

HOUSE OF ASSEMBLY**Wednesday, 25 June 2025****ESTIMATES COMMITTEE A****Acting Chair:**

Ms N.P. Clancy

Members:

Mr D.K.B. Basham
Ms C.C. O'Hanlon
Mr L.K. Odenwalder
Ms O.M. Savvas
Mr S.J. Telfer
Mr T.J. Whetstone

*The committee met at 09:00**Estimates Vote***DEPARTMENT OF STATE DEVELOPMENT, \$479,748,000****ADMINISTERED ITEMS FOR THE DEPARTMENT OF STATE DEVELOPMENT, \$23,810,000****Minister:**

Hon. J.K. Szakacs, Minister for Trade and Investment, Minister for Local Government, Minister for Veterans' Affairs.

Departmental Advisers:

Mr A. Reid, Chief Executive, Department of State Development.
Mr C. Wood, Executive Director, Invest SA, Department of State Development.
Mr T. Reaburn, Director, International, Department of State Development.
Ms D. Tembak, Executive Director, Portfolio Delivery, Department of State Development.
Mr B. Edwards, Director, Trade, Department of State Development.
Mr M. Smith, Director, Finance and Investment Services, Department of State Development.
Ms K. Eckhardt, Associate Director, Brand SA, Department of State Development.

The ACTING 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, which will facilitate a change of departmental advisers. Can the minister and lead speaker for the opposition confirm that the timetable for today's proceedings, previously distributed, is accurate?

The Hon. J.K. SZAKACS: Yes.

Mr WHETSTONE: Yes.

The ACTING CHAIR: Changes to committee membership will be notified as they occur. Members should ensure the Chair is provided with a completed request to be discharged form. If the minister undertakes to supply information at a later date, it must be submitted to the Clerk Assistant via the Answers to Questions mailbox no later than Friday 5 September 2025.

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. 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 the committee. Consistent with the rules of the house, photography by members from the chamber floor is not permitted while the committee is sitting. Ministers and members may not table documents before the committee; however, documents can be supplied to the Chair for distribution. The incorporation of material in *Hansard* is permitted on the same basis as applies in the house; that is, that it is purely statistical and limited to one page in length. The committee's examinations will be broadcast in the same manner as sittings of the house, through the IPTV system within parliament and online via the parliament's website.

I will now proceed to open the following lines for examination: the portfolio of Trade and Investment in the Department of State Development. The minister appearing is the Minister for Trade and Investment. I declare the proposed payments open for examination. I call on the minister to make a statement, if the minister wishes, and introduce his advisers.

The Hon. J.K. SZAKACS: I wish to acknowledge and introduce the advisers with me today: Mr Adam Reid, Chief Executive of the Department of State Development; Chris Wood, Executive Director of Invest SA; and Taliessin Reaburn, the Director of International. I have other advisers with me from the department should they need to support the inquiries of members.

In my very brief introduction, can I thank all the hardworking public servants from the department for their diligence, for their commitment, for their hard work across this financial year and for their ongoing support and advice and particularly their drive to support a prosperous South Australia.

The ACTING CHAIR: Does the opposition have an opening statement?

Mr WHETSTONE: No, an opening question.

The ACTING CHAIR: Great.

Mr WHETSTONE: Thank you, minister, and to your staff. Referring to Budget Paper 3, page 79, how is DSD actively mitigating the risk posed by the ongoing geopolitical tensions to South Australia's export logistics and trade routes?

The Hon. J.K. SZAKACS: Thank you to the member for his question, one that I know that he and every member of this parliament are very interested in. First and foremost, if I can speak to the measures that have been taken within this budget, and then I will speak broadly to the efforts that we have been undertaking as a department and a government to build resilience, but also now the efforts that we will be making in an acute way across the forward estimates.

In this year's budget, \$5 million has been allocated across two years to support a tariff disruption and economic climate response package. That is a really important investment because, notwithstanding the very good state of affairs and shape that our economy and our exports are currently in, the disruption that is caused by geopolitical headwinds is quite significant. It is significant

in its impact not only demonstrably from an economic perspective but also from a business confidence perspective.

The member being a regional member and representing the Riverland, which has had its fair share of impact of disruption of tariffs across the last four to five years, is well aware that tariffs are a bad thing for Australia's economy. They are a bad thing potentially for jobs both in Australia and South Australia, they are a bad thing for business resilience, and they are also a really bad thing for the United States. There has been careful diplomacy undertaken by the commonwealth government. We are very fortunate to be in the hands of the Prime Minister, and the Minister for Trade and the Minister for Foreign Affairs, both of whom are passionate South Australians.

What we are seeing from the US with respect to the imposition of tariffs, but also the volatility, sometimes from a day-to-day proposition, is troubling and worrisome. In a further escalation, we of course are seeing in just the most recent fortnight the conflict across the Middle East region, which to date, from the advice that I have received, has not provided significant disruption, albeit that there have been some disruptions to air freight in the last couple of days through Emirates and Qatar, but the impact has been minimal, if not none at all.

The \$5 million that I have foreshadowed in respect of the member's question around a direct government response to the economic and geopolitical headwinds will directly support exporters and directly support growing South Australian businesses and enterprise doing two really important things, the first of which is to maintain market share and to maintain market presence.

Tariffs do have the opportunity and do have the risk of disrupting existing market share. We will potentially see that through advanced manufacturing supplies into US supply chains across the defence and advanced manufacturing industries. We also see it, of course, through food and agriculture. We have seen much litigated publicly around the imposition of tariffs on steel. South Australia at this stage is not feeling the proportionate impact that other states are because of our relatively small steel exports, albeit we are with our green steel future very much preparing for an expansion of our steel exports. We want to see market share maintained there.

The second part of the support package that we will be rolling out is to capitalise on opportunity. We have already, prior to this budget announcement, deployed and redeployed resources into North America, particularly Canada. We have seen a 129 per cent increase—I think a 129 per cent increase, at least an over 100 per cent increase—in our exports to Canada in the last 12 months. Of particular interest for South Australian exporters in Canada is what has been the almost wholesale displacement of US wine from the shelves across the OCBOs. That is a really important play for South Australia.

In the coming months, a short number of months, in fact weeks, I will be leading a major mission to North America to directly advocate and capitalise on those opportunities into Canada that have seen the US market displaced.

But directly also to the member's question around response to tariffs, I want to speak to the resilience that has been built within the South Australian economy, the South Australian export market and also investment attraction over the last 12 months and more broadly across the last three years. We have seen a 40 per cent increase in exports in the last three years compared to the previous three years. In fact, the last two years have been 50 per cent better than any other two-year period in our history.

So it is the government's view that, notwithstanding the extraordinary challenges that the geopolitical headwinds will create and the disruption that tariffs have the potential to impose, we have never been in a stronger position to both respond to support and also capitalise on the opportunities that the relative disruption for other markets creates for South Australian exporters.

Mr WHETSTONE: Okay, well, I did not actually ask anything about tariffs, but I will a little later on. Minister, given South Australia's reliance on a stable export supply chain, has the department conducted any modelling on the potential cost impact of prolonged global shipping disruptions on South Australian exporters?

The Hon. J.K. SZAKACS: My advice is no, the department has not itself undertaken any modelling. I will undertake to provide some further information, should it be available to the member,

on the work that the commonwealth government has been or may be undertaking. There is a really fulsome collegial approach between the Department of State Development, Austrade and DFAT, particularly in respect of the potentially acute disruptions to shipping. Notwithstanding that, the volatility of shipping is consistently volatile. The disruption to shipping that may impact South Australian exporters at this stage is not something that the department has modelled, nor do they see that doing that would provide an appropriate degree of support response to potential exporters.

Mr WHETSTONE: The reason for that question is that, globally, there are four major shipping lines and, through the period of the pandemic, one pulled out of coming under the equator. That left three, which is obviously a reduction of 25 per cent. We have seen significant disruption to merchandise and commodity being put onto ships because of that reduction in one shipping line coming here, plus a shortage of containers, particularly with the lack of productivity coming to the Southern Hemisphere. That was the reason behind the question on modelling. The long-term shifts in global trade patterns is listed as an international risk. How is the government aiming to reduce South Australia's exposure to these risks?

The Hon. J.K. SZAKACS: It is impossible to reduce our exposure to international risks by the nature of the way that international risk interfaces with global trade. Our priority as a government is diversification, and our priority as a government remains to see diversification of product, diversification of merchandise and diversification of jurisdictions. But to be very frank with the member, you cannot reduce exposure to global uncertainty, particularly in the context of some of the acute uncertainty of the conflict that is currently occurring.

What we need to do—and which we are doing—is build resilience, building upon the existing diversification programs and focus, which the department is driving. We are also, as I have already mentioned in my previous answer, dedicating a response package that does give us the ability to be both nimble and responsive to acute uncertainty. I think the approach that exporters take is not to eliminate risk but to understand risk and to respond appropriately.

I am further advised by the chief executive that—as I think I mentioned in a previous answer around the collegial approach between the department and commonwealth agencies—the department is part of the standing engagement with the commonwealth with respect to risk, security and potential supply chain disruption.

Mr WHETSTONE: Minister, has the South Australian government been in discussions with the commonwealth government, with the businesses that will be impacted or have been impacted by the US tariff on steel and aluminium?

The Hon. J.K. SZAKACS: Yes.

Mr WHETSTONE: Are you able to expand on that?

The Hon. J.K. SZAKACS: Do you have a specific question?

Mr WHETSTONE: Yes.

The Hon. J.K. SZAKACS: What, specifically?

Mr WHETSTONE: You have had discussions with the commonwealth. Are you able to furnish the committee with any of that detail? What support mechanisms will either the state or the commonwealth put in place to support the impact on those businesses of a 10 per cent base tariff and a 50 per cent tariff on steel and aluminium?

The Hon. J.K. SZAKACS: The structures around commonwealth engagement were stood up immediately upon the United States foreshadowing a policy framework of tariffs. The Department of State Development works closely with Austrade, which of course is the commonwealth's lead agency in respect of the response to these matters.

Before I come to programs and packages, I will also inform the member that I speak and meet regularly with the commonwealth trade and tourism minister, the Hon. Don Farrell. As I have mentioned before, Senator Farrell is an extremely important advocate for Australia's national interest and, being a South Australian, he fundamentally understands the unique nature of the export framework for South Australia.

In a previous answer, when the member asked me about geopolitical disruption, I framed tariffs within that. Of course tariffs are an acute geopolitical disruption; they are a disruption to trading order. The view that the department takes and the government takes is that, whether it be tariffs, whether it be armed conflict or otherwise in the Middle East, or whether it be the Russia-Ukraine war, these all create significant risk, potential disruption and material disruption for exporters.

The national task force, which I mentioned that the department is part of, is meeting weekly. That then informs the work that the department undertakes in meeting with, engaging with and seeking market intelligence from exporters. While I will not, to any surprise to the member, provide the contents of this briefing, I can also note that I have briefed cabinet on the work that has been undertaken and the work that is being undertaken on the market intelligence that the department has gathered. In part, that has informed the \$5 million of new funding that has been allocated in this budget to a response.

It is very dynamic, as the member knows. These are not point in time matters that the department undertakes. The chief executive, through across government, is briefing me on this on a very regular basis. As I think I said a moment ago, what we are facing today in respect of tariffs may very well be a different policy setting in, say, four, six or eight weeks. That volatility is also part of the strategic approach that the department is undertaking in the way that they are engaging with exporters.

I will give the member a direct piece of information that was given to me by an exporter. I will not name the exporter for commercial reasons, but they informed me that they had had a conversation or engagement at a high level with US customs around the imposition of a tariff and the way that that tariff was specifically applying to one of their products. Firstly, the US customs official checked if the phone call was being recorded. The exporter said, 'Of course not.' The customs official then said to the exporter, 'Well, we have no idea around the way that the policy setting and the tariff imposition will impact them at the border.'

That is the sort of challenge that we are facing. Austrade and DFAT are acutely working on the challenges—the fact that even the application of the way that these tariffs may or may not be applied is still a matter of contention for US officials.

Mr WHETSTONE: Minister, what is South Australia's exposure with the 50 per cent tariff on steel and aluminium?

The Hon. J.K. SZAKACS: I can advise the member that, subject to section 232 US tariffs, the order under which the tariffs have been imposed for steel and derivatives is: aluminium and derivatives to year ending April 2025, \$48.7 million; steel and derivatives to year ending April 2025, \$15.8 million; automobile, \$0.3 million; and automotive parts, \$114.9 million.

Mr WHETSTONE: Is that South Australia's exposure or Australia's?

The Hon. J.K. SZAKACS: That is South Australia's.

Mr WHETSTONE: Structural weakness in China and potential spillover is listed as a risk. Is the government reassessing its trade relationship with China?

The Hon. J.K. SZAKACS: I am not sure in the context what 'reassessing' means. If the member is asking, 'Are we reassessing our priority to grow our trade with China,' absolutely not. We want to grow our trade with China; we want to grow our trade across the North Asia region and the South-East Asia region. The economic benefit for South Australian exporters in respect of the China rebound has been important. It has been critical, not just to wine but to a whole number of associated primary production, of which the member is right across.

But, no, we are not reassessing our trading with China—in fact, quite the contrary. We and the Australian government see that the growth of China, particularly in the middle class, provides a huge amount of opportunity for growing exports and, in doing so, growing South Australian jobs and supporting the resilience of primary producers and exporters.

Mr WHETSTONE: So you have no concern that we again are going down the same path with full exposure to China, with the amount of economic damage that it did last time through

geopolitical decisions on tariffs made through what I would consider a political decision more so than a trading decision?

The Hon. J.K. SZAKACS: With respect to the member's question, I agree that there was not a trading decision that informed the imposition of tariffs; it was political. It was a pretty dark period in the relationship between Australia and China. I am not concerned about the growth and the turnaround, particularly for industries that were massively impacted by the profoundly acute politicisation of the relationship with China out of the commonwealth government.

The reason I am not concerned is that the first and foremost priority for our government and the department is diversification: that means that China is important, just as the US is important, as are Vietnam, Singapore and the EU, who we have just hit an all-time record with. They all remain important. To put it colloquially, we are not putting all of our eggs in one basket, but we also recognise the importance of the economic relationship that South Australia has with China.

We as a government will not be dragged into a political game—which I respect was not necessarily the tenor of the former Marshall government but certainly was of the Morrison government—where we will play politics with the economic and trading partnership that we have to grow local South Australian jobs. China remains important. We want China to continue to grow, but we are absolutely not supporting the growth of China to the detriment or the expense of other markets which we equally are aspiring to grow.

The Northern Asia region and the South-East Asia region is the fastest-growing population epicentre in the world. Their middle class is growing at a rate of knots. There is strong economic growth across the region—

Mr WHETSTONE: The middle class are not spending, though.

The Hon. J.K. SZAKACS: The middle class is spending.

Mr WHETSTONE: They are not spending like they were.

The Hon. J.K. SZAKACS: They are not, but the growth in China and the region is still outstripping the US and Europe by quite a rate of knots. When you are talking about the middle class in China, it is growing at the rate of hundreds of millions. When you are looking at India, where the middle class is growing at the rate of hundreds of millions, it is not just about the percentage growth, in which there is strong growth, but also about the scale. The scale is important, whether it be wine, whether it be almonds or whether it be the food security aspirations of a growing middle class, and a middle class across those regions that is looking more and more to the west for inspiration with respect to consumption is really important. Exporters and industries are telling me that as minister and we will continue to back them in.

Mr WHETSTONE: There are obviously no plans to scale back any of the trade missions, or the investment attraction with China?

The Hon. J.K. SZAKACS: Absolutely not.

Mr WHETSTONE: When you talk about diversification, are you putting any of that budget line into, or is that budget focused on, other markets and the relationship with trading partners?

The Hon. J.K. SZAKACS: Yes, absolutely. To answer the member's question specifically of whether there is a plan to scale back from our efforts to grow our nearly \$4 billion worth of exports to our largest trading partner, no, absolutely not. We will be continuing to invest, we will continue to grow, but there is no new funding in this year's budget for any additional programs or efforts into China.

What we are seeing—as I have responded to the member in a few ways—is the \$5 million worth of tariff response with respect to our other critically important trading partners' markets and exposure. The diversification efforts across South-East Asia and Northern Asia continue to be of critical focus to our government, and Malaysia, Vietnam, Indonesia, Thailand, the Philippines and Singapore, across the region, are in our top 20 export markets.

They are jurisdictions in which there has been considerable effort from an outbound delegation perspective and, in fact, Her Excellency the Governor is in India as we speak. That tempo

of engagement, the quality of engagement, the support for industry to engage is important, it forms a part of our strategy, it is an important tactical approach that we are taking and, in my view, as we have ticked over \$1.2 billion for India, those markets will continue to grow.

This is about growing the pie. This is not about cutting off different pieces of the pie and making that piece of meringue smaller and taking a piece off somewhere else and making it bigger: this is about growing the pie, growing our scale, supporting more jobs and growing exports.

Mr WHETSTONE: Minister, if we look at a global view, have any investments or projects been delayed or withdrawn due to that trade volatility?

The Hon. J.K. SZAKACS: That is a really good question and I am seeking to amplify my engagement with industry to seek to ascertain that. The short answer is no, but we are gathering that North American capital, in particular, is slowing down. One of the key focus areas of the department is, of course, investment attraction and we have been very pleased with the outcomes with respect to attracting FDI. The largest single source of FDI into South Australia is Canada.

Canada is a jurisdiction that I have already touched upon today, which forms a special part of our resilience building and also our focus in a world of disruption caused by economic policies out of the US. We are seeing an amplification of Canadian capital being invested into South Australia. It is very much the focus of our government and of the department to continue to see that upward trajectory. As I said before, the response to economic uncertainty is also to seek to leverage and exploit relativity, and we will continue to do that.

We think that there is an opportunity for jurisdictions like South Australia and, frankly, for Australia broadly, to be seen, as it should, as a place with incredibly low sovereign risk with good returns, with a strong appetite for investment in an ecosystem that can facilitate quick approvals and strong and high-level government engagement. That is the name of the game. In a high degree of engagements that I have been prioritising since the announcement of US tariffs with capital, both institutional investors and also private capital, that has been what they are telling me will be the key focus of their decision-makers when they are exercising their mandate.

Mr WHETSTONE: Over to page 80, the budget also notes the loss of access to the US might result in other trading nations dumping cheap offshore products in Australia, particularly into South Australia, to absorb some excess capacity. Is there a mechanism here in South Australia to protect those South Australian industries or businesses being undercut by low-cost imports?

The Hon. J.K. SZAKACS: We do not have a statutory mechanism or a constitutional mechanism to do that. In direct response to that, the department, at an officer level, is engaged directly with the taskforce, led by the commonwealth, who are leading this. This will be a key matter of discussion for the commonwealth and state ministers when we meet again, I think next month. It is the commonwealth; they are the constitutionally charged authority with respect to borders and customs.

This is also a key focus of our government with respect to our advocacy of the commonwealth. We have seen what impact around the world second and third tier supply-chain disruption can cause. That is why anti-dumping measures are so important. It is why the commonwealth have already been actively engaging on this. Everything that I have been briefed on to date, the commonwealth is doing—everything that we expect of them—and South Australia is satisfied with the lead the commonwealth is taking.

Mr WHETSTONE: Obviously, the tensions between the US and Iran have been very well documented but, should they escalate, what risks or exposure is there for South Australia should conflict break out? For South Australian businesses doing business in the US, trading with the US, is there a clear understanding of what the current investment by South Australia into the US would mean to our economy?

The Hon. J.K. SZAKACS: Yes, there is. That is materially the information that I provided to the member a moment ago with respect to the market intelligence and information gathering that the department has been undertaking. The member's question was also around the potential for the escalation of conflict, as I said, be it across the Middle East or, as it remains across continental Europe with the immoral and illegal Russian war in Ukraine.

We have seen in previous years the impact that the Ukraine war has had on commodities, on grain, both as a risk and as an opportunity. There is, as I said before, exposure into the Middle East region as well—in which the Emirates, Egypt and Saudi are significant destinations for bulk primary product—and also the disruption that air freight may have. We have seen a very significant uptick. I am not sure of—sorry, I do not have it in front of me—the specific percentage increase in air freight into the Emirates across the last 12 months, but it has been significant. I think it has been over 100 per cent.

So those are all the layers. They are all impactful or potentially impactful. We know our exposure to the US. We know our exposure, in fact, to every country, whether it be our largest trading partners or our smallest trading partners. We have a really strong, outwardly focused department, particularly within trade, international and our TradeStart advisors who are embedded in the regions. I have every confidence that they will continue to work with those that are impacted and also potentially impacted to mitigate against the risk.

Mr WHETSTONE: Minister, obviously the geopolitical tensions would give both the South Australian government and potentially the commonwealth government an opportunity to do some modelling on considering what currency hedging could mean if there is conflict. Are the department or the South Australian government doing any work on currency hedging to help protect South Australian businesses should there be conflict?

The Hon. J.K. SZAKACS: If there were to be, that would be led by the Department of Treasury and Finance. I think the Treasurer may have already appeared before estimates, but to the extent that I can, I can seek the Treasurer's advice. Certainly, my department is not, and we would not be, leading that.

Mr WHETSTONE: It is not about Treasury hedging. It is not about Treasury being involved. It is about your department giving advice or education to South Australian businesses to be able to hedge.

The Hon. J.K. SZAKACS: Your question was: have the department or the government modelled? The answer is: to the extent that I know, within my department, no, we have not. My response with respect to Treasury is simply that it would be the government agency or department that would be responsible for undertaking that piece of work.

Mr WHETSTONE: Minister, given the impact that the drought has had on South Australia, particularly with pulse crops, lentils, etc., and the global uncertainty, particularly in the Middle East, would your department or the government consider pursuing the plant protein program to help meet growing demand, particularly in India?

The Hon. J.K. SZAKACS: Yes. I think all of these matters would continue to be live options. We have a strategic approach with respect to investment attraction that is both open and agnostic to technology for plant protein. It was a key matter of engagement of mine when I was in India earlier this year. I was actually surprised about the slowdown of appetite for advanced plant protein in India in respect of other matters of food security. That sort of surprised me and disarmed me a bit.

But in direct response to the member's question, we as a government, and particularly we as a department and me as minister, remain open and committed to supporting new investment and new attraction, particularly in respect of food security and food manufacturing. Integra Foods at Dublin were awarded a half a million dollar grant in respect of their plant protein export market development project. I visited them a little while ago and saw firsthand some of the work that they are doing on the development of export markets. The department then backs them in, which is really important. We are always keen to support Integra scaling up and matching with potential investors and capital partners, which is a key piece of work, and also with proponents of new projects.

Mr WHETSTONE: Moving on to Budget Paper 4, Volume 4, page 79: the 2024-25 budget for ministerial office cost of provision was \$2.7 million, compared with \$2.4 million in this year's budget and a reduction of one FTE. Why is there a \$347,000 decrease with a reduction of only one FTE, or is that FTE paid well?

The Hon. J.K. SZAKACS: Not that well. I will take this on notice for the member, but I can advise that the reduction in FTE was a Public Service salaried agreement staff member, so I can

assure the member that that was not accounting for the decrease in expenditure. I will take that on notice.

Mr WHETSTONE: Under workforce summary, of the 372.6 FTEs in DSD how many are assigned to trade and investment, and is there any overlap with other programs within DSD?

The Hon. J.K. SZAKACS: I can advise that 125.7 FTE is the trade and investment portion of the department and that includes a proportionate corporate allocation. I may ask the chief executive to provide some insight in respect of the second part of the member's question, which goes to any joint functions or otherwise. There has been, of course, in this financial year a very important decision undertaken by the government to bring together trade and investment functions with industry, innovation, science, migration and higher education, so I might ask the chief executive to provide from his perspective as chief executive how that MoG across his department—of which part is not my responsibility—provided some scale in respect of service delivery to industry and business.

Mr REID: Thank you, minister. It is really an opportunity to bring together all the functions of economic development into one agency. In relation to the question of whether there is any crossover or duplication, the answer is no, but there is very strong alignment now between the functions of industry development, industry policy, trade, investment and our international network.

As you would know, member, we have the functions around workforce development, industry development, manufacturing, research, innovation, higher education, international education and skilled and business migration, so bringing that together and allowing that to seamlessly integrate with trade and investment operations has allowed a function of scale and alignment across the government's priority areas.

We would not see it as duplication at all, but there is now a much stronger alignment between those areas of government that align very strongly to the priority areas of government, and we can align those activities and share the resources across that international network as well as our trade and investment functions.

Mr WHETSTONE: In last year's budget, the trade and investment program was budgeted at \$46.9 million for 2024-25, but this year's budget says \$49.2 million was budgeted in 2024-25. Can you give me an understanding of that discrepancy?

The Hon. J.K. SZAKACS: Can I clarify the member's question? Is that the net cost of providing services that the member is referring to?

Mr WHETSTONE: Yes. The trade and investment program was budgeted for \$46.9 million for 2024-25, but this year's budget says that it was \$49.2 million in 2024-25. There seems to be a discrepancy of \$2.3 million.

The Hon. J.K. SZAKACS: Not to be pedantic, but can I seek which page number the member is referring to?

Mr WHETSTONE: Budget Paper 4, Volume 4, page 80, under program net cost of services summary.

The Hon. J.K. SZAKACS: Thanks to the member for his clarification. I can advise that the material impacting the variance are the intergovernmental transfers, particularly supplies and services, which have been a matter of accounting and transfers from the machinery of government changes. Perhaps if I can provide for the member some additional information, either now or on notice, if there were to be anything, but if that is specific to the member's satisfaction, they are the intergovernmental transfers, which vary the supplies and services.

Mr WHETSTONE: Referring to the same reference point, the 2024-25 estimated result shows the program underspent its budget by almost \$11 million. Were any programs cut to obtain this result? And how will the remaining \$11 million be utilised?

The Hon. J.K. SZAKACS: I am advised by the chief executive that the total expenses have not changed materially: \$49 million, \$48 million across those years. It is, in fact, the impact of the intergovernmental transfers, to which I referred in my last answer, from DHUD in the machinery of government change. The impact of that has meant that the net cost of providing services is impacted,

whereas the total expenses are materially unchanged. With respect to the member's specific question: have any programs been cut? No, they have not.

Mr WHETSTONE: Over the page to page 81, under investment programs, DSD's annual investing program almost doubles in this year's budget. What is the additional investment being allocated to?

The Hon. J.K. SZAKACS: Thank you for your question, albeit it is not within my line of responsibility. I am advised that the impacting matter is an investment into Tauondi Aboriginal College, which includes site remediation.

Mr WHETSTONE: Alright, moving on to highlights in Budget Paper 4, Volume 4, page 91. Of the 500 businesses supported to connect with international partners, how many were new versus existing exporters expanding into new markets?

The Hon. J.K. SZAKACS: I am not sure that I have the breakdown of the new or existing going into how long they have been in market. Just pause for a moment. I will speak to my trade adviser and then I will come back to you. I do not have that breakdown with me, sir.

Mr WHETSTONE: Take it on notice?

The Hon. J.K. SZAKACS: Yes.

Mr WHETSTONE: Thank you. Minister, how many businesses and investor delegations did the department host in 2024-25? Do you have any tangible outcomes with these delegations?

The Hon. J.K. SZAKACS: I am sorry. I was distracted then by talking to the member for Flinders. Sorry, would you repeat your question? That was Sam's fault.

Mr WHETSTONE: He has a face for distraction, hasn't he. How many businesses and investor delegations did the department host in 2024-25? And what were the tangible outcomes? Is there some record of these missions in and out?

The Hon. J.K. SZAKACS: So when you when you say 'host', are you referring to inbound delegations?

Mr WHETSTONE: Yes.

The Hon. J.K. SZAKACS: I am advised that with respect to inbound delegations and inbound hosting from the department and broadly from the government, with respect to the breakdown of numbers, I have core numbers of participants inbound and outbound. I do not have the breakdown for inbound. I will take that on notice for the member. I can also provide some additional information. It is quite extensive in my brief, particularly with respect to the proportionate impact of those inbounds that have been focused on regional South Australia.

Mr WHETSTONE: I have an easier question for you. How many inbound and outbound business missions did the department facilitate? How many businesses participated in those missions?

The Hon. J.K. SZAKACS: I can advise that there have been 366 participating companies and businesses supported across financial year 2024-25.

Mr WHETSTONE: Minister, do you monitor the outcomes of these business missions?

The Hon. J.K. SZAKACS: Yes, I do. There is some rigorous reporting and triaging that the department undertakes with respect to their support of businesses that participate in these missions. There is a rigorous framework within which the department undertakes an EOI process. Not every business that seeks to participate in a mission is supported—for good reason. The department will make their own assessment if they are fit for the mission, whether they are trade or export ready or whether the jurisdiction or the market is appropriate for them.

In respect of macro headline figures, the missions and delegations that have been supported across the last financial year have materially and directly accounted for \$110 million worth of new export deals. On those figures, we are very pleased with the efforts of the department and we are very pleased with the hard work of exporters. At a macro level, we are seeing a really significant

return on investment, and we are also seeing the support for businesses continuing the tempo of engagement in the market. That is the one thing that continues to be raised with me by industry, particularly, as I have mentioned extensively today, across our key focus areas of Northern Asia, South-East Asia, India and the Middle East. Just being there once and expecting a deal to materialise, and then going away, just does not cut it.

