. We have Nerissa Kilvert on my right, our Small Business Commissioner, and we have Adam Reid, the Chief Executive of DIIS. Callan Markwick is our Executive Director, Industry and Workforce Capability at DIIS. Behind me, we have Phuong Chau; Kathryn Calaby, who is the Director of the Office for Small and Family Business; Martin Smith; Ashlee King; and Andrew Swanson, who is the Chief Financial Officer at AGD.

I will not make much of an opening statement, other than to thank all these wonderful people for an incredibly hardworking year, particularly in the small business space. We have done a lot of work in what will come out on Friday with our Small Business Strategy, which I am really looking forward to. There was a lot of work going into that around the state, with round tables and surveys and all sorts of work that went into it, so thank you to everyone who put in a huge amount of effort, including Ryan Shepherd and Stephanie Wasley. I dragged Steph around the state, helping us with round tables. Thank you to everyone who put in an effort to what will come out on Friday.

I am very pleased that the Treasurer gave me an extra \$6.5 million to roll out the strategy, so that brings us over \$14 million to commit to small business over the forward estimates, which is something we will make very good use of. That is all from me.

Mr BATTY: I will not make an opening statement. I will just get stuck into questions, beginning on Budget Paper 4, Volume 3, page 171, and the table with the program summary and expenses, where we saw a budget of \$4.5 million last year but expenditure closer to \$16 million. Can the minister outline the difference in those numbers and what we can account that overspend to?

The Hon. A. MICHAELS: Primarily, it is the flood money. As you will see in the notes, there was an \$11.5 million increase in total expenses compared with budget primarily due to the disaster recovery support that has gone in there. There are some other adjustments in there as well. There was an \$8.4 million decrease in the 2023-24 budget compared with the estimated result for 2022-23. Again, that is the flood money spent in the 2022-23 year. Hopefully, that will not need to be spent in 2023-24. That is primarily what those figures relate to.

Mr BATTY: I can see the reference to the flood money being \$10 million in the third to last dot point. Is there any explanation for the additional \$1.5 million overspend?

The Hon. A. MICHAELS: It is an adjustment of all those numbers that are in the explanation, I think. A large bulk of it is the flood money. Some of it is in programs that were rolled out this year—programs that have been rolled out, announced—and part of the strategy that we have managed to roll out a little bit earlier; that comes into that figure.

Mr BATTY: If we stick with floods perhaps for a moment, and you might need to take this one on notice, are you able to provide a breakdown of the expenses that were incurred in relation to the flood event?

The Hon. A. MICHAELS: Yes, I can do that for you. As of yesterday, these are the numbers. For small business, 410 small business grant applications were approved: a total of \$4.59 million. I can break that down for you with the Business Early Closure Grant, 110 applications were approved and that is \$1.7 million. They were the ones that, leading up to the floods, if you knew your business was going to close we had those grants available. For the Generator Grant, we had 333 applications approved, at \$541,522. There were household grants and business grants in that. The business grants, we had 128 approved for \$442,462.

For the industry support grants, we had 150 applications approved to a value of \$1.5 million, which is excellent. The flood recovery grants, we are expecting more of those to flow through. One of the things we heard was that a lot of the small businesses on the ground are still dealing with insurance companies, still getting quotes for their repairs and things like that, so we are expecting more of that to come through. One of the adjustments we made for feedback was to leave that open until 31 December this year, so we have extended that, but at the moment we have had 33 applications approved, at \$876,168.

Mr BATTY: What was the average processing time for the grants in connection with the River Murray floods?

The Hon. A. MICHAELS: My advice is that once the grant is approved it is processed and paid out within five working days of that grant.

Mr BATTY: How long does it take for a grant to get approved?

The Hon. A. MICHAELS: As you would understand, often the department needs to chase up further information, so it really depends on the quality of the application to start with and what extra information was needed, so I am not sure I can give an answer to that.

Mr BATTY: Are there any applications outstanding?

The Hon. A. MICHAELS: There are still some outstanding. For the Early Business Closure Grant, that is closed and there are no outstanding. Generator Grant, again no outstanding. For the Industry Support Grant, there are nine under assessment at the moment. For the flood recovery grant, there are 31 under assessment at the moment. Again, most of those flood recovery grants I think we are working on getting more information for those with insurance quotes and things like that.

Mr BATTY: What expenditure is budgeted for this financial year for the River Murray floods?

The Hon. A. MICHAELS: Do you mean for 2023-24, the one we are in now?

Mr BATTY: Yes.

The Hon. A. MICHAELS: There is \$1.757 million budgeted.

Mr BATTY: Is there a breakdown of what that budgeted expenditure is intended to be spent on?

The Hon. A. MICHAELS: Of the industry support, the flood recovery and I guess the rural business support counselling, the financial counselling.

Mr BATTY: I will turn to Budget Paper 5, page 52, and the Small Business Strategy you mentioned in your opening statement. I see that \$400,000 has been allocated for this year. Are you able to provide a breakdown on what that is going to be spent on?

The Hon. A. MICHAELS: That \$400,000 is the cyber uplift program that we are rolling out with the Australian Cyber Collaboration Centre. It is the foundations program that we have gone out to market with and will be announcing shortly. The Women in Business Program is part of the strategy but not part of that budget line because it is an election commitment, and it is also on top of the existing budget of \$2.166 million and the million dollars for Women in Business.

Mr BATTY: So it is an additional \$400,000?

The Hon. A. MICHAELS: Yes.

Mr BATTY: Does that explain why it grows so significantly in the forward estimates—this is just \$400,000 of new money?

The Hon. A. MICHAELS: Correct.

Mr BATTY: Are any events or government advertising within that budget connected to the launch on Friday or beyond?

The Hon. A. MICHAELS: There will be a launch on Friday morning down at the Adelaide Oval. We are expecting a good crowd of industry stakeholders and small businesses to attend that. Part of this is networking as well. That is a real need for small business, particularly those microbusinesses, to be able to build those networks. For example, in the Women in Business Program we partnered up with the Port Adelaide Football Club for their HERstory: Business Collective. That is a series of four, I think, networking programs throughout the financial year. Part of the program is actually intentionally to be able to help small business owners build those networks.

Mr BATTY: And government advertising?

The Hon. A. MICHAELS: There may be social media. I do not believe there is government advertising. There will be marketing—primarily, I suspect, social media marketing—but not under DPC government advertising.

Mr BATTY: You mentioned the Women in Business Program, so I might turn to that back at Budget Paper 4, page 170. I will just ask a few questions about the various streams of this program, starting with the Women in Business Foundations Program, which I understand is for women in the early stage of their business career. How much has the department funded the Adelaide Business Hub to deliver that program?

The Hon. A. MICHAELS: The Adelaide Business Hub is \$999,000.

Mr BATTY: Is that over—

The Hon. A. MICHAELS: That is two years.

Mr BATTY: So last year then, what, \$500,000 of the million dollars allocated to the Women in Business Program was given to the Adelaide Business Hub?

The Hon. A. MICHAELS: I think I might be right to say it has been so successful more of it—\$750,000. It was actually much more successful than I think we were anticipating, which is fantastic. We have had 549 women go through that program already, and I think we are expecting 700 across the two years.

Mr BATTY: So last financial year, \$750,000 was transferred to the Adelaide Business Hub to deliver that program for 549 businesswomen?

The Hon. A. MICHAELS: That is what I am advised, yes.

Mr BATTY: Was there a competitive tender process for the Adelaide Business Hub delivering that program?

The Hon. A. MICHAELS: We went out to ones we identified in the market and we got proposals from various groups to do both the foundations program and the advisory program. The department selected those.

Mr BATTY: What were the eligibility criteria to register for that program?

The Hon. A. MICHAELS: I will take that on notice and give that to you.

Mr BATTY: Do businesswomen have to pay to register for that program or pay for any services that are delivered under that program?

The Hon. A. MICHAELS: For the mentoring, I think it is \$88 for their four hours of mentoring, which is obviously substantially reduced from what it would be and makes it very available to a range of women.

Mr BATTY: Can you go into a little bit of detail about what benefits those 549 businesswomen who registered for the program would have received over the course of the last year?

The Hon. A. MICHAELS: The program itself has four hours of mentoring with an expert. They are able to choose what they need their mentoring in, so it might be financial management, it might be marketing, it might be digital presence. They are teamed up with a mentor who knows that area well. That has proved to be very useful; it is not just a generic, 'Hi, I'm a business consultant and I will talk to you for four hours.' I know I have personally had some great feedback from women who have participated in mentoring.

They also run workshops, webinars and things like that for skills development in particular areas. Women can sign up to those free workshops, webinars and things like that. Networking events, as well, are available to those women who sign up to the program. It is really quite extensive. We are really trying to build up that business capability and help them in particular areas where they might need it in their businesses but also, more broadly, building up those networks and building up those skills.

Mr BATTY: Is the intention to fund this program with another \$750,000 this financial year?

The Hon. A. MICHAELS: We have \$250,000 left for it. We are going out to see what other programs are available to help supplement that. This is a four-year election commitment. We will make sure we are spreading the load and making sure there is enough in the program, with other support as well, and other programs that will be offered. We are looking at this financial year's programs at the moment.

Mr BATTY: So in the forward years of this program, \$250,000 of the million dollars per year of the Women in Business program will go to the Adelaide Business Hub to deliver this program?

The Hon. A. MICHAELS: Yes.

Mr BATTY: I will turn to the other stream under that program, the Women In Business Advisory Program. I understand that is for more established businesses. How much did the department fund Behind Closed Doors last year to deliver that program?

The Hon. A. MICHAELS: It is \$200,000 for the two years. The first year we had, I think, 38 women go through the program. Many more than that applied. I think there was an interview process that Behind Closed Doors went through to select their 38 and, again, really good feedback from some of the women I have spoken to who have gone through that program.

Mr BATTY: What does going through that program involve?

The Hon. A. MICHAELS: For most of them, it is a group mentoring, coaching kind of program. It is usually a three hours once a month program in a room of about 10 women going through what their business issues are and getting that coaching and mentoring with that group. I know Behind Closed Doors runs networking sessions as well, more broadly than that, to bring all their women together in various states to help that networking as well.

Mr BATTY: Do women have to pay to access that program?

The Hon. A. MICHAELS: I do not believe they do at all. We will check and confirm if that is not accurate, but I do not think they pay for that at all.

Mr BATTY: Did Behind Closed Doors have to tender for that program? How did the appointment come about?

The Hon. A. MICHAELS: An expression of interest was the process for that.

Mr BATTY: You mentioned 38 people went through the program. Do you know how many applicants there were?

The Hon. A. MICHAELS: There were 59 applicants.

Mr BATTY: What were the criteria for awarding scholarships to those 38?

The Hon. A. MICHAELS: They were not our criteria. Behind Closed Doors run their interview process looking at the women and selecting the ones they, I think, thought were the best fit. I know we asked them to do some regional women in that program, so I think they took that into account. One of the women I met was from a regional business.

Mr BATTY: The other initiative under the Women in Business line appears to be HERstory: Business Collective Program. Can you tell the committee what that is?

The Hon. A. MICHAELS: That is the Port Adelaide Football Club one I mentioned, which I think is four sessions, networking events and professional development opportunities. I think they are planning on four sessions. We have done one already. The first one I went to was a couple of legal practitioners who basically gave a bit of an information session on structuring and running a business from the legal perspective. There will be others, so a combination of trying to get the networking happening and also capability development.

Mr BATTY: How much was that program funded in 2022-23?

The Hon. A. MICHAELS: That was \$50,000.

Mr BATTY: They ran four events, did you say?

The Hon. A. MICHAELS: They have run one. I think they are contracted to do four. There are three more to go.

Mr BATTY: So for the \$50,000 last year, though, they ran one event?

The Hon. A. MICHAELS: No, I think we paid them \$50,000 for the program to run all four.

Mr BATTY: Can you go into a bit more detail about those four events?

The Hon. A. MICHAELS: I believe they will be similar to what I went to, which was a lunch down at the club, a group of, I think there must have been about 20 or so women, and then guest presenters and networking opportunities. Of the four events, two will be those smaller events like the one I went to, there will be another smaller one and then there will be two larger ones of about 100 people attending those that Port Adelaide will support

Mr BATTY: How many people went to the event that you attended?

The Hon. A. MICHAELS: I think it was about 20, something like that.

Mr BATTY: Who gets invited to these events?

The Hon. A. MICHAELS: They are part of the Port Adelaide HERstory collective network, so I imagine they are usually Port Adelaide Football Club members in the business space—yes, that is right.

Mr BATTY: Did the taxpayer give any money to the Port Adelaide Football Club to deliver these events, or is it a partnership with them, where they are contributing money, we are contributing \$50,000 and they invite their stakeholders?

The Hon. A. MICHAELS: Yes, it is that partnership model.

Mr BATTY: Are there going to be any additional streams to the Women in Business Program over the forward years? Is there an intention to—

The Hon. A. MICHAELS: Yes, absolutely. Like I said, we are looking at ones at the moment, looking at the criteria and what we might do now for the next financial year. So, yes, absolutely. It is a really important part of the whole Small Business Strategy, to make sure we have diversity and are supporting our female business owners.

Mr BATTY: Do you have any thoughts on what those additional streams might be? Will they be delivered in a similar way to these three other ones, where essentially external providers are handing out grants or scholarships or tickets to events?

The Hon. A. MICHAELS: One area that we know is a problem for women is accessing capital. I think there was a Deloitte study not that long ago for startup funding, and I think it was something like 0.7 per cent of startup funding went to female-owned businesses, which is really quite extraordinary.

We want to tackle that access to capital by teaching or building that capability on financial literacy—how to access capital, how to talk to banks, all those sorts of things, cash flow management. There will be that side of it and there will be a networking side of it as well because that is really important for female business owners, to build those networks in the community. They will probably be the two main streams. Other things will come along that might be useful, and we will tackle that over the next couple of years.

Mr BATTY: Has the Women in Business Program been successful in narrowing South Australia's gender pay gap?

The Hon. A. MICHAELS: In terms of salaries, I imagine?

Mr BATTY: Yes.

The Hon. A. MICHAELS: This is targeted at business owners. What we would like to see is that those female business owners make sure they are maximising their profits; obviously, that will flow through to their income, their profit. We do know more broadly that female business owners tend to have a higher proportion of female staff. I do not know if there are any studies, but my personal experience is that there is certainly less of a pay gap in that scenario. It is the business owners we are targeting to make sure they are uplifted.

Mr BATTY: This time last year you were asked how many female-owned and operated businesses there were in South Australia, and I think you explained that it was difficult to get an estimate of that. I was wondering whether you now have an estimate of that and whether that has changed in the last year since you have been in the portfolio.

The Hon. A. MICHAELS: We still cannot get that data out of ABS. We know from our survey participants—we had about a thousand participate in the online survey—that about 52 per cent of those who responded were females. We still know there are fewer female business owners than men, but I do not have any data on that and it is very difficult to get it.

Mr BATTY: Other than the 549 women who were assisted by the agency in the Women in Business Foundations Program last year, were any other business startups that were female owned and operated assisted by the agency?

The Hon. A. MICHAELS: In terms of inquiries into the Office for Small and Family Business, I imagine there were a number of them. We do not have a breakdown of numbers, but the Office for Small and Family Business is really a front door for state government. Kathryn Calaby's team have support officers who not only roll out these programs but obviously support small businesses and point them in the right direction to different sorts of supports.

Whether it be a particular industry association that might be useful, or a particular program that might be useful, they are very good at doing that. We now have, particularly, regional support officers. Kathryn's team has now been broken up, with people focused on particular regions as well, so that will flow through; we announced that in the last couple of weeks.

Mr BATTY: The same question for established female-led businesses: other than the 38 who were assisted under the Women in Business Advisory Program, did the agency assist any others?

The Hon. A. MICHAELS: Again, it is the same answer. We would not have a breakdown but obviously calls are taken and visits are made out to businesses and things like that. Obviously, a proportion of them are female owned and getting support from the Office for Small and Family Business, which is great.

Mr BATTY: If we turn to those calls that were taken, on page 172 of Budget Paper 4, Volume 3, there is an activity indicator of the number of businesses supported to build capability. We see in 2021-22 that it was close to 3,000, and then there was a budgeted projection of 2,500 for last year, but we only achieved a result of 906. Is there a reason why that target failed to be met?

The Hon. A. MICHAELS: The reason for the drop in that particular figure is, if you have a look at the figure up the top on the River Murray flood support, the resources were targeted at supporting those River Murray flood-affected businesses. You can see that shift. You will see the target for 2022-23 up there was 2,000; in fact, almost 6,000 were supported. That is in that top line on that page.

Resources were shifted towards supporting the flood-affected businesses. You will see a substantial increase in what we expect for 2023-24 in the business capability side of it because we will now be able to again reshift our focus into building that capability, which we will do through our foundations program.

Mr BATTY: The activity indicator above also shows a larger than expected result, which is good. That is the number of businesses provided with base-level information resources. What does that mean? How do we measure that activity indicator?

The Hon. A. MICHAELS: There is a range included in that, but primarily it is phone calls and hits to the website. Australian business licensing (ABLIS) inquiries are in there as well, so that is what that is made up of. The significant jump is again around the River Murray flood-affected businesses.

Mr BATTY: Is that effectively hits on a website?

The Hon. A. MICHAELS: And calls.

Mr BATTY: And phone calls?

The Hon. A. MICHAELS: Yes.

Mr BATTY: Are you confident that you can measure the success of the Women in Business Program if we do not know how many female-led businesses there are in South Australia?

The Hon. A. MICHAELS: Yes, because we are getting feedback, and we are getting through from both the Adelaide Business Hub and Behind Closed Doors. We will review them at the end of their programs, but we are getting data captured as part of that program to see how those businesses are uplifted and how those women are supported through those programs, so we will see the benefit from those participants coming through. We are able to use that to review the programs as well.

Mr BATTY: Would you could consider the program a success so far, assisting 600 women with some four hours of mentoring?

The Hon. A. MICHAELS: Absolutely. The feedback we are getting is really quite extraordinary, beyond what I expected. I always knew there was a need for it, but what we are seeing is fantastic. I was in Port Elliot on Monday night last week, I think. There must have been 60 business owners at basically an information session for the Adelaide Business Hub, and there was such

positivity. Some there were already participants and some were making inquiries as to what the program involves. The uptake on those programs is quite extraordinary and I think quite beneficial.

Mr BATTY: On Budget Paper 4, page 170, the fourth dot point about procurement, what South Australian businesses will be used in procurement for this agency in 2023-24, and what percentage of total procurement spend would that represent?

The Hon. A. MICHAELS: Behind Closed Doors, for example, is a South Australia-based small business. We can take that on notice for the exact breakdown, but my aim is to use South Australian businesses where we can to provide those supports, services and programs. We are doing that already with the ones we have engaged.

Mr BATTY: Perhaps also provide how that compared with the financial year that has just gone as well. Further on in that dot point, you talk about the agency assisting small businesses with industry procurement opportunities. How has the agency done this over the last year, and how many small businesses has it assisted with industry procurement opportunities?

The Hon. A. MICHAELS: Because it is not related to my portfolio but is within DIIS, I might get Adam Reid to answer that.

Mr REID: As the minister indicated, it is not directly related to the small business portfolio but is within our industry, innovation and science portfolio more broadly. The Industry Capability Network maintains probably the most comprehensive industrial database anywhere in the country, which includes a number of local South Australian suppliers. As at 20 June this year, over the 2022-23 financial year, the Industry Capability Network facilitated \$175 million worth of contracts to South Australian suppliers. Most of those would classify as small and/or family businesses. An additional \$25 million went to South Australia-based companies from interstate offices through the Industry Capability Network, which is a national network.

Mr BATTY: I think last year the minister talked about setting aside 1 per cent of government project funding for subcontractors in a support fund to enable the government to pay for subcontractors directly. Has this been set up?

The Hon. A. MICHAELS: That is not a program within DIIS; that is for the Treasurer with the Office of the Industry Advocate. I am happy to take that on notice.

