

HOUSE OF ASSEMBLY
Monday, 24 June 2024
ESTIMATES COMMITTEE A

Chair:

Hon. A. Piccolo

Members:

Hon. D.J. Speirs
Mr J.A. Batty
Mr M.J. Cowdrey
Ms L.P. Hood
Ms C.L. Hutchesson
Ms C.C. O'Hanlon

The committee met at 9:00

Estimates Vote

DEPARTMENT FOR ENVIRONMENT AND WATER, \$207,402,000
ADMINISTERED ITEMS FOR THE DEPARTMENT FOR ENVIRONMENT AND WATER,
\$30,409,000
DEPARTMENT FOR ENERGY AND MINING, \$47,775,000

Minister:

Hon. S.E. Close, Deputy Premier, Minister for Industry, Innovation and Science, Minister for Climate, Environment and Water, Minister for Workforce and Population Strategy.

Departmental Advisers:

Mr B. Bruce, Chief Executive Officer, Department for Environment and Water.

Mr S. O'Brien, Chief Financial Officer and Director of Finance, Department for Environment and Water.

Ms S. Carruthers, Executive Director, Strategy Science and Corporate Services, Department for Environment and Water.

Mr M. Williams, Executive Director, National Parks and Wildlife Service, Department for Environment and Water.

Ms S. Hutchings, Acting Executive Director, Water and River Murray, Department for Environment and Water.

Ms K. Pryde, Acting Executive Director, Environment, Heritage and Sustainability, Department for Environment and Water.

Mr G. Pelton, Director, Strategic Projects, Department for Environment and Water.

The CHAIR: Welcome to today's hearing for Estimates Committee A. I respectfully acknowledge Aboriginal and Torres Strait Islander peoples as the traditional owners of this country throughout Australia and their connection to land and community. We pay our respects to them and their cultures and to elders both past and present.

The estimates committees are a relatively informal procedure and, as such, there is no need to stand to ask or answer questions. I understand the minister and the lead speaker for the opposition have agreed an approximate time for the consideration of proposed payments, is that correct?

The Hon. S.E. CLOSE: Yes.

The Hon. D.J. SPEIRS: Yes.

The CHAIR: Changes to committee membership will be notified as they occur. 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 6 September 2024.

I propose to allow both the minister and the lead speaker for the opposition to make opening statements of about 10 minutes each, should they wish to do so. There is no need to do so, though. 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 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 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 to members.

The committee's examinations will be broadcast in the same manner as the sittings of the house, through the IPTV system within Parliament House and online via the parliament's website. I understand the ratings went to over 100 last week. The ratings for committee A were double that of committee B. We will see how we go today.

The minister appearing is the Minister for Climate, Environment and Water. I now proceed to open the following lines for examination: Department for Environment and Water, Administered Items for the Department for Environment and Water, and the Department for Energy and Mining. I declare the proposed payments open for examination. I call on the minister to make a statement, if the minister wishes to do so, and also perhaps introduce her advisers, then I will call on the Leader of the Opposition to make a statement if he wishes to do so or go straight into questions.

The Hon. S.E. CLOSE: Thank you, Chair. As has become traditional, I will not be making a fulsome opening statement, although I do wish to place on record my gratitude for the work done by all of the staff in the department. I will introduce my advisers. Ben Bruce is sitting next to me; he is the chief executive. Shaun O'Brien is the chief financial officer and the director of finance.

Behind me, I have Sandy Carruthers, the Executive Director, Strategy, Science and Corporate Services; Mike Williams, Executive Director, National Parks and Wildlife Service; Sue Hutchings, Acting Executive Director, Water and River Murray; Kym Pryde, Acting Executive Director, Environment, Heritage and Sustainability; and also Grant Pelton, Director, Strategic Projects. We can bring them forward as the subjects come, should that be necessary.

The Hon. D.J. SPEIRS: I do not have anything to add apart from to thank all those who have been involved in the process for their contribution.

The CHAIR: Do you wish to go to questions? The member for Bragg.

Mr BATTY: I might begin with some of the new measures proposed in Budget Paper 5. I will go to page 33 and the initiative 'Sustaining national parks'. Are you able to provide a breakdown of what this budget allocation will be spent on?

The Hon. S.E. CLOSE: I am very pleased that we have been able to allocate funding to sustain our national parks. What has often happened in the past is that ministers of both sides have enjoyed making announcements about new infrastructure, of course, because they attract visitors,

which is a good thing. But they do require maintenance, and that means not only the maintenance work but also the work of rangers and other staff to be able to continue to keep them in good repair. When I talk about infrastructure, of course, let us not forget the most important role of the national parks system is the infrastructure of nature.

Can I just interrupt myself briefly to say congratulations on your new role, by the way, member for Bragg, as the shadow minister. I will give you some detail. The funding will help protect and conserve our iconic natural places, enhancing biodiversity outcomes, visitor experiences and connection with nature. What we have done is allocate this largely in three areas: sustaining and growing the reserve system, sustaining and enhancing biodiversity conservation and sustaining and improving the world-class visitor experiences.

The funding to sustain and grow our reserves system includes the funding for rangers, for management of trails and new trails and at our recently opened parks and also for supporting the development of new parks and reserves. The funding to sustain and enhance biodiversity conservation includes population surveys, funding animal control under the Bounceback program, of which I think we can all be very proud—is Bounceback 30 years old now? It had a birthday fairly recently—support for koalas at Cleland Wildlife Park and other priority species investments.

The funding to sustain and improve our world-class visitor experiences includes funding for key sites such as Nilpena Ediacara National Park, Granite Island Recreation Park, Kelly Hill Caves Conservation Park, Flinders Chase National Park and the Kangaroo Island Wilderness Trail. For the last two, it is for the trails within the park but both required extensive funding following the fire. In the case of the visitor centre, I think it will be better than ever before. I do not know if we can fully say that for the wilderness trail until we are able to do a lot more analysis on the state of the biodiversity.

The Hon. D.J. SPEIRS: Can I just jump in with a quick supplementary: minister, do you have a date for the opening of the new visitor centre in Flinders Chase?

The Hon. S.E. CLOSE: We are just having a debate over whether it is the 5th or the 6th. I believe it is the 5th. I think it is next Friday, but there is a view that it might be on the Saturday. Invitations, as I understand it, have gone out.

Mr BATTY: You mentioned this includes funding for additional park rangers. I think it was reported in the media that it was going to include \$10 million for 20 new park rangers; is that correct? Is there a timeline for what that will look like, noting that these budget papers show an additional five rangers this year?

The Hon. S.E. CLOSE: I am not sure if the media did report 'new', and if they did that was inaccurate. What we are talking about is being able to sustain funding for rangers that was no longer within the budget. There were serious cuts embedded in the budget when I came in, and without wanting to touch on overly sensitive matters, there was a commitment with the previous government to increase the number of rangers, but it was not accompanied by new money. That was listed in the first year's budget papers as to be found within existing resources and, of course, that becomes very difficult to sustain in an environment where there are also cuts imposed.

What we have been able to do with this decision is put funding in that that would otherwise have run out, so it sustains the equivalent of that many rangers rather than seeing an addition. There is a slight addition. I think that is probably because of the Aboriginal park rangers, which we are still rolling out and which did have new funding, and it will be completed by the end of this term.

Mr BATTY: So to the extent that you have a target of park rangers, we are basically at that target now, where you just want to sustain current levels?

The Hon. S.E. CLOSE: Noting that we still need five more for the Aboriginal rangers, and that that is funded for and prepared for, and also there are some vacancies, so positions, yes. Perhaps they are not all filled at any given time.

Mr BATTY: You had the press conference announcing this budget measure in my electorate at Cleland National Park. Are you able to go into some detail about what extra maintenance funding will be provided at Cleland under this budget measure?

The Hon. S.E. CLOSE: Given that it is in the member's electorate, and he has an interest, I will get the director of national parks to come up. I always use the old title. It is actually Executive Director, National Parks and Wildlife Service. Mike Williams can give you a bit more detail about intentions for Cleland.

Mr WILLIAMS: In relation to Cleland, we have an ongoing maintenance program there for new facilities that we are putting in place. We are currently building a new koala loft, which will need to be maintained, which is a significant improvement. We have all our regular other facilities there that need to be maintained to a good standard. We have been putting a quarter of a million dollars into the place on an annual basis for about five years to upgrade the general presentation of facilities. So all that requires money to pay staff and maintenance work for facilities for visitation.

The Hon. D.J. SPEIRS: What are the timelines on that work?

Mr WILLIAMS: The koala loft should be finished later this calendar year, we are hoping. The other work started last year and is continuing over a five-year period.

The Hon. D.J. SPEIRS: There was a body of negotiations occurring around an accommodation experience, or the provision of accommodation on a brownfield site at the back or the front of Cleland, whatever way you look at it. How is that going? Is that still advancing with the proponent being the owners of Mount Lofty House?

The Hon. S.E. CLOSE: Sorry, I am just going to interrupt you, Mike, just to maintain the orders of the house: the question is supposed to come to me and then I turn to you, so I will officially do that. I am not preventing you from speaking; I am just trying to obey the standing orders. Go ahead.

Mr WILLIAMS: We are still waiting on the proponent there to get their approvals in place, so all that is approved as it was at the time, and we are still waiting on the proponent to progress their plans and their approvals.

The Hon. D.J. SPEIRS: So as far as you are concerned there is a trajectory towards that project being undertaken? You have no reason to think otherwise?

Mr WILLIAMS: I would have to take that on notice because we are waiting on them to come back to us.

Mr BATTY: I might turn to a new budget measure, page 32 of the same budget papers and a new program called strengthening South Australia's green economic credentials, which purports to consolidate the state's credentials in the environmental, social and governance context. What does that mean?

The Hon. S.E. CLOSE: This rolls up a number of initiatives, and I will turn to the chief executive for the briefing. While it is difficult to articulate in a way that necessarily cuts through in the media, this is the one that I am most pleased in many ways that we are doing. What we are seeing in this state at the moment is a quite remarkable opportunity to expand renewable energy, to have the hydrogen plant, to see housing developments to ease the pressures on people both within Adelaide and also across South Australia. Those opportunities are exciting and positive, and also expansion of the mining industry as we are increasingly able to use the critical minerals and rare earths that exist in South Australia that will be useful for the decarbonisation trajectory.

While we are going through those experiences we also have to be very mindful of the way in which we can protect biodiversity. I have long been concerned that if we only talk about climate change and only act in accordance with dealing with climate change we could risk the other crisis being overlooked and, in fact, made worse, which is the extinction crisis. So making sure that the environment is well understood and cared for in the context of those developments is important.

Also, more positively, there are increasing sources of funding for conservation protection, international as well as domestic, and we want to make sure in South Australia that we capitalise on that: that conservancies, for example, are able to get investments from philanthropists or those seeking biodiversity credits, or enhancing their own company credentials that are being measured through ESG, and that there is a clear and simple way of determining where you might do that investment in South Australia.

This collection of initiatives really gives us the opportunity to harness the knowledge required in order to then make those decisions. For example, the common assessment method, which was agreed to and funded by all other states but South Australia a few years ago, to say we are going to look at the way in which threatened species and so on are addressed consistently across the country, we have now been able to fund that.

Last year you may recall we put in I think about \$8 million over four years to improve the BioData, the IT system that is capable of collecting and holding the information about our biodiversity, and then this common assessment method required an additional funding to set up a team to bring us into line with the rest of the states around the country. This goes a little further than that: it is able to also exploit the capacity to use mapping, to use near earth satellites to gain data so that we are really able to start mapping properly what assets we have, both to protect them from developments that might otherwise cause harm and also to offer perhaps a prospectus—might be one way of talking about it—for those who do want to invest in a stronger biodiversity.

Without looking at my notes, I will just double-check if there are any additional elements that I should draw your attention to. I could go on longer. The other element, which I am fairly certain—without wanting to speak for him—the Leader of the Opposition will be pleased to see is some more money for native vegetation compliance. We were falling behind, and with the embedded cuts we were concerned that that was going to get even harder, and so this has been able to stabilise and in fact lift the capacity for the Native Vegetation Branch to be able to respond when people make complaints.

Of course, when people make complaints and they are not responded to there are two problems. One is that there might be a problem that needs to be addressed, and also those who might be inclined to clear without approval might be emboldened by knowing that any call-in by a neighbour is not going to be responded to, so it was important that we add that.

Mr BATTY: Just to confirm, this new initiative is separate and additional to the \$8 million BioData initiative in the last budget?

The Hon. S.E. CLOSE: That is right. It is on top of that and builds on it. When you look at the two across, you get a pretty good picture of what we have here, which is something that 30 or 40 years ago was common practice. But the investment in science over time—not just here but across Australia—has declined, and this helps to shift that in the other direction.

Mr BATTY: Similarly, it is separate and additional to the \$3 million allocated in your first budget to establish a Biodiversity Coordination Unit?

The Hon. S.E. CLOSE: That is right; yes, that is underway. I think it was possibly actually in the second budget, but yes, that is underway.

Mr BATTY: So there have been several biodiversity internal programs over the past couple of years, and now this new one. Would you say we have seen an on-the-ground improvement or deterioration in biodiversity during that time? How are we tracking?

The Hon. S.E. CLOSE: In the last five years, we have seen a decline in biodiversity again, and I can tell you that because we have the State of the Environment report that was released a couple of months ago. That should be both shocking and unsurprising at the same time, and is consistent with the experience across Australia.

What is frustrating and concerning about that is that it is not as if South Australia has not introduced a number of laws that ought to see good protections for biodiversity. We have an excellent protected area system, for example: national parks, conservancies. We manage the rangelands in a way that is better than the other states I do not hesitate to say, with conservation of the rangelands alongside pastoralism being regarded as essential.

We have had the native vegetation clearance legislation in for a long time, which effectively saw the end of broadscale clearances, although it had diminished before that legislation came in. And yet, with all of that effort, we still see an increase in the number of species on the threatened species and vulnerable species list. Now, why is that? Because we are living through the

sixth-greatest extinction. We are not immune from the pressures that exist across the world, which are exacerbated by climate change and climate variability.

So while the deterioration has occurred steadily over time, what it means is that for all of the efforts that have been made they are insufficient. And what is sweeping the world is this idea of nature positive: of no longer saying that what we have to do is just draw a line and say we are not going to do any more harm, but actually how can we restore? That restoration is part of what we are seeking to do. You need to know what you have and where restoration can be of advantage.

In the first budget coming off the election commitments, we had money for Friends of Parks that helps the works done on the ground, so revegetation and also weeding and fencing. It is the same with the grants that we have provided that were in some ways—although they were an election commitment—a continuation of time-limited grants that had been given by the previous government for heritage agreements, and so ensuring that people with their own properties have not only the will to protect a bit but some money to improve it.

All of those things will make a difference, but it would be foolish to think that we can turn around rapidly and discernibly within a year or two that trajectory of decline, and yet collectively we have to see it go up. And all of these elements, although they will not pay off in 12 months or even in 24 months, will set us in the right direction for the slightly longer term.

Mr BATTY: When will the government respond to the State of the Environment report?

The Hon. S.E. CLOSE: I think that sits with the EPA because the EPA is the one that is required. Although I am correct that the EPA does the report, you are correct that it is this department that coordinates the response, and we expect that by the end of the year.

Mr BATTY: I think the member for Colton has some questions on some of the sand-related new budget measures.

The Hon. S.E. CLOSE: Sorry to interrupt before you have even asked the question. Given the issue of my conflict of interest that the Crown identified, the value of my house could well be compromised or altered by whatever happens on the beach near my house, I do not hesitate to say again that I do not live on the Esplanade; I wish I did, but I do not, but very near. I have asked the Hon. Kyam Maher to lead the review process. Because the decision that has come out from that review is a trial, I do not want to influence the decisions as a result of the trial, so some, if not all, I will take on notice; but go ahead.

Mr COWDREY: I will do my very best then. I am not necessarily asking too much by way of commentary. I am just hoping to have succinct answers that I assume then will be able to provide some level of detail, given this is reasonably new. To start off with, can I just recognise that I am pleased to see that Labor has come to the view that sand does need to be recycled down that central set of beaches. It has been a long time coming, but I am very happy to see that expression in the budget papers with the trial. The first question is with regard to the environmental approval that is required to undertake the trial. Has that now been sourced and, if not, when will that be in hand?

The Hon. S.E. CLOSE: I will ask the chief executive to give you the timing.

Mr BRUCE: We are working with the EPA at the moment, so we expect to get those in July-August for a September start. That is the time frame we are working on.

Mr COWDREY: Has this been an open tender process or has this contractor who has been engaged somebody who has an existing licence, who has an existing contract with DEW?

Mr BRUCE: We went to nine companies, and we are negotiating with one at the moment, just to check on availability because, obviously, there is both an expertise issue and then also a timing issue with contractor availability. We are negotiating with one now.

Mr COWDREY: So it went to nine but, in terms of an actual tender, it was essentially sounding out nine parties and a direct engagement with one on the back of that?

Mr BRUCE: Yes.

Mr COWDREY: In terms of an initial time frame for the works, when is the first dredge dump, for lack of a better term, onto West Beach expected?

Mr BRUCE: We will need to work that through with the contractor exactly but, like I said, we are aiming to start works around September. That will be more detailed planning for that type of advice, but we will work it out with contractors, looking to start work in September.

Mr COWDREY: When you say 'works', is that the testing component or is that the actual dredging component?

Mr BRUCE: That is the trial program. For this type of detail, it is really being worked through at the moment, so we can probably take it on notice to get you more of that program. But it will be evolving as we work with the contractor.

Mr COWDREY: Does the minister have any environmental concerns about dredging, including an impact on the ocean floor?

The Hon. S.E. CLOSE: I would just say that I have not been a decision-maker in this. I am a resident and an interested observer, but I have faith in the system of government, including the EPA's approval processes.

Mr COWDREY: What will the measure of success be for this trial? What I am trying to get at is that we obviously understand there is some sand, or quantum of sand, that is sitting there that is available for this dredging opportunity. Will there be (1) some further public information put out regarding where sand sources are available so that we are able to see the long-term sustainability of these options and (2) if it is successful, what will be the long-term cost of a dredging solution year on year?

The Hon. S.E. CLOSE: They are legitimate questions, but I think that they go to a level of detail that requires me to take that on notice so that the department and the relevant minister can respond.

Mr COWDREY: So you have no understanding, as it stands, of what the—

The CHAIR: Member for Colton, the minister did not say that. The minister has not been the decision-maker. She made it very clear at the outset that she is not the decision-maker in this process and has not been involved in the process. For you to imply that she has no understanding would imply that she is actually not looking after her brief when, in fact, she has handed those powers and that role over to the other minister, who you need to then speak with.

Mr COWDREY: With all due respect, sir, the budget line is not open for the minister responsible—

The CHAIR: No—

Mr COWDREY: —nor was I inferring—

The CHAIR: Member for Colton, first of all, the minister has made this very clear in the house. Had the opposition actually done their homework, they would have put these questions to the relevant minister or indicated they wanted to put these questions to the relevant minister. The minister made it very clear at the beginning of this session that she is not the decision-maker in this process and she will take questions on notice and hand them to the relevant minister who actually has the process under his control.