These businesses and exporters work really hard. They need to have a significant tempo of engagement into market. So not only are we seeing material trade outcomes but we are also seeing support of the investment and security in these longer-term relationships. The member has asked me a number of times today about the geopolitical risk: the strength of relationships, the strength of partnership is critical to de-risking and offsetting that risk in this climate.

Mr WHETSTONE: Minister, I am interested in South Australia's participation at the Osaka World Expo. Did you attend it?

The Hon. J.K. SZAKACS: I did. I took the head off a tuna.

Mr WHETSTONE: Sorry?

The Hon. J.K. SZAKACS: I took the head off one of Sam's tunas.

Mr TELFER: With a sabre?

The Hon. J.K. SZAKACS: A sword.

Mr WHETSTONE: What is the good news? What were the outcomes? What businesses participated in Osaka?

The Hon. J.K. SZAKACS: I was in Osaka for a day and a half the week before last with a delegation of key South Australian exporters. The Osaka World Expo is a materially important trade and investment expo that is being supported significantly by the commonwealth. Of course, in previous years, the South Australian government has made a direct investment into our attendance and participation in that expo. What we are seeing now is the execution of that strategy that has been worked on incredibly diligently across multiple government agencies across the last 12 months.

There is a significant number of delegations, one of which I led, the majority of which I am not participating in. The critical delegation that I led was across food, wine, beverages and agribusiness. About 75 per cent of our exports into Japan are across those three categories, but there are further participating delegations across space and aerospace, visitor economy, arts and culture, health and wellbeing, international education and research collaboration, water, oceans, climate and the natural environment. Some of those are being supported by the Department of State Development, some of those are being supported by other agencies. The World Expo, of course, is still running for a number of months. We will be undertaking, as we do with all of our missions, a full evaluation post that mission.

Certainly, in the debrief that I have had with the travelling CEOs that I attended Osaka with the week before last, it has been really positive. I think I can speak for all of them that they were pleasantly blown away by the scale and the opportunity and the work of DFAT in curating a highly commercial environment that is conducive to this not being anything other than a commercial and trading focus of the commonwealth and South Australia.

Mr WHETSTONE: Minister, why is it that you do not see a benefit in displaying bipartisanship when it comes to trade?

The Hon. J.K. SZAKACS: I beg your pardon?

The ACTING CHAIR: Are we still on page 91 of Budget Paper 4, Volume 4? Is that still what this question relates to?

Mr WHETSTONE: Yes, highlights, trade missions. Minister, why is it that you do not see the benefit of a bipartisan approach to trade and trade missions like other trade ministers have?

The Hon. J.K. SZAKACS: I do not accept the premise of your question at all. I am not quite sure what the member is referring to, but bipartisanship is a two-way street. I appreciate the member's commitment to raising with me and with the department the interests of his constituency.

It was only a couple of months ago that I was up in the Riverland with you as I welcomed a very significant almond delegation from India. You were good enough to join me as we hosted that delegation with the board and with Almondco. I appreciate your participation and I have every expectation that it will continue.

Mr WHETSTONE: Again, the bipartisan approach has demonstrated tangible outcomes and benefits, which a former minister offered to the opposition that you have decided not to; do you have a reason why you—

The ACTING CHAIR: How does this relate to the budget papers?

Mr WHETSTONE: Trade missions.

The ACTING CHAIR: You would like to go on an overseas holiday; is that your question?

Mr WHETSTONE: I am sure the minister is not on holidays.

The ACTING CHAIR: But he is the minister.

Mr WHETSTONE: I think it is a fair question. It is an open, transparent question.

The Hon. J.K. SZAKACS: The member is asking me to somehow get inside the head of the former minister, which is a dangerous place to be.

The ACTING CHAIR: I think we should probably move to your next question, or does the member for Flinders have a question?

Mr WHETSTONE: Joe, I am in your head rent free; is that what you are saying?

The Hon. J.K. SZAKACS: Tell yourself whatever you need, mate.

Mr WHETSTONE: It was a simple question. If you do not want to answer it I will move on.

The ACTING CHAIR: I think we should move on.

The Hon. J.K. SZAKACS: Through the Chair, I am struggling to—

Members interjecting:

Mr WHETSTONE: Why don't you ask a question?

The ACTING CHAIR: Would the member for Chaffey like to move to his next question or does another member have a question they would like to move to?

Mr WHETSTONE: I have plenty of questions. Minister, one of the 2024-25 highlights was increasing uptake of the state's brand to more than 10,000 businesses, yet last year you stated there was a goal to reach 10,000 registrations by the end of June 2024. What was this year's uptake compared to the previous year?

The Hon. J.K. SZAKACS: I can advise there was a 23 per cent increase in the uptake—sorry, registrations from year on year.

Mr TELFER: Total number?

The Hon. J.K. SZAKACS: I do not have the total number—23 per cent.

Mr WHETSTONE: Is there a difference between uptake and registration?

The Hon. J.K. SZAKACS: No, I incorrectly used the word uptake; it is registrations.

Mr WHETSTONE: So that is the interpretation I have then?

The Hon. J.K. SZAKACS: Yes.

Mr WHETSTONE: One of the department's targets last year was to address the perceived value of buying local amidst the cost-of-living challenges. What was the target achieved?

The Hon. J.K. SZAKACS: I can advise the member that, with respect to measuring and understanding that question, Brand SA, through the Department of State Development, has undertaken market research on the return on investment in respect of the domestic and local value

proposition of buying local and supporting local consumption and local economic input. As a result of that market research, 90 per cent of South Australians believe that buying local is important, which was a 6 per cent increase from previous years—obviously it is a pretty high point, so a 6 per cent on that base is impressive; 55 per cent actively seek South Australian products when shopping; 71 per cent are more likely to buy local after seeing and engaging with the work that Brand SA does; and 48 per cent rank price and value as their first consideration when buying.

Mr WHETSTONE: I refer to Budget Paper 4, Volume 4, page 91, under targets. Is there a target for the number of businesses on missions to priority markets that the government hopes to achieve, and what are you deeming as the government's priority markets?

The Hon. J.K. SZAKACS: I am advised by the chief executive that the department does not set a target for the number of businesses participating across a financial year, particularly because it is highly demand driven and there needs to be flexibility in respect of tailoring the participation of businesses in those missions. As I said before, the department undertakes a high degree of early work in triaging and supporting through EOI processes the participation of businesses.

With respect to target markets and as for the department's focus on what those target markets are, it is twofold. One is the markets with which we have existing strong long-term relationships of trade: US, UK, continental Europe and China. Then we also have a higher degree of focus across the North Asia region, the South-East Asia region, India, and the Emirates in the Middle East. Sorry, Chair, I said 'US'; I should say 'North America'. I do not mean to slip into non-specific—

Mr Telfer interjecting:

The Hon. J.K. SZAKACS: Quite not, but North America—so, Canada and the US.

Mr WHETSTONE: Under program summary on page 92, grant programs dropped by \$7.8 million in 2025-26. Which programs will not exist or which programs are coming to an end?

The Hon. J.K. SZAKACS: I am advised by the chief executive that there is no cessation of recurrence. The impacting accounting for this financial year compared with next financial year is because of a couple of one-off grants, BioCina and Healthy AI, which were one-off grants that have been executed in this financial year.

Mr WHETSTONE: The FTE count is expected to drop from 125.7 to 119. Can you give me an understanding of what roles will be affected?

The Hon. J.K. SZAKACS: They are time-limited FTEs. The member asked me about the Osaka World Expo earlier. I am advised that there are some FTEs that are focused on the delivery of our trade focus and investment attraction focus in Osaka which will be ceasing. There are also a small number of residual FTEs transferring over from DHUD into DSD, that have been accounted for in the MoG, that will be winding up. There are no material reductions in FTEs, other than specific time-limited programs which are expected.

Mr WHETSTONE: Under performance indicators on page 93: minister, can you give me a breakdown of the \$870 million of investment secured under that program?

The Hon. J.K. SZAKACS: I can provide some information now, but I will just say there are a number of matters which are subject to commercial sensitivities, or existing NDAs that are not yet public. They need to be public and managed through listed companies, which I am not at liberty to disclose to estimates today. I will provide the member now what I can, noting that there is a portion and there are other material attraction efforts that have yet to be disclosed through proper regulatory processes.

I have just been receiving some advice from my chief executive who has advised me, just to ensure that we do not step foul of commonwealth regulators, or otherwise from market disclosure, that we provide that to the member on notice. We will provide everything we can, and we will also note what we cannot.

Mr WHETSTONE: In 2023-24 and 2024-25 the department had a target of 4,000 new jobs secured through Invest SA and it only managed to achieve 881 and 1,000 in those last two years respectively. What was the reason for that shortcoming?

The Hon. J.K. SZAKACS: Since being established Invest SA has secured over 6,500 new jobs across the 2022-23, 2023-24 and 2024-25 reporting period. I am advised that since the budget papers were published the projected actuals for the end of the financial year is 1,017 jobs in 2024-25. The 2024-25 financial job creation has been lower than anticipated with that figure of 1,017 jobs created. I am advised that there have been several factors contributing to the lower job creation, albeit that 1,000 jobs is good, but we as a government always want to see more jobs. I think it is safe to say that, on becoming minister, I have pushed the department pretty hard both on being ambitious and also on being acutely focused on what growing trade and growing investment can do for creating good, meaningful, secure, well-paid jobs.

Of course, in doing that, we know that businesses that are trading are more resilient, are more financial and are more capable of mitigating against global risk. The factors that have contributed, I am advised, to the lower figures for this financial year include tight labour markets, unemployment rates between 3½ per cent and 4½ per cent nationally over the last two years, and South Australia has, of course, led this trend.

Before COVID, South Australia's share of job vacancies was 2.8 per cent, and this has now grown to 5 per cent, representing a 79.8 per cent growth in share of vacancies, highlighting the lack of labour availability in the market. This comes even as there are now more people in South Australia working than ever before. Since July of 2022, employment has grown by 67,000, or 7.4 per cent, to over 975,000 jobs in May 2025. A small share also of overseas arrivals, compared to our share of national population, is 5 per cent compared to 6.9 per cent. We also have the fourth highest wage price index growth of 5.3 per cent in South Australia, 5.1 per cent nationally, which is driving companies to prioritise technology and automation investment.

The Premier reflects on this often, and he may have done so in his estimates a couple of days ago. For the first time that I can ever recall, South Australia is not facing a jobs crisis; we are facing an availability of workforce problem. We see across the forward estimates, we see across the next 10 years, the material and substantial industrial growth across the state. We know, through any measure, the number of jobs that will be created as a result of that. Our challenge as a government is to find workers, to invest in the workforce, to grow the skills, to support solid and articulate skilled migration.

Notwithstanding the fact that our ambition remains to see jobs directly matched with investment attraction, we also have the complexity of challenges within our economy and workforce, where the availability of that workforce, in some cases for investors, may not be there and, therefore, they are continuing to proceed with investments, to grow the economy in more productive ways.

Mr WHETSTONE: Of those just over 1,000 new jobs in 2024-25, how many are permanent or full-time positions?

The Hon. J.K. SZAKACS: Over 600—between 600 and 650 is my advice.

Mr WHETSTONE: Sixty per cent, okay. Minister, you have the same target for 2025-26 of 4,000 jobs to be created. What are you going to do differently?

The Hon. J.K. SZAKACS: It is a question I have asked my department, and they are continuing to drive their ambition, with the challenges that we face. Certainly, we all hope to be back here in 12 months in different ways. If I am lucky enough in any capacity to be answering a question from you in 12 months' time, I hope that I have the opportunity to talk about high workforce participation, strong economic growth, strong state final demand. The reality is that we have brought online more ongoing investment attraction programs, both within my department and also within the broader government, and we are going to continue to work really hard on being ambitious. The signal or message I want to give to the department—not they are seeking to be less ambitious—is that I want them to be ambitious, and I want 4,000 to be the material goal for next year.

Mr WHETSTONE: You have used the word 'ambitious' a lot in that answer.

The Hon. J.K. SZAKACS: We are an ambitious government and we think ambition is good.

Mr WHETSTONE: Minister, how is client satisfaction measured? Can you give me an understanding of the result used to determine a 95 per cent satisfaction rate?

The Hon. J.K. SZAKACS: To the member's question, I am advised that there is an extensive process of survey and quantitative and qualitative analysis that is undertaken post mission, post delegation, post engagement, whether it be from our staff here or offshore. That is the manner in which the 95 per cent, I think it was, was achieved. It is something that I do note. It is very much worthy of putting on the record in this place the extraordinary appreciation that I have for the department for their high-quality standards and the extraordinary service delivery that they are undertaking for the business community.

Mr WHETSTONE: So they are ambitious to get to 100 per cent, are they?

The Hon. J.K. SZAKACS: That would be good. I am not sure that I would like to impose that sort of burden on them; 95 per cent is pretty good, but let's get to 100 per cent.

Mr WHETSTONE: No pressure.

The Hon. J.K. SZAKACS: No pressure.

Mr WHETSTONE: Minister, I refer to trade offices, Budget Paper 4, Volume 4, page 91. One of the department's objectives is listed as connecting local exporters through global trade offices. How many trade offices does South Australia now operate independent of Austrade?

The Hon. J.K. SZAKACS: I advise that, of the 17 international trade and investment offices, there are two that are independent of Austrade. That is not to say that they do not work very closely with Austrade, but they are not co-located. They are the Office of the Agent General in London and the DSD office in Jinan, China.

Mr WHETSTONE: In last year's estimates, you said that the Frankfurt trade office was targeting opportunities in green hydrogen and renewables. With the collapse of the Office of Hydrogen Power and the Hydrogen Jobs Plan, what is the Frankfurt office's current objective?

The Hon. J.K. SZAKACS: I can absolutely assure the member that hydrogen is still a very strong focus of the Frankfurt office and all international trade offices because that is exactly what industry is telling us that they want. The member asked before about the Osaka World Expo. There is a significant amount of higher level corporate engagement that we are seeing from Japan and Korea, as an example.

I am advised that this is consistent with continental Europe as well, a fuel future and green future involving hydrogen. There is no less appetite for a future that involves solid ecosystems for which investment in hydrogen can be facilitated. The work of DSD in Frankfurt remains. Certainly, to the member's question, it has not excluded the work in hydrogen, simply because the market and commercial and capital, both industry here as well as offshore, are telling us that that is what they want.

Mr WHETSTONE: Minister, you say you have two standalone trade offices. Is the government giving any consideration to a standalone office in India?

The Hon. J.K. SZAKACS: I do not like the idea of standalone offices, and the reason I do not like the idea of standalone offices is that I see firsthand the really important scale that South Australia can gain by our collaboration with Austrade. Not only do I see it firsthand and when I speak and meet with all of our offshore trade directors and regional directors but I hear that directly from ambassadors. I hear that directly from the new CEO of Austrade.

They are glowing about the efforts of our extraordinary staff offshore. Amongst the first things, if not the first thing, that Austrade and DFAT raised with me at the highest of levels was the scale that South Australia brings by being a jurisdiction that is committed to strong collaboration. We see that from TradeStart here onshore, and we see it offshore as well.

Mr WHETSTONE: I do not speak ill of Austrade at all. The performance of standalone offices is what I am really looking to better understand. Do you as a department keep KPIs, performance indicators, of your trade offices?

The Hon. J.K. SZAKACS: Yes.

The ACTING CHAIR: The allotted time having expired, I declare the examination of the Department for Trade and Investment, the proposed payments for the Department of State Development and the Administered Items for the Department of State Development complete.

Sitting suspended from 10:30 to 10:45.

DEPARTMENT FOR HOUSING AND URBAN DEVELOPMENT, \$106,787,000
ADMINISTERED ITEMS FOR THE DEPARTMENT FOR HOUSING AND URBAN DEVELOPMENT, \$5,003,000

Membership:

Mr Pederick substituted for Mr Whetstone.

Minister:

Hon. J.K. Szakacs, Minister for Trade and Investment, Minister for Local Government, Minister for Veterans' Affairs.

Departmental Advisers:

Mr D. Reynolds, Chief Executive, Department for Housing and Urban Development.

Ms A. Hart, Director, Office of Local Government, Department for Housing and Urban Development.

Ms J. Burton, Acting Chief Operating Officer, Finance, Department for Housing and Urban Development.

Mr T. Pearce, Principal Adviser, Finance, Department for Housing and Urban Development.

The ACTING CHAIR: Welcome back, everybody. We are moving on to the portfolios of Office of Local Government, Outback Communities Authority and Local Government Grants Commission with the Minister for Trade and Investment in the Department for Housing and Urban Development. I declare the proposed payments open for examination. Would the minister like to make a statement and introduce his advisers?

The Hon. J.K. SZAKACS: Thank you, Chair. With me here at the top table are Mr David Reynolds, Chief Executive of the Department for Housing and Urban Development, and Alex Hart, Director of the Office of Local Government. I have other advisers with me as well: Trevor Pearce and Jane Burton.

In introducing them, I thank them and the Office of Local Government, the OCA and our statutory authorities and particularly also the broader DHUD department. With the machinery of government changes within this financial year that have seen the Office of Local Government come under the Department for Housing and Urban Development, we thank them very much for the smoothness of that transition and their diligence and commitment in the manner in which they undertake their work.

The ACTING CHAIR: Would the opposition lead speaker like to make a statement?

Mr TELFER: I will go directly to questions. Minister, thank you, and thank you to your staff in local government. Sadly, we only get an hour to unpack local government; it is a complex space

indeed. For the benefit of the Chair, I will be working from Budget Paper 4, Volume 3, predominantly pages 80 and 81. The overall program net cost of services summary is on page 78; I might start there with that table, but also where the numbers are extrapolated out on page 81.

Minister, the actual expenditure was \$5.6 million in 2023-24. The 2024-25 budget was put down to \$4.8 million; however, the estimated result is \$5.6 million. Can you give me an explanation as to those changes?

The Hon. J.K. SZAKACS: I am advised that the material input into that variance is grants and subsidies. The 2024-25 estimated result, compared with the 2024-25 budget, is a \$0.3 million increase due to a carryover of the unspent municipal services infrastructure initiative budget. Also the 2025-26 budget as compared with the 2024-25 estimated result is a half a million dollars decrease due to a \$0.3 million municipal services infrastructure completion and a \$0.25 million completion of funding to the Coober Pedy Taskforce.

Mr TELFER: The difference is in the grants and subsidies component of it, the \$300,000. The estimated result in 2024-25 is \$3.6 million, and then in the 2025-26 budget that is back down to \$3.1 million; is that reflective of an overall decrease in that aspect of that funding stream in particular as far as the grants and subsidies component that you spoke about?

The Hon. J.K. SZAKACS: No, it is more. It is the completion of some one-offs as well as carryovers that have impacted this financial year.

Mr TELFER: One-offs in the municipal delivery?

The Hon. J.K. SZAKACS: And also the \$250,000 allocation out of last year's state budget for the Coober Pedy Taskforce work.

Mr TELFER: Does the Coober Pedy Taskforce work not continue on?

The Hon. J.K. SZAKACS: The project and piece of work that that funded was acquitted in this financial year.

Mr TELFER: Looking at the employee benefit expenses, the 2023-24 actual of just over \$1 million, the budget of 2024-25 was \$843 million, but there was an estimated result of \$1.2 million, so an increase of \$400,000, all at the same time as a one FTE drop. So costs go up, FTEs go down. Can you give me an explanation as to why?

The Hon. J.K. SZAKACS: I am advised by the chief executive that previously under DPTI the allocation for annual leave, long service leave, and superannuation was held centrally. With the MoG and DHUD, that is then allocated out to business units within DHUD, so there is no material change other than the way that is accounted for within the program.

Mr TELFER: It is more included within all the long service obligations, etc., as opposed to the 2024-25 budget when it was within DPTI?

The Hon. J.K. SZAKACS: That is correct.

Mr TELFER: The one FTE drop in the budget from the estimated, which part of the program was that out of?

The Hon. J.K. SZAKACS: I am advised that the FTE reduction is accounted for by a resource that was temporarily allocated to the Office of Local Government from the Department for Infrastructure and Transport when the Office of Local Government was within DIT, so there has not been a service delivery or program delivery impact as a result of that FTE.

Mr TELFER: What was that temporary allocation tasked with in the Office of Local Government?

The Hon. J.K. SZAKACS: I am advised general assistance.

Mr TELFER: Is there an external obligation on the remaining 10.5 FTEs? It is a 10 per cent drop in the FTE, so this administrative work that they were doing is that now either not being done or on the shoulders of the remaining?

The Hon. J.K. SZAKACS: I am advised that piece of work or the duties and responsibilities have been well and truly picked up through the corporate team of DHUD, for which there has not been an additional allocation of resources. But as advised by the chief executive, the DHUD corporate team are providing those service inputs into the OLG.

Mr TELFER: Can you give me a breakdown of what the 10.5 FTEs do as far as responsibilities in OLG?

The Hon. J.K. SZAKACS: I can advise that there is the FTE, of course, attached to the director of the Office of Local Government, then there are FTE responsibilities; workload, etc., apportioned and related to government policy units; policy officers; legislation; principal project officers; senior policy officers; senior project officers for boundaries, administration and corporate support; the Outback Communities Authority, a statutory authority; as well as the municipal services and Aboriginal lands program.

Mr TELFER: So does that one FTE feature those—

The Hon. J.K. SZAKACS: Some of those have multiple FTE.

Mr TELFER: Can you inform the house as to which of those positions have multiple FTEs allocated to them?

The Hon. J.K. SZAKACS: Yes. I might take that on notice just to get the most up-to-date allocation.

Mr TELFER: Thank you, I appreciate that. The beauty of having a small team is you can break it down into individual.

The Hon. J.K. SZAKACS: It goes to the fraction of an FTE.

Mr TELFER: Indeed. Minister, continuing on with page 80, I have been reflecting somewhat as this is the fourth estimates period before I become the local government minister, I guess, at the next election potentially.

Looking at targets that have been aimed for and achieved or otherwise through previous budgets, minister, in 2023-24 targets, for instance, there was an undertaking to review the 2022 local government periodic elections and consider legislative reforms. That was in 2023-24. In 2024-25 there was a target to finalise the review of the 2022 local government periodic elections and consider measures to enhance community engagement. So, not quite a copy and paste, but close to. Then in 2025-26 again we see the target to complete the review of the 2022 local government periodic elections and finalise the introduction of a community engagement charter. The question is, minister: how long does it actually take to do a review of the 2022 local government periodic elections? It has been three budgets in a row where it has been the target.

The Hon. J.K. SZAKACS: I think perhaps the first part of the member's question or more of a statement about his confidence—

Mr TELFER: Yes, you do not need to respond to that.

The Hon. J.K. SZAKACS: No, I would just give the member the respect that it requires. I would be happy to respond to that. No.

With respect to 2022-23 and 2023-24, particularly 2022-23 financial year, I am not in a position to be able to comment, reflect or provide significant advice. With respect to the elections review, I can advise the member that it is my strong expectation that the parliament will have before it this calendar year a bill that pulls together that piece of work that has been done, now informed by the completed review of the Electoral Commissioner. With respect to that, we have been working closely with the sector and satisfied that will provide ample time for any material changes to be worked through and implemented by the 2026 periodic elections.

Mr TELFER: Has the Office of Local Government's review of the 2022 local government periodic elections been completed?

The Hon. J.K. SZAKACS: Yes, that was completed some time ago.

Mr TELFER: Why then is it one of the targets for 2025-26?

The Hon. J.K. SZAKACS: With respect to the way that is noted in the budget papers, I am advised by the director that that is in anticipation or reflection of the fact that the 'completion' of that also includes bringing forth any amending bill to the parliament, of which the member would appropriately understand.

Mr TELFER: You could have perhaps reflected the targets from 2023-24, which did include considerable legislative reforms. That was two years ago. The targets for 2025-26 talk about the completion. So the review of the 2022 local government elections within OLG has been completed, and the consideration now that you are undertaking is in response to that long-awaited review and what legislative amendments may be considered by the parliament.

The Hon. J.K. SZAKACS: Absolutely. Yes, it has also been, as I said, informed by the receipt in the 2024-25 financial year of the very important report of the Electoral Commissioner into the 2022 periodic election. It would be both improper but also futile to consider legislative reform or a bill without contemplating both of those pieces together. They are, of course, now both public; and, yes, the strong anticipation, strong expectation, is that that will inform any amending bill before the parliament this year. That is a piece of work that the Office of Local Government is quite deep into already.

Mr TELFER: Why did it take so long for the Electoral Commissioner to complete the ECSA review of the 2022 periodic elections?

The Hon. J.K. SZAKACS: That is not something I can answer for him. I am not sure if that has been asked of the—

Mr TELFER: You did not seek an explanation from him as to why?

The Hon. J.K. SZAKACS: I can put to you what he has put to me, but I cannot speak for the Electoral Commissioner is my point.

Mr TELFER: What was the advice that you received?

The Hon. J.K. SZAKACS: The advice that I received from the Electoral Commissioner is that the volume of work of the Electoral Commission was such that it was not as prompt as we had previously seen from the Electoral Commissioner. That involves everything like contested elections, well-ventilated process errors from the Electoral Commission at the First Nations Voice election, and a number of by-elections. I have lost count of how many by-elections, but there were a number of by-elections. That was the information that the Electoral Commissioner provided me.

Mr TELFER: So it was a resourcing issue for him?

The Hon. J.K. SZAKACS: It was not articulated that way, no.

Mr TELFER: I thought that was what you were reflecting: there was a body of work but he did not have the resources?

The Hon. J.K. SZAKACS: Again, it is difficult for me to comment on that nuance. I do not resource the Electoral Commissioner, so it is not something that was a material conversation between me and the Electoral Commissioner.

Mr TELFER: When we ask the minister who is responsible to the Electoral Commission about local government elections, he always points us to this session, so I am trying to get a bit of insight.

The Hon. J.K. SZAKACS: Okay. I am not in the business of articulating and speaking to every conversation I have with every person, but I am being very frank with the member: that is the information that the Electoral Commissioner has provided to me. I thank him for his work and for the important periodic report that is provided. It is informative, and it will inform strong consideration by the government as we move this forward.

Mr TELFER: So local government puts in considerable resourcing. It costs councils and their communities a significant amount of money for the Electoral Commission to run periodic elections, and the whole process that goes with that. As the local government minister, do you find it

satisfactory that they have had to wait three years until after a periodic election for there to be a review for a service that they have paid significant amounts of their own funding for? Is this something that is acceptable?

The Hon. J.K. SZAKACS: It is not for me to opine on that, but I have certainly had feedback from members of the sector who would be very much hoping for an earlier report. There has also been—

Mr TELFER: It is the latest it has ever been after an election.

The Hon. J.K. SZAKACS: There have also been members of the sector leadership—mayors, chief executives, members of the LGA—who have quite reasonably understood that there have been matters that have been significantly out of the control of the Electoral Commissioner that have led to, as he has put to me, delays in the finalisation of that report. I think it is very reasonable—and not just by-elections, but other material matters that have been prioritised importantly by the Electoral Commissioner.

I say this not to provide any sort of reflection that I do not think that the member feels exactly the same way—in fact, we both do—but we do appreciate the work of the Electoral Commissioner, the strength of our elections and the independence of the Electoral Commission. I also appreciate the frank and fearless advice that public officers always receive from the Electoral Commissioner, and I have every faith that it will continue.

Mr TELFER: You touched on it a little bit, but you are confident, and the advice that you have received gives you that confidence, that there will be enough time to be able to not just consider potential legislative change but also deliver it and have the capacity for councils to be able to be appropriately prepared before their 2026 periodic elections?

The Hon. J.K. SZAKACS: Yes, the advice I have received gives me that significant confidence, absolutely. That has been the material undertaking in discussions that we have been having with the OLG and that the OLG has been having with the sector. I am in no position to speak on behalf of the parliament, but suffice to say that, subject to the normal processes of this parliament and government, we have every expectation and confidence that that will be the case.

Mr TELFER: Obviously, come budget time councils have to start to consider allocations themselves. Within some of the recommendations from the Electoral Commissioner, in particular, there was commentary around the timing of elections and that sort of thing. They are pretty significant potential changes that the Electoral Commissioner has put out there. I am only surmising what the anticipated response from the government might be, but they are pretty significant potential suggestions.

The Hon. J.K. SZAKACS: I can perhaps give the member some confidence about one of the most material changes, that may be moving the election to 2026, the periodic election will be occurring as per what the act says.

Mr TELFER: Minister, you spoke a bit about and reflected on the importance of a strong and rigorous process when it comes to elections. What has been the minister's response to the decision made in the Court of Disputed Returns' finding that illegal practices affected the Adelaide City Council 2022 periodic election?

The Hon. J.K. SZAKACS: First and foremost, I am appreciative of the consideration of the matter by the court. I am in no place to provide any opinion on their findings, other than that they are sound, they are rigorous and we thank them. There is nothing more important than public confidence in elections—federal, state, local. It is an absolute pillar of our democracy and we both receive and take a whole series of privileges and latitudes as public officers and leaders thanks to the strength and integrity of our system. We need to do all that we can to ensure that that is consistent and remains.

That is what gives me faith that the court has, through processes available to it and through processes available, determined exactly that. I also acknowledge the quick work by which the Electoral Commission and the City of Adelaide has turned around and gone back to the community now to ensure that their voices continue to be represented.

Mr TELFER: They have to because they lost four of their councillors.

The Hon. J.K. SZAKACS: No, but they have been timely.

Mr TELFER: The process has hardly been quick, it is fair to say. It was a 2022 election and this is now mid 2025.