Mr BATTY: I will change the topic but stick with page 170 about the program's objective to support small and family businesses. Has the minister been contacted by any small or family businesses that are tenants in Roma Mitchell House about proposed works at that building? Is the minister able to advise when those works will commence, how long they will take and whether any small businesses who are tenants in that building will be consulted before works commence?

The Hon. A. MICHAELS: I have not been contacted.

Mr BATTY: Will the minister ensure that small businesses who are tenants in Roma Mitchell House are consulted on how their businesses might be impacted before the government commences work in that building?

The Hon. A. MICHAELS: We can attempt to make some inquiries. If the member has anyone in particular in mind and would like to pass their contact details through, I am sure I can get the Office of Small and Family Business to reach out.

Mr BATTY: Thank you. I might just spend a few minutes reading out the omnibus questions then, and if I have time I will return to these; otherwise, I will hand over to Mr Teague for Consumer and Business Services:

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 FY, 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 FY? 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 FY?

The CHAIR: The time allotted having expired, I declare the examination of the Office of the Small Business Commissioner and the Department for Industry, Innovation and Science complete. Minister, do you wish to change advisers?

The Hon. A. MICHAELS: Yes, we would like to change advisers.

Departmental Advisers:

Ms C. Mealor, Chief Executive, Attorney-General's Department.

Mr A. Swanson, Chief Financial Officer, Attorney-General's Department.

Mr F. Stroud, Acting Commissioner, Consumer and Business Services.

Ms E. Sims, Assistant Director, Regulatory Services, Consumer and Business Services.

Mr D. Allison, Manager, Reform Regulatory Services, Consumer and Business Services.

Mr A. Shirole, Manager, Finance, Governance and Reporting, Consumer and Business Services.

The CHAIR: The portfolio is Consumer and Business Services. The minister appearing is the Minister for Consumer and Business Affairs. The proposed payments remain open for examination. Minister, do you wish to make any opening statement?

The Hon. A. MICHAELS: I will introduce the advisers around me. I have Caroline Mealor, Chief Executive of the Attorney-General's Department; Andrew Swanson, Chief Financial Officer of the Attorney-General's Department; and Fraser Stroud, our Acting Commissioner for Consumer and Business Services. I am sure the commissioner will be reading *Hansard*, so I note that he is on leave at the moment. Behind me, we have Emily Sims, Damian Allison and Arjun Shirole.

I will not make any opening statement, other than to thank these people for their incredible work for the past financial year. A lot has happened in the world of consumer and business affairs, from residential tenancies reform to a range of other issues that have been dealt with. There have been lots of consumer issues, including building and construction obviously. A lot has happened, so thank you for your efforts.

Mr TEAGUE: At the outset, I understand there might be some corrections the minister might want to note.

The Hon. A. MICHAELS: Yes, I will make mention of those. On page 50 of Budget Paper 4, Volume 1, in the activity indicators, number of new birth, death, marriage and relationship registrations—I will just read across—the 2023-24 projection of 46,000 should be 44,000. The estimated result for 2022-23 is not 45,000, it should be 43,800, and the 2021-22 actual should be 42,362 instead of the 43,315 that is mentioned there. The number of birth, death and marriage certificates issued, the projection for 2023-24 is 90,000, the estimated result is 92,000 and the actual result for 2021-22 is 84,985. Fraser might want to explain the reasons why.

Mr STROUD: Thank you, minister. Mr Teague, can I just explain to you in terms of the difference and the inaccuracies in relation to that documentation. Firstly, can I apologise on behalf of Consumer and Business Services. It is certainly no reflection on the staff or any type of cavalier attitude towards the importance of these particular statistics.

In terms of the statistical inaccuracies, if I can firstly turn to the number of birth, death and marriage certificates that were issued. The scenario, unfortunately, in relation to the report running was a scenario whereby it was a situation the report that was pulled was on the basis of the number of actual applications received rather than certificates that were issued. As a consequence of that, I am afraid there has been an overinflation of those figures and consequently they had been reflected and amended as a consequence of what has been corrected.

The other matter that has been affected is in relation to the number of birth, death, marriage and relationship registrations. The scenario in relation to the statistics being inaccurate relates actually to births. The scenario is, unfortunately, that during the course of the process there has been duplication and that is on the basis in relation to births that there is a registration process clearly brought on notification process. There is a notification process, for example, from a hospital of the birth of a child; there is then the registration by the parent of said child.

Unfortunately, during the course of certain report running, there is a duplication of those figures. Importantly, there is a single registration, but that was the issue in relation to the report count that was obtained, so I apologise for that.

Mr TEAGUE: Agency Statements, Budget Paper 4, Volume 1, page 50, further up on the same page, the top of the page, which is the continuation of a table of performance indicators, we see that the top line at the top of page states the percentage of consumer disputes finalised or escalated within 30 days: firstly, in 2021-22, an actual result of 52 per cent with a target for the following year of 80 per cent; however, an estimated result for 2022-23 of just 30 per cent, and

despite that, what would appear to be a similarly heroic target for 2023-24. I wonder if there is, in particular, any reason for the disparity between the 2022-23 target and the 2022-23 estimated result?

The Hon. A. MICHAELS: What happened was the Advice and Conciliation branch in 2022-23 went through a change process that impacted on its resourcing for a period of time, so the estimated result is lower because of that. What CBS did was prioritise the advice over the conciliation, trying to get a greater benefit to a greater number of customers over that period of time. That was the priority, which meant that number came down. I am not sure if Mr Stroud wants to add anything further?

Mr STROUD: I am happy to answer that, Mr Teague, if you require further explanation.

Mr TEAGUE: I do not know quite what is meant and I see that there is a note there referring to change processes, as the minister has just indicated.

Mr STROUD: Yes.

Mr TEAGUE: I do not know if there is any possibility to explain just what they were.

Mr STROUD: Yes, of course. I am happy to cover this point. The Advice and Conciliation branch falls within my directorate. What I can indicate is the fact that obviously within CBS we are constantly looking to try to work in a more efficient and effective manner. As a consequence, it was deemed by myself that a full restructure was required in relation to the branch of Advice and Conciliation.

That took place towards the latter part of last year with a new structure commencing in January of this year. But whilst the new structure commenced, there was a delay in relation to recruitment processes to get the full team on board until April of this year, so therefore there was a hiatus of a number of months when we did not have the full team operating.

What I can say is that, as part of that restructure, the attempt was to focus and separate into a predominantly advice-orientated team for frontline contact. A&C is the public facing aspect to the agency. It is very important that consumers are dealt with in an appropriate time period, so we focus on an advice team and a conciliation team. As the minister has indicated, we concentrated our efforts towards the advice aspect and, unfortunately as a consequence, the preparation work that was required for the conciliations therefore took slightly less of a priority area. As a result, you will see from the percentages the estimated result has decreased to 30 per cent.

I acknowledge your commentary in relation to the estimated target for next year in terms of target 2023-24. We have gone for 65 per cent, which you will note is lower than the target for 2022-23 of 80 per cent, on the basis that we appreciate there is going to be a substantial amount of work for us to get through in terms of the conciliations that remain to be dealt with.

Mr TEAGUE: You mentioned a range of areas impacted by those change processes. Did that impact on investigations as well?

Mr STROUD: This is purely in relation to the Advice and Conciliation branch, so it did not impact on investigations.

Mr TEAGUE: I might come back more particularly to the project, but I gather from that answer, minister, that this was not due to the implementation of digital systems or anything like that.

The Hon. A. MICHAELS: No, it was a restructure of that.

Mr TEAGUE: It was a business management point.

The Hon. A. MICHAELS: Yes.

Mr TEAGUE: Perhaps now going back to page 48, it is obviously core business of CBS, and by reference to one matter in particular, in addition to what we have just heard, we know CBS was required to implement operational efficiencies last year. I understand that it did that successfully and, I think, with an indication that no frontline services were taken away as a result of those being done. To take a recent example, in relation to the investigation into the insolvency of Felmeri, is the minister confident that CBS was able to fulfil all responsibilities that it had according to its program description objectives, including as to time and so forth?

The Hon. A. MICHAELS: There were a number of consumer complaints coming in before the company went into administration, which were dealt with by CBS. I think there was a senior officer appointed to deal with just Felmeri, so that was happening, and then obviously the company went into administration. So the commissioner himself and Mr Stroud have been active in having meetings with the administrator, to deal with the flow-on effect, and SAFA and QBE as well in terms of insurance claims. There is a related company that is a development company that the commissioner has been dealing with. That relates to a development at O'Halloran Hill as well. A significant amount of work has been done and the resources are there and have been. I do not know if Mr Stroud wants to add anything on that.

Mr STROUD: The only points I would add, Mr Teague, are that on the basis of the intelligence and the data that we gathered the commissioner actually met with the Felmeri Homes group in April. Based upon that conversation, additional information was requested. Hence in May as a consequence and a condition imposed on the licence, there was the administration of that particular group. To re-emphasise what the minister has already stated, there have been meetings with the particular groups and also with the developers involved in the ownership of the road at O'Halloran Hill. We do have a number of officers within CBS who are allocated to this matter.

Mr TEAGUE: Perhaps more particularly, is there an indication of just how many complaints CBS received in relation to Felmeri?

The Hon. A. MICHAELS: I know I received a couple of letters myself. Do we have figures of complaints?

Mr STROUD: We may have to take that on notice in terms of the exact number of complaints. I can indicate to you, Mr Teague, that—

The Hon. A. MICHAELS: I may be able to help. I understand that 38 consumer inquiries around Felmeri were received by CBS in the last 12 months. Twelve of those have been received since the company entered administration. There were 29 formal requests for dispute resolution around Felmeri received since 2015; 13 of those formal requests for dispute resolution were received in the last 12 months—obviously, that is the pressure point.

There was an agreement reached in a compulsory conciliation conference in April, but Felmeri had not yet complied with that agreement before entering into administration. The remaining 12 were received in May-June 2023, and we are expecting more requests to come through. I know personally I have been contacted by a couple of members of parliament as well with concerns about Felmeri.

Mr TEAGUE: I note, in light of that information, I think the minister has indicated 12 consumer complaints since administration. It might be a logical corollary that there were 26 prior. Is there indication as to when the first of those was and what more particularly, led to the commencement of the investigation?

The Hon. A. MICHAELS: I understand in relation to Felmeri there have actually been complaints since 2014. That is my advice. Obviously, that has ramped up in the last 12 months. I am not sure if Mr Stroud has any information as to what triggered the investigation in terms of numbers of complaints received.

Mr STROUD: I think it was based on the number of complaints that were received, to be honest, and as a consequence of that. We obviously license somewhere in the region of about 6½ thousand building companies and somewhere around 16,000 individual builders, so it is a very broad aspect of work for us, but we do monitor the information that we gather. As a consequence of the information coming in in relation to Felmeri, there were these concerns and hence the commissioner requesting that the Felmeri group attend in April of this year.

Mr TEAGUE: Minister, in light of the indication just now that CBS applied a condition on Felmeri's licence in May this year—and I understand it is obviously on public notice—another key point along the journey was QBE ceasing to provide further building indemnity insurance and so on. I guess the question might be asked: why does Felmeri have a licence at all still and was CBS in a position to impose a restriction in May that might have included all of the above, including withdrawal of the licence? Is there anything more that can be said about that?

The Hon. A. MICHAELS: Mr Stroud might add to what I am about to say. The condition in May was to prevent the company from entering into any new contracts. At that point in time, I think there was a hope that the existing projects would be finished, but it was felt that the financial stability of the company was such that any new contracts were at serious risk. I think there was a hope that they would finish the work they had and help those home owners into their homes.

Obviously, that is not how it transpired. I think that is the issue now, and there are investigations currently on foot within CBS in terms of breaches of the Building Work Contractors Act, which I am not sure I can say anything more on. I do not know if Mr Stroud—

Mr STROUD: Thank you, minister. I think in essence the initial condition was obviously to prevent any further consumer detriment, and it was as a consequence of that condition, that they were not to enter into new contracts, that the business went into administration. In terms of the fact at that point, because obviously they are in administration, they had been working with the administrator, and more recently it has been publicised in relation to there being an extension of time in dealing with the creditors on the basis of there potentially being an opportunity for a deed of company arrangement to be entered into. That is the current circumstance that we are at. As I understand it, the next meeting of the creditors is 17 July, with the submission in relation to that DOCA agreement being on 10 July.

Mr TEAGUE: Just to link, if there is one, in terms of notice and CBS involvement, we see from the administrators' report that CBS involvement was one of the contributing factors to Felmeri coming to a halt. As I said earlier, QBE's cessation of issuing building indemnity insurance was another. Was it possible for CBS to identify that QBE action at the time, as it were, and I understand that was perhaps in February? Is there any action within the resources of CBS that CBS might want to take with more resources? Is there anything further that CBS might have done and sooner, knowing what we know now?

Mr STROUD: From my perspective, I would say that we could not have acted sooner than we did. It is a situation where, once we were aware of the relevant information, an investigation has been launched and obviously the commissioner met with the Felmeri group. As a consequence, we have continued to be involved in the matter on that basis.

Mr TEAGUE: This might become rhetorical, I suppose. It has been reported in the local media, but I think the administrator has observed in clear terms, that Felmeri might have been trading insolvent as early as 30 June 2022. Is it simply a matter of all those pieces not coming fully to light until the administrator has done its work, or was CBS in some sort of balancing act around its investigation, the imposition of conditions and so on? I guess I am exploring whether there are any limits on CBS's capacity to act.

The Hon. A. MICHAELS: From my perspective of what has come out from the administrator, even when the administrator was first appointed, I think the level of debt was substantially less than the administrator now thinks. There was a lot of concealment of what the real situation was, even for the administrator. That statement of the administrator I think came out a number of weeks after he was first appointed and first started looking into the matter in terms of their potentially trading insolvent from June 2022. I think a large part of the problem is the way the business was operated by the directors and the concealment of what the true facts were.

Mr TEAGUE: Do we have an indication from CBS, minister, as to when the investigation might be done and what ground it has already covered?

The Hon. A. MICHAELS: We cannot give you any detail on that, but if there is anything we can provide we will provide it on notice.

Mr TEAGUE: I will mention now the question of improving digital systems. The indication is that that did not have any bearing on the performance outcomes we looked at on page 50. I turn to page 17 for, I think, the best reference of where the work on improved digital systems is to be found. That is at about point 3 on the page. I know I have been chastised for doing this in recent days, but I indicate that the 2022-23 budget set out an anticipated completion of June 2023 at the same item. So where it now says June 2024, indicating a 12-month delay or extension of the estimated completion, are there reasons for that that can be explained?

The Hon. A. MICHAELS: My understanding is the project was, I guess, reshaped when the Department of the Premier and Cabinet became involved and it was supposed to be a joint project with them, or they were supposed to lead it. It was a joint project. DPC then changed their priorities, which meant that it was back to CBS on that project, so that meant that CBS would now take the lead on that, and that has caused the delay, so it is just within the department, the process involved in that.

Mr TEAGUE: So CBS is now taking control of that work. I presume CBS is happy about that.

Mr STROUD: I think the situation is that CBS were originally in control of the project, and I think a view was then informed about centralising a government approach to the delivery of projects. Consequently, as referenced by the minister, DPC were then involved in effectively working towards being the vendor with capacity to undertake the project and the solution. Obviously, priorities then changed in relation to the new government and delivery, and as a result it has come back to CBS. We still had the project team in place because that project team was working with DPC, so to that extent we had not abandoned the project in that way.

Mr TEAGUE: In terms of the cost of the project, I wonder how we are now to interpret the budget provision. In 2022-23, there was \$650,000 budgeted for what was then anticipated to be the completion, as I read it, and that was one of several budgeted components. The estimated result for 2022-23 was approximately double that, at \$1.2 million, and then there is a touch over \$3 million that is budgeted for 2023-24.

We see a delay in the completion of the project but double the budgeted amount spent in the relevant year. What are we to make of that? Has the budget simply blown out, or is it a matter of timing?

The Hon. A. MICHAELS: I will get Mr Swanson to explain.

Mr SWANSON: The increase in the 2023-24 budget reflects various carryovers, along the same lines we have just been discussing, of the project. You can see there that the vast majority of that funding is expected to be spent this financial year to line up with the estimated completion date at the end of it.

Mr TEAGUE: I think that is apparent on the page, but the question becomes if it was supposed to be finished in 2022-23 with the \$650,000 allocated, there is a further not quite \$650,000 that has been spent and then another \$3 million. It looks as though the project has considerably expanded but within the same overall project cost, so it looks as though there is a bit of push and pull back and forth.

Mr SWANSON: Yes, indeed. There have been some changes in the timing, but overall the project budget for the investing side of things is, I think, the same at just over \$6 million, which is what it was last year.

The Hon. A. MICHAELS: The 2022-23 budget line of \$650,000 is not the same as the total project cost.

Mr TEAGUE: Yes, I understand the \$650,000 contributes to the total project cost, which is unchanged, as I understand it. Having perhaps stepped through when the money is being spent, is it possible to give an indication of the headline advantages to consumers that are associated with the particular upgrade?

The Hon. A. MICHAELS: What we are looking to provide is for the community and CBS to have improved management of data assets; intelligent workflow solutions, creating maximum efficiencies; powerful analytics and reporting, providing intelligence and assisting to develop regulatory strategies; single integrated managed solution CRM functionality; ongoing capability for local configuration with in-house management; simplified interpretability and data sharing with other South Australian government agencies; and strengthened compliance and enforcement. They are the goals of this project.

Mr TEAGUE: So we wait and see in terms of achievement of those goals, but expectations are that it is shaping up to deliver those improvements, I take it, minister?

The Hon. A. MICHAELS: As I understand it, yes.

Mr TEAGUE: I think we have already had an indication, getting back to page 50 or thereabouts, that that particular set of system upgrades actually have no impact at all on the consumer dispute finalisation point that we were talking about before. If I turn back to the top of the performance indicators table at page 49, and I think the order of these indicators is one that is repeated year to year, with the first two that are now correlating there appears to be a movement away from the 14-day triaging indicator to a registration and acknowledgement indicator. One has been done away with, and then it has been replaced with what appears to be a shorter time frame but a different action. I just wonder, first of all, what is the intended meaning of the difference between triaging and registering and acknowledging?

The Hon. A. MICHAELS: My understanding is the initial point of contact is acknowledged in some way. The triaging actually involves an assessment of what path it should take. My understanding is that the change in that performance indicator is because the triaging activity actually is more properly fitting in within the assessment process. There is an activity indicator of the number of alleged non-compliance matters assessed, and that really overlaps in some way with the triaging process. The better indicator is: what is that initial response time and that acknowledgement to start that process?

Mr TEAGUE: I am a bit slow on the uptake, but do we see the number assessed?

Mr STROUD: You do, Mr Teague. It is under the activity indicators on page 50.

Mr TEAGUE: So it is.

Mr STROUD: It is the second matter down under the heading of activity indicators, 'No. of alleged non-compliance matters assessed'.

Mr TEAGUE: Yes. Thank you. So the new test then of registration and acknowledgement appears therefore, is it right, to be more of a gateway test involving less than the triaging, but—

Mr STROUD: I am happy to explain, Mr Teague. Again, the Compliance and Enforcement branch comes under my directorate. Back in 2021, there was an indication of the requirements for a full review of that particular area of the business. A report was completed—a very strong internal review document was completed—with 77 recommendations and, as a consequence, one of those was a restructure which commenced in January 2022. As part of the restructure, there was an indication that there needed to be a formalised registration team. They would, as you reference, Mr Teague, be a gateway into the agency for compliance and enforcement purposes. The main aspects in relation to that is obviously registering the file and ensuring there is prompt acknowledgement to the consumer of receipt of that particular matter.

In terms of an initial triage, if you wish to use that term, that would generally be used towards the urgency of the matter's sensitivity, priority status, whether it fits within our strategic priorities and the like. There is a role performed in a triage, and also jurisdictional issues. Clearly, if a matter is not within our jurisdiction it would not progress any further. Following receipt, registration and notification, the matter would then advance through to the assessment team, and hence the activity indicator that has been referenced on page 50. As you will note, the estimated result for this year was 2,990 matters assessed within that unit.