Mr COWDREY: Does the department have an understanding of what the year-on-year cost will be for dredging as a long-term solution?

The Hon. S.E. CLOSE: As I said, I think it is a legitimate question and I think that the relevant minister and the department would be very happy to give a proper briefing to the local member for part of this project, but we will have to take that level of detail on notice.

Mr COWDREY: If dredging is unsuccessful, what is the course to chart after that?

The Hon. S.E. CLOSE: Similarly, we will take that on notice for the relevant minister.

The Hon. D.J. SPEIRS: A quick supplementary with regard to this batch of questions: with the dredging, minister, one potential issue which was identified in the past was that it could disturb Pacific oyster mortality syndrome (POMS) and see that spread, I suppose, for want of a better technical term. Has that been analysed as part of the process, whether that is a relevant risk and how that would be mitigated?

The Hon. S.E. CLOSE: I have just been having a POMS discussion with the chief executive and I will ask the chief executive to give a response.

Mr BRUCE: We are working with PIRSA very closely on this, obviously. At the moment, the risk assessment says that it is very low because of where we are taking sand from, so at the moment we are proceeding on the basis that it should not be a risk, but we keep in touch with PIRSA just to make sure because we do not want to do anything untoward.

Mr COWDREY: Budget Measures Statement, page 31, the second of the two budget measures: for the \$6.3 million, which I imagine is all going to be delivered via truck to West Beach, are you able to outline what the cost per cubic metre will be for that level, and can you also confirm the cubic metres expected through that \$6.3 million?

The Hon. S.E. CLOSE: I will ask Kym Pryde to come up and give a more detailed response.

Ms PRYDE: Thank you for the question. The \$6.3 million is part of the budget measure. DEW has a savings which it is adding to that, which is \$3.1 million, which brings it up to about \$9 million, and that is for 100,000 cubic metres of sand to be delivered at West Beach.

Mr COWDREY: Do you have the cost per cubic metre?

The Hon. S.E. CLOSE: I notice Kym had opened her calculator on the phone; it might better not to do maths on the run, so we will take that on notice. As we have all learned, do not do it on radio and do not do it in estimates. I reckon we will take that on notice.

Mr COWDREY: Last year there was \$7.4 million allocated. I assume that \$3.1 million that you have just referenced is underspend from last financial year.

The Hon. S.E. CLOSE: That is correct.

Mr COWDREY: Last year there was \$7.4 million allocated, so that means that only \$4.3 million was spent. Are you able to confirm the cubic metres that were transferred to West Beach or surrounding areas last financial year?

The Hon. S.E. CLOSE: I think we will roll that up into the same written response for you so that you can see all of the detail.

Mr COWDREY: Can you confirm that no sand has been provided into the Henley Beach South area in the last financial year?

The Hon. S.E. CLOSE: I will ask Kym to respond to that.

Ms PRYDE: We are under negotiations to take sand into Henley South at the moment. A small amount has been delivered but we have not been able to finalise that program this year just yet.

Mr COWDREY: The source of that sand?

Ms PRYDE: Quarry sand.

Mr COWDREY: Is the expectation that that will come in before winter?

Ms PRYDE: Yes.

Mr COWDREY: At what volume?

Ms PRYDE: I would need to take that on notice.

The CHAIR: The minister will take that on notice, yes.

The Hon. S.E. CLOSE: Yes, we will take that on notice and include it in the same omnibus response.

Mr COWDREY: In terms of next financial year, there has been no budget allocation. Is there an expectation that the government will be providing replenishment sand and budget next financial year and beyond?

The Hon. S.E. CLOSE: There is no question that the government recognises that there is a need for sand on the beach at West Beach and also, periodically, at Henley South. How that is done and how much it costs is worked out each year.

Mr COWDREY: I am not sure that was the case historically. What is the process for determining how much sand is needed and where it will be placed as part of the first budget measure? The dredging process and also the replenishment process combined is essentially one effort. What is the process that is being undertaken to determine where the sand needs to be placed?

Ms PRYDE: We are currently working through a program of sand placement where we will undertake beach surveys and then work with each of our contractors on the sand placement program.

Mr COWDREY: I just have two quick final questions, both in regard to that area. The first is in regard to the cutting of the channel at Breakout Creek. Historically, this has been done prior to the flushing of the Torrens to ensure that essentially what we have up there most of the time—that is, when it is coming out—is not necessarily something we want hanging around the beach for very long. There seems to have been a disconnect with high rainfall events and this happening in the last couple of years. It has certainly been raised with me. Are you able to confirm both the process and where responsibility lies for the cutting of the channel at Breakout Creek, and whether the government would be open to improving that process and communicating that process publicly in an improved way?

The Hon. S.E. CLOSE: The responsibility for that lies with Green Adelaide. While we do have a briefing from Green Adelaide about the Breakout Creek development generally, it does not go to the specifics of the question of timing of rainfall events and the channel. It may well be that Green Adelaide would not share the view that has been expressed to you by people that the timing is out of sync, but I will take that on notice so that you have a comprehensive response, including whether there could be an improvement in communications.

Mr COWDREY: Where I am essentially going as well is, given we are doing the work with the sand and potentially trying to get trucks across to Henley South, whether there could be better coordination with those contractors who are undertaking that work to when there is an opportunity to cut the channel clean out into the ocean—that that be done on a more regular basis, based on having that. While it is obviously something that Green Adelaide is in control of, it does not seem that there is appropriate communication between all partners that have a level of responsibility around the beach.

The Hon. S.E. CLOSE: The advice I am receiving is that the coordination seems to work well with the contractors and Green Adelaide, so perhaps if there are specific instances that you foresee or have experienced you can write to me and we can respond in detail.

Mr COWDREY: I certainly can without any problems. Just one final question in regard to sand volunteers who have been part of the consultation process; they are for lack of a better term the beach groups who involve themselves with this process. Recently, Green Adelaide had the volunteer awards where there was a range of groups recognised.

There has been a view expressed to me that perhaps this was in some way biased where there was not an appreciation of all groups involved on the beach. They were the five-year recognition awards for service to the beach, for which I am aware at the very least of a group that was not recognised as part of that, and in the coordination of all this there seems to have been a suggestion that the coastal team had perhaps given advice to Green Adelaide as to who they thought would be somebody to recognise at those awards. I am hoping to have an indication that the minister's view at the very least is that there is no bias in terms of recognition for those groups and everyone has been given an equal say.

The Hon. S.E. CLOSE: I certainly have no evidence of bias and I would not expect there to be any bias. Green Adelaide operates with a chair and a chief executive/general manager, in my view, extremely well and in a very generous and connected way with the community, so it would very

much surprise me if Green Adelaide would be discriminatory in its choices for which organisations receive awards.

I was not at those awards. I cannot remember what my other appointment was but I do recall doing a short video for the awards, that is how I recall that I was not able to be there this year. I was there last year and the year before. I am not sure which ones you are referring to, although I can perhaps guess from the way in which you are asking the question, but I do not recall who did and did not receive awards.

It is always awkward when you have awards and recognition that some groups might feel or individuals might feel that they had done sufficient to be recognised. But as you have raised the question, perhaps you and I can have a conversation privately without naming groups and I can have a bit more of a look into that. It would very, very much surprise me if either the department or Green Adelaide engaged in that kind of discrimination against a group.

Mr COWDREY: Do you think the process to have the coastal team suggest people for awards is appropriate?

The Hon. S.E. CLOSE: The advisers here are not sure that that is the process. It may well be. You may well be right. It is not a process that I have ever inquired into. I have always had enormous faith in the way in which Green Adelaide conducts itself. It would be natural that it would take advice from those who work with groups, but we would need to look into that further to determine if that indeed is the process and then what may have occurred. But in saying that, by no means do I wish to suggest that there is any reason for concern. I take seriously what you are raising, so we will have a look.

Mr BATTY: I turn to Budget Paper 3, page 23, table 2.6, showing the operating expenses of various agencies. About halfway down the page is Environment and Water with a budget last year of \$344 million but a result of \$393 million. How does the minister explain this cost blowout?

The Hon. S.E. CLOSE: I thank the member for the opportunity to explain this. It is not a blowout. A blowout is when you have spent more than you are allocated. What it is: allocations have come through from both state and federal decisions that have been allocated and then spent. I can give you some detail about that. Additional state funding includes the Lower Murray Reclaimed Irrigation Area Levee Stabilisation of \$6 million, and there is also an additional \$2 million of investing or capital expenditure.

There are the River Murray flood asset reinstatement works of \$3.5 million; the Gawler River flood management program of \$2.5 million; Flinders Island Safe Haven of \$1.6 million—which the Leader of the Opposition may recall is an excellent project of eradicating pests on Flinders Island—and flood mapping of \$1.5 million.

We also saw some additional commonwealth funding: the My Water program had \$4.8 million allocated by the commonwealth in that year. The Healthy Coorong, Healthy Basin program released another \$3.8 million. The Enhanced Environment Water delivery supply measure program of \$2.1 million, the Living Murray projects of \$1.8 million and the Off-farm Efficiency Program of \$1.3 million.

Also allocated by Treasury was some carryover for some projects that were in the previous year: Kangaroo Island recovery, \$2.1 million, which took a little longer than had been anticipated; securing the future of our metropolitan coastline program of \$1.6 million; the constraints measures project of \$1.6 million; implementing the Murray-Darling Basin reform of \$1.6 million; Improving Great Artesian Basin Drought Resilience of \$1.2 million; Parks 2025 of \$1.2 million; and then also some grants to private landholders of \$1 million. That accounts for the difference in the expenditure, which, as I repeat, is by no means a blowout but additional allocation given and spent.

Mr BATTY: If we perhaps look at this table concurrently with Budget Paper 4, Volume 2, page 135—and that has another table showing the various programs and the cost of services—nearly everything you just mentioned falls within the water and River Murray program, but we also see a significant increase in the budgeted cost of services across the other two programs. Would you describe them as blowouts?

The Hon. S.E. CLOSE: If you want to compare the \$177 million with the \$184 million, so the sum total, I would just start by saying the list I read out before was by no means entirely about water. The Gawler River flood management, the Flinders Island Safe Haven, Kangaroo Island recovery, metropolitan coastline, parks, and grants to private landholders—none of those is in the water program, but we do have a reconciliation between those two gross figures, which might be helpful for you: so the \$177 million to the \$184 million.

Included in what I have just mentioned are assets donated to the Botanic Garden. That was \$5.3 million. There are the marine parks compensation payments, \$2.4 million—sorry, I was just clarifying that this is money that comes in and then is spent, so the assets donated were not budgeted for but are then included. The compensation payments come through from Treasury.

There are the levees, which I have already mentioned; Kangaroo Island recovery; flood mapping; the St Michael's land, reverted acquired lands to unalienated Crown lands, and that represents a \$1.1 million addition; and then, as I mentioned, the grants to private landholders. There are reasons for each. None of them constitute an expenditure where it was unauthorised or where there was not funding allocated for it.

Mr BATTY: Returning to table 2.6 in Budget Paper 3, can the minister explain what is going on over the forward estimates? I think the estimated result for last year was \$393 million, and we see this reduced to a budget of \$290 million by the end of the forward estimates; what is the reason for that?

The Hon. S.E. CLOSE: I am sorry, can you remind me what page that one is on?

Mr BATTY: Sorry. Page 23 of Budget Paper 3.

The Hon. S.E. CLOSE: This is a common trajectory for forward projections because quite a significant amount of the money that is spent by the Department for Environment and Water comes from the commonwealth and is for time-limited projects. What happens is we budget for the expenditure of those time-limited projects of which we are aware. We do not have any in the forward years, but it is always the case that there are then new ones that come in, and that pushes that money up again. So there is nothing sinister in seeing that drop off. It is the natural shape of a department that has a significant proportion of its funding coming from the commonwealth on specific projects.

Mr BATTY: I will turn to some various questions about Program 1: National Parks and Wildlife, so I will go to page 139 of Budget Paper 4, Volume 2. I have some questions about the biodiversity act before I turn to the leader, who has some more questions on this program. I see dot point 2 of the targets for this coming year is to progress the development of South Australia's biodiversity act. We spoke a little bit about that earlier in this session. Are you able to provide an update on the timeline for the next steps of progressing this legislation?

The Hon. S.E. CLOSE: Yes. This is a really exciting project to be involved with. You may have noticed at the time that I included in our election commitments that we would have a biodiversity act, but I was not highly prescriptive about what that would look like because, as I am sure members on my right will have experienced, in opposition it can be difficult to do complex policy without the resources of government, both the public servants, of course, but also the capacity to do consultation through YourSAy and so on.

It was my view that there was a gap in our legislation. While individual species were recognised through the National Parks and Wildlife Act that were under threat or vulnerable and habitat generally was recognised through the Native Vegetation Act, there was not anything that looked at ecosystems or biodiversity. That gap is something that other jurisdictions across the world have started to look at, not least because of what I mentioned at the beginning of this morning, the growing appetite for funding to come through to worthy projects that are nature positive and are restoring biodiversity.

We did not have the kind of legislation that would easily facilitate that. So it is not just about protection, it is also about our pathways for restoration. This is taking some time, but it does not surprise or alarm me that it is taking time because it is a complex piece of work. New South Wales, I believe, introduced the only other biodiversity act in Australia, and recently had a reasonably critical

review done by Ken Henry, from which we were able to learn but which shows that there are challenges in this kind of legislation.

What we have done is go through a fairly careful process of initially workshops with relevant stakeholders to map out what this legislation could look like, and then we released a discussion paper that went on to YourSAy and had a very high response rate of over 1,500 responses. Some of those were consistent because a couple of big groups asked their members to write, but often, even in that case, they were modified by the individual person because they genuinely care, so they count just as equally. That was useful.

We have also been running an engagement with First Nations through a series of workshops to understand how their culture and their views about biodiversity could well be incorporated. Having done that, we are now in a position to be drawing together the drafting instructions that I will take to cabinet fairly soon—in the next couple of months—that will be out on public consultation in the second half of the year with a draft bill.

Mr BATTY: In January of this year, the Parks and Wilderness Council wrote to you and said:

...members expressed significant concern about the speed to progress to develop the new Act including the delay in commencing First Nations and cross government engagement.

You have gone into that a little bit, but are you satisfied with the progress, and why was there a delay in commencing that consultation?

The Hon. S.E. CLOSE: Yes, and I actually really like that a council that reports to me is prepared to put in writing that they might be concerned about the trajectory of a piece of work that is as important as this. Their task is to give frank and fearless advice, as well as to administer the act, and so I appreciated that. As I have said, I think some of the concerns that they raised have occurred or are well underway, and I understand why, given the complexity of a very new piece of legislation, it is worth spending time building that.

One of the challenges for biodiversity is that while there is an enormous amount of scientific knowledge that needs to be taken into account, so, too, do community expectations and willingness to protect and to restore. Understanding where the community is—including groups of the community such as First Nations, those who engage in mining or development, and also then the general public—is a complex process, as well as marrying that with the scientific evidence that we are aware of, and then the emerging practice of law that is aimed at facilitating, as I say, these investments in nature.

I am content that this process is going well. I think the leadership within the department has been exceptional, and a great deal of attention to detail has been paid. What it will mean is that next year we have to get it through parliament. I know I will be very keen to introduce it, and I am looking forward to making that process reasonably quickly.

Mr BATTY: As part of that frank and fearless advice, they also said:

...we strongly encourage additional resources be dedicated in DEW to lead work.

Have additional resources been, or will they be, allocated within the department?

The Hon. S.E. CLOSE: The biodiversity unit that the member referred to earlier is being used to make sure that this piece of legislation preparation is adequately resourced. As we discussed earlier, the funding in the last couple of years, and now significantly in this year for biodiversity, is all predicated on an understanding that we will also, in addition to the existing framework, have a piece of legislation that we will be administering.

Mr BATTY: We talked a little bit about some of the existing legislative regime before and this hoping to fill a bit of a gap. Is the intention that this act will incorporate and replace the Native Vegetation Act, the National Parks and Wildlife Act, and the landscapes act?

The Hon. S.E. CLOSE: Those questions have been raised, and I am not going to jump ahead of a cabinet decision to say where we have landed. When we are in a position to emerge from cabinet with a draft bill, I will be able to answer that in much more detail.

Mr BATTY: How will the new act interact with establishing emerging market mechanisms for biodiversity protection recovery, for example—the federal government's work in this space?

The Hon. S.E. CLOSE: We have been doing significant work on that. The legislation that has gone through at the national level is very useful and, in fact, groundbreaking legislation, but much of the detail on how it would work has been left to the next level of policy development. Not only do we need to understand what the legislation says, and how we interact with that, but we have been actively engaging with the way in which those policies will be constructed in order to create a useful nature positive market.

I think everyone has learnt from some of the challenges with the carbon credits, and obviously there was a very good review done Professor Ian Chubb of that, and making sure that we are talking about any funding going to something that is additional, that is not just a replacing activity that would have occurred anyway and that is robust enough to attract those international sources of funding is important. We are currently working through ways in which we include that in our legislation in order to make it specific to South Australia, but do not in any sense replace the commonwealth legislation. So that interaction has been quite complex, but is being worked through.

Mr BATTY: Does the minister support the concept of an independent statutory conservation trust?

The CHAIR: I have allowed quite a bit of latitude in the questions. I just remind members it is about the budget and costs, etc. These questions are veering towards what we would normally do in question time and other forums, so I would ask that the questions get back to the financial implications. There are some questions that obviously have financial implications—I do not think that one does—but if the minister wishes to reply she can.

The Hon. S.E. CLOSE: I do wish to reply, because I find this much more interesting in many ways than the specifics of the budget, although you are welcome to ask anything you like on the budget. So this is just a good conversation, as far as I am concerned, by people who all care about the future of our nature. The answer to that is we are working on that at present.

The Hon. D.J. SPEIRS: Can I just ask a supplementary. This is not trying to catch you out, minister; it is to see if we have the same understanding of what an independent statutory conservation trust would look like, because there are different interpretations of that and I am not quite sure how that would work, and I wonder if you could clarify. I would like it to work, but I am not quite sure how it would work.

The Hon. S.E. CLOSE: I suspect, having both been the minister, we will share a view about how independent trusts ought to be constructed and what role they play. That is the sort of detail we are currently working through, so I am not in a position to answer that yet, but I understand where the question is coming from and that is part of what we are working through.

Mr BATTY: Does the minister support a general duty of care in the new act, with third parties standing against those who might have breached that duty?

The Hon. S.E. CLOSE: Again, that is part of the feedback that we received but, until I can go to cabinet with a set of drafting instructions for a bill, I am not able to give that feedback just yet.

Mr BATTY: Does the minister support offsets as part of the new strategy going forward?

The Hon. S.E. CLOSE: In terms of what will be in the legislation, my answer is the same because I am yet to go to cabinet. The concept of offsets, though, is at times a fraught one. It is embedded in the Native Vegetation Act and does see funding going for restoration and protection that would otherwise not. But it is a very strongly emerging view from environmentalists that it is hard to truly offset loss, so that represents a challenge.