The Hon. J.K. SZAKACS: Within the timeframes that have been available to all parties involved since the decision, I am very mindful and note that they are quick to progress. As the member rightly says, there is nothing more important than ensuring that those voices within that constituency are heard and represented.

Mr TELFER: Talking frankly, the reality is that it was an outrageous indictment on the process. I am not appointing blame, but the outcome that was provided was something that we should not be accepting at all. Within the Electoral Commission's election review, he published his election review and gave it to you prior to the findings of the Court of Disputed Returns. Thus, he made no commentary on recommendations that may come from that outcome. Has that outcome informed your review and potential development of legislative change over and above what the Electoral Commissioner put in his formal election review?

The Hon. J.K. SZAKACS: The timing of the Electoral Commissioner's report in respect of how that intersects with the findings of the court will not in any way, shape or form impede the considerations of government. It will not surprise you that I will not disclose them at the moment but, yes, we are actively considering matters that go to ensuring there remains the highest degree of public confidence in elections.

Mr TELFER: Specifically regarding those arrangements, who are you receiving advice from—over and above what the Electoral Commissioner has put in his report—when it comes to consideration?

The Hon. J.K. SZAKACS: We have the strength of an Office of Local Government and a whole series of other agencies and authorities within the government, as well as external and third parties.

Mr TELFER: Are you confident that there was no process or oversight from the Electoral Commission regarding that case that needs significant change?

The Hon. J.K. SZAKACS: As I have already said, I note the court's findings. They have made a series of findings and there is no reason for me—or, frankly, anyone in public office—to question those.

Mr TELFER: I am not questioning the findings; I am questioning—

The Hon. J.K. SZAKACS: Insofar as they have made a suite of observations, and they are sound and they are directly informing the government's and my commitment to ensuring that we have the highest degree of public confidence in elections. There is no room to equivocate on this and we will not do that.

Mr TELFER: What was the minister's response to the decision of the Court of Disputed Returns regarding the finding that errors in the Electoral Commissioner's computer software settings affected the outcome of the 2022 periodic election for the Adelaide Plains Council, where we saw two elected members put into place in council? There was an extended lag time before that error was actually discovered and rectified, and that community quite rightly feels aggrieved by that process.

The Hon. J.K. SZAKACS: I was concerned, absolutely. I have been entirely consistent with the Electoral Commissioner, who has apologised for the impact of the error on the respondents, and particularly the Adelaide Plains Council which this disrupts. It is the strong expectation of government that processes are sound, rigorous and de-risked. I trust and certainly have every confidence that both the post-event review and also the findings will inform really strong and rigorous processes and systems moving forward, without a similar risk of error.

Mr TELFER: Once again, in the local government review from the Electoral Commission there was not any sort of detail within that reflecting on that. As someone observing the long-awaited

review, for which we waited for a significant period of time, for it not to touch on those two matters in particular—which had significant ramifications for those local communities in particular—obviously there needs to be consideration of changes and reviews not just in the procedural parts of what ECSA do but in your consideration of legislative change, potentially. Who is informing you? Is it over and above the Office of Local Government on some of the details of what changes could be considered, especially for those two aspects in particular?

The Hon. J.K. SZAKACS: Not just any specific aspect, but to go to the member's question around the breadth of government agency support to provide advice to ministers and ultimately to cabinet, that goes across into Crown law and into Crown counsel. It goes into the Attorney-General's Department, of course, which the Office of Local Government is working closely with.

This is no different—albeit it is probably different in its impact—than the changes on donation reform that our government brought to the parliament, and multiple agencies, including engagement with the commission, the AGD and the Crown, informed that piece of work. That piece of work went to cabinet and cabinet, through the minister, brought it here.

Mr TELFER: That is something that is proactive. This is in response to categorical failings and errors made through process. Are you aware of what the total cumulative cost to both the state government and local government has been due to the mistakes, the errors, the procedural oversights during the 2022 local government periodic elections? Has that body of work been done, and if not, will it be done as part of the review of the process?

The Hon. J.K. SZAKACS: I do not have that information. I will see if I can take that on notice. If we do have the information available I will obviously provide it to the member. With respect to the first part of the member's question regarding errors, we concur that errors are not just regrettable but should be avoided at all costs. I am not certain or persuaded at all that any piece of law stops errors occurring. Certainly frameworks—but more so policy frameworks—need to be rigorous, and those policy frameworks and internal mechanisms need to be rigorous so as to minimise the likely occurrence of errors and also the impact of those errors should they occur. But a piece of law will not stop an error occurring, or it will not cause an error to occur.

Mr TELFER: What undertakings have you received from the Electoral Commissioner, or what ramifications for those errors have there been and what are the potential changes to the way they go about it? The shrug of the shoulders thing 'hopefully it doesn't happen next time' is probably not acceptable to communities.

The Hon. J.K. SZAKACS: I certainly have not had any sense of a shrug of shoulders?

Mr TELFER: What undertakings have you received from the Electoral Commissioner, in particular, when it comes to these processes?

The Hon. J.K. SZAKACS: I should say that much of this engagement was well and truly before my swearing in as minister. These are errors that occurred well and truly before my time and the remedial actions and rectifications of those errors took place before I was minister. But I am entirely satisfied and have the highest degree of confidence in the Electoral Commissioner both understanding the impact of these errors and also putting in place internal measures—for which he does not account to me—which mitigate against the risk of future errors.

Today we are examining local government line items, but the need and desire and assurance that we seek is consistent across all layers of elections, and there are many. We have just had a very smooth federal election. Much of the staff of the South Australian Electoral Commission were deployed across to the AEC. They do great and important work and democracy is strong here, but it needs to be treated with the highest amount of respect, and we certainly do so.

Mr TELFER: I move on to the next subject matter. As the minister responsible for the Local Government Act 1999, which provides for that strategic management advice scheme currently conducted by ESCOSA—and obviously as the minister receiving advice from the OLG on the merits of that advice scheme—are you satisfied as those reviews are being received by both you and local government that the process that has been developed by ESCOSA is appropriate in its scale and scope?

The Hon. J.K. SZAKACS: I am and I have also seen and been advised, independently, internally and externally, about the positive evolution of the engagement between ESCOSA and the sector. Certainly one of the first things that I did on becoming minister was to meet with ESCOSA and the sector, both of which independently raised with me the tenor and nature of the engagement across the early years of the advice scheme.

I set a high degree of expectation on ESCOSA that the highest priority should be put on strong collegial engagement with local government. Where that can improve, we are very willing to ensure that we support the sector and support ESCOSA in doing so, but I am certainly satisfied with the merits of the scheme, the legal framework behind it.

Mr TELFER: Are you aware of whether there are any councils that have thought the advice that they have received in the first three tranches from ESCOSA is advice that they were not already aware of? Are you aware of any positive outcomes for South Australian ratepayers as a result of the findings of the ESCOSA processes for those three tranches?

The Hon. J.K. SZAKACS: I think there is absolute value for South Australian ratepayers to have independent oversight of the strength of the financials of their local government—absolutely. Are there councils that have said to me that they do not need it? Absolutely.

Mr TELFER: Are you happy with the flat fee of \$40,000 per council, where it does not vary with budget sizes? There is a lot of difference between assessing a \$3 million District Council of Franklin Harbour budget through the ESCOSA process as opposed to the hundreds of millions of the Onkaparinga council, for instance.

The Hon. J.K. SZAKACS: It is a really good question, and it was one of the earlier questions that I asked as well: how is this apportioned? It is always open to the sector. The LGA and its constituencies rejected a progressive scheme by which those costs would be differently apportioned. Franklin Harbour would be having a small input, and a larger council with a much larger rate base and balance sheet would be paying a bit more. That was rejected. As minister—

Mr TELFER: It is pretty hard with a membership organisation of all 68 councils to make that decision. It is something which—

The Hon. J.K. SZAKACS: I have run membership organisations, and—

Mr TELFER: Where their influence is varying, to those extremes?

The Hon. J.K. SZAKACS: Yes; as have you, member.

Mr TELFER: Indeed. The question is: do you think that \$40,000 is fair and equitable across the councils?

The Hon. J.K. SZAKACS: I do not believe that the \$40,000 across four years, 10,000 per annum, is a disproportionate, unfair or significant impost upon the balance sheet of local councils.

Mr TELFER: Ten thousand a year is half a per cent of rates in some council areas.

The Hon. J.K. SZAKACS: It is. Would I support a re-litigation of the progressive implementation of that costing scheme? I would, yes.

Mr TELFER: We are approaching the final tranche of council reviews, the fourth of the four. What is the government's response to the significant number of councils in South Australia that have received a report from ESCOSA that they are either unsustainable or potentially unsustainable? What is the government's response? What does all this mean, in the end, for local communities?

The Hon. J.K. SZAKACS: There is a response to that part. There is also the confidence with which the government and, by defacto, ratepayers see in those councils that are performing with confidence. There is also the underlying strength here of the scheme, which is now three-quarters of the way through, giving the confidence to ratepayers for this oversight. This is the level of government that can ensure, in most instances, it is most connected to community. The standards under the legislative framework mean that councils are accountable to their communities in doing so, and without that detailed compliance oversight from the state government through the scheme, they

would not be able to. The state government, through the Office of Local Government, has worked closely with the LGA for some time now.

Mr TELFER: The question is probably around what the financial response is from the state government. What I hear, and I am sure you probably hear it as well in so many communications, is that through this process councils are finding out information that they already know about the challenges they are facing with their finances. It is shining a spotlight, and the words 'unsustainable' and 'potentially unsustainable' are pretty strong terms. What is the state government's financial response? What are you doing over and above what you would ordinarily do in response to having councils that are unsustainable or potentially unsustainable?

The Hon. J.K. SZAKACS: I appreciate the tenor of the member's questions. It is not for the state government to be financially responding. We are sitting here today, and have been for the last week, examining our budget. There are risks and opportunities for our own budget, which have been examined through the estimates. That is what we are focused on.

As for the broader fiscal approach and sustainability question, it remains before the commonwealth. I am, as the sector is and frankly as other states are, eagerly awaiting the completion of the review by the Parliament of Australia. We have an opportunity with a returned mandate for the federal Albanese government, and I am very pleased to see the return of Minister McBain as well into this portfolio for a stepping up of the commonwealth portion of funding. We have publicly advocated for that. We have publicly submitted that.

Mr TELFER: You have publicly advocated and submitted for an overall increase? You have made those personal representations to the minister?

The Hon. J.K. SZAKACS: Yes.

Mr TELFER: So rather than an altering of the proportions, it is an increase of the total—

The Hon. J.K. SZAKACS: Yes. I think it is really important. The position that I have taken and the position that the cabinet has taken is that we do not support a change of the alignment of the way that things are allocated, a bottoming out or a topping out: the pot should be bigger. We have taken public and in our submission a no worse off test. There should be no council that is worse off through any of these changes.

Mr TELFER: Has the body of work been done within your organisation, within OLG, or have you received advice to look at other states in the way that they apportion it out? I get that no council should be worse off. I absolutely agree. But if that does not happen, are there other ways to apportion the funding of those financial assistance grants? Are there better ways to do it that other states are doing?

The Hon. J.K. SZAKACS: It was a really informative piece of work that was undertaken to inform the submission on behalf of the state government to the federal review. I am aware of slightly different approaches, some supported, some not. It is not surprising in public policy that you have some over here that love it, some over here that hate it and people in the middle who kind of roll with it. I would not say that we are closed to any idea. I would not say that we are actively considering any changes. The question, certainly it has been advocated to me, has been far less around changing the methodology and far more in support of an overall uptick of funding into the sector that supports the existing allocation methodology.

Mr TELFER: Moving on to the grants commission and specifically the boundaries commission work that has been done, there are not too many questions about the grants process when it comes to estimates, although I love it. On the boundary stuff in particular, how many council boundary proposals is the boundaries commission currently considering?

The Hon. J.K. SZAKACS: There are currently six in total.

Mr TELFER: How many boundary proposals has the boundaries commission completed in the last five years?

The Hon. J.K. SZAKACS: I am seeking advice. It is probably outside of the budget line but also certainly some years before I was the minister. Since its commencement in 2019, the

commission has received 17 proposals. Of these, six proposals, as I said, are currently under consideration. Nine did not proceed as they either did not meet statutory requirements or were withdrawn, and two have been completed.

Mr TELFER: Which are the two that have been completed?

The Hon. J.K. SZAKACS: There was one that did not proceed, which was a realignment between Barunga and Copper Coast, and one that did proceed, which was a realignment between Onkaparinga and Marion.

Mr TELFER: So there were two completed: one proceeded, one did not. What are the six that are currently being considered?

The Hon. J.K. SZAKACS: The six that are currently being considered are the initiated proposal by the Campbelltown City Council; the initiated proposal by the Town of Gawler; a joint council-initiated proposal from the City of Burnside and Adelaide Hills Council to address a boundary anomaly; an administrative proposal from the City of Playford and the Town of Gawler in relation to the council boundary along Dalkeith Road; there is a public-initiated proposal from Seaclyff Developments in relation to the boundary between the City of Holdfast Bay and the City of Marion; and there is a further public-initiated proposal from the Truro and District Community Association that the townships of Dutton and Truro move from Mid Murray Council to The Barossa Council.

Mr TELFER: How many of these have been started in the last 12 months?

The Hon. J.K. SZAKACS: Just to define for the purposes of my answer as to whether it has been started or initiated, I will define it as having been received by the—

Mr TELFER: Received and initiated, yes.

The Hon. J.K. SZAKACS: The joint council-initiated proposal from the City of Burnside and Adelaide Hills Council has been received. The administrative proposal by the City of Playford and the Town of Gawler has been received in the last 12 months. The public-initiated proposal from Seaclyff Development has been received. The public-initiated Dutton and Truro proposal has been received as well.

Mr TELFER: One of the targets on page 80 is to finalise inquiries from the Town of Gawler and Campbelltown City Council. When will the inquiry into the boundary proposal from the Campbelltown City Council be completed?

The Hon. J.K. SZAKACS: Sorry, was that Campbelltown City Council?

Mr TELFER: Campbelltown, yes.

The Hon. J.K. SZAKACS: For Campbelltown City Council, the community consultation closed on 20 June 2025, and I am advised that the investigator is now completing the draft inquiry report.

Mr TELFER: When do you expect that to be completed?

The Hon. J.K. SZAKACS: This financial year.

Mr TELFER: So before this time next year, it will be completed?

The Hon. J.K. SZAKACS: It depends when estimates is next year.

Mr TELFER: I will wait and see if it is in the targets next time. How long has this one—Campbelltown—been going on for, minister?

The Hon. J.K. SZAKACS: I can provide some detail on that. The stage 1 potential proposal was received from the Campbelltown City Council in 2019. The commission then, in May 2019, determined that Campbelltown City Council could submit a stage 2 boundary change general proposal. In 2022, the Campbelltown City Council then ultimately submitted a general proposal to the commission—so about three years later, the council submitted that. Further in 2022, the commission requested further information from the council.

In October 2022, the commission consulted affected councils on the draft inquiry plan and then, following an open tender and procurement evaluation process, the commission advised Campbelltown City Council of their cost estimate. The Campbelltown City Council, in that same month, accepted the cost estimate and agreed to proceed—

Mr TELFER: What was that cost estimate? Do you have that there?

The Hon. J.K. SZAKACS: In the order of about \$170,000. In February 2024, the commission appointed BDO Services as the investigator, and the investigation commenced in late 2024. As I then walked through, from May through June, community consultation occurred.

Mr TELFER: So it started six years ago and ramped up three years ago. BDO were put in place in February but they did not start until the end of the year?

The Hon. J.K. SZAKACS: Yes.

Mr TELFER: It is a long lead-in time for a consultant.

The Hon. J.K. SZAKACS: I asked the same question and I was satisfied that the work of— BDO are a very good operator. To some members of the community and councils it was a bit frustrating that it was this slow.

Mr TELFER: Are you confident that BDO have the capacity to be able to do it?

The Hon. J.K. SZAKACS: Yes. Rightfully so, I sit entirely independent of the commission in respect of them appointing BDO, and I trust their processes entirely. The six years that the member referred to I think is probably just—

Mr TELFER: Three years of the actual process, six years when that first—

The Hon. J.K. SZAKACS: Councils will undertake their own timeframes. Three years, I have no reason to know whether that is—

Mr TELFER: This is the bit where I can see why communities are getting frustrated. It is sort of hanging over those affected ones in particular and not knowing from year to year where things are going to end up. Likewise with the town of Gawler proposal, when is that going to be completed and what is the cost estimate that was given to them?

The Hon. J.K. SZAKACS: With respect to one of the parts of the member's question around the cost estimates, I believe in the order of about \$180,000.

Mr TELFER: And same with the \$170,000. These are the amounts that the Grants Commission have informed the council it will cost them to proceed with that next step?

The Hon. J.K. SZAKACS: The whole step, that is correct.

Mr TELFER: That is the cost for the council?

The Hon. J.K. SZAKACS: The Boundaries Commission, that is correct, yes. With respect to when I expect completion, I have been advised that the Boundaries Commission are endeavouring to complete their inquiry and to then provide advice to me as the minister in, I think, early August. So in the next couple of months.

Mr TELFER: So you are expecting that one before the Campbelltown one?

The Hon. J.K. SZAKACS: Yes. Insofar as the Boundaries Commission are further advanced, and that is what has given me the satisfaction of knowing, based upon their advice to me, when they would anticipate being able to provide me with their recommendations.

Mr TELFER: Does the total cost of the Boundaries Commission inquiries get covered by councils?

The Hon. J.K. SZAKACS: Yes.

Mr TELFER: To its entirety, so it is a cost-neutral operation for the Boundaries Commission?

The Hon. J.K. SZAKACS: Where those proposals are initiated by council, yes. There are others that I have referred to in my question from the member around privately initiated or otherwise, they are then covered by other parties. But yes, when they are council initiated, that is fully covered.

Mr TELFER: How much money has been allocated to the grants commission from the state government to consider other proposals that are not instigated by councils?

The Hon. J.K. SZAKACS: I'm sorry?

Mr TELFER: How much money has been allocated in the budget to do that work that is initiated by the public rather than the ones initiated by council?

The Hon. J.K. SZAKACS: I am advised that there is no specific account for those. The publicly initiated ones, being relatively minor in nature, are managed within the existing resources of the commission.

Mr TELFER: As always, we could spend hours on local government. Sadly, I only get one. I am just going to quickly jump into a couple of other subject matters. The Outback Communities Authority, in particular: is the strategic blueprint for Outback SA completed?

The Hon. J.K. SZAKACS: Yes, it is in the final stages of consultation.

Mr TELFER: It is not completed, but close?

The Hon. J.K. SZAKACS: Close, yes.

Mr TELFER: When will that be made public?

The Hon. J.K. SZAKACS: I do not have a date, but I have no reason to think not in the next—it is a matter of weeks, not months.

Mr TELFER: Does it contain anything different from the Outback Futures report recommendations?

The Hon. J.K. SZAKACS: It is a more comprehensive piece of work. I do commend the OCA on this. They have done an outstanding piece of work. There is very good community engagement. As a statutory authority they rightfully have their own processes and consultations to undertake. We have been very proud and I am very pleased as part of this budget across five years to secure an additional \$1 million into supporting outback community infrastructure that will be informed then by the blueprint, by the priorities of communities as they continue to be engaged. I do commend the piece of work. I have been briefed by the OCA on the work. It's comprehensive, I think.

Mr TELFER: I have happened to be in some of my communities when the consultation process has been happening. How much money was allocated to develop and complete the blueprint itself?

The Hon. J.K. SZAKACS: I will come back on notice to correct this, but I anticipate it would have been within existing resources, that there would not have been a specific allocation—a specific new allocation—out of the budget.

Mr TELFER: Has there been an allocation to deliver on any recommendations of the blueprint?

The Hon. J.K. SZAKACS: No. The budget cycle has deliberately sought and, as I have already mentioned, has been very deliberate in prioritising what we think is a capacity building for economic development and also community resilience across the outback communities in additional funding of \$1 million. That will be disbursed across, in addition to existing programs, so that will go materially and deliberately—

Mr TELFER: Will the blueprint inform that allocation or is the blueprint just a bit too far behind?

The Hon. J.K. SZAKACS: No, the blueprint will. Certainly the community engagement and the prioritisation that has been elicited from the blueprint consultation will go to inform the triaging of these projects. Look, we are like every government constrained by fiscal realities and there will always be a triaging of projects and a prioritisation of projects, but the body of work that has informed

that and the diligence with which the OCA have led that. Particularly the chair of the OCA—and I really thank her for her work—has been a great investment.

Mr TELFER: In the last couple of minutes, just a quick couple of questions on the State-Local Economic Partnership Accord. When will that be completed? Is it being led and developed by OLG?

The Hon. J.K. SZAKACS: This has been a collaborative effort through a couple of different government agencies. In terms of when that will be finalised, I expect in the very near future. It has been—

Mr TELFER: Within weeks, months?

The Hon. J.K. SZAKACS: Weeks, not months. Certainly the finalisation has been subject to the completion and the passage through this place of the Coordinator-General legislation, which has been an important, informative piece of work, and access to it—so it has slowed it down and I will be very honest with the member, I think before I reflected on how I am no-one to judge the will of the parliament, it took a bit of time. I would have liked to have got this done a bit earlier.

Mr TELFER: Yes, indeed. It is another one that has been on the targets every single budget as we roll along.

The Hon. J.K. SZAKACS: Well, in your words, when you say that you are going to be back here next year as the minister, I do not think that anyone will be asking you that one.

Mr TELFER: The member for Newland can ask me questions as the shadow minister perhaps. What role does the OLG have in regard to that Coordinator-General role and responsibilities? What will OLG be doing specifically? There is some ambiguity in the sector about that local government involvement directly. Can you, in a minute, give me a—

The Hon. J.K. SZAKACS: It might be a question where I seek some advice more materially from the chief executive of DHUD. The short answer, in the time allocated, is it is a work in progress and the finalisation of the appointment of the Coordinator-General and the allocation of a minister who I believe has been already elicited through the committee process will inform the way that DHUD and then OLG engage with that.

Mr TELFER: Will there be a local government representative on the CGO or would it be making recommendations to the CGO?

The Hon. J.K. SZAKACS: Yes, I am advised there will be a sufficient function within the CGO that will enable the initiation by councils.

Mr TELFER: Thank you very much, and thank you for the opportunity to be able to look at local government. As you swap over, I might do the omnibus questions. Thank you to all.

The Hon. J.K. SZAKACS: Thank you.

Mr TELFER: The omnibus questions are:

1. For each department and agency reporting to the minister, how many executive appointments have been made since 1 July 2024 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 2024 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 2024?
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 2024, listing the name of the consultant, contractor or service provider, 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 2025-26 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 2025, 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 2025-26 and each year of the forward estimates, and what is the estimated FTE impact of these measures?

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

- (a) What was the actual FTE count at June 2025 and what is the projected actual FTE account for the end of each year of the forward estimates?
- (b) What is the budgeted total employment cost for each year of the forward estimates?
- (c) 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 2025-26 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 2025-26 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 2025-26?

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 2024 and budgeted expenditure for 2025-26, 2026-27 and 2027-28.

14. For each grant program or fund the minister is responsible for, please provide the following information for the 2025-26, 2026-27 and 2027-28 financial years:

- (a) Name of the program or fund;
- (b) The purpose of the program or fund;
- (c) Budgeted payments into the program or fund;
- (d) Budgeted expenditure from the program or fund; and
- (e) 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:

- (a) Is the agency confident that you will meet your expenditure targets in 2025-26? Have any budget decisions been made between the delivery of the budget on 5 June 2025 and today that might impact on the numbers presented in the budget papers which we are examining today?

- (b) Are you expecting any reallocations across your agencies' budget lines during 2025-26; if so, what is the nature of the reallocation?

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

- (a) What South Australian businesses will be used in procurement for your agencies in 2025-26?
- (b) What percentage of total procurement spend for your agencies does this represent?
- (c) How does this compare to last year?

17. 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?

18. How many procurements have been undertaken by the department this financial year. How many have been awarded to interstate businesses? How many of those were signed off by the CE?

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

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

The ACTING CHAIR: The allotted time having expired, I declare the examination of the Office of Local Government, the Outback Communities Authority and the Local Government Grants Commission complete.

DEFENCE SA, \$20,909,000

Minister:

Hon. J.K. Szakacs, Minister for Trade and Investment, Minister for Local Government, Minister for Veterans' Affairs.

Departmental Advisers:

Mr M. Opie, Chief Executive, Defence SA.

Mr P. Murdock, Director of Finance, Defence SA.

Ms B. Wheeler, Director, Veterans SA.

The ACTING CHAIR: We now move to the Veterans SA portfolio with the Minister for Veterans' Affairs. I declare the proposed payments open for examination. Would the minister like to make a statement and introduce his advisers?

The Hon. J.K. SZAKACS: Thank you, Chair. I am very pleased to introduce them. With me today as advisers are Mr Matt Opie, Chief Executive of Defence SA; Bianca Wheeler, Director of Veterans SA; and Peter Murdoch, Director of Finance at Defence SA. In opening, can I put on the record my thanks and gratitude and acknowledgement of all those South Australians who have served, who do serve and also note those who will serve. I thank them for their service, I thank them for their sacrifices and I thank them for their ongoing commitment to improving the lives of veterans.

I also make a special acknowledgement and thank the families of those who love veterans and those who support veterans. I thank them for their service. They are often overlooked, but

certainly for the efforts that our government is making, we seek to demonstrate a real and material support and acknowledgement of the service of the families and communities of veterans as well.

Mr PEDERICK: I, too, would like to recognise and commend the service of past, present and future service men and women for what they do for this country, what they have done and what they will do. I certainly acknowledge all the others—family, friends and associates—who support that service, especially as we are in interesting times at the moment. I will get into questions on Budget Paper 1, Budget Overview, page 26. Minister, can you explain the Veterans SA Industry Integration and Partnerships program a bit more?

The Hon. J.K. SZAKACS: Yes, I am very pleased to. I am also very pleased to note and acknowledge this significant new investment in our state budget to the integration, transition and support of veterans and their families in our community. Materially, the program aims to boost employment opportunities for South Australian veterans by partnering with high-demand industries, whether that is those that are linked to projects of national interest, like AUKUS or further associated defence industries, or other materially important industries and employers. What we seek to do is create veteran-friendly pathways that continue to position South Australia as a national leader in veteran workforce support.

There is no doubt that the future wellbeing and future prosperity of veterans is and will be intrinsically linked to the future prosperity of South Australia. In fact, in other estimates just today, I was reflecting upon the challenges that we have in South Australia from an economic growth perspective, not being now materially around new jobs or a new jobs crisis but it is in fact finding a workforce that is both skilled, available and supporting those industries, particularly in regional communities.

A couple of weeks ago I was speaking to a couple of key industry leaders from Eyre Peninsula, in the member for Flinders' electorate, where significant investment is going into capital growth, with CH4 being one. It was really excellent to be able to have a conversation with CH4 in my dual capacity as Minister for Veterans' Affairs and also Minister for Trade and Investment around, 'Hey, have you thought about veterans?' They had not, and that is probably an encapsulation of what this program seeks to do: providing ready-made support to better match what, in my view and the government's view and the community's view, is an excellent workforce in veterans and those who have recently transitioned into industry and areas of focus that are either struggling for workforce or matching them with high-quality work, well-paid jobs and secure employment.

We know from all the research that one of the reasons that veterans can struggle or find the transition from service to non-service difficult is the drop in security of employment and the drop in pay. If we can approach that head-on, we can go a long way to improving the wellbeing of veterans. It is also really important that, as I think we have done in the last 12 months as a government, we find a way to walk with ease between commemoration—looking back to remember the stories and to tell the stories—and also committing ourselves to ensure that we invest and dedicate ourselves to the lives of those who serve and who have served.

This new funding, which has been on top of new funding from last year—\$500,000 a year across the forward estimates, baked in—gives Veterans SA and supporting partners much more capacity. Now what we have to do is continue to work within the employer network, which is continuing to grow and thrive, to put the community's words into action. We talk about remembering service and we talk about being thankful and grateful for service; the best way we can do that is help make the lives of veterans today better for our intervention.

Mr PEDERICK: How does the Industry Integration and Partnerships Program differ from the South Australian Veteran Employer Network, or is it essentially an extension of that initiative?

The Hon. J.K. SZAKACS: It is not an extension, but it complements. The Veteran Employer Network is a network of 47 employers who are committed, often through their own resourcing, to supporting veterans programs. Some are big and bold about it. We see amazing, supportive, well-funded and resourced veterans transition programs from defence primes—for example, Boeing and SAAB, just to name a couple—and then we have smaller, more ad hoc opportunity relationships that Veterans SA forms with employers that are around that one-on-one case management and matching.

What we will seek to do is to leverage off the existing employer network—build it and grow it and directly fund programs through this \$250,000 per annum recurrent—but also be able to go out to the sector more broadly and seek co-design of programs.

I continue to be really inspired by the number of employers, and employers or businesses that are seeking to be new entrants into the market here in South Australia, that want to talk to me about veterans employment. It is really positive. So I think the momentum is there and this will give us the capacity as a government to implement programs across the forward estimates that will now materially deliver on those.

Mr PEDERICK: Are the companies that are current members of the South Australian Veteran Employer Network the same ones that will be part of the new program?