Mr TEAGUE: Perhaps to complete that line of questioning, it sounds logical, then, to reduce the time frame for that particular activity from 14 to seven—and we will get to the projections on the next page—but the target nevertheless is more modest. So it is a balancing point, is it?

Mr STROUD: I think it is.

Mr TEAGUE: Going back to the line that you have identified in the activity indicators over the page, in the projection for assessment there is outperformance against the projection for 2022-23. I do not know whether that is the same in 2021-22, but if you follow the formula it looks like it was, as well. Again, we have a projection for 2023-24 in the same modest terms, it would appear. Is there any reason for that modesty? It is not a RoGS formula, is it?

Mr STROUD: Can I just say that obviously it is an activity indicator, so ultimately what falls to be assessed, falls to be assessed. There is no performance indicator from our perspective in regard to it; there are variations over time periods. I think that back in 2020 to 2021—and I appreciate there was the COVID aspect then—1,550 matters were the actual matters that were assessed. Therefore, the indicator was put forward as being 2,000. This current year it has been 2,990.

We are reviewing our statistics as to why there is such a high level of matters that progress to assessment. I can also indicate that, in relation to the fuel transparency scheme, there have been a high number of matters that have been assessed as a consequence of that scheme, which has contributed to the figure. I appreciate the comment in relation to it being perhaps a modest projection but, on the basis of us reviewing how matters will be assessed going forward, we feel it is the appropriate figure at this time.

Mr TEAGUE: I might say that it is good to see projections being exceeded. We have just had mention of the fuel price scheme and perhaps the noncompliance indicators that would appear to be a temporal explanation, given that the scheme has now been up and going for a little while. On that point—I think perhaps best connected to the overall objectives at page 48—is there a commitment from government to commit to extending the real-time fuel price scheme?

The Hon. A. MICHAELS: That was funded in last year's budget to continue over the forward estimates.

Mr TEAGUE: So we are likely to see the same—well, I will not ask you to speculate. But there is an indicator there that there is an understood connection between noncompliance numbers and the scheme. It would appear to be an indicator of the value of the scheme.

The Hon. A. MICHAELS: In terms of the complaints that resulted in expiations, there were, I think, 270 complaints and inspections resulting in warning letters and 19 expiations being issued. That is off the back of over 1,400 complaints received and 1,800 inspections. With that sort of compliance activity resulting in 19 expiations, at this stage, I think there is a reasonable level of compliance that we can see in the marketplace.

Mr TEAGUE: While we are looking at noncompliance and assessment, and the time frames that are attached to the triaging measure at page 49, we do not see a time frame on assessment; we get an indication as to the number in the period and it being more than projected. Is there any corollary indication about the time that is taken for assessment?

Mr STROUD: I think it is exceptionally difficult for us to set a time, bearing in mind we administer in excess of 35 pieces of legislation. Some assessments are relatively straightforward and some are exceptionally complex, as you would imagine.

Mr TEAGUE: Just having a look at the expenses table at page 48—in fact, it is over to page 49—the second half of that table under expenses has grants and subsidies about halfway down, at about two or three on the page. We see that the grants and subsidies budgeted in 2022-23 were at \$620,000 and the estimated result was at \$531,000. Is that an indication that the grant programs were undersubscribed and, if so, is there a reason for that?

The Hon. A. MICHAELS: Mr Swanson might be able to explain more, but I understand it is mainly due to changes in corporate costs allocated to that program in 2022-23 which is the reason for that difference.

Mr TEAGUE: It does not look like Mr Swanson is rushing to—

Mr SWANSON: No. Correct.

Mr TEAGUE: So, you are satisfied, minister, in terms of eligibility criteria for grants and subsidies for the appropriate capacity for those who ought to be eligible to be able to apply and obtain their grants?

The Hon. A. MICHAELS: I do not think there has been any impact on that. I think they are corporate cost allocations that are impacting that figure.

Mr TEAGUE: I think this goes back to last year, if we have a look at the income side—and we are now towards the bottom of page 48—we see a modest reduction both budgeted and

estimated from 2021-22 to 2022-23. The 2022-23 result, by the way, is almost identical to the budget. We are at the second line where it has fees, fines and penalties at the bottom of page 48. We still see in 2023-24 that fees, fines and penalties are budgeted to be a tick under where they were in 2021-22. I am interested in how that has been able to remain more or less steady, I think going slightly backwards in real terms.

Mr SWANSON: The increase in 2023-24 from 2022-23 is mainly due to annual indexation as applied to fees and charges every year. In terms of actual activity for 2023-24, that is something we will likely consider as part of either the Mid-Year Budget Review or the fees and charges process during the year depending on how activity actually pans out. So, if there are any unders and overs as part of that, we will reflect that in the 2023-24 estimated result as needed.

The Hon. A. MICHAELS: I think the reasonable consistency marries up with the reasonable consistency in applications for licences, for example, or applications for birth certificates. All those things that generate fees for Consumer and Business Services I think are reasonably predictable in a sense.

Mr TEAGUE: Just a small step above the table to the targets for 2023-24, the third dot point is noting a target to 'continue to increase the effectiveness of CBS' gambling regulatory compliance activities'. How is that to be achieved and to what extent? What is the amount of CBS resources committed to doing that?

The Hon. A. MICHAELS: How it is to be achieved is off the back of some work that was done, I think in 2021, with an internal review on this. It also marries up with—I think the member would be aware of this—the Auditor-General's Report that was tabled on 30 May. Those recommendations will be implemented as well. The time frame is to break it up into phases. The first phase I think is due to be completed in September this year, the final phase by May 2024. That work is being done in terms of improvements to the regulatory compliance activities taking a much more risk-based approach collecting that data through, so a lot of work has been done within CBS on that.

Mr TEAGUE: One finally—I am conscious of the time.

The CHAIR: The time has expired actually.

Mr TEAGUE: I am in your hands, Chair. It is just a brief final question.

The CHAIR: And I am briefly going to close this session right now. The time allotted having expired, I declare the examination of Consumer and Business Services and the proposed payments for the Attorney-General's Department complete.

Sitting suspended from 10:30 to 10:45.

DEPARTMENT OF THE PREMIER AND CABINET, \$341,333,000

**ADMINISTERED ITEMS FOR THE DEPARTMENT OF THE PREMIER AND CABINET,
\$20,260,000**

DEPARTMENT FOR INDUSTRY, INNOVATION AND SCIENCE, \$67,109,000

**ADMINISTERED ITEMS FOR THE DEPARTMENT FOR INDUSTRY, INNOVATION AND
SCIENCE, \$10,891,000**

Membership:

Hon. J.A.W. Gardner substituted for Mr Cowdrey.

Minister:

Hon. A. Michaels, Minister for Small and Family Business, Minister for Consumer and Business Affairs, Minister for Arts.

Departmental Advisers:

Mr W. Hunter, Executive Director, Major Programs, Department of the Premier and Cabinet.

Mr S. Woolhouse, Executive Director, Communities and Corporate, Department of the Premier and Cabinet.

Ms J. Layther, Director, Arts SA, Department of the Premier and Cabinet.

Mr A. Reid, Chief Executive, Department for Industry, Innovation and Science.

Ms P. Chau, Executive Director, Portfolio Delivery, Department for Industry, Innovation and Science.

Mr C. Markwick, Executive Director, Industry and Workforce Capability, Department for Industry, Innovation and Science.

Ms B. Bates, Director, Creative Industries, Department for Industry, Innovation and Science.

Mr M. Smith, Director, Finance and Investment Services, Department for Industry, Innovation and Science.

The CHAIR: The portfolio is Arts SA, part of the Department of the Premier and Cabinet, and Creative Industries, part of the Department for Industry, Innovation and Science. The Minister for Arts is appearing. I declare the proposed payments open for examination. Minister, would you like to introduce your advisers?

The Hon. A. MICHAELS: Yes, on my right, I have Jennifer Layther from Arts SA. I have Mr Steven Woolhouse and Mr Wayne Hunter. Behind me, I have Callan Markwick, Adam Reid, Phuong Chau, Becc Bates and Martin Smith. As I understand it, we are going to start with DPC and Arts SA questions, and then we will need to change advisers to go on to DIIS and Creative Industries.

The CHAIR: I think that is correct.

The Hon. A. MICHAELS: It is a combination.

The CHAIR: It is a combination. Have you two agreed on what the separation will be in that hour?

The Hon. A. MICHAELS: Yes.

The Hon. J.A.W. GARDNER: It will be flexible, and I thank the minister for her flexibility.

The CHAIR: While you two are being nice to each other, I will let you go until 11.45.

The Hon. J.A.W. GARDNER: I refer to Budget Paper 4, Volume 4, page 15, and start on some questions about infrastructure, the investing expenditure. In relation to the Cultural Institutions Collection Storage Facility, can the minister outline what the current scope for this project is and how that is at variance with the original scope, particularly in terms of space?

The Hon. A. MICHAELS: I can. I have had an update since we last had that conversation as well. With the storage facility, as the member is aware it was budgeted for \$86.5 million in the 2020-21 budget. We went out for requests for tenders and they came back in mid-2022 all exceeding cost expectations, so a significant amount of work has been done by Mr Hunter and his team on a value management process.

We are now in a position, I think, where we are in a much more comfortable spot, where we are now able to say that we are progressing with the original scope and with the original budget. I can say there have been a few additions to that budget. There was \$872,000 in the art storage budget that was provisioned in the department's budget. That is going to be used for costs relating to the project. In May 2022, a further \$782,000 was allocated from the department's capital funds for early works and \$4.2 million was allocated for the purchase of land within government.

As at 22 June 2023, actual cost incurred was \$2.425 million, bringing the current total spend on the project so far at \$8.829 million. The total forecast budget for the project is \$92.354 million

now, which is slightly higher than the original budget, but that enables us to progress with the build within the original scope and within that total budget.

The program of works will not be completed until March 2025, with a six-month additional to move the collections over, so total handover in September 2025 is the projection, as I understand it. At the moment, negotiations are going on about extending the lease at Netley Commercial Park. The project is in a better spot now and I am pleased to advise that to the house.

The Hon. J.A.W. GARDNER: The \$782,000 extra in May and the \$4.2 million for the land purchase, I did not quite hear the minister, are they new money to the budget, or have they been sourced from elsewhere within government?

The Hon. A. MICHAELS: The \$782,000 is departmental money and the \$4.2 million was an appropriation from Treasury to buy the land.

The Hon. J.A.W. GARDNER: So new money to the department or to the project at least?

The Hon. A. MICHAELS: Mr Hunter can explain it better than I can.

Mr HUNTER: The \$782,000 was existing departmental capital funds that we have transferred to the project in order to fulfil the scope and budget. The \$4.2 million was essentially an intragovernment appropriation from the Department of Treasury and Finance to acquire the land, because it was a land transaction within government, so it was acquiring it from the Commissioner of Highways.

The Hon. J.A.W. GARDNER: The \$872,000 that I think was the first figure the minister mentioned, that was from within the project cost but moved from the department to the project?

Mr HUNTER: From the department to the project, correct.

The Hon. J.A.W. GARDNER: That is good news, and I thank the minister for that information. The budget papers actually list June 2024 as the completion time. I think the minister said March 2025 for completion and September 2025 for handover. Obviously, that does present some challenges for the institutions.

The minister, I think, said that the negotiations are underway at the existing rented location. For the institutions, and I think we are talking about the Art Gallery, the Museum and the state history collection, from memory, I have two questions: firstly, can we confirm that the original intention of everything they had signed up to have stored in the storage facility is now able to be stored there?

The Hon. A. MICHAELS: Yes, I understand that is correct.

The Hon. J.A.W. GARDNER: In relation to the extended time from 30 June 2024, when they had hoped to be moving in, to September 2025, who is going to be covering the cost of that rental of the facility for that extra time, particularly if the landlord sees an opportunity to increase the rent?

The Hon. A. MICHAELS: The cultural institutions themselves have a budget for rent that will continue, and if there is any additional that will be met within the project costs.

The Hon. J.A.W. GARDNER: The project cost for the storage collection?

The Hon. A. MICHAELS: Yes.

The Hon. J.A.W. GARDNER: We will move on to Tarrkarri. Obviously, there has been lots of publicity about the project—

The Hon. A. MICHAELS: Can I just point out that there is no budget line for me for Tarrkarri.

The Hon. J.A.W. GARDNER: There is on page 15, Tarrkarri—Centre for First Nations Cultures.

The Hon. A. MICHAELS: It sits under the Premier. I am happy to attempt to answer questions, but it does actually sit under the Premier. I think I said that to you last estimates as well.

The Hon. J.A.W. GARDNER: I am not certain you answered a question about it last estimates. I am not sure I have seen a gazettal of transfer.

The Hon. A. MICHAELS: At some point I think I have answered it.

The Hon. J.A.W. GARDNER: I thank you for the invitation for the question. If it is to be taken on notice, then it is to be taken on notice. The 2023-24 budget identifies \$12 million being spent and the estimated result for 2022-23 is \$23 million. I am interested to know whether the minister, on notice if necessary, is able to identify what that is to be spent on, particularly the \$12 million for the year to come.

The Hon. A. MICHAELS: I would have to take that on notice.

The Hon. J.A.W. GARDNER: Was the budget line here used to pay for the three reviewers who investigated options for the future of Tarrkarri?

The Hon. A. MICHAELS: I believe the answer is yes, but rather than say the wrong thing I will take it on notice.

The Hon. J.A.W. GARDNER: Page 27 refers to targets, just while we are on infrastructure. Can the minister advise the committee of the relevant time frames for the Carrick Hill upgrade and the Hans Heysen Gallery, which are both listed here under the targets? Are they being delivered to their full original scope?

The Hon. A. MICHAELS: In Carrick Hill, construction commenced in January this year. Completion is still due in the second half of this year. In fact, I think they announced in the last week or so the caterer being appointed is the wonderful Maria Favaro and her family from Chianti, which I think will make it an excellent facility.

The Hon. J.A.W. GARDNER: Even more excellent, minister.

The Hon. A. MICHAELS: Even more excellent, yes. For the Hans Heysen Gallery, revised plans were completed in March 2023 and construction is due in the coming months. I am not sure I have a completion time. Does anyone know that? The completion date will be forecast once they can appoint a builder, so I am not able to answer that.

The Hon. J.A.W. GARDNER: Do we have any information on whether the original scope is being maintained there? Has there had to be any value management to this point?

The Hon. A. MICHAELS: The purpose-built gallery, restaurant, gift shop and bushfire-safe storage for artworks were previously announced plans, and that is what is in the project. There has been some value management, but the plans that have gone through council in March 2023 are the plans they are working towards and I think actually do include most of those things.

The Hon. J.A.W. GARDNER: I am going to move to the next page, page 28, particularly the line that talks about grants and subsidies. I am interested in talking about grants to organisations at this point, particularly in the not-for-profit sector. In relation to those not-for-profit arts organisations that have been funded with multiyear agreements, can the minister confirm that these groups are captured by the policy for consistent indexation across the not-for-profit sector?

The Hon. A. MICHAELS: Yes, I can talk to that. It is also probably worth having a look at Budget Paper 5, if that is available to you. Page 10 refers to the indexation supplementation for non-government organisations more particularly. You will see that that supplementation was intended to support non-government organisations meeting the cost of wage inflation pressures in 2023 impacting a range of NGOs that provide services to social, community, home care, child protection, homelessness and disability sectors.

For the arts organisations, some of them do fit into that program and will get the supplementation. At the moment, my office and DPC are working with Treasury more broadly to see if there is a solution for that. I think they will continue to get their 2.5 per cent indexation, the standard published rate. That is what they ordinarily would get and that is what they will continue to get. This supplementation was something that was announced in the Mid-Year Budget Review, particularly targeting those NGOs I just read out, but we are working to see if there is a solution to capture all those arts organisations that are multiyear funded, but that is still a work in progress. Some of them do actually qualify and will get the supplementation.

The Hon. J.A.W. GARDNER: Thank you, minister. So, obviously, what has been the policy through several governments of consistent indexation in the NGO sector as an acknowledgement of wage pressures where institutions/NGOs are doing work on behalf of government, I guess the measure that you have pointed me to in Budget Paper 5 points out that that supplementation has been provided to meet the costs associated with wage and inflation pressures in 2023. Given the baseline policy for consistent indexation, why has that supplementation not automatically been applied to the arts NGOs as well as those across other parts of the social sector?

The Hon. A. MICHAELS: It was announced in that framework under those guidelines in the Mid-Year Budget Review, so it was taking on those organisations that have minimum award outcomes that are impacted. That is what was announced; that is what is currently in train. In terms of expanding that beyond that to more broadly, the arts organisations, like I said, we are working with Treasury to see if that is possible.

The Hon. J.A.W. GARDNER: The minister said that some of the arts organisations did qualify for the funding. I think there are probably about 40 organisations that are getting the indexation. The minister can correct me if I am wrong, but how many of those 40 or so organisations have so far been successful in getting the tick from Treasury to receive the supplementation?

The Hon. A. MICHAELS: I understand it is those that have employees on the minimum award. I can take that on notice and come back to you. I do not have a number at the moment because they are still working through that. As I understand it at the moment, it is those that employ people on minimum award.

The Hon. J.A.W. GARDNER: If the organisations that are paying the minimum amount allowed by the award to staff have been successful, can I clarify: does that mean that those who are paying above award or whose staff do not fit neatly into an award are those that have not been successful as yet?

The Hon. A. MICHAELS: They are the ones we are working through. As you would be aware, for a lot of these arts organisations there are not the traditional employment mechanisms in place. That is the difficulty. We are working through that.

The Hon. J.A.W. GARDNER: Can the minister advise if the Adelaide Fringe was one of the successful organisations that has been provided that supplementation?

The Hon. A. MICHAELS: We will take that on notice, with whatever else we can provide in terms of those ones that have been accepted.

The Hon. J.A.W. GARDNER: Thank you. I will confirm the question—and I appreciate the response in terms of those that have been accepted, but perhaps, as the minister is investigating which organisations have been accepted, can I also seek information as to the basis upon which those organisations were chosen over the others and whether there are any criteria other than that they are just the ones that pay the award, purely.

The Hon. A. MICHAELS: My understanding on the eligibility is to be a not-for-profit organisation for the delivery of services on behalf of government and include a provision of staffing costs impacted by minimum award outcomes. I understand those are the conditions that were in place for that supplement.

Again, I note that the 2.5 per cent published rate is what they were expecting and continue to receive as indexation. That is across all NGOs that are working with government that otherwise do not fit into this category. I think there might potentially be some environment groups and some others that are in that same category that we are working with.

The Hon. J.A.W. GARDNER: As I understand it, SACOSS and the Arts Industry Council and all of the not-for-profit umbrella groups have been urging the government to provide supplementation that has been provided to some but not others. Does the government consider that the arts organisations are not frontline service providers in the way that the ones that have been successful are and, indeed, does the government consider that those arts not-for-profits are less worthy than the ones that have been provided the supplementation, or are they facing less of a challenge with inflation than the others?

The Hon. A. MICHAELS: They are certainly not facing any less of a challenge with inflation; they are certainly no less worthy. But there are criteria set up for these programs, and this particular supplementation had particular criteria that were announced in the Mid-Year Budget Review. Like I said, I am seeking some flexibility and working through with Treasury as to being able to expand that across those very worthy arts organisations.

The Hon. J.A.W. GARDNER: Can the minister advise when she expects to have an outcome from her negotiations with the Treasurer on that matter?

The Hon. A. MICHAELS: I cannot answer that; of course, it is a decision for the Treasurer. I am hoping quickly, but I cannot answer that definitively.

The Hon. J.A.W. GARDNER: We wish you luck. Can I turn to page 27 in relation to targets. This one might come up a couple of times. There is a target:

Deliver a range of priority policy and strategy outcomes to develop the sector, leverage opportunities and investment, and strengthen the sustainability of the sector.