Now, there is no suggestion that we wind back a system that has been effective for many decades, but there is a question about ways in which we can talk about restoration funding separately to any idea of that being attached to loss. Again, as we flesh out the issues that have been raised through consultation, and that the member is asking questions on, that is exactly why this is taking some time. This is complex, and unintended consequences need to become intended as much as possible in the drafting process.

The Hon. D.J. SPEIRS: Minister, on the same act, or proposed act, you have alluded through a number of your questions having the mechanisms and the strategies to attract funding for biodiversity conservation funding from other government sources but also externally. One of the successes of the landscape act, as the review showed, was that the Landscape Priorities Fund got a bucket of money that could be used in decent amounts to achieve good environmental outcomes. Is there any contemplation under the biodiversity act to legislate for a fund, with potentially some government appropriation, to get these projects off the ground?

The Hon. S.E. CLOSE: Again, I cannot give a definitive answer short of having gone to cabinet with what will be in the legislation; but, yes, seeking sources of funds and an appropriate place to place them is part of what we are looking at. The Landscape Priorities Fund is of course essentially money that comes from Green Adelaide ratepayers, so the source of funding is that they pay the levy to Green Adelaide and then a portion of that is set aside to be spent elsewhere on the basis both that Adelaide, of course because of its population density has most income, and that people who live in Adelaide generally would like to see the rest of South Australia's environment being looked after. So it is a reasonable basis on which to do it.

It is only about \$5 million a year, which disappears quite quickly, of course, in the number of projects that various other landscape boards want to undertake, but it is not a bad model. What we are not proposing to do is a new levy, or that source of funding we are not proposing to add to the take from the taxpayer, but the idea of having a place where funding from elsewhere could go is certainly one that has been raised during the consultation and we are giving due consideration to it at the moment.

The Hon. D.J. SPEIRS: Thank you, minister.

Mr BATTY: We will eagerly await what emerges from cabinet.

The Hon. S.E. CLOSE: Me too.

Mr BATTY: Finally, to confirm, given a lot of these issues still need to be fleshed out, you will be undertaking further consultation and releasing an exposure draft on what will ultimately be introduced to parliament?

The Hon. S.E. CLOSE: That is right. Where we departed from what you can do with legislation, unless it is a very routine piece of business, is that normally with a piece of legislation you would take the draft out to consultation, some targeted, but also using YourSAy, which is a really good mechanism. What we did was add the discussion paper before then to flesh out some of the issues rather than to get to a point where we have already got a legal document. That is again the reason why it has taken a bit longer, but we will certainly be doing extensive consultation on the draft using YourSAy but also sitting down with the relevant groups and interests.

Mr BATTY: Turning to a different topic, still in this program, page 139, highlights for this year was the Citizen Science Fund. Are you able to tell the committee how many large grants were awarded in 2023-24 and what the value of those grants were and perhaps also how many applicants there were?

The Hon. S.E. CLOSE: This again was an election commitment. I do not know if you recall—the member for Bragg was not in parliament at the time, though the leader was—during question time the former Premier used to refer to the 'dream factory' of level 2, up here. Up in the dream factory this was one of the ideas that I had that having a fund for citizen science might be a good idea, recognising the twin benefits, one to science, that you can collect a lot more information when you are harnessing the enthusiasm and breadth of ordinary people, but, the other that engaging people in the collection of science for the purpose of the environment is another way of giving people a sense of purpose and hope with helping to protect the environment and enthusiasm for it.

I recall walking in the Hills Cleveland Conservation Park with a friend who lives up that way. He got very involved in collecting the sounds of frogs because the National Museum, I think it was, was doing a survey on frogs, so every time he heard a frog he captured it on his iPhone so that he could contribute to understanding the diversity of frogs. It seemed to me that a fund that was able to encourage more of that would be useful, so that then became the \$2 million Citizen Science Fund.

I have here that the Citizen Science Fund is being used to encourage and support—there was a strategy released in August 2023 which articulates the vision, goals, actions and outcomes encouraging citizen science in South Australia. The Citizen Science Fund has supported two new South Australian citizen science grant programs: first of all, the Environmental Citizen Science Small Grants, which was a total of \$131,975 which has been awarded to 10 projects spanning up to three years, with grants of \$15,000; and the Environmental Citizen Science Large Grants, which was a total of \$1.313 million across three years which has been awarded to 10 projects for larger and long-term citizen science projects that address priority environmental questions and engage the community in scientific research.

The fund has also provided a \$160,000 grant to the University of Adelaide for SciStarter Australia, which launched in April this year. SciStarter will serve as a hub for citizen scientists, collating scientific projects and enabling the public to find nearby projects. The remainder of the fund is allocated to the Citizen Science Award, Friends of Parks grants, project delivery and also some administration costs. The projects themselves are, and these are the large grants:

- Fungimap, a bushland health indicator searching for fungi;
- Austland Management, 'Enhancing resilience in a social-ecological system: citizen scientists building an understanding of arid woodland resilience to natural disturbance through a long-term phenology study';
- Burrendies Aboriginal Corporation, 'Nha ba Wuna Puwatingara Meritbii—to see and help freshwater turtle on Limestone Country';
- BirdLife Australia, 'Conservation through Knowledge: empowering citizen scientists in beach-nesting bird recovery';
- Trees For Life, 'If you build it what will come?' which is about measuring landscape health;
- Flinders University, 'Marine Hitchhikers of Eyre Peninsula: Citizen Science Program from Port Augusta through to Coffin Bay';
- The Nature Conservation Society of South Australia, 'Capacity building of citizen scientists for woodland bird monitoring';
- The Trustee for Nature Glenelg Trust, 'Limestone Coast community bird monitoring program—building capability for long-term biodiversity monitoring to inform adaptive management';
- Northern and Yorke Landscape Board, 'Waterbug Bioblitzes and Waterwatch SA—Building community capacity through collaborative catchment monitoring across three Landscape SA regions'; and
- Australian Citizen Science Association, 'Capacity Building Program for South Australia's Citizen Science Project Leaders'.

The small grants—

Mr BATTY: I think I have the small grants online, I suspect. You might tell me how many applicants there were for the large grants and for the small grants program, please.

The Hon. S.E. CLOSE: We do not have that data here; I will take that on notice.

Mr BATTY: Out of the 10 small shorter-term grants that have been allocated already, what would you say has been the biggest tangible outcome of that grants program?

The Hon. S.E. CLOSE: The small grants, as with the large grants, span over three years so it is a little soon to say. Obviously, you get public engagement initially—that is the first outcome you see—and then the translation into the collection of data and perhaps changes in behaviour, depending on what the program is aimed at, will take longer to be able to assess.

The Hon. D.J. SPEIRS: I refer to Budget Paper 4, Volume 2, page 139, which is Crown lands and protected areas. This is potentially a looser connection but it was hard to know where to

ask this question, so hopefully you will be comfortable with it. Does the department still have an interest or is it still negotiating with ExxonMobil and the infrastructure department in relation to the coastal strip of land at Port Stanvac that was being explored for protection, given its significance in terms of native vegetation?

The Hon. S.E. CLOSE: I will ask the Executive Director of the National Parks and Wildlife Service to come forward as he has the knowledge.

Mr WILLIAMS: Thanks for the question. Renewal SA, on behalf of government, is negotiating the transfer of that land and they are aware that we have an interest in the coastal strip and it is the intention to try to secure that coastal strip to include any protected areas.

The Hon. D.J. SPEIRS: That has been under negotiation for a long period of time now, some six years, and I know there is a lot of other work that has been happening with the piece of land behind it which is much larger and has more of a strategic purpose for the state in terms of housing and light industrial use and the like. Do you have any certainty on timelines for the transfer of that coastal strip that could be brought into the reserve system?

The Hon. S.E. CLOSE: I will ask the executive director to reply.

Mr WILLIAMS: We do not have a definitive time frame, but my understanding is it is proceeding quite well and we are just finalising negotiations on what needs to be done for the land and its transfer.

The Hon. D.J. SPEIRS: I think it has been proceeding quite well for the best part of a decade, no disrespect. It just seems to be a very slow process. Is the department monitoring that land in terms of its conservation status, its resilience, its sustainability, whether there are any risks or threats? Do you have an active monitoring process over that land, again, the coastal strip rather than the broader Port Stanvac land?

The Hon. S.E. CLOSE: We are not aware of any active monitoring. If that were to change I will come back.

The Hon. D.J. SPEIRS: Alongside the potential, and hopefully imminent transfer of that land, has the department been working up a vision for the land around its protection and what could happen there? Obviously there is the almost inevitable, in a positive way, linking up of the coastal track through there and there is space for that without significant environmental impact. Is there a broader vision or plan in place or under development—obviously it will not be in place in a practical way yet—for what that land could do to our park system?

The Hon. S.E. CLOSE: The advice is that the standard approach is that we wait for acquisition and then go through the planning process.

The Hon. D.J. SPEIRS: I will move on now to Budget Paper 4, Volume 2, page 135, Program 1: National Parks and Wildlife and development and delivery of nature conservation and animal welfare. These questions are on wildlife permits. Minister, are DEW wardens provided with adequate training relating to the use of surveillance equipment when conducting site visits?

The Hon. S.E. CLOSE: We just sent the executive director back and now we have called him forward again, so sorry for the hesitation in the response. I am advised that the executive director considers that the training is appropriate.

The Hon. D.J. SPEIRS: You might have to take this one on notice in terms of the detail, but would you be able to provide an overview of what that training looks like, what it includes and what the intended outcomes of that training aim to be?

The Hon. S.E. CLOSE: Correct; I will take that on notice.

The Hon. D.J. SPEIRS: When an animal has been taken into the care of a wildlife organisation and there is a process to determine whether it is fit and healthy and capable enough of being released, does the department and do the wardens involved in that take into consideration scientific results of veterinary assessments and things like that, or is it a subjective assessment by the DEW officers or wardens? I have quite detailed questions here, so perhaps the executive director would be better to be up front.

The Hon. S.E. CLOSE: When it comes to animals that have been taken into the care of the equivalent of Fauna Rescue—I appreciate that is only one organisation among many, but it is a recognisable name—we seek expert advice, whether that be a veterinarian, someone from the Museum or someone in-house who has that expertise.

The Hon. D.J. SPEIRS: So an animal would not be released back into the wild without advice being sought from a third party? Or would DEW officers just make that decision that a species could be released?

The Hon. S.E. CLOSE: It can be that a local staff member will make that decision, but that is on the basis that they have sufficient knowledge to make that judgement.

The Hon. D.J. SPEIRS: Minister, have you met with Mr Aaron Machado of AMWRRO to understand—

The ACTING CHAIR (Ms Hood): Does this belong to a particular part of the proceedings?

The Hon. D.J. SPEIRS: It is the same budget paper. I am on the same list of questions around wildlife permits.

The ACTING CHAIR (Ms Hood): Okay.

The Hon. D.J. SPEIRS: Minister, have you met with Mr Aaron Machado of AMWRRO to understand the concerns that he has raised with regard to changes to the department's wildlife permit system?

The Hon. S.E. CLOSE: I did meet with Aaron—I am not sure if it was in 2022 or 2023, but since becoming minister, yes.

The Hon. D.J. SPEIRS: About those concerns?

The Hon. S.E. CLOSE: They were amongst the concerns that he raised, yes.

The Hon. D.J. SPEIRS: Mr Machado has considerable fears for his organisation, which is an extremely well-known animal rescue organisation that has really been relied on by the Department for Environment and Water for a couple of decades in terms of being a safe place for particularly, but not exclusively, marine wildlife. He has fears that the department's current approach to working with him, and the behaviour of particular officers, could see his organisation close down, which would be a huge blow to the ability of our state and the National Parks and Wildlife Service as, probably, his main customer. It would be such a huge blow and set wildlife care in this state backwards by many years. Are you keen to see the department work to reach a resolution which sees that organisation exist into the future?

The Hon. S.E. CLOSE: I recall, I think very recently, you and I have exchanged letters.

The Hon. D.J. SPEIRS: Yes.

The Hon. S.E. CLOSE: You have raised these issues and I have responded. I do have a briefing on the AMWRRO matter with the online wildlife permit system, so I will just read that into *Hansard* for the record.

The Australian Marine Wildlife Research and Rescue Organisation provides a rescue and rehabilitation service for marine wildlife in South Australia—as the leader has pointed out. To assist in ensuring that native animals are protected in accordance with the National Parks and Wildlife Act, regulations, and other relevant legislation, a permit is required to hold native animals.

In June 2021, the department implemented an online wildlife permit system. I am pleased to say that since the online system was first implemented, the department has made significant improvements to enhance user experience. Improvements to the system include a redesign of the website entry portal allowing for ease of access, a streamlined reapplication process, and auto-approval for the majority of people using it.

As you will appreciate, there are notable benefits to an online system—in fact, given that it came in under your leadership, I am sure you appreciate that very well—including modernised record keeping, ease of access for many users and reduced environmental impact. It is important to note

that users continue to have the ability to complete hard copy applications if they so prefer. I do not know what other issues AMWRRO may have raised directly with the department, but I expect that they would engage confidentially directly with the organisation on any of those concerns that Aaron or his organisation have raised.

The Hon. D.J. SPEIRS: Minister, the main concern, as I understand it, is if there is a single person for a period of time once a permit around a single animal—it is quite an easy transaction, and I mean that in terms of the relationship between the individual and the department online, getting that permit and moving forward and looking after that single animal. It seems for an organisation that is taking in multiple animals and can never predict what will arrive on a particular day, there seems to be a complexity there—and please correct me if I am misunderstanding this. Mr Machado seems to be suggesting to me that an overarching catch-all permit for all his work, rather than lots of individual ones per species, would be a much less bureaucratic approach. It might be that the online system has worked for 99 per cent of needs, but an organisation as complex as his seems to end up with a much more bureaucratic outcome. Can you correct me if I am wrong there?

The Hon. S.E. CLOSE: I am not certain that I could not think of a rescue organisation that does not have a similar issue of multiple animals and not being certain what is going to come at any given time, so I suspect that Aaron is not alone in the way in which he conducts his business. When I think about organisations involved with koalas and echidnas and kangaroos and so on, and bats, although sometimes seasonally predictable nonetheless what is going to come through the door that has been hit by a car or whatever will vary unpredictably.

This is feedback that we will take on board. I suspect that we have heard it before, but there is a concern that essentially licensing an organisation to collect as many individuals or as many species as they choose would require an enormous amount of effort to ensure compliance and to avoid risk. I suspect that is why the department has hitherto regarded each individual animal as needing to have consideration. But I take on board the feedback that is being offered and we will probably have a conversation in-house about different ways in which we manage it.

As the member will recall, engaging with essentially volunteer organisations who rescue animals can be immensely complex, not least because of the diversity of volunteers involved, and trying to pay attention to considerations of the environment, considerations of individual animal welfare and then considerations of managing organisations with very few resources and lots of goodwill and lots of people is not simple. I think the department overall does a very good job at that, but it is not to say that we cannot receive feedback and continue to look at how to improve it.

The Hon. D.J. SPEIRS: Minister, I think we are very much on the same page with regard to the spirit of what we want to see occur here. I wonder if from time to time there are particular organisations—I am thinking about robust and well-known ones like the RSPCA and also an organisation like AMWRRO and maybe there are a couple of others out there—that are top tier organisations in terms of where they could be treated as opposed to a wildlife carer who looks after a couple of koalas in their backyard shed or something like that. There is a hierarchy here, and I wonder if there is a need to have a slightly different approach to the top tier organisations.

The Hon. S.E. CLOSE: Yes, that is a worthy suggestion, and it is true that the RSPCA and the Animal Welfare League are in fact referred to specifically in numerous pieces of legislation. There are a few organisations, though, that are pretty sophisticated that have a constant flow of animals coming through. I would not think of AMWRRO as being unique. That kind of organisation, so taking away from the specific of one, whether those kinds of organisations would wish to go through some kind of vetting and approval process that does not at present exist is an open question and probably more of a policy consideration over time than something that is being specifically contemplated now in this budget.

The Hon. D.J. SPEIRS: Does the National Parks and Wildlife Service continue to take animals to AMWRRO for care?

The Hon. S.E. CLOSE: I am advised that we do not use that organisation to take animals to.

The Hon. D.J. SPEIRS: Are you able to say when the last time an animal was taken there or their advice was sought for perhaps the destruction of a dolphin or whale that was washed up on a beach?

The Hon. S.E. CLOSE: We are not aware of any animals in recent memory, but we will have a look.

The Hon. D.J. SPEIRS: I do not expect the next question to elicit detail because of the nature of it, but is Mr Machado being prosecuted by the department?

The Hon. S.E. CLOSE: I am not aware of any such prosecution, but I am not going to seek advice because I imagine that should there be or not be is a matter of confidentiality, so I will not explore that subject in public. I am not aware personally.

The Hon. D.J. SPEIRS: Has consideration been given to whether additional financial or personnel resources are needed to be applied to the wildlife permit unit to ensure timely processing of applications to retain or release wildlife, along with appropriate interactions with wildlife carers?

The Hon. S.E. CLOSE: Sorry leader, what was the beginning of the question? I only heard about resourcing.

The Hon. D.J. SPEIRS: Has consideration been given to whether extra funding or, in fact, because in the budget papers it is difficult to tell exactly how much funding is within particular programs sometimes, has more funding been provided there?

The Hon. S.E. CLOSE: I am advised that the level of funding applied to it has been stable over time, but the executive director points out that he is always monitoring whether the expenditure in any particular program is sufficient.

The Hon. D.J. SPEIRS: Referring to Budget Paper 4, Volume 2, this is the same section actually, page 135, and again looking at the broader National Parks and Wildlife and protected areas, as you are aware, your department is currently consulting on the park management plan for Nuyts Archipelago and the Investigator Group Wilderness Protection Areas, including a proposed ban on overnight camping, which currently occurs on the islands. Did the department engage with tourism operators who facilitate tours to the area prior to commencing consultation on the proposed changes in access?

The Hon. S.E. CLOSE: I am uncertain whether the specific draft was provided to the tourism operator prior to its release, but the fact that there would be a management plan that would go through a drafting process and consultation, I would expect was known to the operator. I met with the operator when I was in Port Lincoln recently, as the leader may be aware, and I am reasonably certain that he said he knew that there would be a plan, that he had been told that that was the case.

Certainly, since 2020 when they were given the commercial tour operator's licence, my understanding was always that it was on an annual basis given that there was no management plan that was clear about what could and could not happen with tourism in the Nuyts Archipelago and Investigator Group wilderness protection areas, and therefore this was something that I had from the outset expected would occur at some stage. I would expect that the tourism operator was similarly aware, but I am not certain whether the specifics were provided prior to the rest of the public.

The Hon. D.J. SPEIRS: The operator in question, Mr Rod Keogh—whom you have met with at length, I understand, and I think he appreciates that—believes that his business will be rendered unviable by the decision to end overnight camping. I fully understand and appreciate the need to strike that balance between biodiversity conservation and the protection of these special areas of wilderness protection, but equally, his business appears to me on the face of it to be very low impact and shares this place with people who might not otherwise be able to appreciate what we have in South Australia in terms of our wild places and nature. Do you believe there is any way that overnight camping could be permitted within the island visitation zone?