The Hon. J.K. SZAKACS: There will not be a matter of inclusion or exclusion. As I mentioned earlier on, the implementation and co-design of these programs is now occurring. It is my expectation, if not guarantee, that there will be new entrants and new programs and new partnerships that this will facilitate. I think materially this will be able to support some of the smaller SMEs and small family businesses to participate in group-based matching in a more bespoke way than their existing buy-in or support into the employer network facilitates.

To my hope, it will also allow us to work with industry bodies—not just employers but also industry bodies and peak associations—to be able to facilitate programs that they can bring scale to. The optimal outcome here, which I strongly anticipate and I will be working hard to do as minister, is to find co-funding and matching from private industry to back this in.

Mr PEDERICK: I understand that the program partners with companies in high-demand sectors to establish veteran-friendly employment pathways. Can you give us a bit more information please on what sectors are considered high demand?

The Hon. J.K. SZAKACS: I am happy to refer to those sectors but also provide some detail to the member of the businesses that are involved. It is quite extensive, and, perhaps just as a snapshot, we have everything from: Adelaide Brighton Cement; Aimpoint, who provide support for skills into the primes; Boeing; City of Salisbury, a long-term participant in this, which is really progressive in the way they have stood up their own internal resourcing to support it; Department for Correctional Services; other government agencies; Serco; and South Australia Police.

One of the recommendations from the royal commission, that the member would no doubt be aware of, is to further enhance and streamline the pathways from military service into the public sector. Coming in as minister I am really pleased to see the strong engagement from SAPOL and the Department for Correctional Services.

This is somewhat adjacent to the question, I apologise, but through the work that Veterans SA is undertaking with DPC as the co-leads into the response to the royal commission, the streamlining of public sector entry is materially important, so we think there is a capacity for the scaling up of our support and, through the employer network priority industries, to really support some clearer pathways into the public sector for veterans as well.

Frankly, it is probably a bit underdone. If you see the unique offerings that veterans can bring from a skill set, and the diversity of needs of the public sector, I think we are a bit underdone and we would like to do better.

Mr PEDERICK: I refer to Budget Paper 4, Volume 1, page 161, program 3, Veterans SA. Has the minister met with the CEO of RSL South Australia in relation to the Blackwood and Districts RSL? If not, is he going to?

The Hon. J.K. SZAKACS: I have spoken to the RSL on remaining briefed by Veterans SA, who meets regularly with the CEO of the RSL.

Mr PEDERICK: In regard to that, is the minister confident that the proposed sale of the Blackwood RSL premises is being undertaken in accordance with RSL South Australia's constitution?

The Hon. J.K. SZAKACS: I have not investigated that. It is not within any of my statutory or legal or reportable responsibilities.

Mr PEDERICK: I note in the latest Veterans' Advisory Council communique that the director has provided updates on regional veteran issues. Can you elaborate a bit more on what those issues are?

The Hon. J.K. SZAKACS: I certainly can, and I also take the opportunity to acknowledge the really good work of Veterans SA, in collaboration with a few other partners, in respect of their regional outreach. The regional outreach was something that I kicked off last year and has been really scaled up and amped up this year.

To give some context of how these issues and how this consultation and engagement occurs, Veterans SA has visited towns across South Australia—Kadina, Port Pirie, Port Augusta, Whyalla and Port Lincoln—and has engaged with veterans, veterans' families, businesses, students, job seekers and career changes across that engagement cycle. Some 3,200 people were part of that engagement across those five towns, which was quite impressive.

In addition to these roadshows, Veterans SA has also partnered with Legacy and RSL SA to deliver targeted community connection sessions in Port Pirie, Port Augusta and Whyalla. These sessions provided valuable forum to connect directly with local veterans and families, listen to their experiences and share available support services and opportunities.

I might pause before I come to some of the specific issues to also note that within the whole of government's support and response to the Whyalla Steelworks administration there has been specific attention turned to the impact on the local veterans and spouses and widows of the veterans' community. I was very pleased to engage with Veterans SA very early on and through the whole of government response that has had a degree of specific attention as well.

The forums raised specific issues around navigating aged care, mental health support, men's health and grant funding opportunities, particularly in understanding the significant grant funding that is available. One of the pieces of feedback was the not the inaccessibility but that they find out about the grant funding after it has closed. They find out about the grant funding when it is too late, so we can do some responsive work around that.

Importantly, the feedback also has spoken volumes about the reason Veterans SA prioritises this, that the people who have attended have felt heard, they have reflected their specific concerns, they have appreciated the informative presentations. Very specifically, they have appreciated and valued the opportunity for the community to come together in a way that sometimes is not facilitated in these regional communities. That is really important work, and the regional engagement, that we will continue to see with a tempo into the future. This is not a one-off but part of a baked-in engagement of Veterans SA.

Mr PEDERICK: I understand that the implementation of a veteran tick box on South Australian Tertiary Admission Centre, SATAC, applications has been proposed. Has there been any progress on this initiative?

The ACTING CHAIR: Member for Hammond, can you make sure you give us the budget line as well?

Mr PEDERICK: Program 3, Veterans SA, Volume 1, page 161 of Budget Paper 4.

The Hon. J.K. SZAKACS: I am advised that piece of work is now being formulated to engage with SATAC and the universities. It has not been implemented. It is progressing, but the nature of engagement and the facilitator-engagement through the Veterans' Advisory Council is ongoing.

Mr PEDERICK: I refer to Highlights 2024-25. It has already been acknowledged that, with the South Australian Veteran Employer Network, there are 47 on the website. I think the budget noted 42, but that might have just been an error. How many veterans have secured employment through the South Australian Veteran Employer Network since it was established?

The Hon. J.K. SZAKACS: If there is available information on that, Chair, I will undertake to come back to the member. The director of Veterans SA has advised me that the constitutional employer network was deliberate, with feedback from employers and also participants around the sense to not be driven by quantitative reporting of the network. The key focus was and is to bring like-minded employers and participants together. What is the important iteration of the value of bringing those groups together, the value of the relationships and the value of the network, is then the additional funding which we have brought forth as a government as part of this budget, which will now be to implement programs that will be more quantitative in nature.

Mr PEDERICK: Has there been a decline in unemployed veterans since the network was formed that you have picked up?

The Hon. J.K. SZAKACS: We do not have that data. What I can do is seek it from the commonwealth, which holds these data points both as the responsible agency and also as the cross-agency provider of data, if that is available. I am not certain that it will be available.

Mr PEDERICK: Still on highlights, I will go to dot point 2. What 80th anniversary of World War II events have been supported by the grant fund?

The Hon. J.K. SZAKACS: I thank the member for his question. This was a particularly important piece of work this year and one that I must say I was particularly passionate about in bringing forth the largest collective funding round for commemoration in our state's history.

To the member's specific question about those that have been supported, I can advise that the following have been successful in grant funding: RSL Willunga and Districts Sub-Branch, RSL Care SA, Dutton Park Incorporated, Orroroo Historical Society, Cardijn College, RSL Wallaroo Sub-Branch, District Council of Franklin Harbour, Clarendon Historic Hall Incorporated, RSL Eudunda Sub-Branch, RSL Macclesfield Sub-Branch, RSL Mount Barker Sub-Branch, RSL Robe Sub-Branch, RSL Burra Sub-Branch, RSL Crystal Brook Sub-Branch and RSL South Australia.

Mr PEDERICK: I will go to dot point 3. How many applications were there for the Veterans SA Capacity Building Grant Fund in the current financial year?

The Hon. J.K. SZAKACS: I am advised there were three applicants.

Mr PEDERICK: And they were all successful in receiving funding?

The Hon. J.K. SZAKACS: They were. Winner winner chicken dinner.

Mr PEDERICK: I refer to dot point 4. Can you provide an overview of the regional outreach events that took place in Port Pirie, Whyalla and Port Augusta?

The Hon. J.K. SZAKACS: Further to my previous answer, where I ran through this in some detail, perhaps I can provide some further information for the member specific to his question. The Kadina event occurred on 21 May, Port Pirie on 22 May, Port Augusta on 28 May and Whyalla on 29 May. Kadina had 612 students and teachers, 150 from the general public and 53 exhibitors. Port Pirie had 485 teachers and students, 140 from the general public and 57 exhibitors. Port Augusta had 517 students and teachers, 180 from the general public and 60 exhibitors. Whyalla had 412 students and teachers, 260 from the general public and 54 exhibitors. Port Lincoln had 176 students and teachers, 270 from the general public and 43 exhibitors.

Mr PEDERICK: Have any locations for future regional outreach events been chosen?

The Hon. J.K. SZAKACS: I am advised that planning is underway.

Mr PEDERICK: I refer to dot point 5: how many veterans and mentors are participating in this year's Veterans SA mentoring program?

The Hon. J.K. SZAKACS: I am advised that 28 mentor-mentee pairs are currently participating.

Mr PEDERICK: Has there been an increase in business professionals applying to be mentors?

The Hon. J.K. SZAKACS: I am advised there is a slight increase from last year; I am not advised of the exact number. There is obviously a capacity constraint as well. If there were to be 300 wanting to participate, I am not certain that we could accommodate 300, but we are seeing steady growth, organically, across the years.

Mr PEDERICK: On the Veterans SA website, it mentions that past participants of this program have experienced rewarding outcomes including gaining meaningful employment. How many jobs have been secured as a direct result of the mentoring program?

The Hon. J.K. SZAKACS: Likewise to an answer I have provided previously, I will seek to provide any information that I may have. I also reiterate that the design of this program is deliberately around mentorship, engagement and community building—quite distinct from KPIs and quant data.

Mr PEDERICK: I refer to dot point 6: has there been a strong uptake of Veterans SA programs by partners and children of veterans since the eligibility was extended?

The Hon. J.K. SZAKACS: Just to clarify, is this in relation to the Career and Business Mentoring Program, or through other programs?

Mr PEDERICK: This is in relation to dot point 6 under highlights 2024-25.

The Hon. J.K. SZAKACS: We have seen it twofold: one is that where we have opened up eligibility, we have seen an increase in partners and family; and also where we have designed or opened specific programs that are tailored just to partners and family, we have seen them well subscribed.

Mr PEDERICK: Do you have any measurement of the uptake of the program?

The Hon. J.K. SZAKACS: We do. I do not have that detail, but of course these are all enrolled and registered and quite acutely managed by Veterans SA, so I am sure they will. I am happy to take that on notice and bring that back.

Mr PEDERICK: How many applications were there for the Veterans SA Tertiary Scholarship Program this year?

The Hon. J.K. SZAKACS: This is a particular program that is new and, under the stewardship of the director of Veterans SA, has been one that has been really well subscribed and really popular. This is one of those programs that also has a degree of broadened eligibility. I am advised that 38 applications were received, of which six were not eligible and 31 were awarded funding.

Mr PEDERICK: I refer to targets 2025-26, dot point one, and this may be an expansion of a question from earlier. What is being done to meet the target of enhancing connections within the veteran community, specifically for those in regional and remote areas?

The Hon. J.K. SZAKACS: In addition to the advice I have already provided to the committee with respect to the formal regional outreach programs, there has also been a strong commitment by Veterans SA to more closely and collaboratively align with ESOs like RSL, Legacy, and War Widows and then through the commonwealth Department of Veterans' Affairs when there is regional engagement that that is done with a high degree of connectivity, collectivism so that we do it together and we bring and use opportunities available to the department and to others where there may be a single agency engagement to bring more than one together and to really deliberately seek to build community around that small-touch engagement.

Often these regional communities are small in numbers in terms of veterans, even smaller by way of active service, with more widows. So that has been successful. I meet with Legacy very often, but that is one thing that Legacy has raised with me that has been of great advantage to them. They have seen a high degree of value in the input that our collaboration from Veterans SA has provided them in the way that they are engaging with their constituency as well.

Mr PEDERICK: The Cowork Coplay program is one of the initiatives designed to support partners of current and former ADF members and enhance connections within the veteran community. Can you tell me how many partners/spouses are participating in the current Cowork Coplay program?

The Hon. J.K. SZAKACS: I am advised that when we have that information immediately to hand we will bring that back to the member.

Mr PEDERICK: Referring to the same budget line, I understand that the Northern Adelaide Veterans' and Families' Wellbeing Hub is set to open fairly shortly. What can we expect from the new Northern Adelaide Veterans' and Families' Wellbeing Hub?

The Hon. J.K. SZAKACS: To the extent that I can provide this, it is a fully commonwealth-led project and there is no state contribution to this at all, but he is right in his understanding that it will be beginning its service delivery and opening its doors pretty soon. I do not have a specific date for that.

A similar model to that has been delivered interstate with lives lived well and one that is widely supported by the veterans community. Of particular interest to the northern suburbs, and more broadly to South Australia, is the ability and the capacity—it is twofold—for other ESOs to be able to use that space, to be able to participate in that space, but as I have reflected on a number of times today it is also about the capacity to build community and support community-building around these common user interfaces.

So we are very pleased to see this progressing. It is a great initiative by the commonwealth and I know in my conversations with the federal minister, Minister Keogh, it is one that he is very passionate about, and the federal member out there, Matt Burnell, himself a veteran, is also very passionate about this.

Mr PEDERICK: I will go to dot point 2 and the interaction with all jurisdictions. What work is currently being done with all jurisdictions on matters of importance to the veteran community?

The Hon. J.K. SZAKACS: There are formal structures in the way that is facilitated, engaged and governed. One is an officer to officer level; the Commonwealth, States and Territories Committee; and then there is, of course, the overarching ministerial council, which all states and territories and the commonwealth are engaged in.

I am not sure if it is before me to be able to disclose the entirety of the matters which were discussed; I am sure some are. I know some are in confidence, some are sensitive and others are matters for the public record. It is safe to say and fair to say that the royal commission and the response to the royal commission has informed much of the work of the last 12 months and will inform a significant part of the work across the next financial year as well.

Another matter South Australia is particularly passionate about, as I have already mentioned, is employment pathways, employer matching, and material opportunities to work with the commonwealth to find some scale across other states and territories in respect of our employment-related programs.

But this has certainly been a pretty tough year for the commonwealth and a very tough year for DVA. The findings of the royal commission, the associated trauma impact that that has had on the veterans community, I think have been well managed. It has been delicate, it has been important, and DVA have done a really important piece of work. There are also the reforms that were able to be passed and, just before the last parliament wound up, they modernised and brought some scale to some existing compensation programs. That has also been a significant matter of interest from states.

Mr PEDERICK: In regard to dot point 4, have there been any further movements in relation to the establishment of a dedicated Korean War memorial in Adelaide?

The Hon. J.K. SZAKACS: We continue to engage very closely with the community. The tragic passing of Colonel Peter Scott recently—I attended his funeral. He was a profoundly important voice in that community. I think the profound place that Colonel Scott had within the community was demonstrated by the attendance at his funeral of the former Governor of South Australia, the former Governor-General of Australia, the Chief of Army; all attended his funeral.

We are progressing. I am working closely with the committee. I meet with them regularly. The current status, I guess if you put it that way, is with the committee and they are somewhat early to moderately progressed in terms of ideation of design, location and so on. Government stands

ready and willing to continue to support them. I met with Kevin Scarce just last week. It has also been a matter of discussion that I have had personally with members and representatives of the Korean government as well as industry.

This is something that is important. It is correct to say that the Korean War at times can be referred to as the forgotten war. When I was in Korea the week before last, leading a trade mission, I had an absolute dedication, which I was very pleased to be able to do, to attend the United Nations war memorial in Busan, the only United Nations war memorial in the world, and that was a material part of the conversations around: how is a lasting memory and a lasting memorial to those who fought and paid the ultimate sacrifice in Korea honoured here in South Australia? We are very committed to it and I remain optimistic about progress.

Mr PEDERICK: So there has not been a financial allocation from the government in regard to a proposed memorial?

The Hon. J.K. SZAKACS: No, the project is not at a point yet where it can be considered for costings or scoping.

Mr PEDERICK: Thank you.

The ACTING CHAIR: Thank you. The allotted time having expired, I declare the examination of Veterans SA and proposed payments for Defence SA complete. Thank you very much, minister and advisers, and thanks to members of the committee.

Sitting suspended from 12:30 to 13:29.

DEPARTMENT FOR HOUSING AND URBAN DEVELOPMENT, \$106,787,000

ADMINISTERED ITEMS FOR THE DEPARTMENT FOR HOUSING AND URBAN DEVELOPMENT, \$5,003,000

ADMINISTERED ITEMS FOR THE DEPARTMENT OF TREASURY AND FINANCE, \$4,403,410,000

Membership:

Ms Hood substituted for Ms Savvas.

Mr Cowdrey substituted for Mr Pederick.

Minister:

Hon. N.D. Champion, Minister for Housing and Urban Development, Minister for Housing Infrastructure, Minister for Planning.

Departmental Advisers:

Mr D. Reynolds, Chief Executive, Department for Housing and Urban Development.

Ms J. Burton, Acting Chief Operating Officer, Department for Housing and Urban Development.

Mr T. Pearce, Acting Chief Financial Officer, Department for Housing and Urban Development.

Mr C. Menz, Chief Executive, Renewal SA.

Mr M. Wood, Executive Director, Commercial and Business Services, Renewal SA.

Mr P. Gatsios, Executive Director, Residential Project Delivery and Assets, Renewal SA.

Mr S. Wingard, Executive Director, Property and Major Projects, Renewal SA.

The ACTING CHAIR: Welcome back to today's estimates committee hearing. I understand the minister and the lead speaker for the opposition have agreed an approximate time for the consideration of proposed payments, which will facilitate a change of departmental advisers. Can the minister and lead speaker for the opposition confirm that the timetable for today's proceedings, previously distributed, is accurate?

The Hon. N.D. CHAMPION: I can.

The ACTING CHAIR: I remind members that 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.

Briefly, I also advise that 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 5 September 2025. Members unable to complete their questions may submit them as questions on notice for inclusion in the assembly *Notice Paper*.

The rules of debate in the house apply in committee. Ministers and members may not table documents before the committee but may supply them to the Chair for distribution. I will allow both the minister and the lead speaker for the opposition to make opening statements of about 10 minutes each, should they wish.

I will now proceed to open the following lines for examination: the Department for Housing and Urban Development, Affordable Housing and Renewal SA. The minister appearing is the Minister for Housing and Urban Development. The proposed payments are now open for examination. I call on the minister to make a statement if he wishes and to introduce us to his advisers.

The Hon. N.D. CHAMPION: Thank you, Chair. I will make a very short statement but, to assist the house, I would like to introduce a man who needs no introduction: Mr Reynolds, Chief Executive of the Department for Housing and Urban Development. It is Mr Reynolds' birthday today, so I ask members to be kind and to be fair—his modesty is such that he would not have told the previous minister!

To my left, we have Mr Menz, Chief Executive, Renewal SA and Mr Michael Wood, Executive Director, Commercial and Business Services, Renewal SA. Behind me, we have Trevor Pearce, Acting Chief Financial Officer, DHUD, and Jane Burton, Acting Chief Operating Officer, DHUD. Behind them, we have Mr Shane Wingard, Executive Director, Property and Major Projects, Renewal SA, and Peter Gatsios, Executive Director, Residential Project Delivery and Assets, Renewal SA.

Obviously, I would like to thank Renewal SA for all of their hard work during the year, and the same for DHUD. It has been a little over a year since the creation of DHUD, and one year exactly to the day since the Premier announced the Housing Roadmap. They are a very good department, I think they serve the state well, and I certainly thank them for all their hard work during the year.

Just to assist the opposition, because we have DHUD and then Renewal, I do not know which order you would like to go with, but I will be guided by you. Maybe if we do them in chunks, so DHUD first, Affordable Housing and then Renewal or, if you want to start with Renewal, that is fine too.

Mr COWDREY: Thank you. Can I just seek some clarification first, if that is alright?

The Hon. N.D. CHAMPION: Sure.

Mr COWDREY: There are a number of aspects that are referenced in both PLUS and DFHUD or DHUD, or whatever we are calling it.

The Hon. N.D. CHAMPION: The Department for Housing and Urban Development.

Mr COWDREY: Yes. DFHUD sounds slightly better to me.

The Hon. N.D. CHAMPION: You could just call it the HUD, if you like; we will know what you are talking about.

Mr COWDREY: At any rate, are you happy to answer questions in regard to the GARP and the Housing Roadmap in both PLUS as well as DHUD, because there are issues across both?

The Hon. N.D. CHAMPION: Yes, I am happy to go across them in both. The Greater Adelaide Regional Plan probably belongs more in the PLUS questions, but the Housing Roadmap goes across all of the portfolios, so I am happy to do that in the HUD stage. If it is a planning-specific question, we might go back to that in PLUS, but I am in your hands.

Mr TELFER: Is affordable housing in this section?

The Hon. N.D. CHAMPION: The affordable housing unit is in this section.

Mr TELFER: Not Housing Trust?

The Hon. N.D. CHAMPION: Not Housing Trust; Housing Trust is at the end.

Mr COWDREY: Very good. Let's get underway and then we will come back. Let's start with Renewal and perhaps we will come back to some sort of intertwining between PLUS and DHUD at a later point. I will begin with Budget Paper 5, Budget Measures Statement, page 65, and the reference in regard to the Onkaparinga Heights greenfield expansion. There is an additional allocation of \$30½ million that has been identified beyond forward estimates but referenced in the budget document. Are you able to explain what that funding is going to be used for and why that site was selected?

The Hon. N.D. CHAMPION: The reason that is in there is, because we are putting Renewal SA's land on the market, it comes to the market with an infrastructure deed in place. That basically covers stormwater and sewer and water for our portion of the site. It is essentially provision for the cost of that infrastructure.

Mr COWDREY: Again, these are questions that have been put to you previously in budget estimates. When is the first stage of development land scheduled for release and how many lots will be delivered annually? Has that breakdown that has been presented previously been changed or altered in any way?

The Hon. N.D. CHAMPION: Broadly speaking, the timeframes are consistent with the Housing Roadmap. Essentially, Onkaparinga Heights, the old Hackham, has a private sector component, which is YAS development. We anticipate them launching for sale at some point this year. Essentially, the land has been rezoned, it has the infrastructure deeds in place, and the cost for the infrastructure we just referred to in the previous answer. YAS and the private sector end will probably launch for sale this year.

Later on this year, Renewal SA will put its land on the market for a development partner. We do not plan for that to be a Renewal SA-led project. We plan for that to be one which we would put on the market for a development partner to do the delivery aspect of that. That is all consistent with the Housing Roadmap. Essentially, the land is rezoned, the private developer is now in discussions with the council around the land division and we have every indication that they intend to launch it sometime this year for sales.

Mr COWDREY: Can you give a year-by-year number of allotments that you are expecting to come to market of the 2,000?

The Hon. N.D. CHAMPION: Essentially, that will be up to YAS and their development. They are obviously launching this year and they will decide how they launch their particular components of sales. No doubt, that will be a judgement they will make on how quickly they will want to provide civil works, how quickly they will want to sell blocks and what market demand is there for them. Renewal will obviously put the land out to market for a delivery partner, and that delivery partner will do the same.

I suppose the member wants me to treat this like a government project; effectively, this will be a private sector project from now. We have rezoned the land, consistent with our commitments in the Housing Roadmap. It is now in the hands of the private sector and YAS development. At the

renewal end, by the end of this year that land will be in a partnership with a development partner and they will obviously go to market as well.

Mr COWDREY: So in terms of the deed or agreement that has been reached with the development partner, there is no expectation or minimum requirement in terms of getting to market? In the middle of a housing crisis, the government has not worked in any minimum requirement to market for the commercial operator?

The Hon. N.D. CHAMPION: Much has happened in the previous government. We have not gone out to market for the Renewal SA portion of the land. The Renewal SA portion of the land will go out to market for a development partner later on this year. As part of the agreements we do with development partners—essentially the same process went on with the previous government; it is a sensible process—there are a minimum amount of lots that are part of the agreement, which is obviously subject to commercial negotiations between Renewal SA and the development partner, and they are held to account with a bank guarantee. We have not done the Renewal SA portion of the land to the market yet, but essentially this will be a market-driven process.

The member says to me, 'The government has some obligations.' It is very easy for the public to be confused. We have many different delivery mechanisms throughout this department: there is public housing, which is more or less direct delivery; there is direct delivery of Renewal SA projects like Playford Alive; and there are also projects where we do development agreements, which I think the previous government did and I am not critical of—they have been done for a long time. So it is horses for courses, I guess. Each different component will have a different mechanism of delivery. In this case, it is through developer remits, and essentially developers and the market will dictate the supply.

Mr COWDREY: When is the government seeking to enter into a commercial agreement with a developer for the Renewal SA portion of the land at Onkaparinga Heights?

The Hon. N.D. CHAMPION: As I said earlier, in the next couple of months we will go out to market. I think we have flagged it to the market, so we are giving them plenty of fair warning. We want development partners. Renewal do an awful lot of building activity and delivery activity with development partners, which brings capital and investment and sophistication and diversity into the market. Obviously, the conditions that we put on them also aid supply and quality and a whole range of other things.

Mr COWDREY: When do you expect the first house to be released in the Onkaparinga Heights development on Renewal SA land?

The Hon. N.D. CHAMPION: As I said, on Renewal SA land that will be subject to the agreement, would it not? So we have to go to market and see what the market comes back with—

Mr COWDREY: You do not have any expectation? You do not have a goal in mind? You do not have a target in mind?

The Hon. N.D. CHAMPION: Basically, we expect development to begin with the private sector. As developments, they are at the—

Mr COWDREY: I understand the concept, but I am not asking about the private development side.

The Hon. N.D. CHAMPION: I have not interrupted you and I am endeavouring to answer your questions.

Mr COWDREY: Respond to my questions.

The Hon. N.D. CHAMPION: I am endeavouring to answer your questions. I could speculate about why you ask questions in a particular way, but you have to accept Onkaparinga Heights is one housing development. The government is endeavouring to get out of the way of the private sector. We have rezoned the land, it is now in the hands of a private sector developer and the council and, as I understand it, they are launching for sale this year; and the Renewal SA land will launch for sale next year.

The nature of these developments is they are always staged. Just this morning I was down at Noarlunga launching the first stage of the Noarlunga development. We do not just seek to provide supply in one housing estate; the government has a pro-supply policy and so we are doing supply in many estates, exactly because of the staged nature of housing supply.

Mr COWDREY: The \$30.5 million that has been referenced in the budget papers for, as you have described, enabling works to get the Renewal SA land to market, sits beyond forward estimates, said to be in 2031-32, I believe. Is the reference in the budget paper, so are we meant to assume that the Renewal SA component will not be going to market until at least then?

The Hon. N.D. CHAMPION: The nature of infrastructure provision is it is staged, with people moving in, and there are some practical necessities.

Mr COWDREY: It is usually prior to people moving in.

The Hon. N.D. CHAMPION: Sorry?

Mr COWDREY: It is usually prior to people moving in, unless we want to talk about Mount Barker, of course.

The Hon. N.D. CHAMPION: No, the problems in Mount Barker are somewhat different and it is important that you understand that the issues in Mount Barker and at Angle Vale were caused by infrastructure deeds that were inadequately funded. We have done the right thing here and adequately funded the infrastructure deeds upfront, which is why you can see it in the budget papers.

Mr COWDREY: No, it is beyond the forward estimates.

The Hon. N.D. CHAMPION: I am endeavouring to answer your question, so you get a deliberately provocative answer. I am allowed to answer the question. These infrastructure payments, and the provision of infrastructure, are basically staged with the stages of the development and with much of this they will be delivered in line or shortly after people move in.

Mr COWDREY: The allocation sits in 2031. If I put to you that not a single house will be moved into until at least 2031, are you going to tell me otherwise?

The Hon. N.D. CHAMPION: If you look at the estimates for 2026-27 there is \$3 million and for 2027-28 there is \$6.9 million, so there is actually provision for infrastructure. You can see then, as we go on, as the development proceeds—and that is the way these developments proceed. None of the developments have delivered 2,000 homes in one go; that is just not what happens here. What happens is they are delivered in stages as people buy blocks, as civil infrastructure is invested in.

As I said before, we are getting out of the way of the private sector, which apparently you are all in favour of because you are against direct delivery of renewal projects, as I understand, as a party. We believe in a variety of delivery mechanisms, and in this case we have done our job. What did we say that we would do in the road map: we said we would release the land, we would rezone the land. We have done that. We said we would provide the money for infrastructure. We have done that. We have got out of the way of the private sector. It is now the private sector's job to deliver the houses, because we are out of the way. And guess what? They are first in line. YAS development are kicking it off. Renewal's land is going on the market later in the year in a perfectly coherent way. Once we deliver that agreement, away goes the infrastructure and away goes the project. But it happens in stages.

Mr COWDREY: To be fair, minister, I do not think you should be verballing the spokesperson without her being in the room. That is my first point. I am happy to—

The Hon. N.D. CHAMPION: YAS development? Your party? Okay, I will not verbal anymore. I will restrain myself.

Mr COWDREY: If you could, that would be appreciated. I have not seen it yet, but I hold out hope. Nobody is questioning you having done what you said you were going to do in terms of announcing that you were going to release land and that you were going to allocate money. What is being questioned here is the timeframe and the clarity which you have given the public. There has been an inference that houses are going to be built on this land far earlier, given public statements to this point, that have been referred to. If you want to again refer to a road map, that is not clear;

let's be perfectly honest, it says what it wants to say. It does not give full and coherent detail. There is no doubt about that. You can again try to point me to page 62 of whichever it is—

The Hon. N.D. CHAMPION: Sixty.