So a fairly broad target. Last year, we discussed the minister's planned implementation of the government's election commitment to work with the sector to address issues relating to work insecurity and income inequality for artists including investigating the establishment of a portable long service leave scheme for artists. Can the minister provide an update as to where this project is up to?

The Hon. A. MICHAELS: The member would be aware of the National Cultural Policy—Revive. The legislation that recently went through sets up creative workplaces within the Australia Council, so they will do similar work. We are working through how that fits in with what we are doing. The portable long service leave is currently with the Attorney. There is a working group with the Minister for Industrial Relations working on that particular project. So we are working through that and look forward to being able to have some positive outcomes dealing with that work insecurity for the sector.

The Hon. J.A.W. GARDNER: Last year, the minister said that a program would be implemented to fulfil this commitment and she described an aspiration of the 2022-23 financial year. If the Attorney is now working on that policy, does Arts SA or the minister's office have somebody who is part of that working group, or are you waiting on advice from the Attorney as to how it is going?

The Hon. A. MICHAELS: We are waiting on advice from the Attorney on that.

The Hon. J.A.W. GARDNER: Is there an updated estimated time frame on when this election commitment will be completed?

The Hon. A. MICHAELS: I can take that on notice and come back to you.

The Hon. J.A.W. GARDNER: Still on targets, moving to:

Maintain a focus on the implementation of the Aboriginal and Torres Strait Islander Arts Strategy for South Australia...

I recall the minister last year confirming the government did remain committed to delivering in all areas of the ATSI Arts Strategy. Does that remain the government's position, or have there been any changes to its response to the ATSI Arts Strategy?

The Hon. A. MICHAELS: No, that is still progressing, and for the 2022-23 year some of the key outcomes include partnerships and collaborative initiatives supporting First Nations governance in arts organisations, First Nations Playwrights Fellowship as well, and a program supporting professional critical writing that is done in partnership with Solstice Media. So there are some very good outcomes from the 2022-23 financial year.

For the 2023-24 financial year, we are looking at digital skills and skills development for First Nations artists and arts workers, and that will be influenced by the advice of the Aboriginal and Torres Strait Islander Arts Advisory Panel which was stood up a few months back, so that will provide very useful guidance for implementing these priorities.

The Hon. J.A.W. GARDNER: How often has that advisory panel met?

The Hon. A. MICHAELS: They have already met twice and propose to meet four times a year.

The Hon. J.A.W. GARDNER: In relation to the ATSI Arts Strategy, I think last year Ms Layther was able to confirm that there had been a recruitment of one FTE, and you have just provided advice about the establishment of the advisory panel. Are there any other funding measures that have been taken in relation to the delivery of the ATSI Arts Strategy?

The Hon. A. MICHAELS: For 2022-23, the ATSI grants program provided \$327,642 to 16 projects. There was \$102,500 allocated for the Statewide Indigenous Community Arts Development project, with organisational support and other funding supporting the participation of Aboriginal art across a range of projects, and \$100,000 was allocated to support the establishment of the arts centre at Umoona in Coober Pedy. In 2022-23 and going forward there is a dedicated investment of \$300,000 into activities and projects outlined in the strategies implementation plan, including, as I mentioned before, the fellowships, writers' mentorships, board governance training, etc.

The Hon. J.A.W. GARDNER: That \$300,000 a year and the specific projects mentioned prior to that, is that new money to the budget, new money to the department or from within existing resources?

The Hon. A. MICHAELS: It is within existing resources.

The Hon. J.A.W. GARDNER: In relation to the ATSI Arts Strategy, Aspiration four in the strategy relates to connecting. It talks about:

- fostering understanding of the importance of cultural maintenance and safety in attaining improved economic, health and wellbeing outcomes;
- building and strengthening networks and relationships across and beyond the sector—I think you have covered that part;
- enabling, supporting and facilitating activities to create multiple access points for professional and organisational development across the sector; and
- supporting activities that increase the exposure of Aboriginal arts and culture to South Australian, national and international audiences—which I am particularly interested in.

In relation to national and international audience exposure, in particular, does the government have any particular plans to deliver on that outcome?

The Hon. A. MICHAELS: As Ms Layther says, working with the Australia Council for the international exposure is going to be critical, and we are working on that. It is a different department, but I think we had some First Nations work done through music, and there is a Black Empire project as well separate from what DPC is doing. There is a project in Creative Industries as well that is assisting in that sort of exposure. Is there anything else you would like to add, Ms Layther?

Ms LAYTHER: I think it is being flexible with our program, without having targeted strategies but being flexible to support opportunities that come up for Aboriginal artists, particularly in the music and visual arts area, where there is quite a reputation. Our grant and funding programs are available for artists to apply for for touring and other opportunities that take in international markets.

The Hon. J.A.W. GARDNER: One of the organisations that had been important in building national and international audiences obviously was the APY Art Collective. Can the minister give an update to the committee in relation to the inquiry that has been taking place as a result of the well-publicised issues there?

The Hon. A. MICHAELS: Members would be aware of the articles that have appeared in *The Australian* and their quite serious allegations. I have been working with Minister Burke's office in particular and also with Minister Chansey Paech in the Northern Territory, and it was also discussed at a national arts ministers MinCo in terms of progressing this. We are working through terms of reference at the moment, largely there; I think, it is potentially still with the Crown for settling at the moment.

The issue is finding the right people to lead this inquiry, and I want to do it carefully, finding the right people with cultural sensitivities. Ideally, I would love a First Nations male and a First Nations female as well as potentially some sort of legal or investigative support. We are hoping to be able to finalise that in the next couple of weeks and announce that going forward.

It really is going to be a fact-finding mission for me as minister. ORIC is really the body that has powers to investigate as a federal body. We have undertaken to co-fund this with Minister Burke federally to go and have a look and see what is going on and investigate those quite serious allegations that have appeared in the press.

The Hon. J.A.W. GARDNER: Will the remit of the investigation include the question of whether the government has a view on whether Aboriginal artists should be restricted from being able to use non-Aboriginal studio assistance, given that of course a range of non-Aboriginal artists do so?

The Hon. A. MICHAELS: I will be guided by the experts on the panel on that. There is a question around Tjukurpa, and the Dreaming story being told by an Aboriginal artist being sacred to that person as a different concept from having assistance in creating a piece of artwork, so we just want to really clarify that. There are a number of artists, First Nations and non-First Nations, who get assistance when they are creating work, so I think it is really about the particular cultural sensitivities around Tjukurpa and what sort of interference, if any, has been undertaken in those artworks. We saw the very short video that appeared in *Australian Story*, which caused concern.

The Hon. J.A.W. GARDNER: Obviously, I suspect our most significant concern is for the artists—

The Hon. A. MICHAELS: Absolutely.

The Hon. J.A.W. GARDNER: —and their wellbeing. Can I ask the minister what role the government plans to play in supporting those APY artists through what is at the moment a difficult time, I expect, to fulfil their commercial potential moving forward?

The Hon. A. MICHAELS: Once the panel is stood up, I will be guided by and work with them as to what departmental support we can provide particularly to those artists. What you have touched on is absolutely key: being able to support them to tell their story and to be able to support them going forward. A lot of these art centres will continue with or without the APY Art Centre Collective; some incredible work is done at those art centres. They are members of the APY Art Centre Collective, but they are individual art centres, largely on their own, so they will continue. We just need to make sure we have the right support for these people to help them through it.

The Hon. J.A.W. GARDNER: You said you were looking to make an announcement in the next couple of weeks in relation to the investigators and the time frames?

The Hon. A. MICHAELS: And the terms of reference, yes.

The Hon. J.A.W. GARDNER: I move back to the grants line, and I have a couple of questions about public libraries. Can the minister confirm that the \$20.7 million allocated for public libraries over five years will continue to be allocated? I think we have been operating in the last couple of years on a year-by-year recommitment of that funding, and obviously local government and others have been encouraging a commitment for the full period of the allocation as a minimum.

The Hon. A. MICHAELS: The member would be aware of the agreement that was entered into under the former government, I am sure, in terms of the public library services. For 2023-24, the operating grant, with approval of carryover, is \$20.796 million. That is slightly higher than 2022-23, which was \$20.71 million. As far as I am aware, and I do not know anything different, that is subject to further budget processes. As I understand it, that agreement was negotiated between the Libraries Board and the Local Government Association, and that will continue.

The Hon. J.A.W. GARDNER: Minister, I think the agreement is understood to be over five years, but I think that the advocates for public libraries have been seeking confirmation for a multiyear agreement in terms of not just being confirmed year to year. Last year, you confirmed it would be for another year. When asked by the member for Heysen, you said:

The funding is there for 20.7 for the 2022-23 year. Given that it is subject to future state budgets, there is nothing further we can confirm at that stage for the board.

Are you in a position to give comfort that that \$20.7 million as a bare minimum is guaranteed going forward?

The Hon. A. MICHAELS: I think the usual process of letting the budget process flow through is one we will continue with.

The Hon. J.A.W. GARDNER: Will the government allocate funding for a dedicated digital literacy program that is not funded out of the \$20.7 million allocation? I suppose a different way to ask is: will the government consider allocating funding for a dedicated digital literacy program in addition to the \$20.7 million?

The Hon. A. MICHAELS: The Libraries Board will allocate their resources according to what they think are priority projects, so I will leave it to them to decide how they allocate that, including that kind of project. I do not have any information on that particularly.

The Hon. J.A.W. GARDNER: So that would be out of the \$20.7 million, if the Libraries Board so chooses. Will the government continue the current and past practice of funding for public libraries and support for the OneCard network remaining separate from funding for the State Library, as is the case in these budget papers?

The Hon. A. MICHAELS: Yes, they are separate components.

The Hon. J.A.W. GARDNER: Thank you. I am told that it will be of comfort. I move to targets, back to the priority, policy and strategy outcomes target we were on before. Is the minister working on any legislation to be delivered in relation to the South Australian arts sector and, if so, to what purpose and when?

The Hon. A. MICHAELS: Yes, it was an election commitment to make sure we are enshrining how arts are valued across South Australia. Work is currently underway led by—I think Arts SA is doing some work on it with Creative Industries. That work is being done. I am not sure I necessarily have a date, but we are working on it at haste.

The Hon. J.A.W. GARDNER: Do you have a time for when the department has been requested to provide us with a bill for introduction into the parliament?

The Hon. A. MICHAELS: I do not have a time at this stage.

The Hon. J.A.W. GARDNER: I go to page 29, where there is a reference to Country Arts SA. It is a relatively straightforward question: does Country Arts SA still manage the Hopgood Theatre? What has the government done to rebuild the Hopgood? I think there was a change to the budget allocation that was originally intended to go to the council.

The Hon. A. MICHAELS: I might take that on notice. Country Arts is managing it at the moment; I am just not sure exactly for how long that agreement is. The Hopgood Theatre itself is run out of the Department for Education, so they make those arrangements. I will take it on notice how long that continues.

The Hon. J.A.W. GARDNER: On grants and subsidies on page 28, last year we discussed that there was a notional allocation for departmental efficiencies of about \$2.9 million, I think it was, indexed per year to the arts program. At that stage, the minister and Mr Woolhouse had not yet determined how that burden would be allocated. Are you able to now identify what specific measures made up the \$2.93 million efficiency in 2022-23, and was it achieved?

The Hon. A. MICHAELS: Sorry, can you clarify the question? What made up the two point—

The Hon. J.A.W. GARDNER: Well, there are two questions, I guess. The first one is: did you succeed in achieving the efficiencies that were applied to the program and, secondly, how?

The Hon. A. MICHAELS: Yes, that was achieved. Savings were allocated proportionally across the budget, including statutory authorities and major organisations that received their share of the savings. For arts statutory authorities and major organisations that have funding agreements with the National Performing Arts Partnership Framework, savings are met through the withholding

of indexation adjustments. That has been past practice as well. Each of the boards and governing authorities determine how they have achieved their savings through the last financial year as part of their processes. In terms of whether it has been achieved, I understand it has.

The Hon. J.A.W. GARDNER: The minister said, I think, there was some shared by statutory authorities and major organisations, and presumably within the department as well—I may have missed that. Are you able to provide a breakdown of how much was carried by the department and how much by each of the statutory authorities and major organisations?

The Hon. A. MICHAELS: Can I take that on notice?

The Hon. J.A.W. GARDNER: Certainly. Can I ask specifically, though, about the department burden. How did the department meet its portion of the savings task? If you are able to provide me a number at least with the department one, that might assist.

The Hon. A. MICHAELS: We will take that on notice particularly around the numbers. I do not know if either of you want to add anything at this point in time.

Mr WOOLHOUSE: While we have taken the numbers on notice, as to the method, you were asking about how we did it within the department. Was that the question?

The Hon. J.A.W. GARDNER: Yes, how much of the efficiency, how much of the \$3 million was allocated to the department itself as opposed to the organisations, and how did the department achieve those efficiencies, whether it was through staff cuts or buying fewer Tim Tams or however you did it? I do not know the quantum of the allocation, so it is possible it would be a significant task or a smaller task, and if you have taken that on notice I will look forward to the answer. My recollection is that that \$2.9 million was indexed each year, so as to the way that those efficiencies have been achieved, do they then repeat in the future years so that there are no further efficiencies that have to be found?

The Hon. A. MICHAELS: For this year's budget, there are no new savings, which is good news. In terms of prior years, they do get indexed along the way. For example, the 2022-23 budget has savings in this current 2023-24 year of \$3.185 million, but if we look back to the 2019-20 budget the current impact on 2023-24 is savings of \$6.376 million. The 2018-19 budget, of course, was a big hit, rolling forward into 2023-24 indexed it is a \$9.666 million hit. So those are coming through from prior years into this current year, but pleasingly no new savings targets in this current state budget which is excellent news.

The Hon. J.A.W. GARDNER: The 2017 Mid-Year Budget Review was a doozy; I am sure you will enjoy the reading. Can I ask, though, for clarification. If the efficiencies that have been set out in last year's budget and previous ones that have been achieved, that means that the work of Mr Woolhouse and others in finding where that money comes from at least in the department's section is done and there are no further challenges to meet those efficiencies?

The Hon. A. MICHAELS: The department says they have worked through their savings.

The Hon. J.A.W. GARDNER: It might be an opportunity to move to DIIS.

The Hon. A. MICHAELS: At the table with me is Adam Reid, Phuong Chau and Callan Markwick, and hopefully Bec Bates is behind me; I also have Martin Smith and DPC behind them.

The Hon. J.A.W. GARDNER: Going to Budget Paper 4, Volume 3, page 174, explanation of significant movements, last year we discussed that there was a notional allocation of department efficiencies of \$3 million to the department, but I think Mr Reid indicated at the time he had not yet determined how much of that burden would be borne by Creative Industries. The dot point at the bottom of page 174 identifies \$1 million for this program in operational efficiencies. Can the minister confirm if that \$1 million comprises the final expectation of this program or if there are further efficiencies required to be achieved by this program?

The Hon. A. MICHAELS: The efficiencies have been achieved in that way. You will see with the FTE numbers that nothing has really directly fallen into that program, if I am answering that correctly, but it is the allocation of overheads that has helped achieve that. Mr Reid might want to add to that.

Mr REID: The member might know that there is an allocation of overheads, including FTE overheads corporate, to each program within the budget papers. The \$1 million has actually been allocated from a reduction in corporate overheads achieved through that program, so there are no further efficiencies allocated in here. There is a small savings allocated in 2023-24 associated with St Paul's Creative Centre.

The Hon. J.A.W. GARDNER: You will have to forgive me: different departments use different language to describe different things. When you say 'corporate overheads', can you clarify what that might mean for somebody who has not been working in DIIS?

Mr REID: Across the portfolio, we have policy areas. We have corporate communications, we have finance services, we have procurement services, etc. All the staff and corporate functions are allocated across all the portfolios within our allocation, so there is no separate program structure for those parts of our agency. They are allocated across each program. When we reduce our corporate functions, they play out in reductions across each of these programs.

The Hon. J.A.W. GARDNER: To clarify, there were some staff cuts to the department, and it is assumed that a portion of their work would have been servicing this program and so this is a notional reduction to this program, but nobody from within the Creative Industries program in DIIS has lost their role because obviously they were doing important roles. Thank you for that.

Regarding the savings task that you identified in relation to St Paul's—I am not sure if that is specifically identified here—can I ask how much that achieved in terms of saving, and is that a net figure, given that I think support has been provided to MusicSA and potentially other bodies as well in new locations?

The Hon. A. MICHAELS: Total savings in reallocating St Paul's budget is \$1.132 million. In 2023-24, there are savings of \$149,000 in relation to St Paul's.

The Hon. J.A.W. GARDNER: Apart from MusicSA, have the other organisations that were in St Paul's that had been receiving some support from the government all been relocated?

The Hon. A. MICHAELS: They either have been or are about to be. I think they all have been, actually. Some have moved to The Mill, some have gone to Light. Some of the sound equipment, for example, has gone into the Mercury; that has now been revamped. That work has all happened. I think we move out of St Paul's by September this year.

The Hon. J.A.W. GARDNER: And there are no other efficiencies that remain to be achieved in this program?

The Hon. A. MICHAELS: No.

The Hon. J.A.W. GARDNER: Last year, the minister and the chief executive confirmed that investment agreements had been confirmed with the Jam Factory and the SA Film Corporation until the middle of next year—mid-2024—and the Film Festival until the middle of 2025, so they would be quarantined from any efficiencies. Given what the minister has just said about no further efficiencies to be found in this budget at least, is she in a position to provide reassurance to the Jam Factory and SAFC, who have less than a year to go on their agreements, that those future years from the middle of next year will not be subject to cuts or efficiencies?

The Hon. A. MICHAELS: That is right, and we anticipate entering multiyear funding agreements without any further savings allocated to them.

The Hon. J.A.W. GARDNER: In relation to the departmental arrangements, this time last year the minister was contemplating whether or not machinery of government changes might be needed or whether she was happy having Creative Industries within DIIS and the arts and cultural program within DPC. Has that matter now been resolved? I assume there will be no change.

The Hon. A. MICHAELS: No, that is still under active consideration.

The Hon. J.A.W. GARDNER: How active?

The Hon. A. MICHAELS: Reasonably active.

The Hon. J.A.W. GARDNER: It has been a while now. While we are on the Film Corporation, there is a specific reference on page 173, right at the top. Did the government consider making a bid for *Mortal Kombat II* and, if not, why not?

The Hon. A. MICHAELS: The SAFC Board would be responsible for that and I do not think they did. What we have done in the last financial year is the partnership with ABC and SAFC. I think that was a total of \$5.2 million for that work across the forwards. That, including things like *Beep and Mort*, which I think the member might have gone to have a look at being filmed—I certainly did—

The Hon. J.A.W. GARDNER: I met Beep and Mort before they were on telly!

The Hon. A. MICHAELS: You should have got their autographs. In terms of what SAFC spends its funding on and its investment fund on, it is up to them, but I do not believe that has happened. I think there is some really good work in the pipeline for SAFC, not only with their existing funding but with the additional ABC funding. We also understand that *Mortal Kombat II* is interested in different types of locations. I think they have gone up to Queensland with rain forests and things like that, which we do not have.

The Hon. J.A.W. GARDNER: Was there any approach from the SAFC to the minister, the department, or the government in any way, to support a bid for *Mortal Kombat II*?

The Hon. A. MICHAELS: Not to me, no.

The Hon. J.A.W. GARDNER: To anyone else in government?

The Hon. A. MICHAELS: We understand not, no.

The Hon. J.A.W. GARDNER: Will you check with your colleagues?

The Hon. A. MICHAELS: Mr Reid says no. If that is inaccurate, we will correct the record, but I believe not. We can ask Ms Croser herself if there is anyone else that we are not aware of that she might have approached.

The Hon. J.A.W. GARDNER: In relation to Highlights 2022-23, on the same page, there is reference to:

Supported the South Australian music industry to recover from the impacts of the COVID-19 pandemic through MDO programs, and successfully implemented and delivered the suite of grant programs under the See It LIVE package to support the state's live music industry.

Can the minister confirm whether any funds remain in any of the grants programs within the government's \$10 million live music package?