The Hon. S.E. CLOSE: I think the overall construction that the leader gives is the reasonable question, when we look at our protected areas, of the balance between facilitating and encouraging people to enjoy nature but without doing harm to nature. Where that occurs will vary depending on

the ease with which people can see nature and the potential harm that might be done and the way in which that could be mitigated.

There are national parks in South Australia that are well practised at managing both. When we are talking about wilderness protection areas, we are talking about another level of protection and value of biodiversity that makes it even more difficult to find a pathway for humans to interact in a way that will not be harmful. We have to be even more protective of the biodiversity there.

I note that EP Cruises has operated 13 tours with about six guests each time, so in terms of reach, those people had an opportunity to see the astonishing beauty of that area, but it is not a lot of people. It is probably not going to see a marked difference across the South Australian community in their attitude to nature—not that EP Cruises would claim it does—but just to get some sense of perspective, to deprive people of going to Belair National Park or Glenthorne National Park would be a very different proposition to what is inevitably a reasonably exclusive experience in spending the night with very few other people on the island.

My view as minister is that ultimately often governments set the tone and the policy direction, and certainly at times the legislation governs the way in which those balances ought to be found. The department is best placed in generating a view in a draft plan about how a particular piece of protected area ought to be interacted with and cared for, and the department's view is that the overnight stays are problematic for the extent of vulnerable biodiversity that is there. Having a nature-based tourism experience from the water or on other islands that have established tourism operations, and also during daylight hours, going into the sites that have been designated, is the way in which the department views that balance to work well.

I appreciate that that is very challenging for EP Cruises, which although it has other areas of interest, has really made this a key focus for its business. I do note that in 2023-24 a licence was offered to EP Cruises, which they declined. They will have done that for sensible business reasons, and I make no criticism, but nonetheless the department has sought to be fair in the time while there is a draft plan out for consultation to allow the continued access that had been granted since 2020. My view is a process one rather than an outcome one, that the department has done the right thing by putting out a draft plan, and that that process needs to work its way through.

The Hon. D.J. SPEIRS: Minister, do you believe that Mr Keogh has made investment decisions based on departmental advice, including advice from individual officers along the way, which, now that the goalposts have changed so to speak, he would have detrimentally relied on that advice to his financial loss, and has the department sought legal advice with regard to that?

The Hon. S.E. CLOSE: I can't adjudicate that. I don't know. What I see in the trail of what we know to have happened is that there were only year-by-year licences granted, so a business operating on a year-by-year licence inevitably has to contemplate whether that licence will be renewed, and why that licence isn't for more than a year, particularly knowing that a management plan would come at some point. That is the truth in the suite of information that has been provided of decisions that have been made, that there was a decision to allow it, but only year by year, and that there was a clear view that there would be a draft management plan. In due course there has been a management plan.

Whether there have been individual conversations of course is impossible for me to know. They may have occurred under your ministerial time, if they occurred at all. They may have occurred under mine, if they occurred at all, and neither of us have any way of knowing what those individual conversations might or might not have been. I am personally not aware of any legal activity occurring, but this would not be the right forum in which to discuss that in any case, as with my previous answer.

The Hon. D.J. SPEIRS: Would the department consider one-off compensation to Mr Keogh to recompense him for his significant investment in his business activities on the Nuyts Archipelago?

The Hon. S.E. CLOSE: I have seen no such request from that company and, from memory, it was not raised in our discussion but, when we are talking about public money, departments follow a very sensible process, often guided directly by Crown, on what obligations exist that are reasonable to require the transfer of public money to a private entity, and should there be such an application they would go through such a process.

The Hon. D.J. SPEIRS: Has the licence held by Mr Keogh ever been at risk of not being renewed, notwithstanding that he may not have applied in any given year, but has it ever been at risk of not being renewed due to failure to comply with the terms of the licence?

The Hon. S.E. CLOSE: I am not certain, so I will take that on notice, and see if there is any information that is documented that could be provided. There may not be. The licences have been provided up until the most recent year when it was declined.

The Hon. D.J. SPEIRS: I will stay in the same Budget Paper 4, Volume 2, page 137, and that is parks in the broader sense. Is Hindmarsh Valley National Park currently open for public access?

The Hon. S.E. CLOSE: I am advised that, yes, you can walk in from both the north and the south.

The Hon. D.J. SPEIRS: Have trails been developed in that park, and interpretive signage and things like that or is it informal access?

The Hon. S.E. CLOSE: I am expecting that the leader is interested in an investment in trails. I have a recollection, from my first year of being minister, that I was advised at that point that there needed to be a management plan for that park, and I think we had that conversation then. The Hindmarsh Tiers national park was established. The Parks of the Central Fleurieu Peninsula Draft Management Plan is currently out for public consultation, so that is included in that management plan.

The Hon. D.J. SPEIRS: Minister, when you took on the role there was already \$3 million in the budget for this, and we discussed it in your first estimates. There was talk of mountain biking there at one point, and the merits of the decision here could be argued—I am not arguing that today; that we will set aside—but there was a view that you put forward that that \$3 million would be retained for the visitor experience, whether that be trails, interpretive signage, perhaps a toilet block, car parking or structured access. You assured the house that that \$3 million would be allocated to the visitor experience at Hindmarsh Valley National Park. Did you refer to it as Hindmarsh Tiers? I am not sure if I am calling it the right name, but I am keen to know how much money will be spent there and will it be the \$3 million that was initially set aside?

The Hon. S.E. CLOSE: Yes, the \$3 million is still allocated and is pending the management plan before it is determined how that will be spent.

The Hon. D.J. SPEIRS: I will move on to a couple of quick questions about Glenthorne National Park. There is an allocation for funding for Glenthorne National Park in the component of funding that you announced for national parks. Firstly, can you give me an understanding of what that funding will be used for?

The Hon. S.E. CLOSE: The money that we talk to when we refer to Glenthorne is essentially for maintenance and for staffing. We have completed the nature play space—and it was opened to the public; we were both there.

The Hon. D.J. SPEIRS: Congratulations to the department. It won an award on the weekend, which is very substantial, so well done.

The Hon. S.E. CLOSE: Exactly. The refurbishment of the heritage barn has been completed. Works have commenced for the new Changing Places toilet facility, and works have also commenced for a new SA Water sewage pump station, which sounds tedious but is absolutely essential as we both know—

The Hon. D.J. SPEIRS: We discussed that last year, yes.

The Hon. S.E. CLOSE: —and as we have discussed previously. So the money that we have talked about previously, that is being allocated for national parks in terms of Glenthorne, is about making sure that all of that can be maintained appropriately to keep the high standard.

The Hon. D.J. SPEIRS: With regard to the things you just mentioned, can you talk about the Changing Places facility. I think that is a building or a piece of work that is underway, adjacent

the existing toilet block in the heart of the site. Is that underway at the moment? I see there is an area that is fenced off in there. Has work started on that?

The Hon. S.E. CLOSE: Yes. The briefing I have says that works have commenced on the new Changing Places toilet facility.

The Hon. D.J. SPEIRS: Do you have a timeline when that will be complete?

The Hon. S.E. CLOSE: There is a schedule for completion during the rest of this year, so September or so, and that is also true for the pump station.

The Hon. D.J. SPEIRS: Yes. They are probably related.

The Hon. S.E. CLOSE: I think they are related, exactly.

The Hon. D.J. SPEIRS: Minister, I will change topics again. On the same budget reference, Budget Paper 4, Volume 2, and change to page 135, it is quite an open-ended question that will not have a specific answer. In terms of cultural surveys, how many does the department typically commission in a given year?

The Hon. S.E. CLOSE: You are talking about Aboriginal cultural surveys rather than the culture of the organisation, I am assuming?

The Hon. D.J. SPEIRS: Yes, sorry.

The Hon. S.E. CLOSE: We do not have that with us. We will take that on notice.

The Hon. D.J. SPEIRS: As part of taking that on notice, could you, for the previous financial year—because it would be hard, I guess, to predict the current financial year—take on notice the provision to the opposition of a list of the cultural surveys in terms of the description of what it was and how much that cost?

The Hon. S.E. CLOSE: Yes, we will absolutely take that on notice as well.

The Hon. D.J. SPEIRS: Is there an annual budget for such cultural heritage surveys or is that something that would be paid for in funding obtained on an as needs basis?

The Hon. S.E. CLOSE: I am advised that we do not have a separate funding line for it. It is incorporated into whatever project we might be undertaking, that it would be a natural part of undertaking that project, that where necessary we would undertake a cultural survey.

The Hon. D.J. SPEIRS: You would be more than aware of the challenging situation in the Flinders Ranges, with the alleged destruction of sacred Aboriginal sites in the Ediacara area. Has the department undertaken a review of their processes following that situation?

The Hon. S.E. CLOSE: Because this has been a matter of great interest and concern from a number of parties, I will read the briefing that has been provided to me. The unauthorised grading and fencing of a section of land between Nilpena Ediacara National Park and Beltana Station in 2023 has been the subject of an external inquiry undertaken by the Hon. Christine Trenorden. This included the provision of a report on the inquiry's findings, with recommendations about better protecting cultural heritage in the future. The eight recommendations are all supported by the Department for Environment and Water. They are:

1. Any agreement between a pastoral lessee and DEW in relation to boundary fencing must be recorded in a formal written agreement that includes details of cost sharing and responsibilities.
2. National Parks and Wildlife Service regional officers are to be trained on local ILUA obligations within their geographic area of responsibility.
3. National Parks and Wildlife Service district rangers are to receive training on rationale and process for First Nations engagement.
4. National Parks and Wildlife Service to consider protocol for early engagement between the National Parks and Wildlife Service and a relevant native title body to enable native title landholders' input into preferred siting for notifiable acts.

5. Continue cultural change within the National Parks and Wildlife Service to achieve a whole-of-service approach towards achieving and maintaining reciprocal and equitable relationships with First Nations people.

6. National Parks and Wildlife Service district rangers to be required to keep a daily log of agreements reached or directions/permissions given at on-site agreements, to be confirmed in writing.

7. Steps to be taken to inform pastoral lessees of requirements and timelines in relation to notification obligations under ILUAs for fencing works.

8. Obtain legal opinion on who has a duty to notify ATLA under the Adnyamathanha Settlement Agreement ILUA 2014.

In February 2024, the department provided a copy of the report to the administrator of the Adnyamathanha Traditional Lands Association for their corporate advisory group. In response to the report on the Trenorden inquiry, the department is developing improved processes to minimise the risks of other incidents of this nature occurring. A number of recommendations are consistent with the commitments in the department's Stretch Reconciliation Act Plan 2021-24.

The fencing works are on hold until a heritage inspection has been undertaken. This is currently being organised through the administrator of the Adnyamathanha Traditional Lands Association. Proposed inspection dates in June 2024 were cancelled when a specialist heritage adviser to support the inspection became unavailable. The department is maintaining regular contact with the Adnyamathanha Traditional Lands Association's advisers to secure a new inspection date. The department is also maintaining regular contact with the owner of the Beltana pastoral lease.

Mr BATTY: Given we are running out of time, I turn to page 145, program 3. A highlight of the program this year was completing the statutory review into the Landscape South Australia Act. Does the minister agree with the recommendations of the landscape act review?

The Hon. S.E. CLOSE: We are still preparing the response to that review so I will not say what my view is about all or each of the recommendations, but I would like to take this opportunity to put on record my thanks to the Hon. John Hill for having undertaken it—and not having charged the government either, which is very generous of him—and that it was a very welcome review in the feedback that I have had from various interests, including the landscape boards themselves and various people engaged in caring about landscapes.

I would expect to have the response reasonably soon. My view is that there are likely to be at least two tranches of activity arising from it without presupposing that we will agree with all of the recommendations, because that is yet to be determined, but there will be some short-term changes that can be made relatively easily. There may well be some longer-term ones. The landscape act is not very old, although it was a revision of the previous act, and it was consciously decided at that point, for example, not to change water at this stage as the provisions were taken from the NRM Act into the landscape act. It may be that there is time for the next piece of decent work on the landscape act to come that will be informed by some of the deeper recommendations that were made, so that may well form a second tranche of work as a response.

The Hon. D.J. SPEIRS: I have a supplementary, so to speak. I appreciated Mr Hill interviewing me as part of that process. I thought it was a useful contribution I was able to make and I appreciated the opportunity. One of the recommendations is to eliminate the legislative priorities of Green Adelaide and let it have more discretion over its focus areas. Have you decided whether you agree on that one or not?

The Hon. S.E. CLOSE: I am not going to respond with a definitive view on any of the individual recommendations because we are still working through the response. The leader may recall that I raised concerns about having such a definitive list when the legislation was brought in and I was sitting approximately where the member for Bragg is sitting, so I was not at that time necessarily persuaded that a definitive list in a piece of legislation was wise, given that circumstances change, albeit that those were fairly broad and gave quite a degree of licence.

It appears that the Hon. John Hill has received feedback from people associated with the Green Adelaide Board—I do not know at what level—that they would like to have a bit more flexibility, so he has taken that on board, but we will work through whether that is necessary and what advantage there would be in changing the way in which that is achieved through the legislation, and if so, obviously it would come in for debate here.

Mr BATTY: I appreciate, minister, there is a reluctance to respond to individual recommendations in the review, but are you considering enabling boards to increase the landscape levy beyond the CPI rate?

The Hon. S.E. CLOSE: That was certainly one of the recommendations that was made. It is not something that is particularly appetising for a government, particularly at present with the cost of living; the CPI is quite a significant rate and more charges would not be welcome. The consideration is only because it is one of the list of recommendations. I did not refamiliarise myself over the weekend with the review, so I am operating on a slightly older memory, but I know that in the act there is the capacity for the minister to give license for a board to go beyond for particular reasons. I am uncertain whether the Hon. John Hill explored whether that was an element that might change or whether it was simply about the CPI.

It is under consideration only in the sense that all of the recommendations are, but there is little to no appetite from this government to increase the charges for people, particularly recognising the challenges that many South Australians are going through right now.

Mr BATTY: So, presumably, another recommendation in there that is under consideration and on the table is an additional statewide special-purpose levy to address specific high-priority issues?

The Hon. S.E. CLOSE: Similarly, the idea of continuing to contribute to people's financial stress at the moment is not one that I imagine is appetising on either side of politics.

Mr BATTY: When do you expect the government to respond to the review?

The Hon. S.E. CLOSE: I am expecting it, I think, this year. I am not certain if that advice has been specifically given to me. I have not asked the department to rush, given the other priorities that they are dealing with. They have other priorities. It was an important process to go through and they are working through it.

You always have to bear in mind the complexity of the structure of the environment portfolio which means that we have not just the Department for Environment and Water but we have eight landscape boards that are also giving feedback on the way that the review landed, so it takes a little while to work through. I have not put any pressure on the department, recognising their other challenges and priorities, but I would expect something later this year.

Mr BATTY: What was the total amount of revenue collected by councils pursuant to the landscape act over the past year?

The Hon. S.E. CLOSE: We have received for the year 2023-24 \$42.589 million from council land area-based levies and we are expecting to receive \$56.870 million.

Mr BATTY: What percentage of that money collected by councils through the landscape levy is allocated to DEW for staffing?

The Hon. S.E. CLOSE: I think we will have to take that on notice, because I do not think we have broken down the service provided by DEW by specifically the council area. We will take that on notice; we are not doing maths live.

Mr BATTY: Does the department intend to review the operation of the collection of the landscape levy by local councils?

The Hon. S.E. CLOSE: I am not sure if the member is asking whether there is a question of a review about whether or not councils do the collection, or the way in which it is managed—but neither.

Mr BATTY: I will turn to a different topic. Still under the same budget line of the heritage program and the Flinders Ranges world heritage bid, I heard what the minister said just a moment ago about the destruction of sacred sites at Nilpena. Was the world heritage bid threatened by these actions?

The Hon. S.E. CLOSE: My advice is, no, it was not.

Mr BATTY: What role have researchers at the South Australian Museum played in assisting the world heritage bid?

The Hon. S.E. CLOSE: Given we are running out of time, I will give a brief answer and then supplement it should that be necessary later. There is an enormous amount of effort done by researchers generally that has been very significant. People would be well aware of Professor Mary Droser. I do not think that she has a direct relationship with the Museum but I will absolutely correct that should that prove to be wrong, but I am fairly certain that is the case.

There may well be some researchers who are attached to the Museum who have been engaged over time because there have been a number of people involved. But the Nilpena Ediacara foundation, under the excellent leadership of Mary Lou Simpson, has really been the coordinating effort for fundraising, specifically for Nilpena Ediacara. The work between that foundation and the department has been the driving force for the world heritage bid, which of course is winding its way through to what I think will be a very successful outcome.

Mr BATTY: Is there any threat to the world heritage bid through any potential cut to researchers at the South Australian Museum?

The Hon. S.E. CLOSE: I just do not think there is a strong link between the two. I stand to be corrected if there is but there are a number of institutions, of course, that are interested in the globally important research that is done there, and that is why it is such an important bid.

It is the first example, the oldest example, of multicellular life and it is the most easily accessible of the examples. There are only about five or six around the world. What we have here is one that both the public and researchers can easily get to. Others are hanging off the edges of cliffs and so on, so they are quite difficult to see much of, whereas it is beautifully laid out here and so there are researchers from around the world who are interested. I see no particular strong connection between that and the Museum, other than that people who love and care about the Museum also, I imagine, love and care about Ediacara Nilpena.

Mr BATTY: Given we are very tight for time, I might turn to program 2 on page 136, referring to water and the River Murray. Has the minister read the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) report released in June 2024, titled 'The impacts of further water recovery in the southern Murray-Darling Basin' commissioned by the federal Department for Agriculture, Fisheries and Forestry?

The Hon. S.E. CLOSE: I realise particularly given the time that it is probably easier if I ask Ben Bruce to respond to this given that his most recent background before being chief executive was very much about the River Murray.

Mr BRUCE: In terms of the ABARES report, that is really informing the regulation impact statement that the commonwealth is looking at. They have reviewed it and the base finding is that there is nothing that has significantly changed in terms of the regulatory impact between when the basin plan was first brought in and now having done that. I think probably the important finding is that the basin's longer term social and economic outcomes are really driven by external factors, so things like commodity prices, changes in technology, changes in productivity and things like climate. It incorporates all the available evidence and insights and supports a range of publicly available sources brought in. But that is what the commonwealth are using to make their determination on, under a range of different scenarios for water recovery.

Mr BATTY: I think another important finding was various modelling of buybacks, including a 225 gigalitre buyback scenario, which saw average water allocation prices across the southern Murray-Darling Basin estimated to increase by \$45 a gigalitre, or 10 per cent. 450 gigalitres was not

modelled, but would the minister accept that we could extrapolate that this shows that prices could increase by \$90 a gigalitre, or 20 per cent?

The Hon. S.E. CLOSE: I have two points to make initially. One is that the majority of the water will come from outside of South Australia, as it should, because we have done significant heavy lifting for a very long time. They are estimating that the decrease will be mostly for rice, and the least for almonds and other horticulture. So our interests are more at that end than the rice end. It is also the case that the variation is expected to be within the kind of variation that has been seen over time already. So it is not, under this report, expected to be a dramatic variation in price. I suspect that some people who want to sell their water are keen to see the price go up, obviously, but we do not want to see an unnecessary impact on those who want to buy water.