Mr COWDREY: Pardon me, page 60 in the road map. But, again, that does not tell anybody when houses will be built on Renewal SA land, does it?

The Hon. N.D. CHAMPION: No, but just hear me out. We have the government sector on page 60: code amendment process completed. Land division application—that is the council—25 October. They are in discussions. The private developer and the council are in discussions as we speak. Engineering approval: again the council, 26 June. 'Water infrastructure supply stage I and wastewater infrastructure supply agreed, 26 April'. In actual fact, we are ahead of that. Then, you look at the Housing Roadmap, and it quite clearly says 'private sector, civil and landscape works, 26 December, infrastructure development', and then 'dwelling construction ready, dwelling approval and construction started 27 September', and that is for the private sector to deliver.

Mr COWDREY: Again, the question is about the Renewal SA land.

The Hon. N.D. CHAMPION: The Renewal SA land is going out to market, and so it will be delivered by the market, won't it? There are two components. You keep on wanting to separate the two things into distinct projects but, in actual fact, they are one project. The private sector is beginning this project. The Renewal SA land is coming on as part of a process that Renewal has, and I have just outlined that process.

Mr COWDREY: Again, you have just stepped through a timeline. I refer you back to your first press release. I believe it was in regard to the land releases that referenced houses being on board in 2024. Was that inaccurate?

The Hon. N.D. CHAMPION: When we did the Housing Roadmap, we articulated as best we could the timelines for all these processes, and we updated that then.

Mr COWDREY: So you missed it by three years, four years?

The Hon. N.D. CHAMPION: The reference in the press release was based on information that was provided to us by the private sector. There was a subsequent whole range of negotiations around infrastructure that took longer around—

Mr COWDREY: So you accept it was inaccurate?

The Hon. N.D. CHAMPION: At the time we believed it to be accurate.

Mr COWDREY: So, it is inaccurate now?

The Hon. N.D. CHAMPION: In the Housing Roadmap, which happened a year ago, not two years ago, we updated all these figures. My answer to you would be that we have negotiated in good faith with the private sector to make sure there was all of the infrastructure that we know we need in these housing developments. It is no good having the slabs down reference. It is no good having slabs down if there is no civil infrastructure, no water and sewer infrastructure, so we have made sure that is in place. That was the reason—

Mr COWDREY: So your answer is that you were misled by the private sector in providing those timelines.

The Hon. N.D. CHAMPION: No.

Mr COWDREY: That is what you said.

The Hon. N.D. CHAMPION: That is not what I said. It is not a debate about what I said and what I did not say. You are here to ask questions. I am endeavouring to answer them. I am giving you straight answers. It is not a debate about what I said or did not say. You do this constantly: I answer a question in good faith, and then you, like some sort of Babel fish, repeat it back in a completely different form.

Mr COWDREY: Minister, in regard to affordable housing in the Onkaparinga Heights development, how will that be embedded in both the private side of the development that you have

just referenced and the Renewal SA side of the development? Is there going to be any formal allocation for affordable housing or social housing in the development?

The Hon. N.D. CHAMPION: They all have to do 15 per cent affordable housing. It is enforced in two different ways. On the private sector side it is enforced by the Affordable Housing Unit, and on the Renewal side it is enforced as part of the agreement with the developer.

Mr COWDREY: Just to get the minister on the record with this, what will be the definition of 'affordable housing' in terms of both of these developments?

The Hon. N.D. CHAMPION: It is entirely consistent with what has been in place over multiple governments, the 15 per cent. From time to time by *Gazette*, the figure of 'affordable' is adjusted to reflect the market. Effectively, it is an affordable sales program. All of the figures are up on the HomeSeeker website at the moment and developers are well aware of their obligations.

Mr COWDREY: In the requirement of 15 per cent, does that include shared equity in affordable housing, or is that entirely separate and there is no shared equity component for the affordable housing sales?

The Hon. N.D. CHAMPION: The affordable housing overlay and the 15 per cent affordable housing that we put in the developer agreements interact with the shared equity loans that are operated through HomeStart.

Mr COWDREY: If they do interact, the sale of those homes can potentially be, what, 25 per cent higher than the gazetted minimum housing affordability?

The Hon. N.D. CHAMPION: That is right.

Mr COWDREY: So what percentage at the moment in terms of Renewal SA properties are being sold for, say, \$600,000 as above but are still being claimed as affordable housing where the gazetted number is close to \$480,000?

The Hon. N.D. CHAMPION: I am happy to take it on notice and get it off the breakdowns. As I understand it, it is all registered anyway. The information is out there in the public. It is an important feature to be able to utilise both those mechanisms, because, say, at Prospect, we have pretty expensive land and very expensive civil works, so we have to have these two things working in tandem to make the projects work.

Mr COWDREY: I am glad you have referenced Prospect because that was my next question. In regard to the Prospect development, how many of the sales to this point have been done at the affordable housing gazetted price of \$480,000?

The Hon. N.D. CHAMPION: I think it is a bit over \$480,000 now, just so you know; Mr Reynolds reminds me there have been some gazetted increases following the market. At the moment in Prospect, it is 55 per cent affordable. You have to remember there are a number of different components of affordable housing down there. There are 100 apartments that are going to be delivered through a community housing provider and Housing Australia through the HAFF funds, and then there are 108 townhouses that are being delivered as, effectively, affordable sale.

It is an important discussion to have because often when we talk about affordable housing in public, people confuse that with public housing or community housing providers. There are different components of affordability and different mechanisms to deliver affordability: broadly speaking, public housing, community housing providers, then you have the affordable sales—which are affordable sales in a market context—and then you have the general operation of the market itself.

Mr COWDREY: Of the 108 townhouses—

The Hon. N.D. CHAMPION: I am happy to get the breakdown for you, so far.

Mr COWDREY: Okay—in regard to all of the Renewal projects to this point? Essentially, what we are seeking is some information on affordable sales. I am less worried about—

The Hon. N.D. CHAMPION: Sure.

Mr COWDREY: If I can just articulate—

The Hon. N.D. CHAMPION: I think it is all public anyway, and I suppose we cannot give that information until we sell them, right? You asked for the whole 108, but of course they will be delivered—

Mr COWDREY: It is my understanding that at least stage 1 has been sold at this point already.

The Hon. N.D. CHAMPION: Yes, the first seven—

Mr COWDREY: I am less worried about future sales.

The Hon. N.D. CHAMPION: Okay. The first seven move in in September. I am happy to give you the breakdown, as best we can, on the projects and we will endeavour to give you as much information as we can because it is public anyway.

Mr COWDREY: Sure. Just to confirm: Renewal SA sites that have had affordable sale components, the percentage of those that have utilised—

The Hon. N.D. CHAMPION: Direct delivery?

Mr COWDREY: Both are relevant. Affordable—

The Hon. N.D. CHAMPION: I will take it on notice.

Mr COWDREY: Sorry, can I just get the full question on the record: we are seeking an indication of Renewal SA projects that have used affordable sales—not a component or community housing—that have utilised shared equity, and the percentage or a number, preferably both, that have just simply been affordable sale.

The Hon. N.D. CHAMPION: Just to assist us, are you talking in the last year? The sales are made progressively.

Mr COWDREY: I understand that. If you are happy to break it down by financial year—

The Hon. N.D. CHAMPION: Do you want us to go back to Playford Alive, back in 2008?

Mr COWDREY: —since you have been minister.

The Hon. N.D. CHAMPION: Okay, fair enough. I am absolutely happy to do that.

Mr COWDREY: I am not going to burden the department for unnecessary data; I would not do that.

The Hon. N.D. CHAMPION: That is appreciated.

Mr COWDREY: I might go back very quickly to Southwark. The reference is page 65 of Budget Paper 5. There is a reference for the \$104.7 million that has been allocated for the master plan to redevelop the former Southwark site into 1,300 dwellings. Are you able to give an indication on the full breakdown of land uses in the redevelopment? The percentage that will be residential, the percentage that will be commercial and then open space and what process was used to determine those?

The Hon. N.D. CHAMPION: I will just run through the key project objectives. Up to 1,300 new dwellings, including market sale of apartments and townhouses and build to rent. We want to achieve 20 per cent affordable housing. At the moment we have not indicated the sort of breakdown of the various components. So again, that could be anything from public housing, community housing providers or affordable sale, but the 20 per cent affordability is there.

Also, 15 per cent of the site will be delivered as public open space and most importantly that includes the riverbank, which is currently held in private hands. We are targeting 30 per cent tree canopy, adaptive heritage reuse of the Walkerville Brew Tower, and Colonel Light's Thebarton cottage foundations into a new public plaza.

We have to protect a locally heritage listed transformer building fronting Holland Street—it is not the prettiest building, but it is one of the last transformer buildings, as I understand it—and 6 Star

Green Star Communities rating with 5 Star Green Star rating certified buildings. In regards to commercial, it is just really the activation on the Brew Tower, which will be ground floor retail, hospitality and the like.

Mr COWDREY: Were there any issues in terms of contamination identified during the process and what infrastructure, contamination or zoning constraints need to be addressed before construction begins?

The Hon. N.D. CHAMPION: As part of the agreement to pay for the land, site contamination issues had to be addressed and so did planning. Both those issues were addressed to Renewal SA's satisfaction and as part of the agreements. In regards to the zoning, that was already taken care of as part of a code amendment that began essentially while it was still in Lion Nathan's hands.

Mr COWDREY: So there is nothing stopping construction on the Southwark site as of today?

The Hon. N.D. CHAMPION: I suppose to put the last part first, because I know this is a question that is coming, we are on track to build 17 homes this year. We have a contract with Greenhill engineering to do all the civil works components. We are in negotiations with SA Water about wastewater and potable water capacity. There has had to be an investment out of the Housing Roadmap to facilitate that, not just for Southwark, but it actually supports development in and around that part of the city. And I think that is it.

Mr COWDREY: That is it?

The Hon. N.D. CHAMPION: And we are out to market.

Mr COWDREY: Will any portion of the land or any of the housing stock be retained in ownership of the state government or Renewal SA?

The Hon. N.D. CHAMPION: Obviously those civil works are to do the public realm—streets, trees, all that—and that ultimately vests a council, the same way any developer operates. We are obviously out to market, and we have opened the door for arrangements that retain underwriting arrangements to make sure we get density and make sure we achieve our targets.

Ultimately the site will be developed like Bowden and other things where we will sell allotments. We have one large allotment and then five smaller ones. The reason why we have constructed it that way: we do want the benefits of scale. We want to see it, we want to have a decent portion of land, which is basically the portion of Port Road, river and back through the brew house.

We wanted to make it attractive for a major developer to come in and do something particularly special, but we know that if you did that with the whole site, you do not really get the diversity and you lock out a lot of smaller opportunities for smaller companies, hence the five smaller sites so that we get the best of both worlds, the best of having someone who is well capitalised, who is interested in doing a project of scale, as well as some opportunities for smaller companies.

Mr COWDREY: So full divestment in terms of land and housing stock?

The Hon. N.D. CHAMPION: Over the 10 years.

Mr COWDREY: Sorry. In the earliest press release in regard to—

The Hon. N.D. CHAMPION: I should just point out: the first 17 are direct delivery by renewal, the rest are essentially agreements with developers.

Mr COWDREY: Yes. I can understand your urgency to say that something has been built on the site.

The Hon. N.D. CHAMPION: We want to set the scene for a great development.

Mr COWDREY: Sure. In regard to your first press release in regard to this development, there was a mention of prioritisation for public sector frontline workforce. Are you able to outline how that is going to work in practicality? Is there a requirement to be a current employee of state government in particular services? If so, what are they? And if the expression of interest is oversubscribed, how are you going to limit or otherwise availability to private market or public sector based on demand?

The Hon. N.D. CHAMPION: To give you an example of how this is already working, Villawood already have a frontline worker scheme where they prioritise frontline workers, because it is good for their development, it is good business and it is good for society. Obviously, once we have our agreements with developers in place and negotiations with them commence, obviously we would be very interested in proposals around key workers. This would be a great site in terms of the affordable component. I mean, if you are a young nurse or a young doctor—great place to live.

Mr COWDREY: No, sorry, I am just seeking more clarification in terms of your definition of 'key worker'.

The Hon. N.D. CHAMPION: Essentially it is CHP applicability, the HomeSeeker definition. So it is not public sector workers, but many, many public sector workers fall into that because they are in those income bands. For instance, we would not exclude a truck driver or a retail worker or a hospitality worker, and I think I referred to those—it was a long time now, since that particular bit of media, I would have to refresh my memory.

But generally speaking, when I have talked about these things, there has been no artificial division between public sector workers and private sector workers. Either you are a key worker or you are not, and we all know who those people are because they keep the city running each and every day.

Mr COWDREY: You just referenced an income threshold. Are you able to identify what that would be?

The Hon. N.D. CHAMPION: It is on the HomeSeeker website, and there is a range of different—

Mr COWDREY: Sorry—just to be clear: this is just for the Affordable Housing component?

The Hon. N.D. CHAMPION: It might go beyond that. That category of affordability is an obvious area where those workers might fit in, but it might go beyond that equally as well. We will wait and see what kinds of proposals developers have for us.

Mr COWDREY: Very good. I will leave that one there and shift to another issue. We might go to the Housing Roadmap now, if that is alright?

The Hon. N.D. CHAMPION: Sure.

Mr COWDREY: The reference is Agency Statements, Budget Paper 4, Volume 3, page 82, and the dot point that references the Housing Roadmap. There is an oversight committee, as I understand it, to look after the delivery across agency group. It has been established to monitor the 35 Housing Roadmap actions. In 2024-25, the department missed several of the targets is my understanding. Why were those delivery targets missed, and has any work been done to rectify those issues?

The Hon. N.D. CHAMPION: There are 105 of the 113 Housing Roadmap commitments that lie with DHUD. The rest lie with the Department of State Development, Education, Infrastructure SA, Coordinator-General, Department of Treasury and Finance or DIT. Of the ones that DHUD are responsible for, we have delivered 30 of them, 75 commitments are on track to be delivered and the other eight are with those other departments. There have been minor variations around dates, but nothing substantial.

The reason for the delivery of the most important aspects of what has been done by the industry oversight committee—and it was done to give an unprecedented level of transparency for the Property Council, Master Builders, HIA, civil contractors and not to forget Liam and the very passionate UDIA crowd—was that in the past they had felt like they had no transparency, that they were not listened to and that they had to basically complain to a minister to get any action. The industry groups had a level of frustration about that, so we decided to fix that frustration by having the oversight committee. In terms of giving transparency on water and sewer delivery, it has worked very well to give all those groups a level of intimate knowledge about the Housing Roadmap that they need.

Mr COWDREY: As a follow-on to your answer, the group is still active?

The Hon. N.D. CHAMPION: Yes, they meet every month.

Mr COWDREY: When will the Housing Roadmap be updated, and how frequently from this point forward?

The Hon. N.D. CHAMPION: It is a year old today. We said we would come back to the industry in a biennial way, so it has another year to run. Obviously, when we get to the two years, everybody will be able to mark our work. But if the honourable member needs some assurance, go down to Craigmare Road. We will get to this with SA Water, no doubt—and the member for Elizabeth is sitting there diligently listening to me. It is in his electorate; he has seen all the works going into the ground. If you go to the back streets of Elizabeth North it is the same, and working up from Riverlea along Supple Road and Angle Vale Road as well. So there are plenty of places you can see with your own two eyes. Of course, the oversight committee exists as a measure of discipline on the government.

Mr COWDREY: You have referenced trunk infrastructure, so perhaps I will go there next. Has the department commissioned or completed any report on trunk infrastructure delivery required under the road map?

The Hon. N.D. CHAMPION: Reports that come to government?

Mr COWDREY: On progress on trunk delivery.

The Hon. N.D. CHAMPION: This will come up in SA Water, I think. I am not trying to dodge the question. I get a metro weekly update myself as minister about the progress of the water and sewer infrastructure, and there is a monthly report that is on the website, so you can avail yourself of the website. There is a weekly report that comes to me, so I see it each week. I see their progress in figures as well as in the presence in the northern suburbs and elsewhere.

Mr COWDREY: The question is more in regard to the working group though. How frequently is that information passed through to the working group, and in what format?

The Hon. N.D. CHAMPION: Every month, and it is a slide deck, and the slide deck is put up on the website. We are very proud of our work so we want everybody to know about it.

Mr TELFER: Comes before a fall.

The Hon. N.D. CHAMPION: It is not personal pride, it is pride in all of the people who are putting this very difficult project in the ground—all the project engineers, all the blue-collar workers who are undertaking this work—and we should be proud of them.

Mr COWDREY: I will come back to the road map in a second potentially, depending on time. Again, with your guidance—

The Hon. N.D. CHAMPION: SA Water as well; there is a good opportunity to talk about it there. I will not be unnecessarily officious about it.

Mr COWDREY: I will leave GARP for PLUS, so that is not an issue. I might shift to Seaton briefly, with the reference at Budget Paper 4, Volume 3, page 75. Can the minister confirm that the project completion date is 2035, and when would the project have been completed should the government not have rescoped it?

The Hon. N.D. CHAMPION: We certainly rescoped the Seaton demonstrator site because I think it originally had 100 homes. The Seaton demonstrator site, as it was conceived, only had 101 homes. We expanded that to 137, which includes 31 new Housing Trust dwellings, which includes apartments and townhomes, as well as 68 affordable purchase homes and 38 market-priced homes.

Not to be content with the very small, unambitious Seaton demonstrator, we then obviously announced the Greater Seaton project, which is 1,452 homes and good open space provision right next to a school, close to public transport and close to a good footy club, I am sure the Treasurer would tell you. That now is a massive project that has been funded, and I think we are onto demolition in stage 2.

I am sure Mr Gatsios would tell me that he is already thinking about stage 3. There is only one tenant in stage 3 to relocate before we can commence turning off all the power and water and then demolition.

Mr COWDREY: If I go back to the demonstrator aspect of it, what was the original completion date for the original demonstrator project?

The Hon. N.D. CHAMPION: That question might be best put in the Housing Trust section, because—and I am not trying to be difficult—it was originally sitting in the Housing Trust. What we did as part of this Greater Seaton project was to redesign the Seaton demonstrator because—I am not trying to be critical—the Seaton demonstrator was a bit underdone. There were not any opportunities for apartments on it, so we had to reorientate the civil works so we could get a greater housing supply. That set the scene for doing the rest of Seaton, which has a combination of apartments and a range of different forms of housing and better open space as a result.

To answer the question, the trust will have the original delivery date of the Seaton demonstrator. I will be clear: it was undoubtedly delayed while we reorientated civil works so we could get a better housing outcome.

Mr COWDREY: Yes, by five-plus years, I believe.

The Hon. N.D. CHAMPION: How could it be five-plus years? We have only been in government for three of those years.

Mr COWDREY: Give or take; I am throwing numbers out.

The Hon. N.D. CHAMPION: If it is five years then everybody has a bit of egg on their face.

Mr COWDREY: Sure. In regard to the broader Seaton project, do you have an update on what the government's total projected investment in terms of housing mix—social, affordable, private—looks like?

The Hon. N.D. CHAMPION: Most important, and this is something that is very important to the government, is a one-for-one replacement of Housing Trust homes. The original Seaton demonstrator diluted the Housing Trust component. That has been something that, frankly, has not been a good feature of many of these sorts of urban renewal projects. I have one right in the centre of my federal electorate, Playford Alive, and we lost about 100 public homes as part of the redevelopment. We were very keen not to repeat that.

We have gone for one-for-one replacement at Seaton, which is 388 public homes and 20 per cent affordable. Those 388 will be included in the 20 per cent affordable homes, but there will also be affordable sale. In the Seaton demonstrator, stage 1 has 66 affordable outcomes and 34 public housing outcomes. Greater Seaton has a one-for-one replacement of public housing and 15 per cent affordable.

Mr COWDREY: It is a reasonably significant increase in density that you have outlined. What community amenities are planned to support that increase in density?

The Hon. N.D. CHAMPION: Seaton as it is currently arranged has 8 per cent open space; that is going up to 15 per cent open space as a result of the redevelopment. So even though we are having more homes, there is more public open space as well. The density is achieved principally because all of these homes would have been built probably in the fifties and sixties and they are essentially small houses on big allotments, as the Housing Trust was wont to construct. As you knock down those duplexes and reconfigure the stages, you can have your cake and eat it too.

There is already capacity in the high school, which is right adjacent to the Seaton demonstrator site. The site is reasonably close to West Lakes shops, I think there are public transport routes close by, and there is a golf course if you can get onto it, but certainly some of the apartments will look out onto the golf course. There are good transport links. So this will be a good project—and the Seaton Ramblers have an oval up on the main road too.

Mr COWDREY: West Lakes Boulevard?

The Hon. N.D. CHAMPION: Is it West Lakes Boulevard? I do not pretend to know that part of the world intimately.

The ACTING CHAIR: Is there a final question for this section?

Mr COWDREY: If you are happy to take it, I will quickly go to Budget Paper 3, page 75, the key worker program and regional housing. What criteria was used to prioritise towns or regions for the key worker housing investment?

The Hon. N.D. CHAMPION: The Department for Infrastructure and Transport manage government employee housing and I think they have a portfolio of over 1,000 properties that are existing properties that they own. We based where we located the builds from their advice.

The ACTING CHAIR: The allotted time having expired, I declare the examination of the Department for Housing and Urban Development, Affordable Housing and Renewal SA complete.

Departmental Advisers:

Mr D. Reynolds, Chief Executive, Department for Housing and Urban Development.

Ms S. Smith, Deputy Chief Executive, Department for Housing and Urban Development.

Mr M. Voortman, Executive Director, Department for Housing and Urban Development.

Ms J. Burton, Acting Chief Operating Officer, Department for Housing and Urban Development.

Mr T. Pearce, Acting Chief Financial Officer, Department for Housing and Urban Development.

Mr I. McPhillips, Executive Director, Housing Development, Department for Housing and Urban Development.

Ms K. Bartolo, Valuer-General.

Ms K. Mackay, Government Architect.

Ms K. Anderson, Chief Executive Officer, West Beach Trust.

Mr M. Robertson, Chief Executive Officer, Adelaide Cemeteries.

The ACTING CHAIR: We will now be moving to Planning and Land Use Services with the Minister for Planning. The proposed payments remain open for examination. Would the minister like to make an opening statement and introduce his advisers?

The Hon. N.D. CHAMPION: I will do a very short one. Mr Reynolds is back, as he will be here all day, so I might not introduce him each time; to my left is Sally Smith, Deputy Chief Executive, DHUD; Marc Voortman, Executive Director, DHUD; and behind me, Jane Burton, Acting Chief Operating Officer, DHUD; Trevor Pearce, Acting Chief Financial Officer, DHUD; Kirsteen Mackay, Government Architect; Katherine Bartolo, Valuer-General; Iain McPhillips, Executive Director, Housing and Development, DHUD; Kate Anderson, Chief Executive Officer, West Beach Trust; and Michael Robertson, Chief Executive Officer, Adelaide Cemeteries.

I would also like to just take this opportunity to thank Sally Smith for her 25 years of service to state governments and to her commitment in particular to planning policy. I am very sorry to lose Sally to the Property Council. I think the Property Council's planning ability has just shot through the roof. She has been a very, very good public servant who has served both sides of parliament and the parliament in general and the state very, very well. The Greater Adelaide Regional Plan would not exist in the form and the scale and the sort of level of expertise without her service. So thanks very much, Sally, for your service.

Ms SMITH: Thank you.

The ACTING CHAIR: The member for Flinders.

Mr TELFER: I might at this time take the opportunity to read in the omnibus questions:

1. For each department and agency reporting to the minister, how many executive appointments have been made since 1 July 2024 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 2024 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 2024?

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 2024, 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 2025-26 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 2025, 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 2025-26 and each year of the forward estimates, and what is the estimated FTE impact of these measures?

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

- (a) What was the actual FTE count at June 2025 and what is the projected actual FTE account for the end of each year of the forward estimates?
- (b) What is the budgeted total employment cost for each year of the forward estimates?
- (c) 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 2025-26 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 2025-26 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 2025-26?

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 2024 and budgeted expenditure for 2025-26, 2026-27 and 2027-28.

14. For each grant program or fund the minister is responsible for, please provide the following information for the 2025-26, 2026-27 and 2027-28 financial years:

- (a) Name of the program or fund;
 - (b) The purpose of the program or fund;
 - (c) Budgeted payments into the program or fund;
 - (d) Budgeted expenditure from the program or fund; and
 - (e) 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:
- (a) Is the agency confident that you will meet your expenditure targets in 2025-26? Have any budget decisions been made between the delivery of the budget on 5 June 2025 and today that might impact on the numbers presented in the budget papers which we are examining today?
 - (b) Are you expecting any reallocations across your agencies' budget lines during 2025-26; if so, what is the nature of the reallocation?
16. For each department and agency reporting to the minister:
- (a) What South Australian businesses will be used in procurement for your agencies in 2025-26?
 - (b) What percentage of total procurement spend for your agencies does this represent?
 - (c) How does this compare to last year?
17. 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?
18. 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?
19. 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?
20. How many and what percentage of staff who undertake procurement activities have undertaken training on participation policies and local industry participants this FY?

The ACTING CHAIR: Thank you, member for Flinders. Are there any questions? The member for Colton.

Mr COWDREY: Thank you, Chair. I will add to the minister's comments and appreciation for your service, Sally. I will start, as was a little precursor given earlier in the last session, around the GARP. There are a couple of budget references: either Budget Paper 4, Volume 3, page 82, the dot point that references GARP, or also at page 85, but I assume 82 is going to be sufficient for now. Minister, what is the current status of each of the state's significant growth areas listed in the GARP?

The Hon. N.D. CHAMPION: For the lands that were previously in the FPA, we now are able to begin the work that will ultimately release all of this land. It is a 30-year plan, so this is a very long-term plan. Essentially, what we will do for all of these areas is to begin the structure planning, infrastructure planning and ultimately the code amendments, which will rezone those lands, and the infrastructure schemes.

We have broadly indicated that infrastructure deeds might be appropriate if you have a single developer, but they are not really appropriate if you have multiple landowners, multiple developers. We have already initiated infrastructure schemes in Murray Bridge, most recently Concordia, and we have indicated that we will also look at the remainder of Angle Vale to make sure that infrastructure provision is done appropriately there as well. So they are the three broad things that we need to

begin to do. They are what are called post-GARP actions, and I think they are up on the PlanSA website.

Mr COWDREY: To confirm, there have been no code amendments, infrastructure schemes or land division applications made in relation to any of those identified state significant growth areas?

The Hon. N.D. CHAMPION: I just spoke to the 80,000 new homes that were identified in the GARP. There is also a land supply of 215,000. There is nothing to stop, and indeed there probably are many, privately led code amendments, because we have a number of privately led code amendments in the system already, including at Murray Bridge, which is one of these sites. As I said before, we also initiated an infrastructure scheme there as well. For the remainder of it, if you like, the new 80,000, we have to do the infrastructure investigations and provisions for that before you can rezone the land because, as part of the code amendment, you have to have at the end of it either interim deeds, signed deeds or an infrastructure scheme attached to it.

Mr COWDREY: I realise that this is a 30-year plan. I am not being facetious here, but in terms of the sequencing or initial thoughts in terms of—I still use the word 'rezoning' rather than 'code amendments' for force of habit rather than anything else. Is there any sort of public-facing sequencing of the expectation of code amendments for the land in the GARP that is available?

The Hon. N.D. CHAMPION: The use of the word 'sequencing' is always a bit of a red rag to a bull, and I know the UDIA and the Property Council and others are watching. They wished Mr Reynolds a happy birthday, so we know they have tuned in. Really, the provision of infrastructure will guide the pace of code amendments. We have indicated to the industry itself that there is no good rezoning a land if water and sewer would be prohibitively expensive or it is out of an engineering sequence, should I say, as opposed to a desire to mark one bit of land over the other.

The only, I suppose, exceptions to this would be Concordia—where there is already a code amendment and we are already doing the infrastructure schemes; that has been identified since, I think, the 2010 plan—and Kudla, which is a very well-located and logical extension between Gawler and the northern suburbs, which rates very highly on a multicriteria analysis because of its location next to Main North Road, the rail line, the Salisbury trunk main, the expressway and existing communities.

The others will be delivered as we can deliver the infrastructure. It is a 30-year plan. Obviously, we want to get on and do it as much as we can, because the whole reason we did the changes to the environment and food production areas was to give long-term certainty so you can have long-term investment. That is both public investment and private investment, and the public investment is mainly water and sewer infrastructure which has to be delivered at scale if it is to be efficient.

Mr COWDREY: In making the changes that were made earlier in the year, presumably there was some level of assessment undertaken to determine the feasibility or otherwise of the land being released in terms of those services that you have just referenced. Leaving aside the code amendments, does the government have a view, publicly or otherwise, in terms of prioritisation of the land identified in the GARP?

The Hon. N.D. CHAMPION: The land identified in the GARP went through a multicriteria analysis led by the State Planning Commission and, obviously, informed by Planning and Land Use Services. I think I have said this before during debate on the bill and, in fact, when it passed the parliament: there was all of that work which was publicly flagged in a discussion paper because we wanted to maximise, if you like, the transparency around the thinking on the planning. So there was a 170-page discussion paper which really, if you look at it, is remarkably close to what came out of the ultimate plan, and it is that multicriteria analysis, and I think we have put as much information as is possible up on the website to assist the public post that process as well.