The Hon. A. MICHAELS: Yes. What has gone out the door is the million dollars in the venue upgrade grants: 154 grants were provided under that stream. There were 85 event grants supporting activity through 2022 and 2023 at \$1.5 million. There was the Royal Show half a million dollar grant that went out to get live music back to the Royal Show. That supported almost 500 individual artists perform at the Show last year, which is fantastic.

The e-vouchers, a little bit over a million dollars has been redeemed: 2,628 e-vouchers are anticipated to be redeemed by 30 June, I think that figure is. So there is some of that funding still to go through and we are seeking carryover for that to continue that in the 2023-24 year of just under a million dollars.

The Hon. J.A.W. GARDNER: To clarify, that is about \$3.75 million of the \$5 million in grants that have been spent. From what the minister just said, was that a \$1.25 million underspend in the e-vouchers program?

The Hon. A. MICHAELS: No, it was under \$1 million.

The Hon. J.A.W. GARDNER: Is there any other underspend, or am I missing one of the grants programs? Maybe if I ask a different question—

The Hon. A. MICHAELS: There is \$250,000 for the mental health support—

The Hon. J.A.W. GARDNER: Yes, that is right. So the only grants program that has an underspend is e-vouchers, and it is in the order of a million dollars or a bit under.

The Hon. A. MICHAELS: A bit under.

The Hon. J.A.W. GARDNER: So, overall, the expenses that have been spent are a touch over \$4 million in grants. Has the minister received confirmation yet that the million dollars that is left in the e-voucher program will be carried over?

The Hon. A. MICHAELS: We have not gone through a carryover process yet, but that is what we will seek to do.

The Hon. J.A.W. GARDNER: Of the \$5 million that sits within Treasury but is part of the program, for the COVID shutdown insurance fund effectively, has any of that been applied for or expended?

The Hon. A. MICHAELS: Well, we have not had any shutdowns, so no, but that sits, as you said, with SAFA and Treasury, so they are the best people to ask about that.

The Hon. J.A.W. GARDNER: To clarify, we have had \$4 million expended of the \$10 million live music package. Given that the live music industry had some confidence there would be a \$10 million package one way or another, will the government consider repurposing any of the \$6 million unspent towards other measures that will support the live music industry in South Australia?

The Hon. A. MICHAELS: I think we were quite clear going into the election as to what that commitment was and particularly what that \$5 million was for. I think most live music venues would rather have had their doors open for the last year and a bit than having to call on us for some lockdown support, so I think we have been really clear as to what the package was. The grants, vouchers, etc., that have gone out the door have been really positively received. It was really needed for the industry. They did bear a big burden in COVID lockdowns, and it is good to see them getting back on track. I think there is some positivity in the sector at the moment, which is good.

The Hon. J.A.W. GARDNER: Minister, some might say they would be very pleased to have their doors open and receive the full \$10 million of what was described as a \$10 million package, but I am happy to move on, if you would like to.

The Hon. A. MICHAELS: Thank you.

The Hon. J.A.W. GARDNER: Going to grants and actually back to DPC, if that okay with you for the last minutes—

The Hon. A. MICHAELS: Are you sure? Do you have anything else for DIIS?

The Hon. J.A.W. GARDNER: I have about 20 minutes worth of DPC questions. I will see how I go.

The CHAIR: This question might be a really good question. It is probably your last one.

The Hon. J.A.W. GARDNER: Page 28 deals with grants. Page 29 deals with specific organisations. Does the minister have any plans to do something about the medium to long-term accommodation of the State Theatre Company, given what some would describe as utterly inappropriate conditions in which they are currently housed?

The Hon. A. MICHAELS: With thanks to Mr Hunter, who is sitting here on my left, I tasked DPC with doing some work on infrastructure more broadly, basically looking at what facilities were around in the market, what the needs were. That work has been done. What we heard from the sector itself in that work was that there seemed to be a need to investigate a potential hub-type arrangement for a number of those organisations.

Unusually, I thought, because of the lobbying that I have received on spaces, there actually seems to be a number of underutilised spaces, so I think being able to work out a way to make those spaces available more broadly is a really useful thing for us to be working on. Maintenance funding as well is something that was raised by those stakeholders.

All that work on the infrastructure planning is being done by Mr Hunter and his team, including obviously around the State Theatre Company and State Opera and where they are best located. That work is being done at the moment.

The Hon. J.A.W. GARDNER: Thank you. In relation to the Festival Centre, the minister earlier took on notice how much of the efficiency dividends will be borne by each of the statutory authorities and large organisations, but my understanding is that there has been in the order of a million dollars applied to the Adelaide Festival Centre to achieve this year. Given the Festival Centre is currently celebrating its 50th anniversary, the minister, I think, and others have suggested there is some particular extra funding that might support those celebrations. How much has been provided to support the Festival Centre in its 50th year celebrations and to what purpose has that funding been put or will it be put?

The Hon. A. MICHAELS: We will take that on notice, if that is okay with the member. I can say for the Adelaide Festival Centre the operating grant has increased for this 2023-24 year. It is \$14.665 million, and in 2022-23 it was \$14.515 million, so it is a slight increase for them, which I am sure they will use effectively and efficiently.

The Hon. J.A.W. GARDNER: If only they had their 2021-22 allocation again, I am sure they would be extremely happy.

The Hon. A. MICHAELS: Nobody wants COVID.

The CHAIR: The time allotted having expired, I declare the examination of Arts SA, Creative Industries and the proposed payments for the Department for Industry, Innovation and Science complete. The proposed payments of the Department of the Premier and Cabinet will continue after the break.

Sitting suspended from 11:46 to 12:00.

DEPARTMENT OF THE PREMIER AND CABINET, \$341,333,000
ADMINISTERED ITEMS FOR THE DEPARTMENT OF THE PREMIER AND CABINET,
\$20,260,000

Membership:

Ms Thompson substituted for Mr Odenwalder.

Ms Clancy substituted for Ms Stinson.

Minister:

Hon. Z.L. Bettison, Minister for Tourism, Minister for Multicultural Affairs.

Departmental Advisers:

Mr S. Woolhouse, Executive Director, Communities and Corporate, Department of the Premier and Cabinet.

Ms J. Kennedy, Director for Multicultural Affairs, Department of the Premier and Cabinet.

The CHAIR: Welcome back to today's hearing of Estimates Committee A. Welcome, minister, and welcome to your advisers. I understand that the minister and the lead speaker for the opposition have agreed on an approximate time for the consideration of the proposed payments, which will facilitate a change of departmental advisers; is that correct?

The Hon. Z.L. BETTISON: For this, it is all the same advisers. We do not need to change in this one.

The CHAIR: You will be from 12pm until 1pm and then after the lunch break from 2pm until 3pm as minister.

The Hon. Z.L. BETTISON: That is when there will be a change, yes.

The CHAIR: I refer members to the statement regarding the conduct of proceedings and take the opportunity to remind members that questions must be based on lines of expenditure in the budget papers and that responses to any questions taken on notice by the minister should be submitted to the Clerk Assistant via the Answers to Questions mailbox no later than Friday 8 September 2023.

I open the portfolio of Multicultural Affairs. The minister appearing is the Minister for Multicultural Affairs. The proposed payments remain open for examination. Minister, you can make an opening statement if you wish and then introduce your advisers. I will then call on the lead speaker for the opposition to do the same.

The Hon. Z.L. BETTISON: Thank you very much, Chair. Can I introduce to my left Steve Woolhouse, who is the Executive Director of Communities and Corporate, the Department of the Premier and Cabinet, and to my right is Justine Kennedy, who is the Director of Multicultural Affairs for the Department of the Premier and Cabinet.

I just speak briefly to say that we went to the election in 2022 with the most comprehensive multicultural policy we have ever put forward in South Australia, and I am so very pleased to have rolled out those policy commitments through this past financial year. It is something I had time to consider and look at those changes we wanted to make, in particular the additional funding we put into the multicultural budget: community languages, schools, our ability to put a multicultural lens—what effectively is many volunteers who give up their time to talk language and culture and to teach it.

I am very pleased with the work we have been doing, and I would like to thank the officers for their work in preparation for today and for the budget. We come to a point here of being very pleased with the ability to have put out to the people of South Australia what we wanted to do and then to have delivered it in this first term.

The Hon. J.A.W. GARDNER: I will move straight to questions and will start by going through some of the numbers on the table. If we can look at page 26 that has the program summary, income expenses and FTEs, in relation to grants and subsidies can you identify what the income generated from the grants and subsidies is? It is not a large number, but it seems to move around a bit. It is the top line.

The Hon. Z.L. BETTISON: Yes, I know the number. The income amounts relate primarily to the allocation of departmental corporate overheads across agency programs. There was also some returned grant funding recognised in 2022-23 and 2021-22 through other income.

The Hon. J.A.W. GARDNER: Sorry, returned grant funding—the income line that talks about grants is about grants that were not fully expended and have been returned, so that would explain the minor variations.

The Hon. Z.L. BETTISON: That first bit is the income amount, the allocation of departmental corporate overheads across the agency programs.

The Hon. J.A.W. GARDNER: Is that income to the program?

The Hon. Z.L. BETTISON: Yes. I am happy to express further about corporate overheads. Corporate overhead expenditure within the Department of the Premier and Cabinet relates primarily to corporate services, in particular, finance, administration, human resources, records management and ICT-related activities provided to support the department's operations, and also corporate costs, accommodation, insurance, workers compensation and audit fees.

As instructed by the Department of Treasury of Finance, corporate expenditure and income are allocated across agency programs. The allocation across programs for the department's agency statement is based on each program's FTE weighting. Corporate overheads allocated for Multicultural Affairs for this coming financial year 2023-24 is expenditure of \$1.4 million and revenue of \$0.09 million.

The Hon. J.A.W. GARDNER: My question is: where did the \$14,000 income come from?

The Hon. Z.L. BETTISON: Income for DPC that is allocated across.

The Hon. J.A.W. GARDNER: That is fine, so it is a notional allocation for multicultural but it is across the whole department.

The Hon. Z.L. BETTISON: Yes. Apparently we all have to participate.

The Hon. J.A.W. GARDNER: Yes, well \$14,000 coming in is a good one, but let's move on to the sale of goods and services. Is that also a notional allocation to this program from DPC's overall corporate overheads, or is the \$74,000 sale of goods and services something else?

The Hon. Z.L. BETTISON: The sale of goods and services amount in 2021-22 relates to salary recharges and contributions towards multicultural events and initiatives.

The Hon. J.A.W. GARDNER: In relation to the other income line that was \$270,000 last year, can you identify where that came from?

The Hon. Z.L. BETTISON: That was what I talked about before. There is some return grant funding. As you may recall, obviously quite a few events that were funded were not able to participate because of COVID and they returned that funding.

The Hon. J.A.W. GARDNER: In relation to any of those events, did the organisations seek to keep the funding because they had incurred costs, or is that \$270,000 all grants that were returned that did not involve costs having been incurred for cancelled events?

The Hon. Z.L. BETTISON: It was taken individually. If costs were incurred because COVID cancelled the event, we enabled those associations to pay those costs and then return the rest of the money. If it was cancelled, then the money was returned.

The Hon. J.A.W. GARDNER: I presume that the events in question are from the previous financial year but that the return of the grants was in 2022-23 because it took the admin a bit of time to be done.

The Hon. Z.L. BETTISON: The vast majority was in 2021-22. You may recall there was an exceptionally high amount in the priorities fund that was then distributed when that was able to happen. People obviously had to stop doing quite a few of those events for some time.

The Hon. J.A.W. GARDNER: Is it possible to get a list of the events in question that comprised that \$270,000?

The Hon. Z.L. BETTISON: I can take that on notice.

The Hon. J.A.W. GARDNER: We will go to employee benefit expenses, continuing down the page. It has gone from \$1.9 million to \$1.7 million budgeted, but \$2.6 million actual, and then \$2.8 million. Is that variance easily explicable?

The Hon. Z.L. BETTISON: The movement in employee benefit expenses is primarily because of a reclassification from supplies and services expenses to reflect the FTE establishment within Multicultural Affairs, an additional FTE to deliver on election commitments and the allocation of corporate overheads to the Multicultural Affairs program.

The Hon. J.A.W. GARDNER: Was that extra funding allocated from somewhere else, or was that what some people would describe as a variance to budget, which I think the Chair has encouraged us to use before? I guess the question is: is that new money, or is it a blowout?

The Hon. Z.L. BETTISON: As you know, there was an exceptional additional amount to the portfolio of Multicultural Affairs, which was an election commitment. It was part of that election commitment agreed to by cabinet, and that then flows on to DPC and thus to Multicultural Affairs.

The Hon. J.A.W. GARDNER: To be clear, though, as I understand it, the election commitment was in the 2022-23 budget already. It must have been accounted for somewhere. Was it accounted for in another department and then moved here, so that explains the variance of \$1.7 million to \$2.6 million, or was this decisions taken since last year's budget that have increased the employee benefit expenses over and above the election commitment?

The Hon. Z.L. BETTISON: I will just go back to what I have said to you before about reclassification and that some of the expenses that were there and that were reflected there—you are talking about the employee benefit expenses still?

The Hon. J.A.W. GARDNER: Yes.

The Hon. Z.L. BETTISON: Yes. I can add that the movement in supplies and services, which is the next line, is primarily because of a reclassification to employee expenses to reflect the FTE establishment for Multicultural Affairs. I think that adds some final understanding to what you are asking.

The Hon. J.A.W. GARDNER: Can I move to what many would consider the most exciting line in the table, which is grants and subsidies; it certainly has the largest volume of funds. Does this line cover all the grants programs administered by the Multicultural Affairs unit at Department of the Premier and Cabinet, or are any of those grants/programs elsewhere in the budget?

The Hon. Z.L. BETTISON: They are all covered in that line.

The Hon. J.A.W. GARDNER: Can the minister identify a breakdown of how much funding is allocated within each of the different grants programs and obviously the names of those programs?

The Hon. Z.L. BETTISON: In general, we give a holistic number for that grants program because we do not tend to go out advertising how much money is in each fund. What I can share with you, though, is an increase because of the additional money that the Malinauskas Labor government put in and we have had those funds.

Looking at those five grant streams, those grant streams are about multicultural organisations celebrating diversity through festivals, education, capacity building, events and intercultural projects. In 2022-23, it included:

- Advance Together, which was grants to assist organisations to improve their governance and strengthen their capacity building skills;
- Celebrate Together, grants to assist multicultural organisations to host festivals and events to celebrate cultural diversity;
- Expand Together, grants to assist multicultural organisations to expand their capacity by upgrading community facilities or purchasing equipment to meet the needs of culturally and linguistically diverse communities; and
- Stronger Together, these are grants to assist multicultural organisations to develop and deliver projects that strengthen families and communities and improve their access to better social and economic opportunities.

One of the new areas of grants is multicultural media, which are grants to assist multicultural media organisations to strengthen their communication skills through training and purchase of equipment. The recipients of those grant guidelines are published on the website.

The Hon. J.A.W. GARDNER: Are the multicultural festival grants from within this line as well?

The Hon. Z.L. BETTISON: No, obviously this is part of that, but it will not go out to this financial year. It is now going to be annual but could not be held in 2022, so the money will be expended in 2023-24.

The Hon. J.A.W. GARDNER: So it is still in grants and subsidies but not in the 2022-23 year.

The Hon. Z.L. BETTISON: Yes.

The Hon. J.A.W. GARDNER: I assume the Community Language School Infrastructure Grants are acquitted as part of this line on grants and subsidies?

The Hon. Z.L. BETTISON: Yes, it is all in there.

The Hon. J.A.W. GARDNER: That would explain a substantial portion of the increase from 2021-22 to 2022-23 in this new grant line?

The Hon. Z.L. BETTISON: You might recall there was a one-off additional expenditure in 2021-22, but that was just a one-off, whereas what we have put in is an additional \$4 million going forward every year.

The Hon. J.A.W. GARDNER: I appreciate what the minister said about not advertising in advance how much is going to be in each of those grant streams. Is she able to provide a breakdown for the year that has passed, 2022-23, of how much was expended in each of those grant streams?

The Hon. Z.L. BETTISON: Referring to the actuals, I can say that the budget was \$6.297 million, and in 2023-24 we will see an increase of course to \$6.482 million. I can do each of those individually. The reason we do not go out is that obviously we retain some flexibility within it, and we find that people respond depending on how much money is in those areas. Actual expenditure for the Advance Together grants was \$50,000 for 2022-23; for the Celebrate Together grants, it was \$1 million; \$974,000 for Expand; and Stronger Together was \$615,000.

Talking about Stronger Together, that was actually a two-year program. I have made the decision to continue some of that funding because many of those organisations were interrupted by COVID. Obviously, the whole point of Stronger Together is to strengthen families and communities and improve their access to better social and economic opportunities. It is a little different from the other grant programs that we have because it is a two-year program around that area.

The Hon. J.A.W. GARDNER: Can the minister identify how many organisations applied for each of the grant programs in these streams and how many were not successful compared with those who were?

The Hon. Z.L. BETTISON: I do not have that detail here. My experience is that almost double the amount of money is applied for in almost every grant round that we have. Advance is different, of course, because that is a set amount. There is incredible need. There is no limit on the amount of incorporated associations that different groups choose to create.

Member for Morialta, I know that you have had much experience, as I have, attending many areas. What we see is, particularly when new groups come in, they might all come together at one, and then we sometimes see some regionality within those groups and they will start their own incorporated association. Therefore, they all apply individually to do those applications. We acknowledge that, and so coming into government that is why we put additional money into Multicultural Affairs. In particular, in the Celebrate we have been allowed to increase that amount.

The Hon. J.A.W. GARDNER: I appreciate that, minister. I imagine there is a different experience related to the different purposes for which the grants rounds exist. I am interested to see whether it is possible to explore, even if it is just in terms of a data level, how many applicants there are compared to how many are successful in each of the different grants rounds so that we can help identify whether there is a greater hunger in some grants than others, for example. Are you able to get that data and provide it?

The Hon. Z.L. BETTISON: I can take that on notice, particularly with the data.

The Hon. J.A.W. GARDNER: Thank you.

The Hon. Z.L. BETTISON: In particular, in the Expand area we have had lots of interest. In particular, during COVID perhaps people were not thinking about those Expand areas as much. People certainly wanted to come together and celebrate, but unfortunately many of those events were cancelled often at very late notice because of changes during COVID—but we certainly see an increase in interest in the Expand side. Of course, in the election, we had a focus on community transport and also on security in this last financial year. So we had some particular areas.

I also changed some aspects of the Expand grant so that people did not have to match the same amount. Several organisations had approached me about this. If people applied for \$100,000 or more they had to match that money, but if they applied for \$50,000 or \$20,000 they did not have to match that money. I had several associations—and you may well have, too—who found that their usual way of getting income during 2021-22 was disrupted, so they found it very difficult to match

their funding. I listened to people and then we made the decision to only match at that much higher level.

The Hon. J.A.W. GARDNER: Can I ask who made final decisions on how much each organisation would receive? Is it done by an independent panel and does it involve the Multicultural Commission?

The Hon. Z.L. BETTISON: The decisions around the grants have been consistent for many years; they have not changed with the change of government. Each multicultural grants funding stream has a different grant assessment panel, made up of five members. The panels are chaired by the grant's management adviser from Multicultural Affairs and comprise up to three South Australian Multicultural Commission members, one community expert and one government representative. This was very consistent for some time. As the minister, I note the outcomes of the multicultural grants programs, and I am also responsible for notifying the successful grant recipients.

The Hon. J.A.W. GARDNER: The minister said before that the grant recipients were on the website. Does that provide information in relation to how much each grant is and which grant stream it is under? If not, will the minister consider providing that? I would love it if that were on notice, for example, but it is up to the minister.

The Hon. Z.L. BETTISON: Regarding the grants that we referred to at the beginning, as I understand it they are all on the website, and they are under the title of the grant with the amount that they were awarded.

The Hon. J.A.W. GARDNER: That is very helpful.

The Hon. Z.L. BETTISON: It has been the same way for many, many years.