Overarching all of this is that I think we can all agree we need the Murray-Darling Basin Plan to be achieved. We all signed up to it, including the other states, that have then at times been quite resistant. The plan with all of the water in it, including the 450 gigalitres, but not limited to that, needs to be achieved, because we must have a sustainable Murray-Darling Basin, we must have a healthy working river. For it to continue to work it has to be healthy and that requires environmental water. This is a mechanism that has been used for achieving that. It is demonstrated to be efficient. The majority of the water that has been achieved to date has been achieved through voluntary buybacks, and that is why we were pleased to see the legislation change in Canberra to facilitate that as one of the mechanisms which can be used for the 450 gigalitres.

Mr BATTY: Is the minister also aware that under the 225 gigalitre buyback scenario the report found that the average value of irrigated production is estimated to decrease across the southern Murray-Darling Basin by \$111 million per year, or 2 per cent? You might double that for 450 gigalitres.

The Hon. S.E. CLOSE: What that does is it only does a narrow casting of: if that water is sold, what production impact might that have? What it does not take into account is any offset in increase in dryland production as farmers shift from irrigated agriculture to dryland. It does not take account of any upstream or downstream flow-on impacts resulting from reduced agricultural production, such as moving resources towards other industries within the same community.

An example would be the tourism industry which benefits from a healthy river. It does not take account of any of the benefits associated with the money received by the people who are selling their entitlement and what they then do with that, which can be that they change to a different productive use, and it can be that they shift to a more efficient use of water. So because it has not taken that into account it cannot be seen as the definitive impact. Nonetheless, the federal government has allocated significant funding to help with structural adjustment, recognising that we have limited time to achieve the Murray-Darling Basin Plan, even with the extension, and therefore we are under pressure. When things happen quickly it is important that we allow for structural adjustment and the commonwealth government has done that.

Mr BATTY: Do you support water efficiency projects, both on and off farm?

The Hon. S.E. CLOSE: I support anything that delivers the Murray-Darling Basin Plan without causing unnecessary harm. While the idea of on-farm and off-farm efficiency measures were initially supported, they were demonstrated to achieve, I think if we are at the most charitable, about 26 gigalitres over the last several years and that is, of the 450, nowhere near enough. So it is clearly not a sufficient mechanism, but it is never one that one should ignore.

The CHAIR: The allotted time has expired. I declare the examination of the Department for Environment and Water complete, the examination of the proposed payments for the Department for Energy and Mining are now complete, and the further examination of the proposed payments for the Department for Environment and Water will continue after the break. I thank the minister, members of the Opposition, and also the minister's advisers for this morning.

Sitting suspended from 11:15 to 11:30.

Membership:

Mr Whetstone substituted for Mr Cowdrey.

Departmental Advisers:

Dr J. Gorvett, Chief Executive Officer, Environment Protection Authority.

Mr R. Jacka, Chief Financial Officer, Environment Protection Authority.

Ms K. Bellette, Director, Policy Assessment and Finance, Environment Protection Authority.

Mr S. Sergi, Acting Director, Science and Systems, Environment Protection Authority.

The CHAIR: We now move to the Environment Protection Authority. The minister appearing is the Minister for Climate, Environment and Water. I propose payments remain open for examination. I call on the minister to make a statement, if she so wishes, and introduce her advisers. I will then call on the lead speaker for the opposition to make a statement or go to questions, as they desire.

The Hon. S.E. CLOSE: I will introduce the people sitting with me. I will preface it, as I always do, with my thanks to the entire agency for the work that they do on behalf of South Australians. I would also like to add a minor but nonetheless important correction for one of the figures I gave in the last session. When we talked about the amount of money that has come in from the commonwealth and state sources that meant we had spent more than had originally been budgeted for in the Department for Environment and Water, I listed My Water at \$4.8 million as having been a commonwealth-funded addition. The vast majority of it is commonwealth but there was a very small amount of money that was contributed by the state budget. Out of a desire to always be as accurate as I can be, I put that on record.

I have with me on my left Jon Gorvett, who is the Chief Executive of the Environment Protection Authority. Next to him is Richard Jacka, who is the CFO. On my right is Kathryn Bellette, the Director for Policy and Finance, and behind us is Steve Sergi, the Acting Director of Science and Systems.

The CHAIR: You do not wish to make any opening remarks?

The Hon. S.E. CLOSE: No, I do not, thank you.

The CHAIR: Member for Bragg.

Mr BATTY: I would like to start with Budget Paper 5, page 34, where we see one new budget measure for the EPA, \$924,000 this year growing out to \$1.3 million over the forward estimates to implement a regulatory framework, which will increase the state's capacity to reduce its emissions footprint and meet net zero targets. What does that mean?

The Hon. S.E. CLOSE: I will probably turn to either the chief executive or to Kathryn Bellette to give some more details, but the member will recall that we recently updated the act that governs the EPA to reflect explicitly that climate change was one of the considerations that it needed to take account of and needed to regulate. That was on the basis that our expectation is that probably that was already countenanced within the definitions used in the legislation, but that in order to be clear and also to send a strong signal about the importance of climate change, we would include it specifically.

It also enabled us, while we were making the change to the act, to say that there needed to be someone on the board who had expertise in that area. It is, of course, an emerging area for regulatory bodies, not just in the amount of greenhouse gas emissions that regulated industries produce but also, importantly, the way in which those industries are responding to the risks of climate change, the dangers of particularly extreme heat in South Australia and the variabilities of weather that come with climate change, and the way that that poses a threat to some key industries on which the people of South Australia depend.

It is important that we make sure that we are regulating to recognise that risk and that the industries are responding appropriately. For that reason, we have identified that we needed to expend more money to have a team of people with that level of expertise. While there are people in the department, I am sure, who are useful for climate change, this in fact requires a higher degree of specific expertise to be able to regulate appropriately. I will perhaps see if you have any other questions before seeing if some of the details are required from my officers.

Mr BATTY: The intention of this program, then, I see is to create five FTEs this year, growing out to seven. Is it effectively just funding their salaries and these people are going to be a bit of a crack team on net zero?

The Hon. S.E. CLOSE: Yes, the funding is essentially for the staffing. Obviously, when we think about climate change, the responsibilities sit across all parts of community and all parts of our government. This does not purport to say, 'All you have to do is fund these seven people and we will achieve net zero, and we will manage all of the climate change risks associated with it.' What it recognises is this is the EPA's stepping up for its share of responsibility in the way in which it manages licensees and that relationship, a very powerful relationship, in guiding companies towards being more environmentally, public health and climate change resilient and prepared.

It was a recognition that we needed to have a team that would be capable of doing that. The overall changes that will over time be made as a result of climate change increasingly pressing in on us will be seen across multiple budgets across multiple years. I will just put on record that in the last 12 months, the global temperature for each of those months respectively made them the hottest on record since pre-industrial times—2023 was an extraordinarily hot year for the world. If you look at any charts, it sits way above the noise below.

I was just reading the *Quarterly Essay* on climate change by one of Australia's eminent climate scientists, who I shared a stage with at Writers' Week on climate change. She quotes a climate scientist from NASA in that, stating that although it was an extraordinarily hot year, in retrospect if nothing changes it will have been one of the coolest years of this century when we look back on this century. This is coming. It is here. It is going to get worse because of the length of time that greenhouse gas emissions stay in the atmosphere, and the EPA is doing its bit to help adjust for that.

Mr BATTY: Will these additional staff be within the department or external contractors?

The Hon. S.E. CLOSE: They will be inside the department. They will be employees of the EPA.

Mr BATTY: Does this team exist yet? Are these five people already there, or is this brand new?

The Hon. S.E. CLOSE: They are in the process of pulling that together. I am not sure if they have actually advertised yet—not quite. I was asking about this just the other day. The statements on the different roles are being prepared, and we will be going out very soon to employ people.

Mr BATTY: What sort of expertise will you be looking for for this team?

The Hon. S.E. CLOSE: I will turn to Kathryn Bellette rather than have her whisper it to me to relay it to you in only 45 minutes.

Ms BELLETTE: We will have two different types of expertise. One is with emissions reduction, so chemical engineers and so on. They will be working with high to medium-emitting licensees to help undertake emissions reduction plans to meet the state targets, particularly the 2050 target given that we have not started yet and 2030 is fairly close.

Then we will have a team working primarily with small to medium enterprises in adaptation. There will be a civil and environmental engineer. We will have an extra climate change air quality expert and a technician to do further monitoring of air quality. There will be a couple of people who will be basically extension officers, working with using the advice of the higher level experts to work with small to medium licensees about what they need to do to do adaptation planning. The adaptation planning is vital.

At the moment, for instance, we have licensees who have one-in-10-year protections for flooding and, of course, what we are seeing, particularly through the River Murray, is that that is not enough, so we will be looking at something like—I mean, it will vary from region to region but, just as an example—one-in-100-years.

The liabilities that they have for potentially causing environmental harm if they do not have their facilities resilient to extreme weather events is significant. They also may be hit so badly they may abandon sites, in which case it then becomes a government liability, both in terms of remediating abandoned sites and also with the environmental harm it causes, which could be spread everywhere. These people are experts and, as I said, we will have a couple of extension people to help with SME licensees.

Mr BATTY: When do you expect the team to be stood up?

Ms BELLETTE: We have basically not requested the funding until October, so that's why it is three quarters this year. We need to make up position descriptions and then advertise. It may take a while, particularly with the senior people, to make sure we get the right people. We will not be putting people on until we know we have the right people, so we have allowed ourselves three months or so.

The Hon. S.E. CLOSE: It is an area that I imagine is in demand and it is quite competitive to get the right people.

Mr BATTY: The budget papers talk about this team implementing a regulatory framework. Is that a new regulatory framework that is being created for these purposes or is that just referring to the existing legislative framework we have in this space?

Ms BELLETTE: We have the powers currently to regulate with both emissions reduction and adaptation, but we are going to be drafting—and we have started to engage with major industries and also across state government. In fact, we are working with DIIS—they are still called DIIS today—Industry, Innovation and Science to collectively engage with the creation of an environment protection policy, and also the green industry transition, so we are going to capitalise on the economic benefits that you can get through reducing emissions in terms of markets and so on, as well as the liabilities I was talking about with adaptation.

With the environment protection policy, there is quite a well-defined process that is quite lengthy and iterative to do an environment protection policy, and for the climate change specific one this calendar year we are doing an informal consultation first about what the scope will be. We are also working with other EPAs across the country and the federal government DCCEEW to make sure that we are not duplicating, that we are adding value with our policy. That will probably have some mandatory provisions and some non-mandatory provisions.

Mr BATTY: What has the response from industry and emitters been so far to any concerns being raised with the new framework?

Ms BELLETTE: Some are pleased because it will help put their case to their boards for the need to both reduce emissions and adaptation. All of them have said they are not surprised. They were expecting something like this to be happening, and they are actually really pleased that we are working through them very proactively through our process of what is going to be in, and what is going to be out of the EPP.

The Hon. S.E. CLOSE: Generally, when we undertook the consultation for the change to the legislation also, there was the recognition that there are other forces that are driving industry in this direction, including insurance and access to capital and markets, and so those three elements that are beyond the control of the state government are in existence for industry but can be a confusing set of signals about exactly what they need to do and when.

Having government involved in creating a shared process and regulatory approach is helpful to have a sort of stable plan. The bigger companies that are owned offshore are already well advanced in seeking to achieve net zero, although they may not always have the direct line of sight on risk management for individual sites. Smaller businesses, smaller companies—recognising that

this is something that is happening and will be forced on them—welcome having government alongside them.

Mr BATTY: Is there a time frame for the introduction of the new framework and, to that very point, is there going to be some sort of transitional period to perhaps allow the smaller businesses to develop their plans and adapt?

Ms BELLETTE: We do not have a time frame yet. The smaller businesses with adaptation, as I said, we will be heavily assisting. EPPs generally—because of the iterative process that is required by the EP Act, it normally takes at least a couple of years. As I said, we are just in the informal preparatory stage at the moment, so people will have plenty of time to adjust.

Mr BATTY: Is the intention of the new framework to penalise industry emitters where they are not meeting targets? Will there be fines attached to the framework, for example?

The Hon. S.E. CLOSE: The overall intent is to work with industry to achieve the goals that they themselves know they need to. It is not intended to be a heavily punitive approach. Inevitably, you cannot rule out that there might be elements where that is agreed by industry to be useful, because what really annoys industry is when some do not play the same game and get away with it, but it is not being approached by this government with that lens.

Mr BATTY: I guess the flipside of that is: is there any carrot as part of this that might go with the stick, any sort of financial incentives or support for licensees, for emitters, to reduce emissions?

The Hon. S.E. CLOSE: There is no funding that sits within this that is aimed to go directly; it is in the form of grants; this is about people. As the executive director just mentioned, there are supports through having those people working with the smaller industries, so that they are able to provide the input that those companies are not able to do for themselves.

Mr BATTY: Will the framework require any legislative change?

The Hon. S.E. CLOSE: We are not anticipating having to come in with an amendment to the act, but it is important to know that these environment protection policies have the force of regulation; they are a legislative instrument themselves.

Mr BATTY: I now turn to Budget Paper 4, Volume 2, page 166. I note that solid waste levies are listed as an administered item of the EPA. How much revenue from solid waste levies was received in 2023-24, and how does that compare with the previous year?

The Hon. S.E. CLOSE: In answering, I am referring to liquid waste as well. The revenue actuals in 2022-23 were \$49.92 million; there is a budget expectation for 2023-24 of \$50.65 million, so it is very, very close; and actuals, as at the end of April, were \$42.07 million. So we only have that for the year to date, at the end of April.

Mr BATTY: How does that compare to that point a year earlier?

The Hon. S.E. CLOSE: The 2022-23 was \$49.92 million.

Mr BATTY: How much of the amount received in the year that has just been was transferred to the Green Industries fund?

The Hon. S.E. CLOSE: The Green Industries fund gets 50 per cent.

Mr BATTY: What happened to the balance of the revenue?

The Hon. S.E. CLOSE: Fifty per cent goes to Green Industries, 5 per cent goes to the Environment Protection Fund and the remainder is used to fund the EPA. Any excess goes to government.

Mr BATTY: I will explore it a little bit more when we get to Green Industries, but there is commentary in there about Green Industries receiving higher than expected revenue from the solid waste levy. Is there a reason why there is increased revenue from these levies?

The Hon. S.E. CLOSE: What tends to happen is that a large amount of the solid waste levy is paid by construction. While a projection is made, the actual activity in the economy, particularly

how much is being built, will see a variation in the results. Obviously, we have had a pretty strong economy recently, and that will have seen more activity.

Mr BATTY: Does the EPA make projections on how much revenue they expect to take in through the solid waste levies over the forward estimates, for example, or even this budget year?

The Hon. S.E. CLOSE: We only go year by year.

Mr BATTY: Do you have a budget for this year?

The Hon. S.E. CLOSE: We have anticipated approximately \$650,000 more coming in in the next financial year.

Mr BATTY: Why is that?

The Hon. S.E. CLOSE: It is the best judgement of the people in the EPA about what activity is looking like over that period and how that is likely to translate.

Mr BATTY: So it is attributed more to the fact that there is just more happening rather than either (a) the levy increasing or (b) more waste not being diverted from landfill?

The Hon. S.E. CLOSE: The levy only increases by CPI, so there is no hidden increase in the levy there. We are not anticipating the percentage of diversion is going to go in the wrong direction. We expect it to be largely associated with activity.

Mr BATTY: Is it possible to provide a breakdown on how much in solid waste levies was received from metropolitan solid waste versus non-metropolitan solid waste?

The Hon. S.E. CLOSE: We do have that data. For 2023-24 actuals to 30 April, the metro solid waste was \$33.8 million and the non-metro solid waste was \$7.4 million. The budget, the expectation of what we will get—because that was just until April—is respectively \$41.1 million and \$8.5 million.

Mr BATTY: I turn now to a different topic and page: Budget Paper 4, Volume 2, page 167, starting with the table 'Investing expenditure summary'. I want to go through a few of the existing projects. The first one listed is the environment incident reporting application. I note that all these projects are in here but there is no budget allocated to them for the coming year. Are you able to provide an update and explanation on the first item, to start with?

The Hon. S.E. CLOSE: That is now complete. The total project cost was \$796,000. The last bit that was required was the \$12,000 in 2023-24 and that is now essentially done.

Mr BATTY: What was the \$12,000 for? I note there was nothing budgeted last year either.

The Hon. S.E. CLOSE: It is only \$12,000. It was for what is being described as final tweaks.

Mr BATTY: Excuse my ignorance, but what is this? Is it some sort of technology upgrade?

The Hon. S.E. CLOSE: It is the online and phone call system where we take people contacting about an environmental incident and we record that.

Mr BATTY: Is that used by consumers, or is it just at the internal end?

The Hon. S.E. CLOSE: It is both; it is the interface between the department and the public reporting environmental incidents.

Mr BATTY: Are there any practical outcomes that the minister is hoping to achieve through the application? Are we expecting improved processing times or more timely responses to incidents or any benchmarking of how that investment is tracking?

The Hon. S.E. CLOSE: It is described to me as being about efficiency of customer service and ease of use for the customers. It is not an enormously expensive upgrade, but I imagine what it has done is make it a bit easier to make sure that when an incident occurs, it not only comes through to the EPA but is able to be logged appropriately.

Mr BATTY: I move down the table to a slightly more expensive investment, the laboratories relocation. Similarly, there is no budget for this year. Is that project complete?

The Hon. S.E. CLOSE: That is right. You can see that the total project cost was \$3.2 million and the result for last year was \$3.2 million.

Mr BATTY: I also note there was no budget last year for it. Was that project delayed?

The Hon. S.E. CLOSE: Because this is the estimated result at the time that the papers were prepared, there was a little bit of carryover; that gets completed this July.

Mr BATTY: With the \$3.2 million that was spent last year but not budgeted for, was that because the project was delayed and it was carried over into that year?

The Hon. S.E. CLOSE: That is because it was in the Mid-Year Budget Review, so it was allocated in the mid-year. A little bit of that has not been spent in the six months and will be spent this July, but that is the project cost and it was allocated by a budget process, just in the mid-year one.

Mr BATTY: Has the relocation facilitated improved technologies in the EPA laboratories?

The Hon. S.E. CLOSE: This is a consequence of the Netley government precinct being emptied out. What the EPA was able to do is take advantage of that to create a—Netley, with all the best will in the world, is getting a little old. The new one will be much more effective and has also afforded us the opportunity of combining with the radiation laboratory, which previously had been located separately.

Mr BATTY: The third existing project, material flow and levy information system, also has no budget for this year. Has that project completed?

The Hon. S.E. CLOSE: That project has now also been completed.

Mr BATTY: What is the nature of that project?

The Hon. S.E. CLOSE: This is the system for mass balance reporting for landfills and other waste facilities.

Mr BATTY: I turn to page 169 of the same budget papers. I note a highlight of this year was continuing to progress reforms to the container deposit scheme (CDS), and similarly a target for next year is to reform and modernise the CDS. I think that was a target for last year as well. Are you able to let us know what the progress has been and what the current status of the reforms is?