Mr COWDREY: Yes, I understand the factors that were utilised to determine what land sat in there. I am talking about the next step from there in terms of a prioritisation or order or sequencing of that land and whether the government has a view or otherwise—given the fact that I assume you have undertaken some level of assessment on the cost for infrastructure, otherwise these swathes

of land, I presume, would not be in the plan. Does the government have a view as to prioritisation of land identified in the GARP?

The Hon. N.D. CHAMPION: Some of the work we are doing as part of the Housing Roadmap and the reason why it is a two-year—if you like, you have the long-term planning, which GARP provides. It identifies the 315,000 houses and gives a very clear outlook of the way the city will grow, the directions in which it will grow and the infrastructure provisions. What GARP allows us to do is to also put in place some prudent land reservation policy around public transport and hospitals and the like.

If you want to know where the government's priorities will be, they are identified in the Housing Roadmap; when we come to do the next road map, the next lot of priorities will be there. At the moment, the current priorities are outlined in the Housing Roadmap. Probably the next piece of land that recommends itself, purely just from an infrastructure cost-to-benefit ratio, would be Kudla because, as I said, there are not many other sites that have its proximity to Adelaide, its proximity to public transport, its proximity to a major trunk main of sewer and its proximity to two major roads.

Mr COWDREY: So Kudla first, and we can take a guess as to what goes after that.

The Hon. N.D. CHAMPION: There is also some capacity mapping being done this year and that will bring more detail to the work that you are talking about. Looking at the map where there is growth, the growth fronts are principally Murray Bridge and the northern suburbs, and you do not have to be Einstein to work that out, and then within that we have to make assessments about what is the infrastructure cost. The nature of infrastructure costs is that you get high-level costs and then over time you get greater clarity about what it might cost per allotment.

Mr COWDREY: Will the land supply dashboard that the government operates be updated to include the live statuses of these areas, including infrastructure lead time and barriers to lot creation?

The Hon. N.D. CHAMPION: Yes, it sure will. The land supply dashboard is a very important discipline on every planning minister and every government that comes after this. It is the ultimate discipline and it will make sure that we do not get ourselves caught in the problem that we had before where we did not have enough development-ready land. Land rezoning is important. If you like, the production of development-ready land is vital to land supply.

Mr COWDREY: When will the dashboard be updated, given the minister's answer?

The Hon. N.D. CHAMPION: As the data comes in, it gets updated every quarter.

Mr COWDREY: So we can expect the full gambit of land identified in GARP—

The Hon. N.D. CHAMPION: The land supply dashboard looks at land supply for five years. It identifies development-ready land over five years and all other categories as well. So all of it is updated. It should be up there. GARP is in there. If you go there today, I am informed by the officials, it all should be there. And I am sure the PLUS team are happy to provide the opposition with a very user-friendly guide through it.

Mr COWDREY: If we shift to Agency Statements, Budget Paper 4, Volume 3, pages 85 to 86, in this particular instance page 85 highlights the first dot point, again GARP actions. When is it intended that the anomalies in the EFPA and Hills Face Zone are going to be addressed?

The Hon. N.D. CHAMPION: In 2027, when the investigation is done and then the State Planning Commission considers it from there.

Mr COWDREY: Just to be clear, financial or calendar year?

The Hon. N.D. CHAMPION: End of calendar year 2027.

Mr COWDREY: I understand that the process is currently underway. How many representations has the government received to this point?

The Hon. N.D. CHAMPION: The process has not begun yet.

Mr COWDREY: It has not been opened yet?

The Hon. N.D. CHAMPION: No.

Mr COWDREY: Has the government received representations to this point, noting that it has not been opened?

The Hon. N.D. CHAMPION: I think every planning minister since God was a boy or a girl has received representations about the Hills Face Zone. Pretty regularly you get correspondence about the Hills Face Zone in one form or another, and there certainly were submissions to GARP of that nature.

Mr COWDREY: I assume that many of those have referenced housing as one of the potential users?

The Hon. N.D. CHAMPION: Of course.

Mr COWDREY: Do you have a response to those representations or wish to put anything on record?

The Hon. N.D. CHAMPION: There are two aspects to the Hills Face Zone. From a policy point of view, it has been in the planning system for a long time. In fact I think it is mentioned in a report the Government Architect gave me, which I think is 1960s vintage. So it has been a feature of planning for a long time. From time to time, during the late sixties it was an issue of consternation in the parliament.

It does not rate well on any sort of infrastructure analysis—very high cost infrastructure. So there is no proposal from this government to entertain proposals to alter the boundary of the Hills Face Zone. I should say also there is quite a bit of environmental sensitivity across the Hills Face Zone as well.

Mr COWDREY: A question in regard to the State Planning Commission and interaction with PLUS in particular, given the changes in terms of when the last population projection was provided to the State Planning Commission.

The Hon. N.D. CHAMPION: Last week, it was not a formal item but they had a workshop on population statistics.

Mr COWDREY: Are you able to provide information to the committee on when it was updated prior to the most recent?

The Hon. N.D. CHAMPION: I am happy to provide that information on notice.

Mr COWDREY: If you are happy to take that on notice and potentially include the detail in terms of the projections that were updated as well.

The Hon. N.D. CHAMPION: Essentially when we came to do GARP, there were three population scenarios—low, medium and high, and obviously we are planning for high.

Mr COWDREY: I will shift, if that is okay, to Budget Paper 4, Volume 3, page 84, and again to parts of the road map, but in particular around the code amendment process and the template. How much time, minister, is being saved by the new rezoning processes, and are the six to nine-month targets being met?

The Hon. N.D. CHAMPION: For the fast-tracked we have already had three applications, and they have some KPIs in the department, and they will all be four to six months quicker than they otherwise would have been.

Mr COWDREY: To be clear, three to this point are using that new—

The Hon. N.D. CHAMPION: The fast-track provision, yes.

Mr COWDREY: Have there been—

The Hon. N.D. CHAMPION: Just to give you a context, we have had three come in that are fast-tracked, and then there are 13 in total since November when this started. So, since November, 13 code amendments in total, three of them fast-tracked. The proponent of the code amendment will

request to be fast-tracked. Some proponents do not, they are just happy; it depends on their urgency—time is only a factor if you are in a rush—and complexity.

Mr COWDREY: Yes, I understand the process. Were any applications that sought the fast-track process denied?

The Hon. N.D. CHAMPION: I will take it on notice, but not that the officials are aware of.

Mr COWDREY: And the dashboard reflects those that are being fast-tracked as opposed to the standard process?

The Hon. N.D. CHAMPION: The Code Amendment Tracking System might not indicate whether they have been fast-tracked, but I am sure PLUS will consider an update. It is probably not a bad idea. Often these digital sites are improved over time. So, that sounds like a sensible improvement.

Mr COWDREY: Given the sensibleness of the suggestion, would you like to outline which three code amendments are currently being fast-tracked?

The Hon. N.D. CHAMPION: I might take that one on notice.

Mr COWDREY: I look forward to the asterisks. Key rezonings are Concordia, Sellicks Beach and Dry Creek in terms of the land releases. Are they still on track for a 2025-26 delivery, as outlined previously?

The Hon. N.D. CHAMPION: I do not want to refer you back to the road map, but with Dry Creek we did not give a date and that was because of the complexity of that site. It is a complex site for a whole range of reasons, but we are continuing to work with the landowner, so we are still in the process. It has been initiated. We are in the initiation stage; the code amendments were undertaken. The timeframe was to be confirmed with the landowner. We have initiated it, and I think we did a press release on that.

Concordia is due by September 2025. We initiated the infrastructure scheme some time ago and announced it is going out to public consultation with the infrastructure scheme. The key question of all public consultation—or a lot of the questions you get about these things—is on the provision of infrastructure, so that is on track; and Sellicks Beach is on track for 2025.

Mr COWDREY: Have any of those that you have just referenced used the fast track?

The Hon. N.D. CHAMPION: No, because of the complexities. The issue here is that there is, if you like, a diversity of code amendments. They range from everything from a relatively small allotment in the city or adjacent to the city, like something as small as the Buckingham Arms, right up to a whole suburb around Concordia. Obviously, when you have 10,000 homes and around 25,000 people, it is not in the state's interests or even the proponent's interests to fast-track that. The issue around Concordia is that it was identified in 2010 and, not to be critical of my predecessors, the work around Concordia should have begun a long time ago.

Mr COWDREY: We have referenced the land supply dashboard a few times to this point. Just for the sake of closing out, I have a question regarding that. In terms of responsibility for operational day to day, who within the department has responsibility for that? Which section is that? Is it PLUS?

The Hon. N.D. CHAMPION: It is PLUS. They have a team and they do the PlanSA website, they do the Code Amendment Tracking System and they do the supply dashboard. We have the only digital platform in the country, and ours is the only digital regional or state plan in the country, so it is a unique system and it is very good. In particular, as AI heads towards us, it is a big productivity improvement for planners, for developers and for the citizenry generally, because you can register to be notified about code amendments in your area and get up-to-date information.

Mr COWDREY: In regard to the Greater Adelaide Plan portal, what feedback has been received to date in regard to that, and is there any consideration by the government for other regions to follow that model?

The Hon. N.D. CHAMPION: My officials have advised me that there has been no negative feedback. I am sure someone will come out of the woodwork, such is the nature of planning. That said, all the regional plans will ultimately be on the portal. These are the first regional plans to be done and they are all in various stages of either public consultation or consideration by the State Planning Commission. If you remember, the Riverland one was delayed in particular because of the floods and we did not want to overwhelm communities while they were dealing with flood recovery.

Mr COWDREY: In terms of progress of the portal, are there any new features that are planned for release; for instance, something that is raised regularly: deemed to satisfy automation? Are there any progressions that are being considered by PLUS in terms of improvements to the system?

The Hon. N.D. CHAMPION: I have received a few briefings, but none recently. Every fortnight, there are upgrades to the system. Some of them will be noticed, some of them will not, but the nature of digital systems is such that you have to constantly upgrade them for cybersecurity and a range of other user enhancements.

Mr COWDREY: Specifically, in regard to deemed to satisfy and the potential automation of that pathway?

The Hon. N.D. CHAMPION: It is in the road map. We are confident that we will meet our targets in the road map.

Mr COWDREY: Within that time period? There is work on foot? It is being done?

The Hon. N.D. CHAMPION: We have a lot of focus, for obvious reasons, to endeavour to meet our commitments in the road map, and we are happy to be judged by them. That is part of the reason that we did this document. I do not think there are too many governments around the country that have applied this level of discipline to themselves. That is why we are getting number one in the country by the HIA, the Business Council of Australia and the rest.

Mr TELFER: That was not the measure points they used.

The Hon. N.D. CHAMPION: I am always happy to hear your feedback.

Mr COWDREY: I will resist the invitation at this stage. The Greater Adelaide Regional Plan is in Budget Paper 4, Volume 3, page 84. Again, in terms of living locally and the implementation of that, how is that concept being embedded into planning policy to ensure proximity to shops, services, transport, etc., in new development areas?

The Hon. N.D. CHAMPION: As part of a master-planned community, you basically build that in. One of the important things coming out of GARP is analysis about schools, about hospitals and about public transport. In GARP, there are also huge areas of employment zone. If you look at Murray Bridge, the Murray Bridge council asked for as much employment land as in the whole of Adelaide. They are super ambitious and they are a very good council. We did ultimately give them quite a bit of employment land, because we do not anticipate that Murray Bridge will be a commuter suburb, we think it will be a regional centre.

Ms Smith has told me it is probably the first polycentric city. This is the first proper example of that in South Australia; it exists elsewhere. We would obviously want people to work and live locally in Murray Bridge, and there will be an opportunity to do that, so it is built in to the systems. The council also has housing obligations under the GARP, and presumably they will seek to embed that into their communities as well.

Mr COWDREY: Are there any goals in terms of living locally that are being reported on publicly or that will be assessed as part of development applications?

The Hon. N.D. CHAMPION: Hang onto your hat, I am going to praise the previous government that did the code. When the code was set up, that was sort of embedded in the system; it is embedded in GARP as well. Obviously, it is a bipartisan goal to make sure that newly built communities have good facilities. I am the first planning minister to require developers, as part of code amendments, to actually talk to the education department.

There being a disturbance:

The Hon. N.D. CHAMPION: Sorry, that is my wife. I did not set that up, but she is going to be mortified. Hello Fiona, if you are listening. She might have called me deliberately just to embarrass me. Where was I?

Mr COWDREY: Ringtones say a lot about people, minister.

The Hon. N.D. CHAMPION: Developers actually want schools and hospitals nearby. It is an amazing benefit to the developer to be able to say, 'You will have a choice of education.' One of the problems we have seen with expanding suburbs is developers have approached the Department for Education and said, 'Are you interested in a school?' It is not a criticism of the Department for Education, but there just was not a formalised process for them to properly consider this outside of the budget process.

What we were finding was that private schools were racing in, which is good for a developer but might not necessarily be good for society, because we want to have choices of publicly provided education. We now have that embedded in code amendments; it is embedded in GARP. It is the same with social infrastructure with the council and bigger regional pieces of infrastructure as well, like hospitals and public transport.

One of the most important things about the Greater Adelaide Regional Plan is it is a multigenerational plan. The more that we have not just bipartisanship between parties but bipartisanship between generations—we have some younger members of parliament here. People in this parliament who are much younger than me will serve as ministers in the future, and my hope is that the Greater Adelaide Regional Plan will assist them to deliver to communities schools, hospitals and public transport as communities grow and as the needs become apparent.

Mr COWDREY: You referenced Murray Bridge earlier. Are there any other examples of pilots or developments that you see as being exemplary in embodying this that are coming online in the next couple of years?

The Hon. N.D. CHAMPION: I do not want to single out any particular one, because we are trying to do this across a city, but you can see that work already emerging: Murray Bridge, Concordia, Port Stanvac. Adelaide has had two forms of postwar development. We had 50,000-odd people in the city—47,000 maybe—and then postwar we spilled out of the city into small homes on big blocks, stretching all the way out north and south. Our development pattern came postwar, so that happened.

Then Playford created Elizabeth, which was the earliest example of a state master plan in our community, and then came the southern suburbs, which was a series of townships which were expanded—and places like Magill. Then we saw towns like Gawler. I remember leaving school in 1989 and Gawler was just another country town. The bypass came in and now it is a thriving regional city, really.

We are trying to make sure that each and every one of these communities gets the right number of schools, and access to health care and public transport as far as possibly can be done. I think you can see that in our work in Concordia. I think there will be a bunch of places which will be better served.

To give you an idea, as part of the code amendment at Onkaparinga Heights they actually went and asked the education department, but it turned out there was plenty of provision in local schools to accommodate for that. So I would not say the system is working perfectly, but it is a vast improvement on what we have been doing, at least in recent history.

Mr COWDREY: Shifting to Budget Paper 4, Volume 3, page 85, program 3, planning services, to implement GARP actions, in the EFPA changes that the government introduced legislation in regard to earlier this year—time has gone by so quickly—that unlocked land in Roseworthy, Two Wells, Murray Bridge, Victor Harbor and Goolwa, the key concern raised was around the loss of productive agricultural land and potential impacts on food security.

Given that legislation and the changes to the boundaries, how is the department, or PLUS more generally, ensuring that the development of newly zoned areas will proceed in a manner that balances housing needs with the preservation of agricultural productivity?

The Hon. N.D. CHAMPION: I think we traversed this sort of area during the bill. In truth I think it is mainly Roseworthy that occupies people's minds—less so Murray Bridge. There were areas in Murray Bridge that came out of the EFPA.

Principally, Roseworthy to one degree or another was always in—the 2010 plan, the 2015 update; scale sometimes changed—it has been in every single one of the 30-year plans. You will remember the previous test was you had to utilise all the other land before you could get into these areas. That is just not the way housing delivery works. Fifteen years is not a long enough horizon to properly plan for infrastructure and the like, so structural plans will guide some of that. Principally, as I said before, we are not playing favourites in terms of sequencing, but infrastructure is a constraint. Often you have to deliver one lot of infrastructure before another lot can proceed in order to maintain water pressure and properly manage wastewater. That is one of the things that structure planning will do.

We undertook to the primary producers and the grain producers to put in place an interface policy, because there have been problems in the past. Having an interface policy means that when these areas are delivered there is a proper buffer zone between residential ending and agriculture beginning. That buffer zone helps farmers continue to farm.

The other point I would make is there is nothing compelling a farmer to stop farming. They own the land. If they want to keep farming, there is nobody forcing them to sell to a developer. You have to remember that.

Mr TELFER: What about the neighbour next door?

The Hon. N.D. CHAMPION: That would be dealt with by the interface zone, will it not?

Mr COWDREY: In regard to the interface zones that you have just referenced, how far progressed are initial discussions in terms of what they will look like? Has there been consultation that has happened with the agriculture sector generally? You referenced earlier that certainty is the best medicine, for lack of a better term, in terms of planning policy, and that having these things nipped out early would probably be helpful in providing certainty to farmers, to agricultural producers and to future landowners. So have discussions started? Has there been a working group put together? Have there been initial undertakings in regard to what those zones are going to look like?

The Hon. N.D. CHAMPION: Early discussions, but there is nothing formal yet, in terms of workshops and the like. That work will be led by the State Planning Commission. It is a priority for the government. I am a former trade minister and I grew up not far from Roseworthy, in Kapunda, so I do understand the kind of passionate advocacy for primary production that might emerge from the Freeling Ag Bureau, or any of the other ag bureaus through that region.

I certainly understand the passion and as the minister obviously I will make sure that it occurs. But it does not need to occur or be in a locked-down form until we really get into that structure planning process for these areas and it can be done concurrently with them. It is a discrete amount of work. The best set of discussions would really be between developers and primary producers themselves.

I know people will be sceptical about this—I am not inviting an argument—but it is not just the commission's job to come up with something; if this can be informed by developers and farmers working together that would actually be a good outcome too. These buffer zones can include open space requirements and a whole range of other things that are good features for everyone, and it helps with the bushfire risk as well.

Mr COWDREY: I hate to break it to you, minister, but you will not be responsible for this portfolio forever. While there is the undertaking that you will make sure that it happens, I doubt, given the timeframe we are talking about, that that is necessarily of comfort to many of those primary producers out there. In your answer you alluded to the fact that responsibility to initiate and to build a consensus around what these look like does not necessarily sit with government, that it sits with primary producers and developers.

I would argue that, given the fact that it is government that has forced these changes on both those parties, government does have a level of responsibility and a role to bring those parties

together in a formalised process and to undertake some sort of consultation on a development pathway, again noting that, as you have said many times, without having certainty, planning is difficult. Do you have any formal plans in terms of a timeframe for when you want to get this underway, when you would like to have at least initial discussions on what these zones will look like?

The Hon. N.D. CHAMPION: It is an action out of GARP. The member is right: planning ministers typically have the life cycle of a moth, I reckon. There is one moth that lasts longer than a few days, a woolly bear moth; we sometimes joke about it. But it is an action in GARP, and I am sure the higher level—and I referred to this before—of bipartisan agreement, I am happy to work with the opposition and the communities that are represented, and I am happy to work with the agricultural bureaus. It is an action in GARP, so government is not trying to abrogate its responsibility.

I just find, when you get everybody in a room, you often can reach a much better consensus and a much better informed public policy by listening to the people who have to do it rather than sitting in a boardroom somewhere. That is not to criticise people who sit in boardrooms, either, but it is a dynamic process. You have to have feedback. Farming technology has changed a huge amount since I was 16 or 17.

Mr COWDREY: Again, I will ask the question plainly. Do you have any sort of timeframe?

The Hon. N.D. CHAMPION: It is an action in GARP.

Mr COWDREY: I understand that is when it has to be done by.

The Hon. N.D. CHAMPION: There are dates. It begins on 03/2025 and it will be completed by 03/2030.

Mr COWDREY: Yes, I understand it has not started to date, given it has passed 03/2025. The question is still valid.

The Hon. N.D. CHAMPION: I did say discussions have commenced.

Mr COWDREY: Okay.

The Hon. N.D. CHAMPION: I began the answer with that. It was a long and complicated discussion.

Mr COWDREY: I will happily shift to Budget Paper 4, Volume 3, page 85. There is a range of code amendments that are being progressed for infilling corridor redevelopments, some of which we have already discussed to this point, in the inner west, in Smithfield, Dry Creek, etc., that are linked to density targets in the GARP. What are the expected housing yields from the Smithfield regeneration and inner west code amendments, and when will those infill opportunities be realised on the ground?

The Hon. N.D. CHAMPION: I will just put this small proviso on this. Yields are estimated yields at the start of a code amendment process. Nearly every code amendment that the PLUS and the commission and I have completed—and we have completed quite a few—have had some level of conditions put on them that you would not have anticipated necessarily at the start. We are endeavouring to make sure community consultation is real, that we listen to communities and that we are properly informed by the infrastructure.

In terms of the Smithfield regeneration, we have made the area around the Smithfield regeneration bigger, beyond just the barracks themselves. I do not know if members know this part of the world; I know it pretty well. Essentially, there is the Smithfield train station, and there is a strip of land that lies between the train station and the barracks site that is heavily dominated by Housing Trust homes, all of which are getting to the age where we need to have some sort of replacement plan for them. Beyond the barracks site, there is a mixture of privately held and Housing Trust properties as well. They all sit in and around the Munno Para shops, which is a great shopping centre with a lot of facilities in it.

So it is just an opportunity, as part of that code amendment, to properly get a good outcome in terms of the barracks site and to lift housing in and around it as well and give private landowners and the Housing Trust the opportunity for pretty considerable uplift in density and so considerable uplift in land prices and the like, which is why we have written to everybody there as well. We are

anticipating somewhere between 1,500 and 3,000 homes, somewhere around that, but it could be more than that given we have a fair amount of Housing Trust in the area.

So there will be a number of areas where the Smithfield code amendment is not just planning. Planning is part of it, and then there will be this, if you like, future Seaton-like opportunity for urban renewal. But we have to go through community consultation. A lot of people in the local community want to stay in the local community, and we want to manage that so that they can. There are some very good citizens there. We want to make sure that they are given every consideration in terms of that project. What was the other one, other than Smithfield?

Mr COWDREY: Inner west.

The Hon. N.D. CHAMPION: Inner west is a bit different. For inner west, you have the top of Port Road. Port Road got rezoned maybe slightly longer than five years ago, and nothing has happened. It is right next to public transport, and it is right next to one of the biggest open space urban parks around. I think it was always anticipated that growth would come down from the city towards Bowden. I think what is more likely now is that we will get an arc of growth: Bowden, Southwark. We will see a big community there.

If you think about the other area the inner west code amendment looks to, it is the top bit of Hindmarsh, which at the moment does not have anybody living there. It is commercial offices and the like. It is perfectly set up for a mixed-use zone where you can get both housing and offices, the ultimate living locally kind of opportunity.

I do not think we put out a density number for inner west. We made no estimation of that yield because it will be a mixture of a whole lot of private opportunities for investment, and we obviously want to maximise the opportunities for them to do that. If I gave you a number, you would hold me to it and be back here in a year's time saying, 'Why is it not X?' I think the opportunity there is truly a private sector opportunity, but it is underpinned by the place-making that we are doing in Southwark and finishing off Bowden.

Mr COWDREY: I would never do that, minister. Is the government considering any sorts of incentives to accelerate delivery for any of those projects—density bonuses, development incentives? Is there anything that the government is actively considering?

The Hon. N.D. CHAMPION: In terms of planning policy?

Mr COWDREY: No. In terms of—

The Hon. N.D. CHAMPION: Renewal or DHUD?

Mr COWDREY: Yes.

The Hon. N.D. CHAMPION: Not that we have not already covered in the previous estimates, so mainly in agreements with developers done by Renewal.

The ACTING CHAIR: The allotted time having expired, I declare the examination of Planning and Land Use Services complete.

Sitting suspended from 15:30 to 15:45.

Membership:

Mrs Pearce substituted for Mr Odenwalder.

Departmental Advisers:

Mr D. Reynolds, Chief Executive, Department for Housing and Urban Development.

Ms. J. Burgess, Chief Executive, South Australian Housing Trust, Department for Housing and Urban Development.

Mr N. Symons, Chief Financial Officer, South Australian Housing Trust, Department for Housing and Urban Development.

Mr M. Hayward, Executive Director, Property Services, South Australian Housing Trust, Department for Housing and Urban Development.

The ACTING CHAIR: Welcome back. We are moving to the portfolio of the South Australian Housing Trust with the Minister for Housing and Urban Development. The proposed payments remain open for examination. I now call on the minister to make a statement, if he wishes, and introduce his advisers.

The Hon. N.D. CHAMPION: Thank you, Chair. Firstly, a man who needs no introduction: Mr Reynolds, who is going to be present at all of these estimates sessions. To my left are Julie-Anne Burgess, Chief Executive of the South Australian Housing Trust, and Nick Symons, Chief Financial Officer of the SA Housing Trust; and behind me is Mark Hayward, Executive Director, Property Services, South Australian Housing Trust. Fiona Curnow is sick, so she is not here at the moment.

I would like to thank all of the Housing Trust staff, from the chief executive and the executive team down to all the trust staff who work in the metropolitan and regional offices. The work of the trust is complex: it is complex from a policy point of view and it is complex from an everyday implementation point of view. The trust was created by this parliament in the 1930s. It is a venerable institution, and all of the people who work within it are mindful of its history and mindful of their responsibilities day to day to Trust tenants and to the public more generally. So I would certainly like to thank them for doing a difficult job and a very rewarding job as well because it does take a level of commitment that is often above and beyond what we would expect from public servants. So I would just like to begin that way, and now I will throw to questions.

Mr COWDREY: I note at the outset of this particular session that there are limited references to the Housing Trust in the budget papers, so I would appreciate the minister's discretion, if you like, and flexibility in regard to questions asked and references.

We will begin at Budget Paper 5, the Budget Measures Statement: on page 67 it sets out the rent-to-buy affordable housing pilot. By way of background, 100 homes are to be constructed for affordable housing that will be rented to eligible households at 75 per cent of market rent for three years, after which, as we understand it, tenants will have the first option to purchase the property. In regard to the initiative that is being set up and funded through the budget measure, is the minister able to outline what mechanisms are in place to ensure that participants who are taking part in the rent-to-buy scheme are actively saving the 25 per cent rental discount towards a deposit?

The Hon. N.D. CHAMPION: This is a very important initiative by the government and by the Housing Trust and I think it paves the way for those people who are really stuck in long-term rental, who are working, often saving a deposit, trying to get out of the rental market, but every time they save a deposit, the market accelerates just out of their reach. This is an opportunity for people who are long-term renters. We have set up some criteria around that.

We do not want to be paternalistic. The way it works is when you move into the property, you sign your rental agreement and you sign your sales agreement and that sets the price in place. You will never get a better deal than this. If you are a long-term renter who gets the chance to do this—we are not going to be paternalistic with people—this is your big chance.

They get discounted rent, which is normally 75 per cent of market rent, and in most cases is a bit over \$100 a week. You know you have your price fixed when you move in, but you are buying in two years' time so you know you are never going to get a cheaper house than one that is priced two years ago.

There will be every incentive, and if we carefully select these individuals we will not need to say, 'Have you saved your \$100 that week?' but rather that people are motivated by the opportunity to save, to make their own decisions, to work a bit harder, to take that overtime shift, to make some sacrifices because this is a great deal that gets people out of the rental system and ultimately into their own home.

Mr COWDREY: Again, I do not question the intent. More so, the questioning is to understand if there are any safeguards or mechanisms in place in terms of ensuring that—the government has

been very generous in this situation in discounting market rent for a subset of people to enjoy a pilot program. Again, is there any mechanism to ensure—or is the government simply taking the carrot approach and hoping that everybody that they select is going to do the right thing?

The Hon. N.D. CHAMPION: The ultimate, if you like, discipline on people participating in the scheme is the knowledge that in three years that house will be sold. If you get this opportunity and you muck about, or you cannot meet your opportunities under the sales agreement, then the house will be sold at the end of the three years.

So that is the discipline. You know you are on the clock: you know you are on the clock in terms of the incentive and you know you are on the clock in terms of you know the government is going to sell the house. At that point, at the three year point—we want to have people saving and trying to buy the home in two years and then they have another 12 months beyond the two years—once it hits that three years, the house is being sold.

Then they will either have to get another rental property and they will not get another one at 75 per cent of market rent or they will miss the opportunity and we will not be recycling people for multiple chances. It is a very real opportunity, and as the member points out, there is a very real incentive there. It is a good deal, but there is also a discipline on it as well.

Mr COWDREY: The minister mentioned criteria in terms of selection and in particular the reference to long-term renters. Is there any more detail that the minister can share in terms of exactly who will be eligible for the trial?

The Hon. N.D. CHAMPION: We are using the HomeSeeker criteria because it is just easier in terms of their income limits. People have to have been in the rental system for a minimum of 24 months. That is how we define long-term renter because we do not want someone who has just been in the rental system for a little while. They must not own property and they must be able to demonstrate the financial capacity to execute the contract at the two-year mark, shared equity loans and all of that. So we will do a careful assessment.

We do not want to set people up to fail. Obviously we are leaving the 24 months to three-year period just in case anything happens in their life that could not have been reasonably predicted. But we are going to try to set people up for success. We want this to succeed because it is an important initiative.