The Hon. J.A.W. GARDNER: Can the minister identify if there are any grant lines that are not open and competitive but are instead directly allocated by the minister or the chief executive of the department?

The Hon. Z.L. BETTISON: As has always been the case, the Multicultural Priorities Fund provides direct applications of funding—once again, also to eligible organisations who are also eligible for the other grants—to support the community projects, initiatives and services considered to be a high priority. It varies from year to year. There was a small amount in there, but of course often it is from unspent or returned funds that come through the year.

The Hon. J.A.W. GARDNER: Can the minister identify which organisations received grants under that fund in the 2022-23 financial year and what process was undertaken to approve those funds?

The Hon. Z.L. BETTISON: We can take that one on notice. I have 22 organisations who receive funding. The one that I have spoken about publicly, though, is the African Communities Council of South Australia, and I know that you received the report that they prepared. It was through the Multicultural Priorities Fund that I was able to support them with funding from 2021-22 and 2022-23 for the following year, for them to be able to come together to write their recent report. They were one of the groups that I was able to support through that priorities fund.

The Hon. J.A.W. GARDNER: Thank you, minister, and thank you for your support of that important project. Is the minister able to identify how much the total quantum of funds in that priority fund allocation is?

The Hon. Z.L. BETTISON: It varies every year; therefore, it depends on what unspent funds there are. I can come back with that one.

The Hon. J.A.W. GARDNER: On the same line, still on grants and subsidies, in the budget last year there was \$7.36 million allocated and the estimated result is slightly under that. Is there an explanation of that variance of \$273,000?

The Hon. Z.L. BETTISON: I am advised that the grants and subsidies expenditure does comprise the multicultural grants program, which we have been talking about, the remainder being spent on the delivery of specific events and initiatives by Multicultural Affairs including the

Multicultural Festival, community boards and governance program, the SA multicultural resource directory, and community language schools. It is the non-grant component.

The Hon. J.A.W. GARDNER: The non-grant component was underspent.

The Hon. Z.L. BETTISON: It is under grants and subsidies, yes.

The Hon. J.A.W. GARDNER: If we look at last year's budget of \$7.366 million, this year is \$7.322 million, so that is a difference of \$44,000. Is there an explanation for that reduction?

The Hon. Z.L. BETTISON: You would like to understand the \$44,000 difference?

The Hon. J.A.W. GARDNER: I was asking about a \$12,000 grant before. It is just as well I am a very interested person when it comes to these, minister.

The Hon. Z.L. BETTISON: Sorry, can you repeat that? My apologies.

The Hon. J.A.W. GARDNER: From the budget last year of \$7.366 million, this year the budget for grants is \$7.322 million. Can the minister explain the difference? Is that a drop in terms of the internal departmental budget? Is that part of DPC's efficiencies? How does that work?

The Hon. Z.L. BETTISON: As I am advised, some of that money went to employee benefit expenses, which are those reclassifications from supplies and services to reflect the FTE establishment, and grants and subsidies.

The Hon. J.A.W. GARDNER: If we go to the total expenses, the increase of \$680,000 compared to last year—so we have gone from \$9.7 million to \$10.4 million. That would all be accounted for in the extra expenses. Is there anything else we have missed?

The Hon. Z.L. BETTISON: One of the key things with this comprehensive multicultural election policy is something we have not actually seen before. We see this increase in FTEs. The total Multicultural Affairs staff establishment of 23 people is 17 FTEs, and that corporate overheads allocation is 4.6 FTEs, and that is where we have seen that change. As you can see, there was a change in FTEs from the budget last year of 13.7 to 21.6. That is actually 17 people who are in Multicultural Affairs; I have given them quite a bit of work to do, probably more than we expected, but they have delivered. We have seen quite an extensive investment and increase in the Multicultural Affairs FTE.

The Hon. J.A.W. GARDNER: Is the minister able to identify the roles and levels of the new staff?

The Hon. Z.L. BETTISON: I will ask Justine to detail who they are. You are asking for the new staff?

The Hon. J.A.W. GARDNER: Yes.

Ms KENNEDY: We have an ASO7 who is in our policy area who is working on the election commitments. We have an ASO6 and an ASO5. They are the three new staff.

The Hon. J.A.W. GARDNER: And the ASO7, is a policy person working on the election commitments?

Ms KENNEDY: That is correct.

The Hon. J.A.W. GARDNER: Are the ASO6 and the ASO5 admin support for the office for grant recipients?

Ms KENNEDY: That is done within my Multicultural Affairs budget, yes.

The Hon. Z.L. BETTISON: One of the areas we have put people on is the Multicultural Festival. One of the things that I felt was done incredibly well was the 2021 Multicultural Festival. It had moved to Victoria Square and we had incredible involvement of a diversity of groups. We made a decision that that would be an annual event, and that annual event will start this year.

What happened previously when it was biannual was that you would have staff come on for a period of time and then come off because it was seasonal. What we have been able to do is have those people come on in a full-time capacity and build that network we have there. We are going to

host this Multicultural Festival on 12 November this year, and it will be annual thereafter. We are expecting that 7,000 people will attend, and people will get to enjoy up to 30 performances, 14 activities and 36 stalls.

I was recently at a national multicultural ministers meeting and I proposed that it was going to be the largest multicultural festival in Australia, so I endeavour to achieve that title. It might be a title we give ourselves. I actually think it is something that people are really excited about being part of. People are very keen, and we have just had applications open up for grants for this festival grants program. They were opened in April and closed at the end of May, and they are being reviewed by the grants assessment panel at the moment. There is lots of excitement in the community for that.

The Hon. J.A.W. GARDNER: Could I ask a simple question: is it possible to get an organisational chart for the staff, which is now up to, as you say, nearly 22?

The Hon. Z.L. BETTISON: It is on the intranet. I think it is on the website.

The Hon. J.A.W. GARDNER: The website or the intranet site?

The Hon. Z.L. BETTISON: I am advised it is on the intranet.

The Hon. J.A.W. GARDNER: Could we possibly seek that on notice?

The Hon. Z.L. BETTISON: Or you can say it now? Can you tell the 17 people?

Ms KENNEDY: I will see how good my memory is. You are after levels, aren't you?

The Hon. J.A.W. GARDNER: That is helpful.

Ms KENNEDY: In my grants team, I have an ASO7, I have three ASO5s and I have an ASO3 to do the administration. In my events team, I have three ASO7s and an ASO6, and in my policy team I have an ASO8, two ASO7s, two ASO6s, an ASO5 and an ASO3, and myself. That is my team.

The Hon. J.A.W. GARDNER: Bravo! Does the unit or the program area have specific arrangements in relation to people working from home? If so, is there a plan and time line in place for staff who have been working from home to return to mainly working back in the office, post COVID?

The Hon. Z.L. BETTISON: Multicultural?

The Hon. J.A.W. GARDNER: Yes, particularly multicultural.

The Hon. Z.L. BETTISON: They are all back on the floor.

The Hon. J.A.W. GARDNER: They are all back on? They are all shopping in city cafes and supporting CBD hospitality?

The Hon. Z.L. BETTISON: Yes, I think some do have some flexible working arrangements, part time, so more about the amount of time they are employed, rather than working from home.

The Hon. J.A.W. GARDNER: Excellent. Well, that is good news, thank you. I am looking now at page 25, the fifth dot point:

Established a Multicultural Chambers of Commerce Group to optimise the global connections of our diverse migrant community.

Can the minister advise who the members of the Multicultural Chambers of Commerce Group are?

The Hon. Z.L. BETTISON: I am very pleased to talk about the Multicultural Chambers of Commerce Group, one of the key points in the election policy that we detailed. The group has 25 chambers of commerce who are part of our group. The whole point is to build and strengthen relationships, collaborate and exchange ideas to maximise those business opportunities. More importantly, which is what I had great feedback on, is understanding the South Australian government's key areas of investment and activity so they can be shared with their communities. The members are:

- American Chamber of Commerce (AmCham);

- Australian Arab Chamber of Commerce and Industry;
- Australia India Business Council;
- Australia Indonesia Business Council of South Australia;
- Australia Japan Business Council of South Australia;
- Australia Philippines Business Council SA;
- Australia Israel Chamber of Commerce SA;
- Australia-Korea Business Council;
- Australian Asian Chamber of Commerce and Industry;
- Australian British Chamber of Commerce;
- Australia Malaysia Business Council SA;
- Australian-Vietnamese Chamber of Commerce SA;
- Business SA;
- Chinese Chamber of Commerce SA;
- DutchSA-Australian Netherlands Chamber of Commerce SA;
- Estonian Australian Chamber of Commerce and Industry;
- French-Australian Chamber of Commerce and Industry SA;
- German Business Chamber of SA;
- Hellenic Australian Chamber of Commerce, SA Chapter;
- Irish Australian Chamber of Commerce;
- Italian Chamber of Commerce and Industry;
- Shanghai Chamber of Commerce;
- Singapore Business and Social Association;
- Spanish-Australian Chamber of Commerce; and
- SwissCham Australia.

We have had opportunities to come together, and my initial scoping dinner was held on 14 June at Parliament House to talk to people about what they would like to see going forward. That is when the idea came about of a more informal event but with a topic at the time.

In October 2022, we did our inaugural networking event at the State Admin Centre with Sam Crafter, the Chief Executive Officer of the Office of Hydrogen Power SA, presenting on the government's hydrogen plan and renewable energy investment. Our second one was on 28 February 2023 and Business SA co-hosted the second networking event at its premises, where the new Chief Executive of South Australian Tourism, Emma Terry, presented on tourism investment and opportunities.

The third one is coming up on 11 July to be co-hosted by the Hellenic Australian Chamber of Commerce, SA Chapter, in partnership with its member KPMG. Richard Price, the Chief Executive Officer of the South Australian Space Industry Centre, will present the state government's commitment to the commercial success and growth of the space sector. I have been very pleased at the development of the chambers of commerce group, and I expect this time next year to announce that we will have even more participating.

The Hon. J.A.W. GARDNER: In relation to that very question of how the groups were selected, is everybody who is identified as a chamber of commerce able to participate? Are there

groups that, if they were to come to the minister now and say, 'We would like to be involved,' they could be added to that group?

The Hon. Z.L. BETTISON: We have focused on chambers of commerce. I have had several other groups of different associations ask if they could join. We have very specifically focused only on chambers of commerce, but we have made it very open. I think we even got the original list from the Department for Trade and Investment to ask them who we should invite and scope that out, but it is open. We are happy to take recommendations, if you have anyone you feel is missing from those 25.

The Hon. J.A.W. GARDNER: I would be happy to come myself, along with some of my colleagues, if you would like to invite us. We will see how we go. What resources have been allocated to implement this group, and is that from within this program area specifically?

The Hon. Z.L. BETTISON: My office did the initial scoping dinner and the networking event. The cost for the second networking event was met by Business SA and the cost for the third one will be KPMG. The people who host it generously pay.

The Hon. J.A.W. GARDNER: Apart from, I imagine, some admin staff assisting in the organisation, no other costs have been borne for the program?

The Hon. Z.L. BETTISON: One of the events people is allocated to assist in that.

The Hon. J.A.W. GARDNER: That is one of your events people, the ones we were describing before. Is any analysis of the program being done to inform its future rollout, or is that assessment being done by the minister in her office?

The Hon. Z.L. BETTISON: Well, it has only done its third networking, which is about to come up, so I would say it is still in its infancy. I think we will perhaps take some suggestions. We have taken suggestions from the very beginning. It is a very agile process for people to provide feedback, but I would say that it is just starting. Given that nothing was really happening in this space for quite some time, people made proposals.

As I said, I had a dinner in June of last year to say to people, 'Would you like to establish the MCCSA that was here before? Would you like a formal establishment?' The answer was, 'No, we actually want to come together more informally, but we want to know more about what government is doing and particular areas of investment.'

The Hon. J.A.W. GARDNER: In your invitations for suggestions, again I am sure the Hon. Jing Lee and I would be happy to come along and participate and provide feedback to you at any time you would like us to.

The Hon. Z.L. BETTISON: I will take that suggestion on board.

The Hon. J.A.W. GARDNER: Thank you. I am discovering that page 25, which I had meant to go to before, was in Budget Paper 3, not Volume 3 of Budget Paper 4, so I will go back to that. Budget Paper 3, page 25, refers to the operating expenditure for general government. The second dot point states:

Premier and Cabinet—projected to decrease by \$72.4 million primarily due to the timing of grant programs across the forward estimates

How much of that \$72.4 million relates to Multicultural Affairs, if any?

The Hon. Z.L. BETTISON: If anything, I would say that our grants programs have gone up, so it is not us.

The Hon. J.A.W. GARDNER: So you are netting off against some other unit within the Department of the Premier and Cabinet?

The Hon. Z.L. BETTISON: I can only speak about my own part.

The Hon. J.A.W. GARDNER: So no programs nor services in your area are affected by that?

The Hon. Z.L. BETTISON: As I am advised, no.

The Hon. J.A.W. GARDNER: We will go back to the other budget paper; it seemed to bear more fruit. The first dot point under the targets is in relation to the Ambassador Program. Can the minister outline how the Multicultural Affairs Ambassador Program will be implemented?

The Hon. Z.L. BETTISON: As you may recall, the Ambassador Program flows on from the Multicultural Charter. The Multicultural Charter set out the principles of multiculturalism in relation to our state to help guide policy and program development and help inform service delivery across the state. I think every member of parliament in the chamber today received a copy of the charter. I was very pleased at the point that we got to. There was quite significant work to get the charter to a point where we felt that it was something that can be used not just across government but across South Australia. We have now translated that charter into 30 community languages, and that is available on the Department of the Premier and Cabinet website.

To lead on—and I will come back to the Ambassador Program—we are about to establish a charter guide, which is in development, to help clubs, organisations and workplaces apply the charter and its principles in everyday settings. The words on the page are fantastic, but I want them to be active. I think we all agree that the words are exactly who we are and where we want to be, but we need to see that active. Particularly I am interested in how workplaces apply the charter. The guide will explain what each of the charter principles means and provide practical examples and ideas to help South Australians implement it in a meaningful way. Of course, the charter guide will complement and support the implementation of the Multicultural Ambassador Program.

I was interested in what they had done in Queensland, which had an ambassador program but they have actually now suspended their program. We took the learnings from that opportunity of what worked and what did not work. It is an organisation-based program, but we are going to do it as a pilot over a six-month period that will start next month in August 2023.

I will tell you a little bit about that. The Ambassador Program is to activate the Multicultural Charter and embed its principles within the workforce and business practices of our leading organisations. We are also guided by the work the Department of the Premier and Cabinet have done to set targets and activate and embed the charter in its workplace. Some of the targets might include but not be limited to:

- an increase in the diversity of employees within an organisation;
- introduce or strengthen the diversity inclusion and practices and staff training; and
- review of recruitment and retention policies to assess how they reflect the principles of the charter, and what improvements may be implemented.

We want to make sure that the pilot is user-friendly and is a tailored program for organisations. So far, I have had people who have expressed their interest. We have gone out and spoken to a variety of people, including a membership organisation, a sales and service business, an international company, local government, and a recruitment company. We will obviously be talking to them at length about the pilot. At this point I am not prepared to say the names of the companies, but you will hear that in the near future.

What we really want them to do is, first of all, conduct an audit and establish targets. That will be assisted with a project manager from Multicultural Affairs. We know that DPC, when they have done this work, have these milestones over a six-month period, but that time frame might need to be extended. We are asking them to have senior management or HR staff engaged with the Ambassador Program through the pilot, and to host two networking functions, involving human resources, to invite a multicultural peak organisation or a diversity organisation to attend and discuss the program more broadly.

What we are actually asking them to do is an audit of themselves, and that will be a guided audit that they do. What we wanted to do is not go in saying to the organisation, 'You must do X, Y and Z to become and activate the charter.' We want to be more agile and work with them. What do they have now, let's capture that data, and what could look further forward. I am really looking forward to the pilot and then we will get a review of that and then we will roll it out further.

As I said, we were guided by and interested in Queensland, who did it, but it was a much more intensive and directive program and it was a bit unsustainable. We want something that is quite sustainable going forward.

The Hon. J.A.W. GARDNER: Thank you, there is a fair bit of information there and I am trying to work methodically through my memory of what has just been said. We are talking about businesses being the ambassadors in the pilot. Was that three businesses you described?

The Hon. Z.L. BETTISON: No, we are looking at about six businesses who have indicated their interest and a diversity of businesses and organisations.

The Hon. J.A.W. GARDNER: So the pilot—are they going to be ambassadors for 12 months, 24 months? What is the nature of the program? If they want to stay, do they become perpetual ambassadors and you just add to them as we go?

The Hon. Z.L. BETTISON: I think that is something the pilot program will have more detail around. The idea would be: do they sign up to an audit every 12 months to check what they have agreed to in their milestones? That has not been determined at this point, but what we want to do is work with them and understand and co-design the program with them.

The Hon. J.A.W. GARDNER: Do you have a target for how many ambassadors you would like to have once you move past the pilot phase?

The Hon. Z.L. BETTISON: Not at this stage.

The Hon. J.A.W. GARDNER: How long do you envisage the pilot phase lasting for?

The Hon. Z.L. BETTISON: Six months.

The Hon. J.A.W. GARDNER: If the pilot phase is set to be announced very shortly—in the coming weeks, as I take it from the minister's previous answer—then we are looking at that running for the second half of this calendar year, give or take a month or two. Do you have any expectation of the program expanding at the beginning of next year? Is that what you are working towards, or is it just have the pilot phase, see what happens and then work out what happens next?

The Hon. Z.L. BETTISON: I think we will do the six-month pilot and then look at the scalability of the program. As we said, the previous program had a lot of instructions and it was very directive, and the Queensland government found that that was unsustainable going forward. People would get their ambassador certification but then not necessarily keep engaging. My preference is to continue to have that engagement. In fact, I think some potential peer-to-peer or organisational mentoring will help as we go forward. So certainly our focus will be on scalability, but what we want to do is go through the pilot phase and reflect on that and then look at the next stage. This time next year we will get to talk about it in a different format and I think we will have some decisions about how we are going forward from that time.

The Hon. J.A.W. GARDNER: We might talk about it in question time, and we might talk about it when we are at multicultural events. Are the organisations volunteering? Do they get remuneration? I assume they get certification, some sort of certificate that says that they are ambassadors. What is the arrangement for them?

The Hon. Z.L. BETTISON: The idea is that we have approached different people because we wanted to have a diversity of types of organisation—I have outlined those that have indicated—and to see what works for them. The certification is one model or acknowledgement of the work that they have done, but I think certification is static and it is kind of a point in time, and the whole point is to embed these principles into your HR. It is about being more inclusive and recognising those areas.

To be frank with you, a lot of the people we are talking about at the moment are much larger organisations that do have HR. I personally think probably the challenge will be more with some of our smaller businesses and how we work with them. I think the work we do in the pilot program will give us some guidelines as to how then we might do, as I said, that peer-to-peer mentoring. We do have some money put aside for this program within Multicultural Affairs but the people participating will not be paid.

The Hon. J.A.W. GARDNER: With the guided audit, as I think the minister described it, is that guided by staff within Multicultural Affairs or is there an agency that is going to be brought in to assist?

The Hon. Z.L. BETTISON: No, it will be guided by Multicultural Affairs.

The Hon. J.A.W. GARDNER: Will there be training or resources or other costs that the department might bear to support those successful ambassadors?

The Hon. Z.L. BETTISON: The allocation is \$30,000 per annum for the next three years.

The Hon. J.A.W. GARDNER: So \$30,000 is the cost for the program; and that is to pay for the staff in Multicultural Affairs, or are there expenses that will be borne supporting the businesses?

The Hon. Z.L. BETTISON: No, that is the staff members.

The Hon. J.A.W. GARDNER: I will move on. The second dot point on targets is—excellent—community language schools. From memory, the election commitment was for \$1 million extra per year for community language schools, and I understand that it has been settled that this funding will remain within Multicultural Affairs and is entirely separate from the funding provided by the education department, which is largely a per capita funding to the schools, but there are different aspects to it. Maybe if I ask very simply, for 2022-23 how much has been expended in this line and how has it been applied?