The Hon. S.E. CLOSE: Yes. We really have two sides of the reform in CDS. On the one hand, it is a question of the system that operates. We have the oldest system, so we are always very proud of that, and we should be. It is probably the major reason why we have the highest per capita recycling rates in Australia, as reported in the recent five-year State of the Environment Report. But because it is the oldest, from the 1970s, the system could do with some modernisation.

That process is still underway. We are very close now, I think—in the next couple of months, I hope—to be able to bring that as a piece of legislation that people can see. That has taken some time. It has been about not troubling a system that works, but making it more efficient and effective, particularly for consumers and also for all of the many participants in it. Unlike interstate, where they are setting up a brand-new one and they have no existing sections of interest in the way things operate and they can start with a blank slate, we are trying to be very mindful of the interests of those who are currently engaged.

The other side of reform has been a question of scope: do we have all the kinds of containers under CDS that we could? We have been very clear, as I think the previous government were, too, that this is best done nationally now that there is a national system, almost—Tasmania and Victoria are just turning themselves on at the moment.

For industry, when you have a national system, their one request is, 'Please make this consistent so we have one label and we only have one system that we are dealing with.' That was again discussed at the ministerial meeting of environment ministers on Friday in Sydney that I attended, and we will be working towards making some decisions—we hope later this year or into next year. There is an appetite for reform; my view has always been it has to be done very carefully, and nationally.

Mr BATTY: Are we on track to meet the harmonisation time frames? I think there was a 2025 target for harmonisation.

The Hon. S.E. CLOSE: That is right.

Mr BATTY: Is at least South Australia, from our end, on track for that?

The Hon. S.E. CLOSE: Yes. The discussion that we had—I am not sure if the communiqué has come out yet, but it will soon—was very much continuing to have that as a target timeline for agreement. That does not necessarily mean implementation; it means harmonisation of agreement.

The only caveat I would put in is that we have some containers that are not included by others at present. I am reluctant to take things off the list. It may be that we decide to, but it seems potentially going backwards if we do that. That is a slightly separate discussion. Everyone coming up to the same level is good, but if some have gone a bit over do we want to restrain that? That is an open question that I have not yet fully resolved.

But yes, we are. There is a degree of enthusiasm around the table, bearing in mind that when we talk about glass the Victorians have a completely different model to everyone else, which is that they are going to have a fourth bin in due course, so therefore container deposit does not have the same resonance for glass for them.

Mr BATTY: On the question of scope then, what is your attitude to including wine bottles as part of the CDS?

The Hon. S.E. CLOSE: Mine is the same as when I have been asked this previously in the community and also at estimates. We are a wine state. It is one of our major exports—occasionally number one; not at present. It is an industry that has been under significant strain recently, and that does not get simply swept away by the thawing relationship with China, although it is significantly ameliorated.

For that reason, I have always been clear that we would not be the only state to include wine. We would not go it alone but nor can I see that we would be the only state that did not, should all the other states agree to that.

We have already seen, despite the agreement to national harmonisation, that Queensland has jumped and now the Northern Territory has jumped too. Fifty per cent of the wine bought and consumed in Queensland is South Australian wine, as you would expect, at least 50 per cent from us, and so wine producers here have already been affected by that. I have asked the Queensland government again for more data on the way in which that has had an impact on the wine industry to their understanding and I am also keen to hear from our wine industry about the impact that they have experienced.

Mr BATTY: Are there any other initiatives being explored to improve the recovery of glass through recycling bins? You mentioned a fourth bin interstate. Are we considering anything to that effect?

The Hon. S.E. CLOSE: I do not see the sense or necessity for a fourth bin. I understand the idea of not cross-contaminating recycling. But the question is: how do you best collect glass? We already have a very healthy container deposit scheme where people choose to collect up and take to a facility. Victoria did not have that and decided that they would not need to do that for glass, that they would introduce this fourth bin. The complexities of the fourth bin are that it is very costly for councils and also that for a lot of places it is difficult to fit four bins. So I do not see any requirement for us to do that.

The question is: do we want people to have a reward for collecting up wine bottles and so on, cordial bottles, by taking them to the local Scouts or not? As I have said, I am not going to do unilateral harm to our wine industry but I am very cognisant of the desire across the country to move to such a scheme.

Mr BATTY: What about any broader reforms to the CDS, novel ideas like reverse vending machines? Is this under consideration?

The Hon. S.E. CLOSE: If we move to the first of the two kinds of reform, the way the system works, we are interested in facilitating that. I do not think it will be necessarily a big part of the way that it is done in South Australia because we have formed the habit and we see the beneficiaries, for example the Scouts, although by no means are they the only depot collectors. But every way in which we can make it easier is a good idea.

Mr BATTY: This might be a convenient time for me to read out the omnibus questions, and I will return to some other questions depending on how quickly I can read this time:

1. For each department and agency reporting to the minister, how many executive appointments have been made since 1 July 2023 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 2023 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 2023?

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 2023, 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 2024-25 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 or agency reporting to the minister, how many surplus employees are there in June 2024, and for each surplus employee, what is the title or classification of the position and the total annual employment cost?

7. 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?

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

- What savings targets have been set for 2024-25 and each year of the forward estimates;
- What is the estimated FTE impact of these measures?

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

- What was the actual FTE count at June 2024 and what is the projected actual FTE account 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?

10. For each department and agency reporting to the minister, how much is budgeted to be spent on goods and services for 2024-25 and for each year of the forward estimates?

11. For each department and agency reporting to the minister, how many FTEs are budgeted to provide communication and promotion activities in 2024-25 and each year of the forward estimates and what is their estimated employment cost?

12. 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 2024-25?

13. 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 2024-25, 2025-26 and 2026-27?

14. For each grant program or fund the minister is responsible for, please provide the following information for the 2024-25, 2025-26 and 2026-27 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.

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

- Is the agency confident that you will meet your expenditure targets in 2024-25?
- Have any budget decisions been made between the delivery of the budget on 6 June 2024 and today that might impact on the numbers presented in the budget papers which we are examining today?
- Are you expecting any reallocations across your agencies' budget lines during 2024-25; if so, what is the nature of the reallocation?

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

- What South Australian businesses will be used in procurement for your agencies in 2024-25?
- What percentage of total procurement spend for your agency does this represent?
- How does this compare to last year?

17. 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?

18. 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?

19. How many procurements have been undertaken by the department this FY, how many have been awarded to interstate businesses? How many of those were signed off by the CE?

20. 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?

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

I have a couple more minutes. If I turn to page 169 of the same budget paper we were on before, one of the highlights of the past year was preparing a discussion paper for the consultation on the waste to resources policy. What is the time frame for this consultation to commence?

The Hon. S.E. CLOSE: We would expect in the next couple of months to be going out for consultation on that. I think that will take a period of time, probably a three-month consultation process.

Mr BATTY: Has industry already been engaged in the preparation of the consultation paper before broader consultation commences?

The Hon. S.E. CLOSE: I am advised that that is absolutely the case, yes.

Mr BATTY: Through this process is the government intending to tighten or relax the controls around the recovery of waste to allow for re-use or return to the circular economy?

The Hon. S.E. CLOSE: We might have to have a discussion about tighten and relax, what they mean. Obviously, what we are trying to do is, as much as possible, engage in a circular economy so that materials can be recovered and used rather than wasted. The aim of this EPP is to support that circularity.

Mr BATTY: Budget Paper 4, page 166 shows staff at the EPA increasing from 184 in 2021-22 to 212.5 last year. Which programs have the additional 28 staff been employed into?

The Hon. S.E. CLOSE: The budgeted figure is, in fact, 212 staff, but with turnover and the war for talent that we are all experiencing, we have not been able to fill all the positions, which is why the actual looks lower, but it is not that there has been a budgeted increase, it was already at that level.

Mr BATTY: How many vacancies are there now?

The Hon. S.E. CLOSE: I will take that on notice.

Mr BATTY: Has any increase in staffing allowance included additional executive roles?

The Hon. S.E. CLOSE: No.

The CHAIR: The allotted time having expired, I declare the examination of the Environment Protection Authority complete. I thank the minister and the advisers and I also thank members of the opposition.

Sitting suspended from 12:16 to 13:15.

Departmental Advisers:

Mr J. Wheeler, Acting Chief Executive, Green Industries SA.

Ms M. King, Acting Associate Director, Governance and Business, Green Industries SA.

Ms M. Heinson, Program Director, Disaster Waste, Green Industries SA.

Mr I. Harvey, Director, Policy and Evaluation, Green Industries SA.

Ms C. Yin, Manager, Finance, Green Industries SA.

The CHAIR: We are now examining the portfolio of Green Industries SA. The minister appearing is the Minister for Climate, Environment and Water. The proposed payments remain open for examination. I now call on the minister to make a statement, if she wishes, and introduce her advisers. I will then call on the lead speaker for the opposition and invite them to make some opening comments or just go straight to questions. I remind members that this particular examination will cease at 1.45pm.

The Hon. S.E. CLOSE: Thank you, Chair. I start again by thanking the staff of the agency for the extraordinary work that they do for all South Australians, and that is always true but, in the last couple of years with the experience of the floods and recovery, I think Green Industries deserves particular thanks from South Australians.

I have next to me the Acting Chief Executive, Josh Wheeler. Sitting next to him is Marissa King, who is the Acting Associate Director of Governance and Business. Next to me, on my right, is Michaela Heinson, who is the Director of Disaster Waste, and behind us we have Ian Harvey, who is the Director of Policy and Evaluation, and Catherine Yin, who is the Manager of Finance. We will rotate as necessary should that be helpful.

The CHAIR: Member for Bragg, the floor is yours.

Mr BATTY: Thank you, Chair. I will start with Budget Paper 4, Volume 2, page 185, key agency outputs, including administering various grants. What is the status of the Green Industries fund? How much is in the fund as at today?

The Hon. S.E. CLOSE: The balance of the fund as at June 2024 is projected to be—because it is obviously the end of this week—\$41.548 million. The balance of the fund over the forward estimates is projected to be, at the end of 2024-25, \$72.153 million. By 2025-26, it is \$126.994 million; 2026-27, \$164.598 million; and 2027-28, \$204.491 million. Of course, it goes up because at present there is not in the forward estimates increasing expenditure against, but that is a decision open to governments to make over that period of time.

Mr BATTY: What was the value of the fund at the end of June 2023?

The Hon. S.E. CLOSE: It was \$73.9 million.

Mr BATTY: What programs or projects were paid out of the fund in 2023-24? On my maths it would be \$30-odd million.

The Hon. S.E. CLOSE: There are three elements: there are all of the activities that occur within Green Industries SA; there are some climate change initiatives, which I can list if you wish; and also the South Australian contribution to the disaster recovery.

Mr BATTY: How much was spent on climate change initiatives?

The Hon. S.E. CLOSE: In 2023-24, \$17.434 million was expended from the Green Industry Fund on climate change initiatives and the expectation is, in 2024-25, a very similar amount of \$17.042 million.

Mr BATTY: How much was spent in total from the fund in 2023-24, the year that has been?

The Hon. S.E. CLOSE: \$93.295 million.

Mr BATTY: \$93 million has been spent in the last year; \$17 million on climate change initiatives. Are you able to break down how the remainder was spent in terms of broad headings, like climate change initiatives?

The Hon. S.E. CLOSE: The GISA expenditure authority was \$75.861 million, and I would just point out that the commonwealth funding is expressed there for the disaster recovery, and then the funding for climate change initiatives as described previously was \$17.434 million.

Mr BATTY: So the remainder was for disaster recovery?

The Hon. S.E. CLOSE: No, the GISA expenditure authority—

Mr BATTY: It was \$75 million?

The Hon. S.E. CLOSE: —includes operating GISA and the disaster recovery.

Mr BATTY: Are you able to break down the expenditure? I understand that \$17 million of that was spent on climate change initiatives, and I am just trying to establish what other broad categories were funded from the fund.

The Hon. S.E. CLOSE: If you look at that \$93.295 million, which is the total expenditure authority, there was \$17.434 million in intragovernmental transfers for climate change initiatives—as we have discussed—and \$49.125 million for the River Murray flood disaster waste clean-up program.

Mr BATTY: Outside of funding for the flood clean-up and climate change initiatives, there was no other funding from the Green Industries fund over the last year?

The Hon. S.E. CLOSE: As I said earlier, we try not to do maths on the run, but obviously 49 and 17 do not add up to 93. So there is that gap, which is what GISA is, but I am not doing that with my calculator in front of everybody, so we will just get some more precision for you.

Mr BATTY: Thank you.

The Hon. S.E. CLOSE: There is \$26.736 million for GISA as an expenditure authority, separate from the flood clean-up program and the funds provided to climate change.

Mr BATTY: What was that expended on? Was that grants?

The Hon. S.E. CLOSE: As at 31 May this year, the actual expenditure provided in 2023-24 for grants was \$3.785 million. The remainder of the expenditure can be viewed on the website. It describes the business plan for GISA work on single-use plastics implementation, for example.

Mr BATTY: Was there any funding allocated to soft plastics recycling from the fund over the past year?

The Hon. S.E. CLOSE: We provided a small amount of money—we do not have the exact figure here—to contribute to the Curby trial, which is about how, once you have soft plastics in the home, you collect them in order to have them recycled. At present, there is not a pathway for recycling because of the fire that occurred in Victoria and the collapse of REDcycle, which means not only is there not that pathway but there is also no collection mechanism through supermarkets.

While there will be, likely, multiple ways in which soft plastics will be collected once there is that pathway—and I know some supermarkets are considering, essentially, re-establishing a version of REDcycle—the Curby trial is about collecting soft plastics in a colourful bag that is easily seen and removed, in theory at least, at the MRF, and it goes into the general recycle bin at the kerbside.

The budget did contribute a small amount to what is a larger figure to run that trial. It is occurring in multiple jurisdictions and was the subject of discussion at the ministerial council meeting on Friday in Sydney. Otherwise, the effort is really caught up with the recycling modernisation funding, which is still a work in progress.

Mr BATTY: You mentioned about \$3 million worth of grants being paid out of the fund. How many applications did GISA receive for grants over the last year?

The Hon. S.E. CLOSE: We will have to take that on notice.

Mr BATTY: Perhaps also, if you can, how many then were funded and if possible a breakdown of whether they were for regional or metropolitan areas.

The Hon. S.E. CLOSE: I am happy to take all of those on notice, yes.

Mr BATTY: Thank you. Has the Treasurer made a direction to invest money from the fund outside of the requirements of the fund?

The Hon. S.E. CLOSE: No.

Mr BATTY: What is the expenditure authority for the Green Industries fund for this coming year?

The Hon. S.E. CLOSE: The expenditure authority for 2024-25 for GISA is \$30.624 million, and that is divided between expenditure for GISA and funds provided for climate change initiatives. That is a marked drop-off from the \$93 million due to the conclusion of the flood recovery.

Mr BATTY: Is there a reason why there is no projection on how much is paid out of the fund over the forward estimates?

The Hon. S.E. CLOSE: Sorry, I missed the beginning.

Mr BATTY: Earlier in the session you outlined the forward estimates of the fund growing over the next few years, and you said this does not include any deductions from the fund. Is there a reason why? Is the government intending to pay money out of the fund over the coming years?

The Hon. S.E. CLOSE: This is a hypothecated fund, so the fund cannot be spent on anything else. What often happens with hypothecated funds is that they build up a balance in order to be able to do something of significance, and that will be a decision in the future of what that might be.

Mr BATTY: I might hand over to the member for Chaffey, who has some questions on the River Murray flood event clean-up.

Mr WHETSTONE: I refer to Budget Paper 4, Volume 2, page 187. The 2023-24 budget showed around \$54 million in expenses for the clean-up. The estimated expense totalled over \$93 million. Can you explain that blowout?

The Hon. S.E. CLOSE: For 2023-24, flood clean-up contribution expenditure was \$49.125 million. The \$93 million includes also the climate change initiatives and the GISA expenditure authority.

Mr WHETSTONE: Can you give me an understanding of what the progress of the clean-up is at the moment? What stage are we at or what percentage has been completed?

The Hon. S.E. CLOSE: Percentage is difficult, but I can give you an update of what has been done and what we know is yet to be done. There have been originally nearly 2,000, so 1,934 properties registered for assistance under the clean-up program and, subsequently, 1,798—

Mr WHETSTONE: How many registered?

The Hon. S.E. CLOSE: There were 1,934, and 1,798 have indicated that they no longer require assistance; 1,687 free disposal vouchers have been distributed and, of those, 1,030 have been redeemed. That program concluded in July 2023. There have been 639 property assessments completed, 420 demolitions requested and progressing through to approval—that means cultural assessments, power disconnections and also owner sign-off—and 330 demolitions are complete as of 24 June this year.

There have been 129 hazard reductions requested and they are progressing through to approval; 95 hazard reductions are complete as of 24 June, today. There have been 29,248 tonnes of material collected, with a diversion from landfill at 56.5 per cent. A total of 5,195 items, equating to 59 tonnes, has been removed from the river, including water tanks, pine posts, fridges and other small items. What we are aware of in demolitions and hazard reduction jobs is that there are still 90 demolitions to be undertaken and about 40 hazard reduction jobs.

Mr WHETSTONE: Of the \$49 million that has been spent to date on the 600 completed plus other varied clean-ups, what was the breakdown of the cost to the Johns Lyng Group and external contractors before Green Industries have taken over?

The Hon. S.E. CLOSE: As of 31 May, \$45.968 million has been spent. The principal contractor has received \$38.816 million. That comprises subcontracted works of \$20.89 million, 79 per cent being SA-based businesses, and vendor supplies and sundries of \$4.21 million, being 55 per cent South Australian content. That includes \$1.5 million paid in disposal fees and the JL DMA labour of \$13.71 million, which is 66 per cent of SA-based personnel.

Other expenditure that comprised that \$45 million—I do not want to not compare apples with apples, because I have just been reading from different parts of the document—GISA operational costs have been relatively small, \$0.23 million. Project staffing and on-costs have been \$1.13 million, and services from other government agencies have been \$0.18 million.

Mr WHETSTONE: With regard to the 2024-25 budget of \$30.6 million, are those expenses expected to finish the clean-up?

The Hon. S.E. CLOSE: All of the expenditure is captured in those figures from 2022-23 and 2023-24. That which is not expended will be carried over and spent in this coming financial year, and the expectation is that it will be completed.

Mr WHETSTONE: Will there be any opportunity for retrospective clean-up? There are 3,500 dwellings. Of the 1,934 registered, is there any retrospectivity with the clean-up or rubbish removal, any further asbestos that could be found in any of those dwellings along the way?

The Hon. S.E. CLOSE: We still do have those 90 or so demolitions and 40 or so hazard reduction jobs. It is unknown, I imagine, certainly by me but probably largely by the contractors, exactly what is to be found there, although I suspect that they have been working on them. There may be still some hazards of that nature to be addressed.

Mr WHETSTONE: Are there any outstanding moneys owed to either the Johns Lyng Group or any other external contractors?