Mr COWDREY: In terms of safeguards, again, you have stipulated how carefully the potential selectees—for lack of a better term, in terms of those who will participate in the trial—are going to be looked at and their income measured appropriately. I assume past credit history and a range of other things will be evaluated in terms of access to this. So where does the government see the pilot going beyond in terms of a broader rollout, given what you have identified in terms of how carefully these participants are going to need to be vetted to be selected to go? In what way, at first instance, are you going to advertise participation in the trial?

The Hon. N.D. CHAMPION: Obviously we want to make sure this works, and it is a limited number—100 homes in this case. You can already register on the HomeSeeker website. From the time we announced it, it was out there in the public domain for people to register their interests. We will obviously make sure it is a success and, because it is 100 homes, that is a defined number and you will get a very clear metric of how many people are successful and how many people are not? No doubt you will ask me in estimates, if I am fortunate enough to be sitting here and you are fortunate enough to be sitting there; we will be able to analyse the results in 12 to 24 months. We will have some pretty good data, I would imagine, during that period of how people are going. I am happy to report back to estimates around that. Rent to buy used to be a pretty big feature of what the trust did. I think it is a useful initiative. So we want to give it a try, knowing it will not be 100 per cent perfect.

Mr COWDREY: You mentioned that registrations are open. How many people have registered for the program to this point?

The Hon. N.D. CHAMPION: Over 2,700. So we are spoilt for choice at the moment.

Mr COWDREY: I did not—

The Hon. N.D. CHAMPION: To give you an idea of—

Mr COWDREY: I anticipated that was going to be the answer, to be completely frank, minister, hence the next question was going to be: how are you going to decide who is worthy of the trial and who is not?

The Hon. N.D. CHAMPION: One of the things we want to do is make sure it is a successful trial and, obviously, registrations of interest are not—you will get a lot always. I think we did in the renewal stage, we have had far more registers of interest for Noarlunga than houses that we have. There is just a real appetite out there for people. They are valuable registrations and there will be opportunities. There are other opportunities through affordable sale programs through the HomeSeeker website, through shared equity. Not enough people look at shared equity. Quite a few people can. What we have found is. Shared equity is actually a very successful program. It is not as though we will have a hundred and then we do not care about the other registrant. We will try to work with them as best we can and use that list to drum up other opportunities. You have to carefully curate and obviously make sure the trial is a success. If it is a success, there will be every reason for it to continue.

Mr COWDREY: You do not believe that there is any risk, that people simply register for the scheme and go into the scheme simply to enjoy three years of discounted rent?

The Hon. N.D. CHAMPION: There is a risk in all housing policy. There is a risk any time you build anything, there is a risk any time you take a chance on a tenant, and there is a risk every time you put in a sewer pipe. I think that is why the country has a housing crisis, because policymakers and a whole range of people look at the risk and are fearful. Risk has to be carefully managed, and we have to be honest about it, but we cannot let that delay action. In this case, we are taking action. Yes, we have to properly sift through the 2,700 applicants/registrants, but the Housing Trust does that each and every day, and our housing officers have to do that each and every day, and there is always a series of very challenging decisions.

Mr COWDREY: Again, in terms of defining success, was there any modelling done or estimates in terms of what you would like to see? You are shaking your head at modelling, so I will leave that to the side.

The Hon. N.D. CHAMPION: No, I will answer that.

Mr COWDREY: Are we talking about the normal satisfactory pass mark of 75 per cent? If those people are able to save and purchase the property, that is a pass mark for the government? Is there a number that you would at the very least like to see be successful through the pilot?

The Hon. N.D. CHAMPION: I do not know if I would want to see the number, to be frank, because getting 50 people out of the long-term rental market frees up rental properties for other people, and the home still gets sold—it still goes into the supply picture—so there is the immediate benefit to the individual.

There is absolutely no doubt that if you are in this category, if you are working hard—and there is a bunch of people out there who work their guts out, they are stuck in rental, and this country used to give those people a chance to own their own home, and we do not anymore, so we want to change that paradigm for the people who are working hardest. They are in government employment, they are in retail and hospitality, they live in everybody's community and street, and we rely on these people to run our city, so they should get a fair shake. So I will not put on a 75 per cent pass mark.

I am passionate about this program because I think it delivers to the people who work the hardest in the community: the working class, lower middle-class people, who keep the whole show running but do not get cut in. This program is about proving that we can do this. The program will be a success no matter what because the homes are still in rental, the homes still go into supply and, if we can along the way convert long-term renters into homebuyers, that will be a massive achievement and it will be better than anything we have done or if had we done nothing.

Mr COWDREY: I will leave aside there the efficiency of government spend arguments for another day. In terms of actual rent, what are we talking about in terms of quantum of numbers? Is it going to be the same across all 100 houses? Depending on location, are there going to be differences?

The Hon. N.D. CHAMPION: It is market rent. These figures are off the top of my head and a little old. We talked about Prospect before, and when we did the press conference it came up then. From memory, it was about \$120 a week lower, and it is about the same ratio everywhere. It is the same as Munno Para, but I will get the exact figures for you because the market moves and rents move, and then it is 75 per cent of that.

Mr COWDREY: Sorry, \$120 is the discount as opposed to—

The Hon. N.D. CHAMPION: Yes, that is right, to the rent. That is the saving, yes.

Mr COWDREY: So working on an assumption of a \$500 market rate, give or take?

The Hon. N.D. CHAMPION: Yes, that is right. We can get those contemporary figures for you now, and it will depend on the suburb. Some suburbs are slightly more expensive than others, but it is in that range.

Mr COWDREY: And all of those 100 properties have been identified now?

The Hon. N.D. CHAMPION: Yes, they have.

Mr COWDREY: Would you be able to give us the breakdown geographically of where they are located?

The Hon. N.D. CHAMPION: Sure. We will take that on notice. We are happy to do it.

Mr COWDREY: I have one final question on this line. You talked about the two-year assessment of circumstances and anything unforeseen. If the Housing Trust determines that the tenant at that point in time is no longer capable of saving an adequate enough deposit or purchasing the home in time, what will be the actions that are taken by the Housing Trust at that two-year mark?

The Hon. N.D. CHAMPION: This is a rent-to-buy scheme, so that bit of it will be pretty clearly articulated, but it will be just like any other rental agreement. At the two-year mark the trust will make an assessment about whether people are likely to meet that three-year mark. If they cannot, then we will be selling the home and they will be vacating. From there, their lives will be their own.

Mr COWDREY: Depending on ability at that point in time, the lease agreement will be terminated. That home is not going to be offered to another participant, a backup list of the 2,700?

The Hon. N.D. CHAMPION: No.

Mr COWDREY: This is quite literally a time-stamped three-year 100 property program, as opposed to a 100 owners' program?

The Hon. N.D. CHAMPION: Yes. Because it is a good deal—and it is a good deal—it has to be use it or lose it, and people have to understand that that discipline is on them. It is also on the government and the trust, because at that point holding onto the property will be a cost to the government.

Mr COWDREY: I am happy to move on to Budget Paper 3, page 76, one of the very few references to the Housing Trust. One of the first sentences reads, 'SAHT provides social housing options to South Australians in need,' so let's work with that reference for now.

The Hon. N.D. CHAMPION: I am happy to be flexible.

Mr COWDREY: I appreciate that flexibility. In regard to antisocial behaviour, are you able to provide the number of complaints relating to antisocial behaviour that have been received by the Housing Trust this financial year and the two previous?

The Hon. N.D. CHAMPION: I might have to take the two previous on notice, but do you want me to read out as much data as I can so you can assess it?

Mr COWDREY: If you wish.

The Hon. N.D. CHAMPION: Because you will probably just ask me a series of questions about the data so it is just easier. These are the key statistics: dealing with complaints, in 2023-24, as of 30 June, the numbers received were 7,176 and the numbers resolved were 7,109; and in 2024-25, as of 31 May, the numbers received were 7,571 and the numbers resolved were 7,495.

The nature of the complaints are minor, moderate and serious, the same categories that existed when the opposition was in government; the system broadly has not changed. In 2023-24, minor was 3,147; and in 2024-25, it was 3,208 for minor. For moderate for those two years it was 3,426 and in the subsequent 2024-25 year it was 3,793. For serious, in 2023-24 it was 603 and in 2024-25 it was 570. The totals are 7,176 in 2023-24 and 7,571 in 2024-25.

The number of current tenants with a written warning—we have eliminated verbal warnings—in 2023-24 was 436, which was 1.4 per cent of all the tenants. I would like to make the observation that the majority of Housing Trust tenants are very, very good tenants and very, very good citizens, and we should all keep that in mind. In 2024-25, as of 31 May 487 tenants had a warning, which was 1.6 per cent of all tenants.

I assume you want to know about compliance activity. Total referrals to compliance service for antisocial behaviour in 2023-24 as of 30 June was 63 and in 2024-25 was 101. Total referrals to compliance service for vacant possession for all breach types in 2023-24 as of 30 June was 700 and in 2024-25 as of 31 May was 795. Total SACAT orders for vacant possession for antisocial behaviour in 2023-24 as of 30 June was 31 and in 2024-25 as of 31 May was 17. Total SACAT orders for vacant possession of all breach types in 2023-24 as of 30 June was 204 and in 2024-25 as of 31 May was 177.

Mr COWDREY: Does the Housing Trust keep a record of SAPOL callouts?

The Hon. N.D. CHAMPION: The trust keeps it by tenant and by property. But I am not sure we can extrapolate the data out, because of the systems in place, for a macro figure—and, of course, some people notify the police without notifying the trust. The trust does work with South Australia Police around incidents, as it also works with the Metropolitan Fire Service and a range of other government agencies.

Mr COWDREY: So you have the data at an individual level but you have no way of aggregating it?

The Hon. N.D. CHAMPION: We will take it on notice and come back. We will check if that data was collected in the previous government as well—if there has been some change.

Mr COWDREY: Are you happy to take on notice, perhaps, at least an attempt at aggregating that data?

The Hon. N.D. CHAMPION: I am happy to take it on notice. As the member probably knows well, there will be locations that have higher police activity because of the nature of the tenancies or the nature of specific incidents of antisocial behaviour. It is a concern to myself as minister and obviously to the trust.

I think sometimes people forget that the trust is a landlord. It is not other agencies of government; it is a landlord. Just as any landlord can, we can talk to other agencies of government—we certainly have an advantage in that field because we are an arm of government—but we are ultimately the government's landlord for public housing.

Mr COWDREY: Do you have a view on whether instances of SAPOL attending Housing Trust properties has increased over the last couple of years?

The Hon. N.D. CHAMPION: You probably would have to ask SAPOL about that.

Mr COWDREY: Minister, my understanding is that security patrols were implemented in June 2020 for 18 of the most challenging walk-up flat sites. Are those patrols still operating today?

The Hon. N.D. CHAMPION: Yes, they are. Do you want me to go through the exact details of them to give you some assurance that they are occurring?

Mr COWDREY: Yes, please.

The Hon. N.D. CHAMPION: So at Anne Close in Christie Downs there are two patrols per night. At Barwell on Portrush Road, Glenside, there are three patrols, Wednesday, Friday and Saturday. At Bentzen Court in Gilberton there is 24/7 on-site security at the moment.

Mr COWDREY: Minister, just in advance perhaps let's not give details publicly of when they are visiting those particular sites. I am happy to know that they are going there, but I am not sure it is in the best interest of the tenants themselves for that information to be given.

The Hon. N.D. CHAMPION: I think tenants know, and frankly—

Mr COWDREY: I am not worried about the tenants themselves, but others that are attending perhaps.

The Hon. N.D. CHAMPION: I want others who are attending to know as well that there are security patrols. The whole point is—

Mr COWDREY: I am too, just not when they are attending those premises.

The Hon. N.D. CHAMPION: I did not say that. I did not give times. I just said there are patrols. I am happy to not do it. I just thought you would want the information.

Mr COWDREY: I am happy to know that there are security patrols attending. How many sites is the level of detail that is required.

The Hon. N.D. CHAMPION: Perhaps I will take it on notice and then I will send you the information and that might assure the opposition that the program is running as it should. I do not mind praising the previous government when they did something right. This was a good initiative and we have kept it going. It is important for both the trust tenants, and for the neighbours around it, to have some assurance that this is still occurring.

Mr COWDREY: Just to confirm again, it is still 18 sites?

The Hon. N.D. CHAMPION: The use of security patrols has continued. Some sites have random patrols, others have more targeted patrols, and basically in 2021-22 the trust spent \$89,812.39 and in 2024-25 we spent \$113,617.43 on patrols in walk-up flats.

Mr COWDREY: Again, you have not answered the question. Is it still 18 sites that are being visited?

The Hon. N.D. CHAMPION: There are 12 that are listed here, but of course some of those sites, like Drew Court, would have been included. Some have been demolished in that time. Park Court and Drew Court have been boarded up, in Glengowrie. And then some places have not had a continuing need for security patrols. So there might be a change in the number, but the program continues and the allocation of public funds continues.

Mr COWDREY: Can you provide to the committee—perhaps on notice—the six sites where the security has been dropped?

The Hon. N.D. CHAMPION: Yes, sure, I will provide that on notice.

Mr COWDREY: On what basis was that done; was there a reduction in reports, a reduction in activity?

The Hon. N.D. CHAMPION: It is tenant-driven, as I understand it. The tenants indicated that they did not require this. Our tenants want a good allocation of resources as well, so that is what drove it.

Mr COWDREY: So there was consultation with the tenants of six housing blocks who overwhelmingly requested that security no longer be provided to those complexes?

The Hon. N.D. CHAMPION: As I said before, in some of these sites there are no tenants because they have been—

Mr COWDREY: I have excluded those two. I am only talking about the six now. You said two were demolished, so it is 18 down to 12.

The Hon. N.D. CHAMPION: There are 12.

Mr COWDREY: I am happy to say four if we want to leave it that way.

The Hon. N.D. CHAMPION: There might be four, yes, that would be the case.

Mr COWDREY: Can you outline the consultation that was undertaken with the residents of those four sites to determine that security was no longer necessary?

The Hon. N.D. CHAMPION: I will take that on notice.

Mr COWDREY: There was consultation undertaken?

The Hon. N.D. CHAMPION: I will take it on notice, and I will give you a full and comprehensive answer.

Mr COWDREY: No, I am just trying to assess. Earlier, you said consultation had been undertaken.

The Hon. N.D. CHAMPION: That is what I was advised. What we will do is I will get you the exact nature of the feedback and the exact process that was entered into, and I will answer the question. I will take it on notice.

Mr COWDREY: Have there been any procedures by way of security patrols that have changed on the back of the alleged recent murder at Gilberton, and is that one of the properties that is still having security patrols attend?

The Hon. N.D. CHAMPION: It did have regular security patrols, and we have now basically put a security patrol on the site 24/7. Obviously, it is a tragic situation that is still being investigated by South Australia Police, but we were sufficiently concerned about that particular location that we wanted to give residents, both public housing residents and people out in the community, the knowledge that there is someone there on site 24/7.

Mr COWDREY: Did you inform media over recent days that security patrols were not in place on SA Housing Trust properties?

The Hon. N.D. CHAMPION: Sorry?

Mr COWDREY: Was information provided by your office or the SA Housing Trust to media over recent days that security patrols were not provided in regard to SA Housing Trust properties?

The Hon. N.D. CHAMPION: Which media are you talking about?

Mr COWDREY: I do not have the specifics.

The Hon. N.D. CHAMPION: It is a pretty catch-all question. I do not know if I had a briefing on it previously. This program has just been running in place as it was under the previous government. I think we had a media inquiry, and it took us some time to ascertain the nature of the program and how it was running, but I do not really know what you are referring to or what you are trying to say.

Mr COWDREY: I am asking you a question, minister.

The Hon. N.D. CHAMPION: What question? I do not understand the nature of the question, really.

Mr COWDREY: I think it was fairly straightforward: did you or your office or the Housing Trust—

The Hon. N.D. CHAMPION: There might have been a media inquiry to my office. We do not reach out to media. Media contact ministers' offices and their media advisers all the time. They might have a question, and we endeavour to answer that question where appropriate. That is a democracy, in case you are confused. The free press ask ministers and government questions all the time.

Mr COWDREY: It is rather strange behaviour, minister.

The ACTING CHAIR: Do you have a question, member for Colton?

Mr COWDREY: What procedures will change following the arson of an SA Housing Trust property at Novar Gardens that risked the life of blind amputee Daniel Earle?

The ACTING CHAIR: Can we just double-check what budget line you are on, please?

Mr COWDREY: The same budget line that we have been on.

The ACTING CHAIR: The same one; still page 67?

The Hon. N.D. CHAMPION: I am happy to take the question, Chair.

The ACTING CHAIR: Thank you, minister. That is very flexible.

The Hon. N.D. CHAMPION: At the moment, there is no provision for additional security at Novar Gardens. We certainly feel for Mr Earle; it is a very difficult experience. I do know that the trust was informed about the fire on Thursday 19 June. Staff were in touch with Mr Earle and a neighbouring tenant, and then on Friday 20 June and again on Monday 23 June they contacted Mr Earle to inquire into how things were. We also offered him emergency accommodation, but obviously he decided to remain in the property, and then there was a concern about some other maintenance on the property which was not related to the fire itself.

One other thing I should say: I think nearby there are some other Housing Trust properties that have also experienced fire. These fires are the result not of tenants but of squatters, to the best of our information. We are installing steel boards as additional security until the homes can be renovated, so we are trying to secure the properties against squatters.

Mr COWDREY: Just to be clear, was that work being undertaken prior to the alleged arson, or was that instigated after the event?

The Hon. N.D. CHAMPION: It happened as a consequence of the fires. There has been more than one fire. I think there have been—

Mr COWDREY: So that is happening on that particular property?

The Hon. N.D. CHAMPION: And some properties in the other street, I believe, but I will get the information for you. Squatters are a problem for the Housing Trust as they are for others. Properly securing properties against squatters is an important task, but it is a difficult one because it is illegal behaviour. It is trespass.

Mr COWDREY: How many properties is that action being undertaken on?

The Hon. N.D. CHAMPION: I will take that on notice and get back to you.

Mr COWDREY: Is there any ballpark figure in terms of the surrounding properties: are we talking about five to 10, are we talking about multiples?

The Hon. N.D. CHAMPION: When properties become vacant—and no doubt we will get to vacancies at some point—there are two categories of vacancy: there are temporary vacancies that any large property portfolio will have, and then there are properties that have to be boarded up because they are going to be renovated. The head contractor endeavours to typically board them up with timber; in this case, we are boarding them up with steel as a prevention measure.

Mr COWDREY: How many properties is the SA Housing Trust aware of where squatters are actively in possession of the houses?

The Hon. N.D. CHAMPION: I am happy to take it on notice to see what data we have, but the whole nature of squatting is that it is illegal behaviour. They do not notify the trust. We are reliant on contractors, neighbours and the like, or when we come to renovate the properties. That is an issue.

Mr COWDREY: Perhaps I will phrase it in another way: how many reports has the SA Housing Trust had this financial year in terms of squatters on properties?

The Hon. N.D. CHAMPION: We will take it on notice and get that information for you.

Mr COWDREY: What is the current policy to deal with squatters on Housing Trust properties?

The Hon. N.D. CHAMPION: We phone police to move them on.

Mr COWDREY: On a one-off basis?

The Hon. N.D. CHAMPION: No, when it is reported. We do not want squatters in our properties, so we notify the police and we ask for them to be moved on. We are a landlord. I could take you through the process. In order to evict people, squatters, we rely on the police. Evictions, we rely on the bailiff.

Mr COWDREY: I will shift on to Drew Court at Oaklands Park, if that is alright. It is my understanding that there is an upgrade of sorts occurring. You mentioned previously that at this stage Drew Court is vacant. Correct me if I am wrong, but my understanding of the earlier answer was that there were no longer tenants in Drew Court. In regard to consultation with surrounding residents, did SA Housing Trust undertake any consultation with residents surrounding Drew Court in regard to the upgrade and what is being undertaken?

The Hon. N.D. CHAMPION: On social media—and no doubt I can send you the post—and also next Wednesday there is a street-corner meeting for local residents to give us their feedback.

Mr COWDREY: So there is nothing that has been deposited in mailboxes by way of letter to surrounding residents?

The Hon. N.D. CHAMPION: No.

Mr COWDREY: Is that typically a form of communication that is used with surrounding residents in this sort of situation?

The Hon. N.D. CHAMPION: It is social media and street corners, and that is what we have done. There is no letter.

Mr COWDREY: How are the residents notified about the street-corner meeting if there is nothing put in their letterbox?

The Hon. N.D. CHAMPION: Social media.

Mr COWDREY: With all due respect—

The Hon. N.D. CHAMPION: You have never geolocated a post?

Mr COWDREY: With all due respect—

The Hon. N.D. CHAMPION: You would have geolocated a post.

Mr COWDREY: With all due respect, minister, there are a large portion of the population who are not avid users of social media. That is by no means the most effective form of communication for government, perhaps for other means. How many do you expect to attend the street-corner meeting if nobody has been told, apart from social media post?

The Hon. N.D. CHAMPION: We will find out, won't we. I think you doubt digital media, but I would make the observation that there are problems with putting stuff in people's post box as well. But we are not trying to hide from suggestions. We want to engage. When public housing sites are rejuvenated and renovated, we do have to talk to the local community about it. We are not trying to hide from that. This is an important upgrade, because typically what happens when public housing and walk-up flats are upgraded is that there is a general lift to the community, and it improves the lives of tenants and it improves the lives of neighbours as well.

Mr COWDREY: Why not use both methods?

The Hon. N.D. CHAMPION: I am happy to take it on notice. I am happy to get you a more comprehensive answer about why the Trust finds this is the best way to communicate with the public.

Mr COWDREY: Outside of Drew Court, is the minister able to identify any other walk-up flat sites that are currently being upgraded or planned to be upgraded?

The Hon. N.D. CHAMPION: We are progressively upgrading the walk-up flat sites, which involves the modernisation of internal features and the alignment of amenities with current residential apartment standards. This is an important process. The walk-up flats are incredibly important from a public housing supply point of view. The upgrades at the moment are:

- Glengowrie, 56 dwellings in progress of being developed, \$12.8 million;

- Drew Court, Oaklands Park, 93 dwellings in progress, \$20 million;
- Sturt Street, 20 dwellings, \$2 million; and
- Nicholls Court, Findon, 42 dwellings in progress, \$2.9 million.

The upgrades that have been completed are:

- Yeomans Avenue, Henley Beach South, 94 dwellings, \$15 million;
- Mellor Court, Gilberton, which I think happened in the previous government, 53 dwellings, \$7.7 million; and
- Bonython in Hawthorn, 47 dwellings, \$8.1 million.

Refurbishments generally involve the demolition of external laundries and laundries provided in individual units; upgrades around thermal efficiency and modern housing standards; kitchens; new electrical and plumbing services; roof replacement from asbestos to metal; upgrades to the external facades; the installation of air conditioning units; improved security features; CCTV; electronic access; crime-safe mesh to windows; improved external amenity in terms of upgrading lights; and surrounding landscaping.

Mr COWDREY: You referenced in your answer the Yeomans complex. You would be aware of it. I sent you a couple of letters, I believe.

The Hon. N.D. CHAMPION: I am. I get a lot of correspondence from a lot of members.

Mr COWDREY: In regard to that complex, is Yeomans one of those properties that has security patrols attending?

The Hon. N.D. CHAMPION: It is not on the list.

Mr COWDREY: How frequently are additions to that list of security patrols contemplated? Is there formal criteria used to determine who goes on? You have told us the criteria for who drops off is a resident requesting that they no longer attend, but in terms of additions to that list, what is the current policy?

The Hon. N.D. CHAMPION: At the moment, the whole program is essentially being run by the trust. I do not believe I had a briefing on it because we had to ask for one when the media inquiries came through. I am happy to get a briefing from the trust and provide a briefing to the opposition about whether there is criteria and perhaps how we might establish them, because I know the honourable member's next question will be about how security patrols get turned on and off. Because of the nature of antisocial behaviour, it often ebbs and flows depending on the nature of the tenancies involved.

Mr COWDREY: Minister, are you able to provide a status on the walk-up flats at Noblet Street, Findon? There were media reports earlier in the year in terms of the condition of those properties. I will let you describe them for the committee rather than me putting words in your mouth. Are you able to provide an update in terms of the condition of those properties and whether they are currently tenanted?

The Hon. N.D. CHAMPION: I might just say something generally while they are finding the exact details for them. The walk-up flats, as I said before, are very well located and very well constructed for their time. Speaking frankly, there have been three broad issues I would say. We need to be careful about the allocations to walk-up flats. They are not really suitable for people with high complexity, and they are not really suitable for a number of people with high complexities, whether they be mental illness or histories of criminal behaviour or other complexities. They are not really the appropriate location for these people.

This has occurred in the trust with governments of all persuasions, that people with high degrees of complexity have been put in walk-up flats. I think we all understand—I think the honourable member understands and I certainly understand—that getting the allocation question right to these walk-up flats is absolutely critical. If you do not get the allocations right, then antisocial behaviour ensues.

The truth is that even though we have a three-warning system, we still have to apply to SACAT to get vacant possession and that can be a long and complicated process. Often the behaviour accelerates as that process goes on. Bad behaviour accelerates, sometimes, rather than decelerates. We all understand there is a problem with walk-up flats and we also all understand that there is a problem with the state of some of the walk-up flats, and sometimes all those issues are sort of combined together.

Nicholls Court has two sections to it. The vacated one is being upgraded and the other half is being left as it is. It is a big site, if you think about it. It has 42 apartments that have been vacated and are currently in the process of being upgraded, and the other half is tenanted.

Mr COWDREY: Sorry, that was the part of the question that was missing. So the other half is tenanted, as it stands.

The Hon. N.D. CHAMPION: Yes, tenanted.

Mr COWDREY: Minister, I take you to Budget Paper 3, page 78, in regard to the FTE for the SA Housing Trust. I note that there is a drop across the forward estimates in terms of FTE. Are you able to outline why that is the case? It is a drop from 813 in the coming financial year to 733 across the forwards out to 2029.

The Hon. N.D. CHAMPION: The frontline staff all stay the same. The programs that the honourable member refers to are either grant funded or project funded, so they are dependent either on grants continuing or on other projects beginning, or on other projects. Some of those projects are in greater Seaton or in Noarlunga Downs—build to rent, etc.

Mr COWDREY: You said 'some of those'. Can you provide an exhaustive list?

The Hon. N.D. CHAMPION: I am happy to provide it on notice—the grants and the particular projects.

Mr COWDREY: And the FTE associated.

The Hon. N.D. CHAMPION: Sure.

Mr COWDREY: In terms of the drop. Noting the time, I am happy to skip very briefly to get an update on vacancies because I think it is probably a sensible thing to just quickly get that on notice. Are you able to outline to the committee how many SA Housing Trust homes are currently vacant, how many are awaiting maintenance, and what the average turnaround time is for re-letting? Can you provide current figures on the public housing waiting list through categories 1, 2 and 3, in particular the average waiting time for category 1 applicants?

The Hon. N.D. CHAMPION: As of 31 May 2025, we had 249 offerable vacant properties, which is a 0.8 per cent vacancy rate in the portfolio. Then there were 1,447 non-offerable vacant properties, which is 4.4 per cent of the portfolio, and the non-offerable vacant properties are properties that are being upgraded. It makes sense to upgrade them when they fall vacant: they become vacant and then there is an effort to redo bathrooms and other essential maintenance while there is not a tenant in there. So that is a figure of 1,696 all up. I can go right back to 2015 if you like—

Mr COWDREY: That is fine.

The Hon. N.D. CHAMPION: —about the vacancy rates. It is important to understand that, at the moment, we have 30,958 occupied properties as of 30 June, and we have 1,864 vacant properties—that is for 30 June 2024 and the previous figures were for May. Last year, as of 30 June 2024, we have 30,958 properties and 1,864 vacancies, bringing total properties to 32,822, and we have a 5.7 per cent vacancy rate. That is not so far off 30 June 2021 or 30 June 2016, which was 5.6 and 5 per cent.

There are two issues about vacancy. When a home falls vacant, and you can let it, the trust absolutely lets it. The issue, I think, that the system faces is when we have an ageing housing stock of an average age of 44 years, and so obviously a lot of our stock needs upgrading. That, obviously, will feed into the vacancy rate and the maintenance contract issues that we have had as well.

The ACTING CHAIR: Thank you, minister. The allotted time having expired, I declare the examination of the South Australian Housing Trust complete. We will now be sticking with the same minister but moving to the SA Water portfolio, with the same payments remaining open for examination.

Departmental Advisers:

Mr D. Reynolds, Chief Executive, Department for Housing and Urban Development.

Mr D. Ryan, Chief Executive, SA Water.

Ms J. Guerin, Chief Financial Officer, SA Water.

Ms A. Lewry, General Manager, Growth, SA Water.

Mr J. Harvey, Head of Policy, SA Water.

The ACTING CHAIR: I call on the minister to make a statement, if he wishes, and to introduce his advisers.

The Hon. N.D. CHAMPION: Thank you, Chair. Once again, we have here Mr Reynolds; David Ryan, Chief Executive of SA Water; Jacqueline Guerin, Chief Financial Officer, SA Water; Amanda Lewry, General Manager, Growth, SA Water; and Jadyne Harvey, Head of Policy, SA Water. I would obviously like to thank SA Water for their busy year helping us to implement the Housing Roadmap. I certainly congratulate all involved—from the very senior levels to every blue-collar worker that we have in our depots, and everybody in between—on their dedication and hard work.

The ACTING CHAIR: Thank you very much. Member for Finniss.