The Hon. Z.L. BETTISON: As you know, I have had a lot of conversations with people about the importance of being bilingual, for not only their own education but keeping their culture alive. It is something that is very, very important. We currently have 89 active and fully accredited community language schools teaching 47 community languages. There have been some challenges over COVID when some of our schools had a lot fewer students. Some schools are considered inactive, in that they are not operating due to a lack of enrolled students but they remain accredited. If they have been inactive for two years they lose their accreditation.

In August 2022, I announced a funding proposal developed by community language schools in consultation with Multicultural Affairs to deliver several activities in year one. The focus was around two tranches of funding, and I will talk about how much that is. The first activity was to Community Language Schools SA to work in conjunction with an industry provider to develop and deliver a governance and compliance training package for community language schools. We saw a capacity gap in regard to ongoing governance; there are certain levels of compliance that are required for the legislative requirement to run, so there was some assistance there.

The second area was to increase staffing at Community Language Schools SA to provide intensive case management and curriculum development services for new and existing language schools for an initial 12 months. The third area in this first tranche was about Community Language Schools SA delivering face-to-face school personnel training courses, teacher workshops and Child Safe in the north of Adelaide. All training had previously been at Hindmarsh and Goodwood, but we saw increased numbers and interest in the north of Adelaide and this makes it more accessible.

That was the first tranche. There was a second tranche of funding that we also made a decision on, and I joined Blair Boyer in that. It is an issue that had once again been raised with me—in fact, you and I have spoken about this—about host school arrangements, particularly when people do not have their own or parent body premises to use.

That second tranche of funding was an increase in needs-based funding for community language schools to provide classroom learning materials, equipment, offsite excursions and onsite incursions. These were things that were raised with us. We had a memorandum of administrative arrangement between DPC and the Department for Education for us to distribute and top up host schools for government schools currently hosting community language schools.

An area of quiet change was to look at the infrastructure grants program as well. That is something we will roll out in this financial year. The question you asked was for the total. In 2022-23, \$888,936 was allocated to community language schools directly, and that was for those governance and compliance training packages, increasing Community Language Schools SA staff, face-to-face

school training, an increase in needs-based funding and increased funding to Catholic and Independent host schools so that people had diversity of options of where to host their schools.

Also in 2022-23, \$113,730 went to the Department for Education to administer the increased funding to government host schools. There was a split with that, and that is over \$1 million.

The Hon. J.A.W. GARDNER: So that went to the Department for Education, but presumably from them to Community Language Schools SA?

The Hon. Z.L. BETTISON: Yes, it was one lot of funding that went out, which is what they have already distributed. The big change in this financial year is not only to increase the needs-based funding but also to give that diversity of options of where people could host their schools. As you and I both know, people have often been at a government school for a few years and then they have been asked to move on, and they were trying to find different locations.

The Hon. J.A.W. GARDNER: How many non-government schools have so far been identified by Community Language Schools SA to receive this new funding line in the last financial year, and do we have an anticipated amount in the next financial year?

The Hon. Z.L. BETTISON: The next financial year, 2023-24, all-up it is \$1,095,000 for the whole of that commitment. What I have actually found is that those language schools often have active connections. One of the Chinese language schools is now at Loreto College on Portrush Road, and that has enabled them to have all the room they need there so that they can deliver it.

What we have seen is that often they may have students within their language school who are already attending these non-government schools anyway, and then they have suggested to the people who manage the community language schools that perhaps they should approach the school. I think this additional funding has made it more attractive.

The Hon. J.A.W. GARDNER: I have one last question in relation to infrastructure grants to community language schools. They are advertised at \$100,000. How much has been expended and to whom, how much did they get, and how much is proposed for next year in that grant line?

The Hon. Z.L. BETTISON: We are going to run that infrastructure grant round every two years. The Bulgarian Educational and Friendly Society had some money there, the Islamic Society of South Australia, the Overseas Chinese Association of South Australia, the Croatian Club Adelaide, the United Vietnamese Buddhist Congregation of South Australia, the Afghan United Association of SA, Alliance Française d'Adelaide and the Greek Orthodox Community and Parish of St George ethnic schools. That is on the website.

The CHAIR: The allotted time having expired, I declare the examination of Multicultural Affairs and the proposed payments for the Department of the Premier and Cabinet complete. I thank members.

Sitting suspended from 13:00 to 14:00.

SOUTH AUSTRALIAN TOURISM COMMISSION, \$65,738,000

**ADMINISTERED ITEMS FOR THE DEPARTMENT OF TREASURY AND FINANCE,
\$3,557,414,000**

Membership:

Ms Wortley substituted for Ms Hood.

Minister:

Hon. Z.L. Bettison, Minister for Tourism, Minister for Multicultural Affairs.

Departmental Advisers:

Ms E. Terry, Chief Executive, South Australian Tourism Commission.

Ms S. Rozokos, Chief Operating Officer, South Australian Tourism Commission.

Mr E. De Roos, Executive Director, Marketing, South Australian Tourism Commission.

Mr N. Jones, Executive Director, Destination Development, South Australian Tourism Commission.

Ms H. Rasheed, Executive Director, Events SA.

Mr A. Kirchner, Chief Executive, Adelaide Venue Management Authority.

Ms M. Hannaford, Chief Governance Officer, Adelaide Venue Management Authority.

The CHAIR: Welcome back. The portfolio is the South Australian Tourism Commission and Adelaide Venue Management Authority. The minister appearing is the Minister for Tourism. I declare the proposed payments open for examination. I invite the minister to make a statement, if she wishes, and then also to introduce her advisers.

The Hon. Z.L. BETTISON: Thank you very much, Chair. I would like to introduce to the left of me in the front row Ms Emma Terry, Chief Executive of the South Australian Tourism Commission. To my far left is Hitaf Rasheed, Executive Director of Events SA, and to my right is Stephanie Rozokos, Chief Operating Officer for SATC. In our second row, from Adelaide Venue Management are Anthony Kirchner, Chief Executive; and Marie Hannaford, Chief Governance Officer. In the third row, from the South Australian Tourism Commission are Nick Jones, Executive Director of Destination Development, and Eric De Roos, Executive Director of Marketing. I just have a few words to start.

We went to the election with a commitment to building back our tourism and hospitality industry, and I was so pleased last week to announce an all-time record high of our visitor economy of \$9.4 billion. I have a line that says that people have been talking more about South Australia in the last year than they have for a decade and, when I have been interstate to ministerial meetings and tourism events, we certainly have been noticed more than we have for quite some time. I want to thank the team at the South Australian Tourism Commission, and all our tourism operators throughout South Australia. It certainly was a very challenging time during COVID; many of them were hit incredibly hard, particularly those with an international outlook.

Then, of course, we saw South Australians enjoying their own backyard. There was a period of uncertainty when not a lot was happening and then, particularly in the regions, a lot was happening. We are looking to continue to build; we have an ambition to get to a \$12.8 billion economy by 2030. It is something that is aspirational but attainable. I am very excited that this year Emma Terry came on and joined us as our chief executive officer.

The other point I want to touch base on is particularly in our area of river recovery. We saw the highest flood in a century impact our river regions: the Murray, Lakes and Coorong, and the Riverland regions. We have had a \$4.6 million effort from the Tourism Commission to focus on marketing and, of course, our vouchers. I was very pleased this morning to talk about the impact of those River Revival Vouchers. The impact for round 1 was \$3.1 million. That is, of course, about the bookings and the direct and indirect spend that we saw there as well.

We saw the immediate economic impact of the use of the vouchers, and we saw incredible awareness increase there as well. When we did a survey of more than 1,100 voucher holders, more than 70 per cent said they had not intended to book a holiday but, once getting the voucher, they then made the effort to book and do that. Also, more than 50 per cent were not aware of the operator before the voucher program happened, so we were really pleased with that outcome.

Of course, now we are in the second round of bookings and already \$2 million has been booked. More than 2,200 vouchers have been utilised. But, of course, we are encouraging people that they must do their booking by 25 July. If they do not use it, they are going to lose it, and then we

will have a second chance round, and people will know on 27 July if they have that. We did learn a lot from that first round, including to have a much longer time for people to book the travel.

I was also very pleased today to announce that Illuminate will hold their regional exhibition called *River Lights* at Mannum. That will be between 4 and 13 August, so we are going to have light, tech, music, creativity. We are really going to ask South Australians to take their time to visit Mannum, and to really enjoy that. We know that they were impacted severely during the flood, and this is one of the other ways that the Tourism Commission and the Malinauskas Labor government is supporting that region.

The Hon. J.A.W. GARDNER: We will go straight to questions. I might start with the omnibus questions:

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 FY, 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 FY? 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 FY?

Minister, will you be good enough to take those on notice for us?

The Hon. Z.L. BETTISON: I will take those on notice.

The CHAIR: I thought the minister was answering now.

The Hon. Z.L. BETTISON: I can give it a go. Do you want to read it again?

The Hon. J.A.W. GARDNER: I have seen that done once before, sir; it was not enjoyable for anyone involved.

The CHAIR: Are you going to point us to a line in the budget paper?

The Hon. J.A.W. GARDNER: Yes, I am now. For tourism, could we go to Budget Paper 3, chapter 2, page 25. We are looking at expenditure:

Tourism—projected to decrease by \$67.7 million primarily due to higher expenditure in 2022-23 for new and existing leisure events to further drive economic development and visitation to the state as economies open up following the COVID-19 pandemic.

Can the minister update us on any operating efficiencies that have been achieved since 1 July 2022, if any?

The Hon. Z.L. BETTISON: Thank you for your question. The SATC was required to find savings in 2022-23 of \$4.1 million through operating efficiencies and consolidation across the agency. The SATC achieved these savings through the cessation of funding that was allocated to one of our projects that occurred in 2021-22 and will not continue in 2022-23, including the Great State Voucher stimulus measures, the Working Holiday Maker campaign and SATC's new contracts and procurement CRM. There was a reduction in event sponsorship for various events and the implementation of corporate services and operational efficiencies.

The Hon. J.A.W. GARDNER: In relation to that, I think one of the efficiencies was discontinuing the procurement of a CRM. What is SATC doing instead of proceeding with that procurement—just using the old system forever more?

The Hon. Z.L. BETTISON: They have paid for the system and they are using it.

The Hon. J.A.W. GARDNER: So it is discontinued because it is paid for.

The Hon. Z.L. BETTISON: Yes.

The Hon. J.A.W. GARDNER: Well, that is good news.

The Hon. Z.L. BETTISON: It is good to pay your bills.

The Hon. J.A.W. GARDNER: Can the minister advise whether there are any operating efficiencies that the tourism portfolio is still required to identify to meet its budget task?

The Hon. Z.L. BETTISON: The savings target for 2023-24 is 0.8 of a million, comprising efficiency dividends from previous years. Those savings will be achieved through the cessation of funding that was allocated to one of our projects that occurred in 2022-23 and will not occur in 2023-24, and through implementing corporate services and operational efficiencies.

The Hon. J.A.W. GARDNER: Have the specific operational efficiencies within corporate services been identified and, if so, what are they?

The Hon. Z.L. BETTISON: As I understand and have been advised, to look at those efficiencies there has been a recontracting of the office building that SATC are in and a new stationery contract, which has reduced some costs.

The Hon. J.A.W. GARDNER: How much of the savings burden is being borne through these office savings in the lease and the stationery?

The Hon. Z.L. BETTISON: The savings is only \$800,000 so I think that is the majority of it. By the end of this session, we will find out any other. I can give that to you before the end of the session.

The Hon. J.A.W. GARDNER: Perhaps then I can wrap in the other part of my question, which was going to be: what are the one-off projects that are ceasing that are creating the other part of the savings task?

The Hon. Z.L. BETTISON: We will provide that to you by the end of the session.

The Hon. J.A.W. GARDNER: Is the minister able to identify what operating efficiencies are required in the future years of the forward estimates, beyond this year?

The Hon. Z.L. BETTISON: There are no new savings as part of the 2023-24 budget, so at this point there is no need to look at it in the forward estimates.

The Hon. J.A.W. GARDNER: And the savings that have been required by a previous budget or budgets have now all been achieved and so going forward the Tourism Commission is on an even keel, if you like?

The Hon. Z.L. BETTISON: Yes. As I have articulated, those savings targets have been reached.

The Hon. J.A.W. GARDNER: I refer you to Budget Paper 4, Volume 4, page 92, the workforce summary, if we can use that. I notice some variance from the 2021-22 actual to the 2022-23 estimated result and then some variance in the other direction for the 2023-24 budget. Is the minister able to explain why we have gone up 31 and then down 15 over the last two years?

The Hon. Z.L. BETTISON: The SATC's FTE count as of 30 June was 132.7, and that is within the current year FTE cap of 141.3. The increase in this 2022-23 financial year is due to a combination of vacancies filled, additional resourcing required for the AFL Gather Round and LIV Golf, and an extra budget provided for marketing, which included funding extra FTEs.

The SATC's FTE cap reduces from 141.3 in 2022-23 to 126 in 2023-24 due to FTEs associated with specifically funded initiatives and FTEs attached to funding received in the 2022-23 from the Major Events Fund, which sits within the Department of the Premier and Cabinet. That has been to fund new events.

It is anticipated that the 2023-24 FTE cap will increase with funding received from the Major Events Fund this financial year. Therefore, there are no planned FTE reductions. The SATC will work to be within the 2023-24 FTE cap of 126. The SATC has achieved all previous FTE savings targets and will implement a workforce strategy to realise any future FTE savings, if the need should arise.

The Hon. J.A.W. GARDNER: Can I clarify what I took from the answer in relation to the 2022-23 budgeted figure of 126—

The Hon. Z.L. BETTISON: 2023-24.

The Hon. J.A.W. GARDNER: Yes, sorry, you are correct. You are anticipating that that may increase with funding coming over from major events to support staff that are engaged in supporting LIV Gold and Gather Round, is that the—

The Hon. Z.L. BETTISON: And all other new events that will come on board.

The Hon. J.A.W. GARDNER: And any other new events that may come on board. Can the minister advise then, in relation to 2022-23, from this source of funds, is that just staff for Gather Round and LIV Golf, or were there any other events that provided this increase?

The Hon. Z.L. BETTISON: As I already said, we did have some additional for marketing. As you may recall, we went to the election with a \$45 million increase in the South Australian Tourism Commission because we wanted to focus on building back our tourism economy, remembering that its all-time low was \$4.4 billion in the middle of COVID. When we came to government, it was

\$6.1 billion. We really wanted to maximise that opportunity, so there were some additional FTEs with marketing as well.

The Hon. J.A.W. GARDNER: In relation to the staff who were taken on to support Gather Round and LIV Golf, how many staff are we talking about and what were their positions?

The Hon. Z.L. BETTISON: Obviously we do events all year round, and while we do that one of the key things we wanted to do was build out our calendar of events. As I announced, the \$9.4 billion visitor economy is 23 major events that we now have, but most importantly they are balanced throughout the year.

We love Mad March. We have always loved the Fringe, the Festival, WOMAD and, of course, the Tour Down Under and the tennis, but what we really wanted to do was see events throughout the whole year, like Illuminate, which is coming on for its third iteration right now. These are things that have balanced it out, along with Harvest Rock and things like that, but of course we were very thrilled to get both the AFL Gather Round and the LIV Golf. It is very competitive to get those opportunities, but we went out and had them.

These are marketing and event delivery roles; they are not just for AFL and LIV. We also had additional people for the State of Origin, which was an amazing night that we had people in here for, and of course we have the FIFA Women's World Cup. We are in charge of delivering the FIFA Fan Festival. I was just looking out from the Balcony Room and the tents are going up already. It is very exciting.

The eyes of the world will be on us. I think it is the third largest event in the world. There is the Olympics, FIFA Men's and FIFA Women's. It is a very exciting time to have that. That is going to operate for 21 days. Throughout the year, we have people come on in this events area. What we try to do is keep them on for as long as possible and therefore they get the experience that they can be as helpful as possible. Our organisational chart is on our corporate site, and I think they are under those marketing Events SA roles. It is the same people across all those roles, so it is not specific.

The Hon. J.A.W. GARDNER: How many FTEs were funded by the transfer of funds from the Major Events Fund, then?

The Hon. Z.L. BETTISON: My understanding is approximately five FTEs, but of course, as I have reiterated, they work on more than one event.

The Hon. J.A.W. GARDNER: In relation to, again, the workforce, we spoke in Multicultural Affairs about staff working from home during COVID and the desire of governments successive to return people to the city. Does SA Tourism have a clear plan and time line in place for staff who are working from home to return back to the office, if any still are? If so, are you able to table that plan or advise us what it is?

The Hon. Z.L. BETTISON: The Tourism Commission does have flexible working arrangements as required. Of course, that is not just people who work full-time from home but part-time people as well, but the majority of staff work most of their days in the office.

The Hon. J.A.W. GARDNER: When you say the majority of staff, are you able to be a bit more specific? If there are 126 or 132 staff, how many of them on any given day will be working from home?

The Hon. Z.L. BETTISON: I will need to take that specifically on notice.

The Hon. J.A.W. GARDNER: Can the minister identify whether this is due to flexible working relationships because of people's circumstances, or a hangover, if you like, from the pandemic?

The Hon. Z.L. BETTISON: I think the Tourism Commission is a great attractor of talent and people are very keen to work for the Tourism Commission. I also think they are a very modern employer. I understand flexible working arrangements have been around for quite some time. Just as we said before, what we have seen in the past is—and I know when the Tour Down Under was getting in full flight for the first time back after three years—is that we had some additional people working in the events team, so we do have people coming on and off. Obviously our preference is to

have them there for the majority of the year, which has been our focus in building up that calendar of events across the year.

The Hon. J.A.W. GARDNER: The minister has taken on notice the numbers of staff working from home. I am just seeking any analysis done on whether that has changed in the last year or will in the year ahead.

The Hon. Z.L. BETTISON: As advised to me, this is not related to COVID or a hangover from COVID. To be an employer of choice is to look at individual circumstance. Obviously, we are looking for very talented individuals at the top of their fields to work for us and, as I understand it, that is something that has been a key part of that for many years.

The Hon. J.A.W. GARDNER: I am pleased to hear it. On page 92, specifically to the Tourism Development program line, there is again a variance between years. The 2022-23 budget of \$17.414 million was either a very accurate budget with the estimated result, or potentially you might have an actual figure that is an update on that estimated result. Either side of that, there was a significant increase from 2021-22 and there is a significant decrease to 2023-24. Is the minister able to give us some clarity over what has provoked these changes?

The Hon. Z.L. BETTISON: It was a very close budget and estimated result. The decrease of \$11.2 million in net cost of providing services in 2023-24 is predominantly due to payments made to the South Australian Government Financing Authority in 2022-23, associated with the Tourism Industry Development Fund. The fund provided \$20 million over two years to stimulate private sector investment in new and improved accommodation, and the development of quality tourism products and experiences across regional SA. The increase of \$14.4 million in the net cost of services in 2021-22 to 2022-23 is also predominantly due to those payments to the financing authority, as I have talked about.

There was also an allocation in 2022-23 to provide additional funding to the Tourism Industry Council of South Australia for the tourism industry capability building program, which includes workshops and one-to-one business coaching, as well as a program to encourage young people to consider a career in tourism. That was something that was an election commitment and something we had spoken to TiCSA about. We also announced the allocation of funding to support a new grant program in nature-based tourism activity.

I will just touch on the Tourism Industry Development Fund because it was quite a significant fund, and I recognise that it was something that the previous government came out with as an economic stimulus. There were 114 projects across all 11 tourism regions. What we have seen is a delay to some of those projects running out, and there are 18 remaining projects that will be completed in this financial year. Even though that money has decreased, we have actually seen over three financial years the money that has come down.