The Hon. S.E. CLOSE: For DMA, that contract has now concluded, although we are in a nine-month defect liability process, checking that they have done the job that they said they would do, so we still have that sort of lingering relationship. In terms of contractors, they are being paid within the terms of government paying contractors, to the best of my knowledge.

Mr WHETSTONE: Are there any clean-up exercises that were being undertaken by contractors—Johns Lyng Group or external—that were incomplete at the time of the takeover by Green Industries and, if so, who will complete that work?

The Hon. S.E. CLOSE: The expectation is that Johns Lyng have completed what they were required to complete but there are, we think, maybe 20 where it might be that the property owner thinks that something else should have been completed that was not. GISA is working through each of those on a case management basis.

Mr WHETSTONE: Is there a time frame that Green Industries has been given, or they have indicated it will take them, to complete the clean-up in its entirety?

The Hon. S.E. CLOSE: The expectation was that it would be completed by the end of this financial year. We recognise that that has not been entirely possible, often because property owners have not been ready or in a position to address the works that are required—the demolition and so on—which is understandable in a highly stressful event.

We are carrying over some of those works. Our expectation is that it will get wound up reasonably quickly, but we are working with those owners so that they are not left abandoned. But at a certain point, this project will have to come to an end.

Mr WHETSTONE: My final question is there have been many trees that have fallen in the river or onto properties that have needed to either be cleaned up or are still to be cleaned up. Is that the responsibility of Green Industries?

The Hon. S.E. CLOSE: My advice is that where they pose a risk to public safety they are assessed by Green Industries and, although there may be a few still to be done, the majority have been addressed already.

Mr BATTY: We might return to page 186. One highlight was approving \$1.5 million in funding assistance to businesses and industry this year. In last year's budget that amount was closer to \$3.7 million. Why has there been a decrease in assistance to industry?

The Hon. S.E. CLOSE: We did see a drop-off, partly caused by the need to deploy staff into the flood recovery, which became a top priority.

Mr BATTY: I refer to the previous page, page 185. A key agency output is 'Helping South Australian businesses and industries to reduce their costs'. How has Green Industries helped South Australians reduce their costs this year?

The Hon. S.E. CLOSE: I suspect that, in the time allowed, we do not have enough time for me to give a fulsome answer, so I would rather take it on notice in order to give the people who do this work the opportunity to give a proper answer to you.

Mr BATTY: Perhaps one example, minister.

The CHAIR: The allotted time frame having expired, I declare the examination of Green Industries SA and the proposed payments for the Department for Environment and Water complete. I thank the minister and her officers, and I thank the members of the opposition.

DEPARTMENT FOR INDUSTRY, INNOVATION AND SCIENCE, \$61,613,000

ADMINISTERED ITEMS FOR THE DEPARTMENT FOR INDUSTRY, INNOVATION AND SCIENCE, \$14,842,000

Membership:

Hon. J.A.W. Gardner substituted for Hon. D.J. Speirs.

Mr Patterson substituted for Mr Batty.

Minister:

Hon. S.E. Close, Deputy Premier, Minister for Industry, Innovation and Science, Minister for Climate, Environment and Water, Minister for Workforce and Population Strategy.

Departmental Advisers:

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

Mr A. Dunbar, Executive Director, Innovation and Science, Department for Industry, Innovation and Science.

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

Ms D. Tembak, Executive Director, Portfolio Delivery, Department for Industry, Innovation and Science.

Ms K. Hunt, Director, Higher and International Education, Department for Industry, Innovation and Science.

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

Mr S. Fisher, Acting Director, Strategic Policy and Migration, Department for Industry, Innovation and Science.

The CHAIR: I open the portfolio of the Department for Industry, Innovation and Science, and Higher Education. Minister, when you are ready, can you make an opening statement and/or introduce your new advisers. Then I will call on the lead spokesperson for the opposition, who is the member for Morialta, to either make an opening remark or go straight to questions.

The Hon. S.E. CLOSE: Thank you, Chair. I think this is the fourth one today. I thank both sides of the committee for their patience as we go through this. I also thank all the people working in the Department for Industry, Innovation and Science for the work that they do for South Australia.

I will introduce my colleagues here: Adam Reid is the Chief Executive of DIIS, and next to him is Callan Markwick, the Executive Director of Industry and Workforce Capability. Next to me is Andrew Dunbar, the Executive Director of Innovation and Science. We have four advisers behind us: Stuart Fisher, the Acting Director of Strategic Policy and Migration; Diana Tembak, the Executive Director of Portfolio Delivery; Karen Hunt, the Director of Higher and International Education; and Martin Smith, the Director of Finance and Investment Services. We will swap around as may be useful for the committee.

The Hon. J.A.W. GARDNER: I will start with higher education. There are references on pages 156 and 157 in the outputs and objectives relating to higher education functions. I think the minister said that there is an adviser here with that particularly in mind. Can the Deputy Premier provide an update on the specific budget and FTE count for the higher education functions within her department?

The Hon. S.E. CLOSE: Four positions.

The Hon. J.A.W. GARDNER: And the budget going forward?

The Hon. S.E. CLOSE: When you say 'the budget', do you mean still for the FTE count or the amount of money that is being spent?

The Hon. J.A.W. GARDNER: The amount of money that I assumed is for those four FTEs.

The Hon. S.E. CLOSE: They will be steady, that is right. The 2024-25 budget for the higher and international education program is \$16.468 million. The reason it is significantly higher than the previous year's budget is that for three years we hold the \$10 million grants for each of three years to go to the new university for marketing for international students. Last year's was \$6.794 million.

The Hon. J.A.W. GARDNER: Can I just confirm: \$6.7 million once you have taken out the \$10 million that is going to be given to the new university for its international student attraction post. That \$6 million strikes me as rather high for four FTEs. What are the other outcomes or outputs from that funding?

The Hon. S.E. CLOSE: In addition to paying for the staff we have \$500,000 in 2023-24, dropping to \$250,000 for the following two years for the multicultural tertiary courses, which is an election commitment. We have the additional funding for three years of \$2 million each year—for 2023-24 through to the end of 2025-26—to supplement what StudyAdelaide is able to spend for attracting international students. StudyAdelaide itself has \$2.5 million for each year, ongoing. There are also the scholarships for the teaching profession, which again was an election commitment, and some money for what was the university merger commission that has turned into the support for the independent expert adviser.

The Hon. J.A.W. GARDNER: That was going to be my next question. Do I understand correctly that the \$1 million or \$2 million funding that was for the university commission has been retained, but for this new purpose? Is that correct, and is it retained in its entirety?

The Hon. S.E. CLOSE: I do not think it has been retained in its entirety. I think what we did was return to the central budget the original election commitment when matters proceeded faster than anticipated and then have been given an allocation to pay for the independent expert. Can you tell it is now my fourth in a row? I am starting to slow down.

The Hon. J.A.W. GARDNER: I understand. It is my first so I am just getting warmed up.

The Hon. S.E. CLOSE: Great.

The Hon. J.A.W. GARDNER: Can you identify the quantum of funds and the period of time that has been allocated for that expert adviser?

The Hon. S.E. CLOSE: We have structured this as a base contract for 12 months, with an option to extend for a further six months, and we have the funding for that, which for the total contract term of 18 months would be \$576,000.

The Hon. J.A.W. GARDNER: Again, particularly in relation to the objective listed on page 157, which is:

- developing and implementing policies and programs and undertaking strategic engagement with education providers to build a progressive higher and international education sector.

Does the Deputy Premier have a role under that objective in working with universities for the three-year-old preschool new degree, which is a three-year degree for zero to five as opposed to the standard four-year degree for zero to eight? It has been announced by other ministers, I appreciate, but given this objective and the minister's role in working with universities, has she had any involvement with that role?

The Hon. S.E. CLOSE: I have not had any operational connection to it. Obviously that was one of the recommendations that came from the royal commission into having three-year-old preschool and has been agreed by cabinet, so my involvement is there, evidently. I am not sure the universities need me to be involved in their structuring of that option, but always happy to have a conversation with them.

The Hon. J.A.W. GARDNER: Is the minister aware of whether any of the three South Australian major universities that include teaching degrees are pursuing the zero to five degree?

The Hon. S.E. CLOSE: The department has been working on the workforce strategy for three-year-old preschool with the Department for Education, but is yet to engage with universities about their offerings.

The Hon. J.A.W. GARDNER: Has the minister received advice from the universities more broadly about teaching degrees and numbers of applications/enrolments in those teaching degrees, the standard ones they have?

The Hon. S.E. CLOSE: We are aware that the universities are generally under cap across their capacity to enrol, which is troubling but unsurprising when there is very low unemployment—people are working. There are also challenges of course with cost of living and contemplation of taking on debt. However, we are yet to engage fully with universities on how they are going to attract enough teaching students to fulfil the aspirations of the teaching workforce required across our ambitious policies for education.

We have had the specific focus of the scholarships that were offered as part of the election commitments, and understand they have been taken up and been very popular. What we want to do in a period of time—maybe a couple of years—is to see how that is translated into numbers in those particular areas that we are interested in, recognising that that was about the diversity of the teaching workforce, as opposed to simply the sheer number, which is now becoming more of a pressing workforce question.

The Hon. J.A.W. GARDNER: I have a couple more questions on this specific budget line, but I do have some questions on scholarships as well, which I am sure you will appreciate the opportunity to talk more about. When it comes to the three-year zero to five degree, last year we talked about the government's commitment to having a minimum ATAR score apply to teachers. I am wondering whether the government's election commitment to minimum ATAR scores applies to the three-year zero to five degree as well. Will that be something you are seeking from the universities?

The Hon. S.E. CLOSE: That was a view about the quality of teaching at the input stage. It is an election policy, it is a policy of the government and therefore I would expect it to be maintained for the three years as well. I personally think that the ATAR score is but one indicator of how well someone is going to do, but I recognise that people need to have confidence in the teaching profession, and that is why there have often been discussions about the minimum ATAR. The three universities have indicated that they have not had challenges with the minimum ATAR for the rest of their teaching, last time I had a conversation, which would have been a year ago. No-one has presented to us a challenge with that for a shorter degree should the universities decide to engage in that.

The Hon. J.A.W. GARDNER: I do not disagree with anything you said, but it was the government's election commitment.

The Hon. S.E. CLOSE: And I do not resile in any way from that being a government policy; I am just trying to give it a wider context.

The Hon. J.A.W. GARDNER: The last question on this line is: does the government anticipate that LANTITE requirements—literacy and numeracy testing for initial teacher education requirements—will be applied to allow for graduates of the zero to five degree as it is for the zero to eight degree?

The Hon. S.E. CLOSE: That test is a federal test that was applied. I think it is an open question whether it would be applied. It is also an open question how useful it is.

The Hon. J.A.W. GARDNER: Can I move to page 157; the highlights include 'support the passage of legislation to create the new Adelaide University.' Can the minister provide an update on how that merger process is going? Feel free to list highlights but also any concerns that have been raised.

The Hon. S.E. CLOSE: In the broad it is proceeding well. It is hitting the marks that were expected, getting the TEQSA, and then the CRICOS registration was a very significant milestone. It sounds like a simple matter when you are outside it, but I am assured that it was a complex matter. These institutions have not been used to certifying a brand-new university being created from two others and so they had to go through the process not only of what the institution would look like but also the transitional provisions in its creation, the transitional council and so on.

TEQSA needed to assure itself that this was a soundly governed institution and they have received, without qualification, seven years, and that is absolutely crucial. They are now, of course, working through all the detail of what it means to have a single institution at the stage of what kind of computer systems can be integrated simply and which will take longer to integrate, the revision of the curriculum, the proposition that there will be a trimester approach rather than a semester approach. Those changes are within the three institutions, if you like, but the two existing universities are progressing.

There is a site on North Terrace where all the change people are housed so that they are working together.

The Hon. J.A.W. GARDNER: That is a technical term.

The Hon. S.E. CLOSE: I recently went on a tour of it, meeting with the transition council to hear how they believe things are progressing. So there are a number of signs of movement proceeding. That should not indicate in any way that this is a simple matter and nor that it is almost done. There is a great deal of complexity involved in bringing two significant and quite different, in many ways, institutions together. The organisation of that new university and the cultural fit are two elements that are being worked on that I think will probably be the most complex.

People have seen that the university went out with questions about 'Where do you think these different elements of the university ought to fit? How do we group them up?' They have now, I think, received all that feedback. There was what I think was an alarmist reaction that possibly the Elder Conservatorium would not be in the new institution. I am assured that that is far from being the case, that, of course, the Elder Conservatorium is essential to the future of South Australia and would not be abandoned. It is merely a question of what is the construction around that and all the other elements of the university. And people will have strong views.

There will also be a process before too long of identifying who will be the leaders underneath the vice-chancellors, then to be a vice-chancellor, but the next layer will be a process of selecting those people for the new institution. So both universities are dealing with their own institutions functioning and also with the creation of the new institution. It is stretching them. They have resourced themselves to do that, but in no way do I want to be complacent or to minimise the very significant work that needs to be undertaken.

Doubtless, there will at times be things that do not go as well as leadership would like them to; that has not occurred yet, but doubtless that is going to be a feature, because humans are fallible. However, every effort has been made by the transition council and by the leaders, the two vice-chancellors, who worked to create the new university, to plan this out and resource it appropriately. Thus far, I think it has gone as well as one could have expected.

The Hon. J.A.W. GARDNER: I think it was in the MOAA or MOU between the government and the universities that there was a clause that provided for a loan facility from the government to the universities if further funding was potentially and unexpectedly required. In the minister's discussions with them, and the tour that she recently had, has there been any suggestion that that is likely to be called upon?

The Hon. S.E. CLOSE: No; that has not been raised at all with me—and nor with my chief adviser here, I have just confirmed.

The Hon. J.A.W. GARDNER: Good news. Has the methodology for providing Flinders University with funds for its new equity fund been resolved? If so, can you tell us how that is going to work?

The Hon. S.E. CLOSE: I am certainly not one for, 'I'm not talking about it because it's not my budget line,' but it does actually sit with Treasury and the Treasurer. I do not have an immediate update for you. As I understand it, they are working on the guidelines right now.

The Hon. J.A.W. GARDNER: From a policy point of view, then, within the objective on page 158, does the government remain resolved not to provide an equivalent research fund for Flinders University as Adelaide is being provided?

The Hon. S.E. CLOSE: That is the current position, that is right. Flinders, as a good organisation that advocates for itself, will no doubt come back to future budgets with propositions, but that is not something that is being contemplated. What is important in ensuring fairness to the remaining institution, Flinders University—as they like to say, soon to be the oldest university in South Australia—is that they are not going through the expense and complexity of a merger process.

While we need to ensure that their students are not disadvantaged—and I think that Colin Stirling made a very powerful case at the committee that the member participated in—in considering what it means to have a merged institution between two of the universities, he made a very powerful case that if you are going to have a way of supporting disadvantaged students in courses they have chosen to do with the new university, then what if those same disadvantaged students were to actually want to go to Flinders University and do their courses? That was responded to by the government. We have recognised that that would have been unfair.

The research funding is a different proposition, because Adelaide University is going through the immense expense associated with creating this new institution, and we have wanted to recognise and support that in order to help it be successful. None of what I have said, though, precludes Flinders continuing to make advocacy for various options. For example, they were the university that had the election commitment from us coming into government this time to support Line Zero at Tonsley. There was no equivalent allocation made to either of the other two universities.

We have never, in the time I have been involved, seen that what we do for one university we must do for the others automatically. It has always been on a case-by-case basis of what is merited and what proposition is before us. We will continue to operate in that way and Flinders, being a very strong institution and growing stronger, I am sure will make good cases in the future.

The Hon. J.A.W. GARDNER: In relation to the minister's discussions with the leadership of the University of South Australia and the new university, does she have any update on the potential timeline for the closure of the Magill campus?

The Hon. S.E. CLOSE: The member will recall that there was a 10-year lease provided to the University of South Australia to stay there, and my understanding is that they have given no indication that they want to exit early, although it is their right to. In fact, I believe there was a statement made last week that indicated they had no plans at this stage to change what is being offered in the near future. I have not seen that statement myself, so I do not want to mislead accidentally through paraphrasing what I have been told. I missed that statement last week. You may have seen it. The 10-year lease is the legal instrument we have.

The Hon. J.A.W. GARDNER: I think the car parking is based on the other side of the road where there is a three-year lease, but I appreciate the minister is—

The Hon. S.E. CLOSE: I will just quote properly, as reported to InDaily, which states:

A spokesperson said in a statement: 'UniSA has not changed its current plans to maintain its teaching and research presence at the Magill campus, as previously indicated.'

We have not commenced any planning in regard to relocating Magill programs, nor is this scheduled to commence in the short term.'

The Hon. J.A.W. GARDNER: I have some questions on the same objective that I quoted before on page 157 but on a slightly different line, particularly to do with international students. There are two sets of questions, firstly, in relation to the federal government's budget announcement and, separately but related, in relation to the operation of the Department of Home Affairs on not providing visas. Feel free to be expansive in your answer if you want to cover off on both issues, but let's start with a straightforward question. Has the minister secured any assurances yet from the commonwealth that they will provide exemptions for our South Australian universities when it comes to the new caps on international student numbers?

The Hon. S.E. CLOSE: I appreciate the line of questioning here because this is a matter that I have taken very seriously. I do not think that the right test is exemption. Generally, when one has a piece of legislation governing a sector, one does not just provide a blanket exemption for one state in law, particularly not when the proposition, if it is to be based on the merger, would presumably then be based temporarily while it goes through that process, so I do not think that is the right test.

What we need to assure ourselves of is that the way in which the law is constructed and then the policy is operated underneath the law is one that our universities are not disadvantaged by. From the beginning there has been the right language from the federal government that the conditions that exist in South Australia would not disadvantage South Australia with this law that has been tabled in federal parliament. However, because this is so important to our economy, I have not just said, 'Oh, well, that is fine then. Thank you for the reassurance.'

My view is that I need to advocate by every means before me to ensure they understand what it is that is special and, not entirely unique about South Australia but certainly different to the experience on the eastern seaboard and Sydney and Melbourne specifically, that they understand why it is that we want to be assured that this will not negatively affect us.

The fact of the debate does potentially affect the international student market for all of Australia and the commonwealth are aware of that. They know that people overseas are reading and wondering what the role of international students is in the future. That would be more worrying if it were not the same sort of debate occurring in other English-speaking nations, such as Canada, so we are not competitively disadvantaged in that sense. But the reason I raise it is that a fairly hasty conclusion to this period of 'what is it they are doing' would be very useful because I think the greatest risk to South Australia is not that the legislation will hurt us in itself but that a sense of uncertainty might.

For example, if what the commonwealth is particularly concerned about, and of course is on our minds too, is that there is sufficient housing for international students so they are not competing for domestic housing needs, conversations with developers about student housing are much easier if there is certainty that international students are coming. The uncertainty is what in itself can cause a challenge for us and that is why it is important in my view that the resolution is reached fairly quickly about what this mechanism will look like.

Of course, there is a mechanism in federal parliament right now, but it is the top-level capacity, the power to set a cap for an individual institution. What we need to be reassured of is that the way in which that mechanism would be used would not be to our disadvantage.