With those remaining projects, there are challenges due to building materials shortages and trade availability. We have two projects remaining in the Adelaide Hills, five in the Barossa, one in Clare Valley, two on Eyre Peninsula, one on Fleurieu Peninsula, two in Flinders Ranges and outback, two on Kangaroo Island, one on the Limestone Coast, one in the Murray River, Lakes and Coorong, and one in the Riverland. There are still two remaining. I think we expect them to be completed this financial year. We will expect another payment this financial year.

The Hon. J.A.W. GARDNER: I thank you for that. The Tourism Industry Development Fund and the Tourism Industry Council (TiCSA)—

The Hon. Z.L. BETTISON: Tourism Industry Council of South Australia.

The Hon. J.A.W. GARDNER: Those two programs having been one-off programs, if you like, coming to an end—

The Hon. Z.L. BETTISON: No, they are four-year programs.

The Hon. J.A.W. GARDNER: Those two programs having less money in 2023-24 than they did in 2022-23, they are the only things that have ended or are being reduced to explain this drop? There are no other divisions or branches in the agency or the department that have had any cuts?

The Hon. Z.L. BETTISON: The vast majority of the drop is, of course, the Tourism Industry Development Fund, which has come through. Let's talk about the Tourism Industry Council of South Australia because this is quite important because probably the single biggest question we get is about skills and about jobs, particularly in regional areas.

The most exciting statistic I think is this rebalancing of where our visitor economy comes from; 48¢ in every dollar is now in our regional areas. I may have mentioned it once or twice in question time. This is really exciting for our regions. We saw a lot of South Australians get out there. What we know is that getting skills, getting people to the regions—it is also one of the reasons we have put out the regional housing authority because housing is a challenge to that, not just for government services but for tourism as well.

Our funding agreement with the Tourism Industry Council runs for four financial years; it started last financial year. The Business Capabilities Program did an incredibly good job during COVID. They proved to be very agile, providing advice and also these sessions for businesses when they needed to do it. This will provide industry capability workshops, including one-to-one business coaching to raise standards and quality. They also provide workshops all over South Australia. They held 35 workshops last financial year, so they are quite active in the regions. The Careers in Tourism program is also something they have worked on, video targeting school leavers and digital assets in careers and tourism.

The one area I particularly would like to mention, which I think is incredibly important, is a cultural development program that delivered two forums to investigate the establishment of the South Australian Aboriginal Tourism Operators Council (SAATOC). It is going to take some time for us to reach the achievements of WAITOC in Western Australia, which I think has been running for more than 20 years. It is our most significant unique selling point for a destination as a nation.

When I attend those national ministers meetings of tourism, we are in competition with the world—Canada, New Zealand, US, UK—but our unique selling point is the oldest living culture here. Obviously, we have been talking about our Voice to the state parliament and we are having a big national conversation. I think the opportunity to build depth and capacity in our Aboriginal tourism operators is incredibly important. This is having a voice. It will be something we will be supporting over four years, and I look forward to talking to the parliament and South Australians about that development.

The Hon. J.A.W. GARDNER: If we go down a line to tourism events, there is again variance between three years: \$36.7 million to \$39.5 million. Before I go there, can I ask if you have the actual figure for the previous line, the tourism development 2022-23 estimated result being exactly the same as the budget result? I would be interested if you have the actual or otherwise take it on notice. I would appreciate that.

The Hon. Z.L. BETTISON: We do not actually have that figure yet because we are just wrapping up the final thing. Our statements are due to the Auditor-General at the end of July, so that is when it will be available. I hear your curiosity—

The Hon. J.A.W. GARDNER: 'Twill be what 'twill be.

The Hon. Z.L. BETTISON: Okay, let's leave that one.

The Hon. J.A.W. GARDNER: Alright, we will move on, as I started to. For tourism events, let's say that the budget is accurate: \$36 million in 2021-22, \$39 million in 2022-23 and down to \$30 million in 2023-24. Again, can the minister explain the reason for the variance—up \$3 million, down \$9 million?

The Hon. Z.L. BETTISON: The decrease of \$8.7 million in net cost of providing services is predominantly due to the expenditure incurred in 2022-23 on a range of new homegrown events and growth of our existing owned and managed events. SATC received funding in 2022-23 from the Major Events Fund, which sits within the Department of the Premier and Cabinet. The purpose of this funding is for developing these new homegrown events, growing those existing owned events and managed events and securing major and international business events.

The increase of \$2.8 million in net cost of providing services in 2022-23 is predominantly due to the return of the UCI World Tour Santos Tour Down Under after a three-year absence due to the impacts of COVID-19. Can I just say—and I would like to thank the team—it was an excellent comeback in its traditional format. It had a more than \$66.5 million economic impact and it has the eyes of the world on us. I was really, really touched when Stuart, our race director, made the decision to start one of the races from the river regions. It will be starting from Murray Bridge. Having that attention means that we have not taken our eyes off the river, and we continue to do so.

The Hon. J.A.W. GARDNER: In relation to the impact of major events funding coming in that has increased between 2021-22 to 2022-23, can you give us some information about why there is an \$8½ million reduction from 2022-23 to 2023-24?

The Hon. Z.L. BETTISON: I just articulated that.

The Hon. J.A.W. GARDNER: Are we expecting any further funding during the 2023-24 year, or is this it?

The Hon. Z.L. BETTISON: We would expect more funding to come in.

The Hon. J.A.W. GARDNER: If we go down to tourism marketing, again can you explain the variances?

The Hon. Z.L. BETTISON: Perhaps I might start by saying that obviously there was an additional \$15 million in 2022-23. That was incredibly strategic from our point of view. We wanted to get back out there, building our tourism and visitor economy. It is a highly competitive field. Everyone was feeling exactly the same way we were, which is we want to get out there and build back up. There is a decrease of \$13.8 million in net cost of providing services. That is primarily due to the additional marketing funding that I spoke about. Of course, our focus was about South Australia as a tourism destination to help us compete with other markets. This was particularly as we all opened up post COVID-19.

As I said, it was part of this \$45 million over the four years through to 2025-26 to boost tourism marketing. The investment included \$15 million in 2022-23 to provide additional support to tourism businesses as the state emerges from COVID, and \$10 million per annum across the forward estimates.

The increase of \$1 million in net cost of providing services is associated with the additional funding in 2022-23 for the River Revival Voucher program. As I said, that was a significant program of just the vouchers and marketing, but it is part of our state government's River Murray tourism recovery plan. It was aiming to stimulate visitation and expenditure in the communities hit hard by the River Murray flood event.

The Hon. J.A.W. GARDNER: Are there any programs or services or units within the department that have seen reductions, other than the drop from the high point in terms of the \$15 million and the River Revival Vouchers being predominantly, again, in that 2022-23 year? Obviously those two things have seen a drop to 2023-24, and it is a substantial drop. Are there any other programs or services that have been diminished or cut?

The Hon. Z.L. BETTISON: That additional money for marketing was utilised across the board. I think you are asking if there was a specific program that maybe will not continue. What it did do was:

- contribute to our strategic plans to grow our destination brand;
- increase our paid reach and share of voice in domestic markets;
- help us increase our investment in cooperative partnership marketing efforts to generate bookings;
- contribute to the investment in key PR campaigns that help generate publicity for the state;
- increase the Tourism Commission's investment in digital performance marketing to help drive leads to South Australian operators;

- contribute to marketing of events in South Australia to drive attendance and increase visitation to the state; and
- contribute to rebuilding our marketing efforts in selected global markets, targeting the higher value travellers and working holiday-makers.

Across the board, I think you are asking if there was a specific program that would not be continuing?

The Hon. J.A.W. GARDNER: Other than the drops that were described earlier.

The Hon. Z.L. BETTISON: Yes, and what I am saying is that there was a lift across the board. That \$10 million is in appropriations going forward, but we obviously saw a high and it is this return to pre-COVID levels. I am very pleased at what we have been able to do with that additional 15. They have spent it all, I can tell you—not a cent left. We used the opportunity to really go out there, go hard and, as I said, people are talking about us—in a good way.

The Hon. J.A.W. GARDNER: The eyes of the world. In Budget Paper 4, Volume 4, page 93, key agency outputs, one of them includes improving perceptions and attitudes towards South Australia as a desirable tourism destination. There may be other budget lines on the previous page we could also use. Particularly in terms of improving perceptions, does the minister care to reflect on whether the Sam Smith concert has helped to improve the perceptions and attitudes towards South Australia as a desirable tourism destination?

The Hon. Z.L. BETTISON: I think the Sam Smith concert is one of many different activities we have done. I think probably the major events have been the ones that have really turned people's heads the most. As I have spoken about many times, we have to look at things for different age groups and different communities, as in interstate tourists, international tourists, as well. I think that there is a diversity of responses. Not everyone loves football; not everyone loves rugby; not everyone loves the lycra that comes with the Tour Down Under—but this is why we have a diversity of events.

You talk about something that was a really unique opportunity that was presented to us. We took that opportunity. I think it is one of many things that we have gone out there with, and that is what we have been able to do these past 12 months particularly. We have come out of the blocks really, really hard and I think that we are perceived as a desirable tourism destination.

The Hon. J.A.W. GARDNER: We could spend some time asking about budget, but we have done that before, so I might move on to my next topic, which is the same budget line: 'improve perceptions and attitudes towards South Australia as a desirable tourism destination'. Does the minister care to reflect on the TikTok camp where influencers were describing South Australia as 'the most boring state' and 'disrupting the paradigms', or whatever the phrase was? Does that help improve perceptions and attitudes towards South Australia as a desirable tourism destination?

The Hon. Z.L. BETTISON: I think the rationale of using TikTok as a social media platform was because it had 1.6 billion global users as at the end of 2022. It was seen at the time as particularly reaching out to that demographic of 18 to 34 year olds. I am not a TikTok follower myself, but that might be dating me—

The Hon. J.A.W. GARDNER: Well, you are not allowed to. It cannot be on your phone.

The Hon. Z.L. BETTISON: —but I understand it is a juxtaposition of a comment and then 'shame' that is not true. I think that was the aim to do that at that time.

The Hon. J.A.W. GARDNER: How do you think it went?

The Hon. Z.L. BETTISON: I think I have spoken about this before to say that we have tried different things. We have gone out and done them, but our focus will be more on those traditional media. It is not that we will not be using any of these new forms of media, but I think our focus will be more focused on that. Of course, it is an interesting statistic that less than 2 per cent of our marketing budget is in this kind of new media. I think former Minister Ridgway said that his was about 3 per cent, so we have already seen a change in that area.

The Hon. J.A.W. GARDNER: If the minister is happy to give us that figure of less than 2 per cent of the marketing budget, the marketing budget having been \$44 million last year, does

that mean the minister is confirming that it was \$800,000? Sorry, that could be \$900,000; it was \$44 million.

The Hon. Z.L. BETTISON: I think you are doing maths on the run. I will endeavour to—

The Hon. J.A.W. GARDNER: I would be very pleased to have the accurate figure, minister. If you would like to correct my maths, I would be very pleased to have the real figure.

The Hon. Z.L. BETTISON: It was not my intention to correct your figure. I think that is the figure I have for that. I cannot confirm to you that that equates to the figure you have presented to me, but we will endeavour to give you an answer by the end of the session.

The Hon. J.A.W. GARDNER: Is that 2 per cent figure, or \$880,000 or whatever it is exactly, in relation to the TikTok influencer camp and any other particular programs as well as that camp?

The Hon. Z.L. BETTISON: I am sorry; you will have to repeat.

The Hon. J.A.W. GARDNER: Can the minister clarify that the figure of 2 per cent that she used in relation to new media included the TikTok influencer camp? I invite her to identify what other programs or offerings that 2 per cent figure, or \$880,000, paid for.

The Hon. Z.L. BETTISON: As I understand it, for the TikTok campaign, that was 0.2 per cent of the total marketing budget. It was 0.2 per cent for that TikTok campaign. You were asking about—

The Hon. J.A.W. GARDNER: So \$88,000?

The Hon. Z.L. BETTISON: I will get that figure confirmed for you.

The Hon. J.A.W. GARDNER: Were Zara and Mike Tindall paid for their visit to South Australia and, if so, how much were they paid?

The Hon. Z.L. BETTISON: They were invited to the VALO Adelaide 500, so that is a question not directed to me.

The Hon. J.A.W. GARDNER: So not out of SATC, at any rate. Does the minister have a figure on the total number of people who have been paid to visit South Australia by SATC or the tourism part of the portfolio and for what events?

The Hon. Z.L. BETTISON: We had an allocation of \$1.4 million for the cost for familiarisations, or 'famils' as we call them. A famil is something that we use quite often. People use it to allow people of influence to better understand a destination by experiencing it firsthand to help them either onsell or promote the destination. That can be wholesalers who are selling on packages, or it can be journalists who are writing something about what we are doing. It is very commonly used across the area. I will get that figure to you, I hope by the end of the session, of how many people we had on famils, but every tourism commission uses it. It is a way of showing your destination, particularly to different markets.

The Hon. J.A.W. GARDNER: Should we not have it by the end of the session, which is rapidly approaching, are you happy to take it on notice?

The Hon. Z.L. BETTISON: We will take that on notice.

Ms TERRY: Just to follow on from the minister in terms of the actual PR famils program, it includes everything from trade famils, which are very much stock standard, through to some of those influencer activities. They are not paid to come on those. We might cover some on-ground costs, and we may work with industry in terms of what that experience looks like as well where they also may contribute into that. So that is across the entire program for the entire 12-month period as well, covering all activities, including international trade activities as well.

The Hon. J.A.W. GARDNER: For clarification, are these events that we are talking about, Sam Smith, the TikTok camp, etc.—the famils, which is a word I have never used before in my life until just then—all out of the tourism marketing budget line, program 3?

Ms TERRY: Yes, that would be under the marketing.

The Hon. Z.L. BETTISON: Under the domestic marketing.

The Hon. J.A.W. GARDNER: I think the minister alluded to this before, but am I to take it from her earlier response in relation to the TikTok influencer camp that there are no plans to do that again?

The Hon. Z.L. BETTISON: No.

The Hon. J.A.W. GARDNER: Happy days. On page 93, there is a line in relation to total leases on accommodation, which is fairly significant, of \$5.6 million that appears in 2023-24. Can the minister explain what this new figure is about?

The Hon. Z.L. BETTISON: Sorry, I just missed the first part of what you said.

The Hon. J.A.W. GARDNER: Page 93, the lease accommodation, it is a fairly substantial new figure.

The Hon. Z.L. BETTISON: I asked a very similar question when I was in your spot because it was already in the forward estimates. The increases in leases on accommodation are due to the accounting treatment of the South Australian Tourism Commission's head office lease. Under the new Australian Accounting Standards, leases are capitalised and subsequently amortised over the life of the lease. The SATC's current head office lease is due to expire in March 2024, at which time a new lease will be entered into for office accommodation. The increase in the capital budget in 2023-24 reflects the estimated discounted future value, all ensuring lease payments over the life of the lease.

The Hon. J.A.W. GARDNER: Thank you, that is very helpful. Who is the landlord?

The Hon. Z.L. BETTISON: It is the Catholic Church.

The Hon. J.A.W. GARDNER: Outstanding. Do we know how long the next lease is going to be for? Apologies if you have already answered that question.

The Hon. Z.L. BETTISON: Five plus five.

The Hon. J.A.W. GARDNER: Can I move to page 94 and we will talk a bit about river recovery with the time we have left. There are a couple that talk specifically about the River Murray flood event. Can the minister tell us how many voucher receipts were from South Australia and how many were from Victoria?

The Hon. Z.L. BETTISON: As I have said publicly, 4,369 vouchers were used in the first round. The vast majority, of course, were from South Australia. We targeted Victorian and New South Wales border communities, particularly Mildura, which has a lot of contact here. We will get that answer to you directly and I can come back to that.

The Hon. J.A.W. GARDNER: As the travel period for round 1 of the River Revival Vouchers ended, as I understand it, on 29 June, can the minister tell us now how many vouchers were claimed? Is that the 4,369 figure?

The Hon. Z.L. BETTISON: There were 4,369 in round 1. I will get you the split of how many are from Victoria, but it is very low.

The Hon. J.A.W. GARDNER: In round 2, how much was spent on the second round of River Revival vouchers in all aspects—consulting, the cost of the vouchers, etc?

The Hon. Z.L. BETTISON: The spend is not something we can share with you at this point because people have not booked their vouchers. With whatever is not used, first, we are going to do the second chance draw, so if you have not booked it by 25 July you lose it. We do a second chance draw and the people will know on 27 July. Any of those vouchers not used will simply go into round 3, so there is no loss at all. We are deeply committed to keeping our eyes on the river, and I think we will probably be there at least 18 months in from that event.

We know that people missed out on their peak season, which is a summer season. There is no loss in the vouchers at all. We puts lots and lots of vouchers out there. I remind you that, in the last few rounds of the Great State Voucher, these two regions had 2,700 vouchers. We had not quite

double the amount in round 1, we already have 2,200 booked in round 2 and we are not even half way through that. It has been incredibly successful, with \$3.1 million in economic stimulus to these regions that have been impacted so strongly.

The Hon. J.A.W. GARDNER: Going to page the 97, tourism events, the budget allocation in grants and subsidies for tourism events was \$22,404,000, expenditure \$45,527,000. Can the minister explain this—it is one of those irregular verbs—it could be called a variant, a change, a blowout, depending on who you are talking to really.

The Hon. Z.L. BETTISON: I am not sure that is the word I would use. Let me come back to the previous question. We had 119 familiarisations in 2022-23, and the break-up of those figures—obviously there was an airline initiative.

I have something else to come back to you on. Recently, you asked me about other savings we had found in our budget: airline initiative, which will not continue, \$131,000; rent and stationery new contract saves, \$549,000—a lot of stationery; and regional review, a one-off cost, and that finished last financial year. The increase of \$23.1 million in grants and subsidies is predominantly due to the expenditure in 2022-23 on those new homegrown events, and they are the changes we have.

The Hon. J.A.W. GARDNER: That extra funding of \$23 million came from the major events budget to tourism; is that correct?

The Hon. Z.L. BETTISON: Yes.

The Hon. J.A.W. GARDNER: So that dealt with the expenditure that SATC had to undertake on behalf of the taxpayer to support these events? I presume it did not comprise the total expenditure on these events, that some funding would have gone directly from major events to the AFL, LIV Golf or whoever else as well as this funding?

The Hon. Z.L. BETTISON: That would be a question directed to the Department of the Premier and Cabinet.

The Hon. J.A.W. GARDNER: Did any funding go from SATC to LIV Golf or the AFL to procure those events?

The Hon. Z.L. BETTISON: A lot of that money—and I do not have a specific figure—is about the delivery of those events. One of the things we are known for is our immersive events, so when people come here they really feel like an event is on.

I got fantastic feedback about the two lots of rugby we have had in the last—sorry, the Wallabies were just before the last financial year. From the time people entered the Airport they have seen that we decorate the Airport, and King William Street is there. Not in the two events you have asked about, but for Frida and Diego there is actually a street walk all through Adelaide which supports that event, and we supported Aida to deliver that as well.

That is what we are clear about, but there is some support around activation, delivery, marketing and city dressing. That is some of the money that came from SATC for those events.

The Hon. J.A.W. GARDNER: There were other funds as well, but you are not responsible for those, so that is fine. Seeing as the minister raised Frida and Diego, a nice place to end might potentially be to reflect on that work that was an excellent project that the tourism budget went towards, bringing such a significant artistic endeavour to Adelaide, to the Art Gallery. I commend Steven Marshall, in particular, for his involvement in that project. Will the minister follow that example and continue to provide opportunities for tourism drawcard events in the arts as well as in sports?

The CHAIR: Member for Morialta, was that a rhetorical question?

The Hon. J.A.W. GARDNER: It has an answer, sir.

The Hon. Z.L. BETTISON: Yes, I will.

The CHAIR: The allotted time having expired, I declare the examination of the proposed payments for the South Australian Tourism Commission complete. The proposed payments for the

Administered Items for the Department of Treasury and Finance I refer to committee B. I would like to thank the minister, her advisers, members of the committee and staff for their attendance today.

At 15:01 the committee adjourned until Wednesday 5 July 2023 at 09:00.