Some illustrations of why we do not believe it should are that, at the moment, we have about a 10 per cent vacancy rate in student accommodation, so we are not busting at the seams; however, we would like to build more in concert with developers because, of course, we would like to have more international students come over time. We want that housing, by the way, to be able to accommodate different kinds of international students. Postgraduates will tend to come with families and are not going to want to be in one room with one bed but actually in some family accommodation, so we need to make sure that we can have those conversations.

The percentage of international students at our institutions is significantly lower than you see in some of the Group of Eight in Sydney and Melbourne. One of these Sydney institutions I think is breaching 50 per cent of their total student body with international students. The university here that has the highest proportion is the University of Adelaide, being a Group of Eight institution, and therefore more attractive to international students, and is hovering around 30 per cent. The other two are much lower than that. Therefore, we are not in danger of losing what the federal government might characterise as social licence to have significant numbers of international students.

The sooner that we are able to clearly articulate, when they are talking about high proportions of international students, that they do not mean South Australia would be good. In one of the many conversations I have had face to face with federal ministers recently, I spoke to Minister Clare O'Neil and gave a presentation about what we see to be our workforce challenges, including where international students fit into that. She indicated that her view was that South Australia would be the beneficiary of tightening up what occurs in Sydney and Melbourne because students who wish to study in South Australia regardless are likely to be attracted to a larger Group of Eight in Adelaide University when it is created. That is possible. Any uncertainty, of course, makes people worry, but it is possible that we will be the net beneficiaries.

What we need in order to make that be true is sufficient accommodation and also a capacity to market this new university as a Group of Eight university with greater capacity before it breaches

the 30 per cent-ish line. That is helped by the additional funds we have provided to StudyAdelaide and the additional funds directly to the new university.

They will be put to good use and, in many ways, if you were of an optimistic cast of mind, you would say this is the perfect time because there will be the squeeze, potentially, on those universities interstate. We have set aside some additional money for marketing. We will have this larger Group of Eight with the lower proportion that sits in the University of South Australia, the combined new uni will have a lower proportion, and we should be able to see advantage here. So this is not all bad news for the institutions, but it is something that is of sufficient importance to South Australia—it was, after all, in 2023 our biggest single export sector—that I pay very careful attention to what is occurring.

The Hon. J.A.W. GARDNER: I thank the minister for the answer. Given, as we discussed before, the expectation for the new Adelaide University to fulfil its opportunities, it requires an extra 5,000 to 7,000 international students and also, given Flinders has invested substantial funds in its new campus in the city, which has a particular target for international students, the demand for South Australian universities to fulfil their potential requires, one imagines, approximately an extra 10,000 international students coming here.

So when the minister says that there is a 10 per cent vacancy rate at the moment, how close is that to being sufficient to meet our needs here and how much more accommodation do we need to build for international students specifically to keep us in the safe zone from being capped by the federal government?

The Hon. S.E. CLOSE: I will not do the maths here on what that per cent vacancy rate translates into, but I will return to the point I made earlier that we do want more accommodation to be built under the aegis of the universities, which they do with relationships with developers who will invest if they are certain there will be a market.

So this period of uncertainty is not helpful for that, but I fully expect it to come to an end before too long because the federal government is acutely aware of not doing harm to the sincere endeavours in South Australia but also elsewhere. While universities in Sydney may be full and straining with having sufficient accommodation, some of their regional centres they are keen to be able to continue to grow. It is not just that South Australia is special, although as the South Australian minister—

The Hon. J.A.W. GARDNER: But we are.

The Hon. S.E. CLOSE: We are, of course, and far be it for me to say that we are not, but we are not unique, so the case is made stronger by the fact that we are not operating alone. As soon as the federal government is able to give a bit more of that clarity and certainty, which I fully expect to occur before too long, then that aids the universities in their conversations with developers. What the legislation will do is focus all universities' minds on ensuring that they are getting that pipeline of accommodation in order to avoid that trigger. That is, in fact, a useful element of this legislation.

The Hon. J.A.W. GARDNER: I referred earlier in this line of questioning to issues of visas not being granted in a timely fashion or, indeed, in some areas, at all, by the federal government for higher education providers. I have heard from at least one university that has this as an elevated issue at the moment—I suspect it is two of them—and also quite a lot from RTOs, particularly those specialising in bringing in students who are not from mainland China. Has the minister had similar feedback and, if so, has she had a chance to talk to her federal counterparts about this issue?

The Hon. S.E. CLOSE: Briefly, yes and yes. I have had feedback, of course, not only from the two universities but also from RTOs. I recently attended a round table hosted by StudyAdelaide where we were able to talk with some of the other providers, as well as the universities, about the experience of visa approvals.

There is a meeting of the migration ministers on Friday that I will be attending, where I will again raise this with the ministers. It was a significant part of the discussion I had both with Andrew Giles and Clare O'Neil, and I think we will see some shift. Far be it from me to speak on behalf of a federal minister, but my understanding is that the system they have inherited does not function well.

I recall, in the early days of being minister in 2022, hearing from migration agents about how significant the backlog was and how much of a challenge that was presenting for skilled migration.

That was the system that Clare O'Neil has inherited and is trying to fix. There is a pain at present for institutions like Flinders and the University of South Australia, and some RTOs, which I do not like and do not accept but that I am assured is a transitional period of pain and that it is not intended for this to continue for long.

It is one of the great ironies that what we are dealing with is, on the one hand, both sides of politics on the education side at the federal level saying, 'Please don't be so dependent on China because things can change,' and the Home Affairs agency finding Chinese visa applications easier and more straightforward to process than some other nations that these institutions are turning to being regarded as being of greater risk. That is the challenge of operating internationally.

That is not to say that the risk is not real, but it is to say that the institutions are doing their best to respond to the requirement or the request to diversify. This is the mix that we are in at present. What I have done is not only raise the overall challenge that we are experiencing but also making sure that the minister and the minister's Department of Home Affairs are well aware of specific cases that we are seeing where challenges seem to be—refusals or delays seem to be inexplicable, and making requests that they be looked at. We are doing what we can at the state government level to interact with our federal counterparts to make representation on behalf of South Australian institutions.

The Hon. J.A.W. GARDNER: This is my last question on this line. I understand that in 2022, after two years of pandemic and nobody coming into the country, Home Affairs had been drawn down to a husk of its former numbers as a direct result of the pandemic. Have your discussions with Minister O'Neil or Minister Giles given you a sense of whether they are back up to full complement yet, or are they still struggling to recruit?

The Hon. S.E. CLOSE: I have not asked that question so I could not speak on behalf of that government.

Mr PATTERSON: In case we have changed pages, we are still on the same budget paper, Volume 3, page 157, looking at the highlights regarding entrepreneurship. Why has the minister abolished the position of chief entrepreneur?

The Hon. S.E. CLOSE: That was a decision that was made, and with the very good will of Andrew Nunn, who was an excellent chief entrepreneur, to recognise that the evolution of the innovation ecosystem—I do not like using too many buzzwords, but it is one that is used with innovation—had reached a point where having a single chief entrepreneur, albeit with an advisory board, was not the best or only way to interact with those companies that are innovating and that are becoming startups and moving into the maturity scale.

What we proposed was that rather than having a single person have that title we would have a process where we would be able to support through mentorship and other programs many companies to get the kind of support that they need at the particular point that they are at. Andrew Nunn was very helpful in helping us construct that, so I will just give some of the list of the Innovation Leaders Network program. Some of the particular actions are:

- the business acumen events, which is panel discussions, and I think Andrew Nunn featured in one of those early on, along with me—he is a very generous man;
- boardroom lunch events, which is also about exchanging knowledge, experience, and having different experts in different fields presenting;
- a leadership program, which is a structured capability program for leaders of growing innovative businesses; and
- a mentorship program, which connects entrepreneurs with expertise and guidance through conversations with more experienced founders.

Those programs we felt were more fit for purpose in the current stage of innovation that has occurred in South Australia, and we felt that was a reasonable shift.

Mr PATTERSON: How much funding was allocated to the office of the chief entrepreneur in 2023-24?

The Hon. S.E. CLOSE: We are just looking for the exact amount, but we have not taken that away, so the people who were working with the chief entrepreneur remain, and we have just refocused what it is they do and how they do it. I will see if we have the figure. I will take that on notice so I am not wasting your time.

Mr PATTERSON: Thank you for that. If you could maybe, in anticipation, take the following on notice as well: how many FTEs were allocated to the office of the chief entrepreneur in 2023-24 and, if you do not have the information available, how much funding is allocated to the office of the chief entrepreneur in 2024-25?

The Hon. S.E. CLOSE: It is a team of 10 staff, and they have remained.

Mr PATTERSON: So 10 FTEs?

The Hon. S.E. CLOSE: Yes, and the office of the South Australian chief entrepreneur has essentially been renamed Innovation and Entrepreneurship Business Unit, but the same 10 people are working, and they are running this innovation leaders program.

Mr PATTERSON: Sorry, I raced ahead too much. I was anticipating it to be on notice. If I could just go back then: how much funding is allocated—I did not write the entire name of the new department down, but innovation and entrepreneur—for 2024-25?

The Hon. S.E. CLOSE: For some reason we have not been able to identify that subset of our budget, so I will take that on notice and provide that to you, but the staffing has not changed, so the budget has not changed. I will provide that exact figure to you on notice, rather than wasting your time by our looking through our papers here.

Mr PATTERSON: Is it funded across all four years of the forward estimates?

The Hon. S.E. CLOSE: Yes, it is. There is no intention to discontinue this activity. It is an important activity, and Jim Whalley and Andrew Nunn were excellent. It is just a different way of doing this with the support of those former chief entrepreneurs as well, which I am very grateful for.

Mr PATTERSON: I refer to page 160 of the same budget papers. Looking at the activity indicators, in particular the leveraged early-stage private investment innovative companies, in 2023 we had the ratio of 4:1 and then the 2023-24 estimated result is dramatically down to 1:1. Why has there been such a reduction?

The Hon. S.E. CLOSE: The 2023-24 estimated result of \$7 million consists of private sector investments in 14 companies through stream 2, which is Seed-Start, of the Research and Innovation Fund and the South Australian Venture Capital Fund. The 2023-24 estimated result is lower than the target of \$20 million, as the value of private investment into early-stage companies is influenced by the number of investments in a particular year, which can vary depending upon deal flow and the timing of the capital raise. This has also affected the activity indicator to which you are referring, changing the ratio resulting in the result of 1:1 being significantly lower than the projection.

Mr PATTERSON: I was going to follow up with some other questions around that, so we might retouch upon that. Just so I understand: the amounts have come down, and of course because of ebbs and flows maybe. I suppose what I am trying to understand is, previously you had quite a significant leveraging of private investment of 4:1. So for every dollar that government puts in you get \$4 of private investment, which is what we want to see—just enough to get them over the hurdle, but really they can take off. It now seems to have gone 1:1. Has the program changed in terms of its requirements? You talked about the Seed-Start grant program.

The Hon. S.E. CLOSE: I think this is essentially about timing and possibly a shift in capacity for capital raising, given interest rates and other pressures in the economy. The 1:1 is the minimum required, so it is joint funded for Seed-Start, and then you expect over time to see the capital raising, seeing that private investment going up. At this stage, we have not seen that for this estimated result. That may change.

In 2022-23, an actual of \$51 million, which translated into the 4:1, is significantly higher than both the target and the estimated result due to a number of the venture fund portfolio companies completing significant capital raisings in 2022-23. They may not have started them then, but they landed then, including Ferronova at \$4.68 million, Lumary at \$7.84 million, Fivecast at \$24.84 million and BiomeBank at \$9.7 million. So it could be in retrospect that we will see a bumper year in a couple of years that is the result of that, but I say that cautiously given that the economic times that we are in now, with the squeeze on interest rates, may also result in not achieving that degree of capital raising—we will see.

Mr PATTERSON: You may have answered this before but I am not sure. In terms of your performance indicators, you indicated there was \$7 million from early-stage companies now at a ratio of 1:1. I am assuming then that the funding provided in 2023-24 was around \$7 million. Did you say that before? I am not sure, and I apologise if you did, but maybe if you can provide the amount of funding. I would appreciate the breakdown in recipients. I think you said there were 14. If you are able to provide a detailed list and the amounts provided, that would be much appreciated.

The Hon. S.E. CLOSE: The leveraging investment is a combination of Seed-Start and the Venture Capital Fund and the \$7.429 million. The venture capital fund, which is \$4.973 million, went to Seonix and to BiomeBank, and then for Seed-Start we have MAXM Skate, Global Movement, Frigid Solutions, Flux Robotics, sequential and organ transport trading as Vital Organ Technologies.

Mr PATTERSON: Thank you very much. If I look at going forward, as you said, you have touched on the 2024-25 targets, so the projection in terms of the leveraged amount is 2:1 with the aim then to get private investment of \$10 million. I am inferring then that you are expecting around \$5 million of funding out of the Seed Grant program or the venture capital to then leverage that 2:1. Why is there a reduction then in the amount of grant being allocated from 2023-24 to 2024-25?

The Hon. S.E. CLOSE: I am just being advised that it might be most useful to talk about the RIF, the Research and Innovation Fund, from which comes Seed-Start, which is stream 2 of that, and then stream 1 is larger efforts, such as a CRC. We do not have a specific amount each year that we say, 'This must be what Seed-Start has.' What we have is the RIF.

If I look back, in 2021-22 the actual was \$6.8 million, and what we have at present is just a whisker under \$11 million each year, going through to the forwards. That amount is not declining and has in fact gone up since a couple of years ago, but how we choose the balance of how we invest it is determined by people who understand what is happening in the economy and see opportunities for the maximum benefit.

It may be that a larger investment in a research facility is of greater value to small businesses than Seed-Start and so we might tip the balance. Other times, we might see that we want to put more into Seed-Start. That will vary, based on what is before us and how the economy is tracking.

Mr PATTERSON: Thank you for that answer. On the same page, looking at the same activity indicators but now looking at workspaces available at Lot Fourteen, 2022-23 had 210. There are 180 for this financial year and then the projection going forward is 180, so it is about a 15 per cent reduction. Why has there been a reduction in numbers, and what is the minister doing to regrow this number back to 210?

The Hon. S.E. CLOSE: This is not a decline, really. A total of 30 places were in the McEwin Building. They are still existing as places, but they have been reallocated into the SmartSat CRC and Defence Innovation. We are still using start-up places; it is just not attached to that hub at Lot Fourteen. There is a level of complexity. People sometimes share. Different companies will share the same desk, so a place might service more people, more companies, at some times than at others. Right now, as of 1 June, there are 184 residents across 55 companies in Stone & Chalk, just for your information.

Mr PATTERSON: Because I have my defence and space industries hat as well, I can go speak to your counterpart. Is it the Defence and Space Landing Pad where those workstations are or SmartSat CRC? Is that where I would find them?

The Hon. S.E. CLOSE: It is a combination of both, but we can take it on notice so you have clarity about where they are.

Mr PATTERSON: Also, if I look through it, the number of skilled nominations made by South Australia are 8,800 in 2022-23 and 2,300 in 2023-24. It seems like there is a caveat there around numbers not being available from the commonwealth. Have those come through yet and, if so, are you able to provide them or at least maybe give an indication of where that is at? Are you likely to get near that 8,800 number?

The Hon. S.E. CLOSE: We wanted more. The commonwealth government gave us 2,300 for this most recent year just about to finish. We have applied for next year but have not yet heard how many we will be getting. I do not know if that will come out for the migration ministers' round table on Friday or if it will be a topic of discussion on Friday as to what our places are looking like. It is an interesting dynamic that all of the state governments appreciate the role that skilled migration plays in filling skills shortages that are necessary to be filled for our economy but are also dealing with the challenge of housing shortage, so it is a finely-judged matter for the federal government.

Mr PATTERSON: From what I can take of it, it does seem like it is a real reduction.

The Hon. S.E. CLOSE: It was a real reduction.

Mr PATTERSON: It is not like there is going to be something coming.

The Hon. S.E. CLOSE: It was a real reduction last year, yes.

Mr PATTERSON: So how do we go forward in terms of looking to make up a shortfall of nurses, police, housing construction, other frontline workers?

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

Mr PATTERSON: Chefs have been suggested to me as well. What is the government then looking to do in its place when there are these very real shortages? We have seen it in housing supply.

The Hon. S.E. CLOSE: Indeed. It was a real shortage that was commensurate with a drop across all states, so South Australia was not singled out. All states got a small percentage of what they had asked for and what they had had previously. The challenge, first of all, what matters most of all, is that we train our people into the areas that have jobs attached to them and, secondly, that we make a good case for prioritising those fields that we desperately need.

For example, we recently asked, and it was agreed to, that Andrew Giles added construction to the list for the DAMAs, so that we are able to get people, through a DAMA, to work in construction because it is very hard to get housing if you do not have enough people building the housing. That is an example of an intervention that we made, where we said, 'When we are updating the DAMA can we add this qualification?' The commonwealth government said yes, so that helps. This is the kind of work where it is not just about the rhetorical, 'We need more skilled places,' but, 'Let's talk about where specifically you can help us, federal government,' and we have seen some movement that has been helpful to us.

The Hon. J.A.W. GARDNER: I refer to page 158, grants and subsidies, going back to the scholarships we were talking about before. Maybe I can roll up a few questions into one long question and have you answer what you can and take on notice what you cannot. Last year, there were going to be 30 scholarships in Adelaide and 35 at Flinders and UniSA. I am wondering if the minister can confirm that that has continued this year and, particularly for last year and this year, if possible, how many scholarships in each of the categories have been offered, noting that there were four or five different categories for each of those scholarships? I am also wondering whether the program will change with the creation of the new university, noting the equity funds that have been provided for Flinders Uni and Adelaide Uni.

The Hon. S.E. CLOSE: Yes, we will work through what it means to work with two universities, not three. What I have for the 2023 academic year is Flinders University was 15—high ATAR, nine; First Nations, one; women in STEM, five; and men in teaching, zero—but the Flinders University numbers are low because they only awarded scholarships in semester two. The University of South Australia was 34: high ATAR, 18; First Nations, two; women in STEM, three; and men in primary school teaching, 11. The University of Adelaide was 24: high ATAR, 14, First Nations, two; and women in STEM, eight.

The Hon. J.A.W. GARDNER: Is there any analysis being done on the effectiveness of this program to identify, for example, whether it is attracting new people who were not already going to be doing these courses? For how long is this program funded? Is it ongoing, or does it have an end point?

The Hon. S.E. CLOSE: It was treated, as were most election commitments, as a term, and then a decision can be made about whether that is something that could be started again. We are interested in that analysis, and I would probably counsel that we should have that analysis before we make a determination about continuing scholarship programs.

The Hon. J.A.W. GARDNER: Will that analysis be conducted by this department?

The CHAIR: That is the last question.

The Hon. S.E. CLOSE: It will come to me as the minister, whoever conducts it, yes.

The CHAIR: The allotted time having expired, I declare the examination of the Department for Industry, Innovation and Science, and Higher Education complete. The proposed payments are referred to Estimates Committee B for further examination. Thank you to the minister, shadow minister and advisers for your attendance today.

At 14:46 the committee adjourned to Tuesday 25 June 2024 at 9:00.