Mr BASHAM: Thank you, very much, Chair. Likewise, I would like to thank SA Water for the work they have done in preparation for this as well, and the minister for being here today to answer these questions. Also, this being the last session of estimates, I would like to thank parliament staff for the work they have done through the last five days, and in particular the attendants for helping me get in and out of the chamber and as I wheeled my way around the building—so thank you very much to them.

Minister, my first question is in relation to Budget Paper 3, page 69, table 5.2. I am wanting to understand the change in the net contribution to/from government of about a \$13.5 million turnaround. Part of that was identified as revised profit expectations. I am wanting to understand why those profit expectations were revised. I assume they were revised upwards.

The Hon. N.D. CHAMPION: It mainly relates to a learning post Roadmap, which is about how and when developers pay the augmentation fee. So we are just trying to, if you like, smooth that process out because obviously they pay once they settle the block.

Mr BASHAM: I might head back to that discussion a bit later. Also from that same table, looking at the contributions to government over time, I am wondering why, in the 2028-29 year, there is a significant jump of about \$90 million in what is actually forecast to be distributed to government.

The Hon. N.D. CHAMPION: There is a bit of a complicated answer related to regulatory periods. SA Water's current regulatory determination period concludes on 30 June 2028 and, consistent with budgeting practice adopted for financial years beyond the current regulatory period, SA Water's estimates reflect standard parameters expected to apply to its next regulatory period assessment, but the final parameters will be defined through the course of SA Water's next regulatory determination process in the lead-up to the commencement of 2028-29. Estimates in 2028-29 do not reflect any revenue or expenditure measures that have been committed to.

Mr BASHAM: Following that through, how long before that number becomes more robust? Is it not until we reach the 2028 year?

The Hon. N.D. CHAMPION: June 2028, under the current regulatory framework. As Mr Reynolds points out to me, one of the reasons we are doing an examination into the regulatory framework is that you can see the limitations of the four-year cycle just in the nature of the budget papers. What we are dealing with here is obviously very long-term capital infrastructure which we are trying to make an assessment on every four years.

Mr BASHAM: Looking at that regulatory framework and the rigidity of the four years, speaking even this week to a developer, they very much have a 15-year expectation of where they are looking to go. How do you envisage a change being implemented here to try to meet the needs of developers and government investment as well?

The Hon. N.D. CHAMPION: I cannot pretend to predict the future about what might come out of a regulatory review, but I guess I would point out that if Thomas Playford were looking down on us he would regard trying to put in long-term infrastructure—that is why his portrait is there. I suspect we would get a bit of homespun advice that trying to do long-term capital works that affect the state for decades and decades and decades into the future every four years has its limitations, to put it mildly.

Mr BASHAM: You said June 2028 is when the next one comes into play. If we are going down that path, is it not until June 2028 that the developers will have a clear indication of where they go next?

The Hon. N.D. CHAMPION: If you follow the current regulatory framework that was put in place some time ago, now is about the right time for a review. Yes, that is right, it is impossible to give anybody—developers, community, SA Water itself—the confidence of what might happen in that next regulatory determination by ESCOSA, because there are a number of things that get contested as part of those regulatory determinations.

Mr BASHAM: How do SA Water and government prepare for that regulatory period, working out what needs to be invested in and what limitations out there need to be acted upon?

The Hon. N.D. CHAMPION: I think the honourable member might have had some experience of this in his time in government, either in cabinet or as an observer. One of the reasons why I think the Premier set up the Housing Roadmap is that he regarded what had happened in water and sewer infrastructure, in terms of public policymaking, to be—and there is no one to blame but clearly it is related to the regulatory framework that has been put in place. I have tried to get a bit of informal advice about how it all happened but, essentially, this is national water pricing principles that were adopted at a national level by COAG, and here we are.

It causes a lot of damage to housing supply around the country, and I think it has placed the state in a very difficult position. The nature of this infrastructure has to be looked at over a much longer period, if you are asking me my opinion. That is why we are doing an ESCOSA review. Obviously, if you look at it over a much longer period then you can better lock in the Housing Roadmap and, most importantly, the Greater Adelaide Regional Plan.

If you do that, infrastructure provision is still costly, it is still complex and it is still challenging. I think for the community it will still be subject to regulatory oversight and there will be community debate and the normal range of politics. However, if we think about it, at least then we will get the scale right. One of the problems of a four-year plan is it encourages short-term thinking, and short-term thinking is the ultimate inefficiency of water and sewer infrastructure.

I can give you some history. When Bolivar was built, it was the biggest wastewater plant in the Southern Hemisphere, so Playford was not mucking around. He was building for decades, not for the next four years.

Mr BASHAM: With the review that is going on, when is it anticipated to have a report?

The Hon. N.D. CHAMPION: Technically, it should have been a question asked of the Treasurer. I am sure he would not mind me saying that we are aiming to finish it by August. We want a coherent look at this very important issue.

Mr BASHAM: Moving to a question that I think was asked previously in relation to the trunk infrastructure delivery and reporting. It is Budget Paper 4: Agency Statements, Volume 3, page 82.

Has the department commissioned or completed any report on trunk infrastructure delivery under the Housing Roadmap?

The Hon. N.D. CHAMPION: I get a report every week from SA Water, and every month they report to the oversight committee and that is up on the website. I can give you some figures. There is nothing I would like better than to share with you their very important work. As of 20 June 2025, SA Water has installed more than 11.6 kilometres of pipeline. Working with developers, they have executed 173 Development Agreement Formal Instruments (DAFIs) to approve 6,177 allotments.

There are more works for services for suburbs like Eyre, Blakeview, Virginia; water and wastewater at Onkaparinga Heights; design work to Bolivar wastewater treatment facility. That is a short precis.

Mr BASHAM: Are there any gaps or high-risk infrastructure constraints that have been identified through this work?

The Hon. N.D. CHAMPION: When you say 'high-risk'—

Mr BASHAM: Has the work that has been put in place through the road map identified anything else that is causing issues that now need to be addressed on top of—

The Hon. N.D. CHAMPION: We are on time in terms of our road map commitments. But outside of the road map, just generally, there is some capacity mapping that SA Water has been doing. The state is constrained for both water and wastewater to a pretty severe degree because of decisions that have been made in the past around infrastructure. Obviously, that is why developers ask about the 2028-32 round, and it is the first question out of the UDIA's mouth when we go to their conferences and the like. The road map is a significant investment, but there is more work to be done in terms of making sure we have the capacity for growth over the next 30 years.

Mr BASHAM: With that growth over the next 30 years, some of it is in my patch in the seat of Finnis. There are some constraints—effectively, Myponga being the only water supply easily accessible to the Victor Harbor and Goolwa communities. Is there work being done to work out whether that is adequate for the growth that is planned?

The Hon. N.D. CHAMPION: SA Water are looking at building resilience for the lower Fleurieu. They are doing capacity mapping right across the state. Now, because of some of the challenges of growth, that capacity mapping has been very important. I think SA Water have never had so many inquiries about it, and we would encourage developers and communities to inquire.

We need them to make inquiries and not proceed as if, just because there is a pipe under the ground or there is local infrastructure, they think there is capacity there. Of late, we have indicated to the engineering community, and I will just reiterate to all the property groups who are listening—if they are still listening: get advice from SA Water. Do not make assumptions about pressure or capacity, because we are constrained as a state.

Mr BASHAM: With this capacity mapping, are SA Water and the government very happy to share those constraints with developers in a very timely manner?

The Hon. N.D. CHAMPION: Ultimately, it is our intention. I have to go through a cabinet process, obviously, but it is consistent with GARP and the road map that we would make that available through the Land Supply Dashboard. We want as much open source data as possible to be available to developers so that they do not make the wrong assumption about capacity, because frankly that can make things difficult.

This will be a discipline on government; it will be useful for the regulatory process, whatever that may be post review; and it will be good for developers, councils and others. Each project that you come to, and this includes government projects—no-one anticipated water and wastewater being an issue for Southwark. Nobody factored that in but, as it turns out, it was a very real issue. But the investments we are making there help other suburbs as well.

Mr BASHAM: Again, in my part of the world, there are three developers located in Encounter Bay that have a wastewater constraint, hitting the roadblock of being able to necessarily move

forward in an easy way and having to consider other options such as tankering in that process. Speaking with one of the developers this week, they are more than happy to work with the other two developers to try to find solutions. Would the government and SA Water be happy to sit down with the three developers to actually try to find a solution?

The Hon. N.D. CHAMPION: SA Water have improved their dialogue with developers, and I think developers are improving their dialogue with SA Water. It is a much better relationship than perhaps it was, and that is something that both parties have to work at. Developers need to have information, but also realistic expectations about what can be provided and when. That is the relationship between SA Water and developers. In terms of private wastewater solutions, privately run or council run, the government and the regulation allows it under the Water Industry Act. ESCOSA regulates it.

I do think, as part of the review, that needs to be looked at closely because it is not just the maximum price that they might charge customers but also the minimum price they might charge customers for wastewater. What we do not want is short-term wastewater solutions put in place that might last 10 years and then they go bust or need significant investment, and it has not been factored into the bill and the taxpayer or the community is left with the bill, if you understand what I mean. We want to make sure that rather than SA Water correcting the sewerage charge, the private entity would, and they do not have the scale that SA Water has, so they have to charge what that facility will cost, not just in terms of its ongoing operations but in terms of 10 or 15-year investment cycles. We are open to it, but I think it has to be properly regulated, and it cannot leave some problem for some future water minister.

Mr BASHAM: Thank you, minister, and I certainly understand that in those third-party wastewater structures, but Encounter Bay is particularly an SA Water constraint. That is between them and the works, and it is needing some investment. Whether there is a way of facilitating that to actually happen in a timely way—

The Hon. N.D. CHAMPION: I guess the ESCOSA review is probably a place where the honourable member would want to make a submission, and I will get Mr Reynolds to facilitate that. This highlights the problem essentially of the regulatory periods, because if you are not in the four-year regulatory period where you have to wait, and there is no understanding about whether you will be in the next one, how can a developer think about doing civil works or planning or whatever? So certainly I take your point; I think it is a valid one.

Mr BASHAM: Can those three developers invest in that bit of infrastructure now to make it happen?

The Hon. N.D. CHAMPION: Look, we are open to in-kind works, and that does happen, but they have to be to SA Water standard.

Mr BASHAM: Because it is not in their development per se; it is a point outside the development?

The Hon. N.D. CHAMPION: Yes, that is right, and that is the difficulty. This is a very real difficulty because the system has been pushed to the edges of its capacity and we have not had enough investment. Probably, if I had a time machine, I would go back and I would make two stops: one to the relevant minister in the Marshall government and one a bit further back. If we had just been making appropriate investments, we would not be where we are now. If you spend what we spent on the road map, \$1.5 billion, in additional infrastructure—I think \$3½ billion all up—and if you include in all the other works that are just in the regulatory period, even if we wanted to, I do not know if there is industry capacity in this round to fix the issue that you are talking about. Not just Encounter Bay—you can go to Freeling and you can go to Yorke Peninsula and find regional communities that do not have enough water pressure and as a result cannot do any more connections.

Mr BASHAM: I am now moving to SA Water major projects, Budget Paper 3, page 72, table 5.4, in relation to some of the projects here on the list. Firstly, looking at the Eyre Peninsula desalination augmentation, can the minister outline where this project is up to?

The Hon. N.D. CHAMPION: We have the planning approvals and site work commenced in December 2024. There has been rubbish removal and vegetation clearance along the fence line.

Preparatory site works have been done, including preparations for the marine pump station within the existing wastewater treatment plant, along with plant site access points and roads, and native vegetation removal. SA Power Networks has commenced its work to connect the plant sites and the pump station to the electricity distribution network from two existing SAPN network substations, and we have a smaller works package contract while the main marine infrastructure and desalination plant contracts are being executed, and they are currently in a stage of commercial confidence.

Mr TELFER: Within these budget papers, the timeline to completion has been pushed out to June 2027. Can you give me an explanation as to why?

The Hon. N.D. CHAMPION: Water will flow from summer 2027. What you are referring to is expenditure of funds, so that is when the last funds are expended, not when the plant is operational. For the member to ask about delays, I mean, come on, come on.

Mr TELFER: What is that supposed to mean, minister?

The Hon. N.D. CHAMPION: You know exactly what it means.

Mr TELFER: No, you explain it, explain it for the committee.

The Hon. N.D. CHAMPION: You know exactly what it means?

Mr TELFER: What does it mean, minister?

The Hon. N.D. CHAMPION: You know exactly what it means.

Mr TELFER: Can you explain what you are insinuating?

The Hon. N.D. CHAMPION: The honourable member has opposed this desalination plant and, what, now you are now you are saying it is not arriving on time?

Mr TELFER: Do not try to put words in my mouth, minister.

The Hon. N.D. CHAMPION: I have a tweet from 2018 that is very interesting, I can tell you. I can probably read it out—

Mr TELFER: Go on.

The Hon. N.D. CHAMPION: —about how work has to be provided—what was it—done now, provided for the future? Way back then, way back then.

Mr TELFER: Correct. Why has this been pushed out? You are saying water will flow from summer 2027? When are we going to run out of water on Eyre Peninsula, minister?

The Hon. N.D. CHAMPION: Sorry, I am glad you corrected me—summer of 2026.

Mr TELFER: Summer of 2026. When are we going to run out of water on Eyre Peninsula?

The Hon. N.D. CHAMPION: Well, the honourable member, if you want to work out why we have not got a desalination plant yet, you just have to go look in the mirror, right? You are one of the people who threw a spanner in the works, and you know it.

Mr TELFER: When have I ever been in charge of decision-making, minister? This is gutless talk!

The Hon. N.D. CHAMPION: And now you're trying to walk away from your own actions.

Mr TELFER: This is gutless talk!

The ACTING CHAIR: Member for Flinders!

Mr TELFER: Answer the question.

The ACTING CHAIR: Member for Flinders, do I need to suspend the committee for five minutes so you can calm down and listen to an answer?

Mr TELFER: I am trying to understand what the minister is saying, Chair.

The ACTING CHAIR: You will be able to understand if you stop talking while he provides his answer.

Mr TELFER: I will wait until he is back in his chair.

The Hon. N.D. CHAMPION: I am just looking for my timeline. I am happy to provide on notice the timeline of events of what happened, and then it will be in black and white and in *Hansard* and everybody can make their decision about why this project was delayed.

Mr TELFER: So minister—

The Hon. N.D. CHAMPION: And we all know why it got delayed, because people who knew better, who knew the vulnerability of Eyre Peninsula, who knew it—and I was not over there in 2017, 2018, 2019, 2020 or 2021, was I?

Mr TELFER: No, you have never been over there.

The Hon. N.D. CHAMPION: But when I became water minister and I went over there, I was shocked. I was shocked by the degree of vulnerability. I was shocked. For people who are in positions of responsibility, who should have known better but instead engaged in tactics of delay and tactics of wishful thinking—'We can have it in this...' all these impractical locations, and site committees—it is ridiculous for you to be asking why this thing is delayed.

Mr TELFER: So minister, are you confident that the \$330 million in the budget will be the figure that the project can stay under?

The Hon. N.D. CHAMPION: I will tell you what: do you want to know what Sleaford would have cost in today's money?

Mr TELFER: Are you confident that the \$330 million—

The Hon. N.D. CHAMPION: Would you like that on the record? Over \$900 million.

Mr TELFER: What about if the previous Labor government had bitten the bullet at the time and been able to put it in for \$90 million?

The Hon. N.D. CHAMPION: Over \$900 million. That is what Sleaford costs; that is what the alternative costs.

Mr TELFER: Are you comfortable that the \$330 million amount will not be—

The Hon. N.D. CHAMPION: It is commercial-in-confidence. I have said that. I have given you a lot of detail about how this project is being delivered.

Mr TELFER: There is a budget line of \$330 million. It is a simple question

The Hon. N.D. CHAMPION: You know at this stage—

Mr TELFER: Are you confident that the \$330 million will not be exceeded?

The ACTING CHAIR: Member for Flinders!

The Hon. N.D. CHAMPION: You know at this stage that because we are in commercial negotiations it would be inappropriate for me to answer that.

Mr TELFER: So you cannot say—

The Hon. N.D. CHAMPION: I can tell you this: the alternative, which was pushed around by people like yourself, was wildly expensive and wildly impractical—and you knew it, and you know it.

Mr TELFER: So you cannot say to the committee that you will be able to stick to your budget of \$330 million?

The Hon. N.D. CHAMPION: No, I have answered the question. You have the answer. Do not make insinuations. It is not a debate.

Mr TELFER: You cannot tell me that you are confident that you are going to stick to your \$330 million budget?

The Hon. N.D. CHAMPION: It is not a debate.

Mr TELFER: How much native vegetation was removed as part of the project?

The Hon. N.D. CHAMPION: I do not have a figure of how much. I am happy to take it on notice, but on 17 December 2024 the Native Vegetation Council gave approval for the native vegetation clearance as required for the project.

Mr TELFER: Do you know how much that was?

The Hon. N.D. CHAMPION: I will take that on notice.

Mr TELFER: Does the project have an Aboriginal heritage agreement with the local traditional owners?

The Hon. N.D. CHAMPION: We are currently going through the processes of the Aboriginal Heritage Act. That is what we are required to do and that is what we will do.

Mr TELFER: Do you have Aboriginal heritage agreement with the local—

The Hon. N.D. CHAMPION: We are not required to get one. We are required to go through the Aboriginal Heritage Act; sections 21 and 23, I believe.

Mr TELFER: So you do not have one?

The Hon. N.D. CHAMPION: We are meeting our obligations under the Aboriginal Heritage Act.

Mr TELFER: What is the opinion of the local traditional owners of the proposal?

The Hon. N.D. CHAMPION: It is not for me to speak for them.

Mr TELFER: As a committee member here, I am trying to ascertain the risk factors to the project, not just in the budget but in the timeline that you have put forward.

The Hon. N.D. CHAMPION: I think the member asked me to outline their position. I do not think that it is my role to do.

Mr TELFER: Are you aware of their position?

The Hon. N.D. CHAMPION: If you just stop barking mid answer.

Mr TELFER: I am not barking, minister.

The Hon. N.D. CHAMPION: You are interrupting. If you listen, we are going through the Aboriginal Heritage Act. I do not think it is my role to speak for the Barngarla or their organisation. We have had an engagement with them for a long period and I think our last meeting was in 2024. We met with them—I met with them—and we are now going through the Aboriginal Heritage Act, sections 21 and 23.

Mr TELFER: So you have not met with them since 2024?

The Hon. N.D. CHAMPION: They have not requested a subsequent meeting and we are going through the process of the Aboriginal Heritage Act.

Mr TELFER: And you have not requested a meeting. The project to allow for the capacity to reverse the flow of water from Lock to Iron Knob, with a project cost of just over \$5 million: what water is going to be flowing through that pipeline?

The Hon. N.D. CHAMPION: The infrastructure is being put in, but the water is not being reversed; that is one point. The amount of water that could be reversed is 1.7 gigalitres.

Mr TELFER: For what purpose is that project being undertaken?

The Hon. N.D. CHAMPION: I am advised that originally they needed the water for the Upper Spencer Gulf and now they do not.

Mr TELFER: What water? 'They needed the water for the Upper Spencer Gulf.' What do you mean?

The Hon. N.D. CHAMPION: Originally it was for water in the Upper Spencer Gulf. The infrastructure is still being put in as a futureproofing mechanism, but the water is not being reversed at the moment. I am happy to give you a timeline.

Mr TELFER: The project has not started yet. In 2025-26, it has gone through the Public Works Committee. It is not something that has happened in the past, it is something which is going to be happening in the future. I am trying to work out why you would put infrastructure in place if you do not have the water source to be able to service the area.

Albeit the water in the pipeline from Lock to Kimba—prior to the Kimba to Iron Knob pipeline—was flowing that way, so there would not be a lot of work to have to do in that section, but when you are putting in a desalination plant which will only suffice to cover the existing usage, I am surprised why you would open up greater parts where you are spending millions of dollars to futureproof for an outcome where you are not going to have the water source to be able to supply it.

The Hon. N.D. CHAMPION: The desal plant is a modular one, so its capacity can be increased, in this case from five to eight.

Mr TELFER: The current water usage on Eyre Peninsula is between seven and eight gigalitres of water. So even with the additional implementation of a desal plant, you are futureproofing a supply that is still only going to suffice to be able to supply today's usage on Eyre Peninsula. It seems like a backwards investment to be making, literally.

The Hon. N.D. CHAMPION: Even after the desal is put in, there will still be extractions from Uley South. I am happy to get—

Mr TELFER: It is an absurd situation.

The Hon. N.D. CHAMPION: I am happy to do two things for the honourable member because I understand he has an interest in this matter: I am happy to get a detailed answer on notice and I am happy to get him a briefing too.

Mr TELFER: I have heard what they have had to say about it. It still does not make sense. If you are putting in a 5½ gigalitre desal plant, even if you are using a couple of gig of water from the Uley, if we are lucky, there is currently two gig of water coming from the Murray.

The Hon. N.D. CHAMPION: If you have heard—

Mr TELFER: You are spending millions of dollars for infrastructure that you are not going to ever be using in the medium or even long term, even if you put another \$150 million of desal in.

The Hon. N.D. CHAMPION: We could have this debate in the chamber. Neither of us are engineers, so I am happy to get you a briefing.

Mr TELFER: It is basic math.

The Hon. N.D. CHAMPION: Well, you were way off about the desal plant. You were so far off on that, I am not sure I would be trusting advice from you, with all due respect.

Mr TELFER: Five plus three is all it takes.

The Hon. N.D. CHAMPION: I am not sure I would trust you on water infrastructure, or your party. You took a billion dollars out of water bills, and really what that was was a billion dollars out of water infrastructure—

Mr TELFER: How much did you take for the years before that? Billions.

The Hon. N.D. CHAMPION: —and now what do you expect to happen? What did you expect to happen?

The ACTING CHAIR: A little bit of calm in the chamber, please. Member for Finnis, do you have some questions?

Mr BASHAM: I do, thank you. Still looking at major projects, is my reading of this correct that the line there for growth infrastructure of \$362.2 million is the road map expenditure? That is in the table at the top of page 72.

The Hon. N.D. CHAMPION: That is the annual spend on growth infrastructure. It is a combination of augmentation fees, debt and revenue.

Mr BASHAM: So it is a net figure?

The Hon. N.D. CHAMPION: A net figure, yes. It is the spend of that.

Mr BASHAM: So all the other items in that major projects list are ESCOSA regulatory approved projects?

The Hon. N.D. CHAMPION: Yes, they would be.

Mr BASHAM: Other major projects of \$46.2 million: what are they? It is the catch-all at the bottom of that list.

The Hon. N.D. CHAMPION: I am happy to take it on notice and get you a list of the exact projects. There is actually quite a bit of regional infrastructure that SA Water—as part of the ESCOSA determination there are quite a few upgrades going on around the place. I think there is some stuff being done on the Happy Valley Reservoir and a few other things.

Mr BASHAM: As we are seeing this growth infrastructure being one of the things leading to code amendments being possible, is there advice given to developers by SA Water as they are preparing code amendments?

The Hon. N.D. CHAMPION: There is now. Previously, one of the issues before DHUD existed, if I am frank—I was planning minister. I was out there. There was a requirement to talk to SA Water under the code amendment consultations. But all too often we did not have a real understanding of capacity mapping, and we did not have a real understanding of who would find that infrastructure. So, frequently developers would go to SA Water and say, 'Sure, if you fund it,' and then they would not really have much of an idea about what that meant. You would then do the code amendment. There would be deeds signed for stormwater and other forms of infrastructure, but often you were a long way into the code amendment process before you discovered that there might be significant investment involved, either for the developer in terms of enabling infrastructure or for the state in terms of trunk infrastructure, and it was not very clear about where one began and the other ended.

Under the National Water Initiative pricing principles, if you really strictly read those principles put in place by Mr Turnbull and Mr Howard, the developer is supposed to fund the whole lot, which really means a first-home buyer on the edge of town or a retiree in Encounter Bay is expected to pay the whole amount of the cost of water infrastructure as part of an augmentation fee. That can be prohibitively expensive, even in areas close to the city.

So now with code amendments you get very early advice about what is the water capacity and wastewater capacity right up-front. We are even distinguishing between employment code amendments now, because if you have a warehouse, you do not need much water, but if you have a chicken factory, you need a tonne of it. We are getting much better at engaging with the proponents of code amendments to try to save them the money, because you can spend \$1 million-plus on investigations and a whole range of things. We do not want people to expend that money unless they go into it clearly understanding if there is water provision in the regulatory round or when it might arrive.

Mr BASHAM: Is a developer able to seek that prior to the purchase of a piece of land as an inquiry?

The Hon. N.D. CHAMPION: The Land Supply Dashboard will mean that there is a level of visibility in the future. That means that they will not have to come to government. They will be able to find that data out. I suspect there will be some planners and developers who will put AI behind it and identify sites that way. So there will be in the future a lot more clarity about this, and that will mean that there is less work at SA Water's end as well.

Mr BASHAM: I just have some questions around the amount of tankering that might be occurring in relation to wastewater. Can the minister please outline how much tankering is occurring and whether it is on a temporary basis or a more permanent basis?

The Hon. N.D. CHAMPION: I suppose I might outline the principle at the start. Tankering, or interim wastewater services, is only a stopgap measure, and it is used at the beginning of a project while major infrastructure is being constructed. That gives developers an opportunity to get started and start selling allotments. Currently, there is tankering at Roseworthy, Angle Vale and Virginia, and Munno Para as well. At Riverlea they have stopped tankering and the infrastructure has been decommissioned. It came up in the house the other day. What will happen is, as land comes online, there will be short periods of tankering before the infrastructure. I believe the flow of sewage has to be of a sufficient volume to properly activate it.

I am informed by Amanda that you need a certain number of people to get it all moving. Obviously, we want to limit it because you get to a point where you are stretching your tankering fleet as well. The more infrastructure you put in, the more tankering you release; the more tankering services that are on the market for developers, the more developers can get started on the first stages of their project and that helps everybody.

Mr BASHAM: And the cost of tankering, is that an SA Water cost or is that a developer cost or does it vary from development to development?

The Hon. N.D. CHAMPION: We had some pre-existing contracts and they are now coming to an end. From the road map on, it is the developer's. If they want to get started, they have to pay for it. I will say: we do need to be flexible. Sometimes there are good arguments for tankering and we try to work with developers as best we can because we want to get housing supply on the market. It is the overriding goal.

Mr BASHAM: Referring to the table 5.4 on page 72, can you explain the difference between network extension and network growth under the SA Water annual programs?

The Hon. N.D. CHAMPION: The officials want me to take that on notice out of an abundance of caution. I think they are probably right. One is extensions and connections and one is growth infrastructure, but they just want to be sure, so we will take that on notice and get back to you.

Mr BASHAM: Thank you. Now moving to Budget Paper 3, page 112, the table there. There is a list of regional major projects. I want to understand some of the items on that list. For example, the Kangaroo Island desal plant of \$3.6 million. That is listed to be completed by 27 June. My understanding is that project was functioning and operational. It seems like quite a big spend for something that is working.

The Hon. N.D. CHAMPION: Out of an abundance of caution, SA Water like to road test all their infrastructure before they give it the stamp of approval. It is just a way of holding contingencies and allowing for commissioning and the like. It has been very popular, though, the Kangaroo Island plant.

Mr BASHAM: I was going to say: is that the same with the Fleurieu water quality improvement project that has \$864 million left to be spent in the 2025-26 year? I looked that up and that went through Public Works in 2019 and my goldfish died a long time ago from the change of water.

The Hon. N.D. CHAMPION: Everything is long term. All of this infrastructure serves a state for decades, but it is also a long time in its conception and its installation. I have been surprised about how quickly water pipes have gone in in the northern suburbs. We have to thank the contractors and everybody else. But it is a long process to get right and these are complex processes, so you want to make sure that they are absolutely fit for purpose before we declare mission accomplished.

Mr BASHAM: That one, I would imagine, has probably been operational since about 2022 and so a final payment has been held for three years?

The Hon. N.D. CHAMPION: It might also be a contingency, just in case things go awry. But we will get a detailed answer for you.

Mr BASHAM: I am conscious of the time.

The Hon. N.D. CHAMPION: There are five more minutes. I am exhausted. You two characters are giving me too hard a time.

Mr BASHAM: Going back to the member for Flinders' electorate, back to the major projects again: the Ceduna supply system has a new 4½ megalitre cement storage tank in Ceduna. Is this work on schedule?

The Hon. N.D. CHAMPION: We will take that on notice, but we will get you an answer.

Mr BASHAM: Also in relation to that, is it fair to expect that the \$16 million that is left will be spent on the 12-kilometre underground pipeline into Ceduna?

The Hon. N.D. CHAMPION: Let me get you a detailed answer on that. We will get you a detailed answer about the whole project. I think that is a reasonable question and one that we want answer in some detail for you.

Mr BASHAM: There have been numerous questions in this place around restraints, whether they be at Encounter Bay, Keith, Mount Gambier or up north in Freeling and in other places. The question is: to give developers long-term vision, knowing that the ESCOSA roadblock is currently there, what confidence can be given to developers in preparation, particularly in these patches where there are constraints, for what sort of investment they can make and when they might be able to make them, particularly where there are housing shortages in some of these patches?

The Hon. N.D. CHAMPION: One of the key things—and this is outside of the regulatory period in the road map—is that all we can do is engage with the developers, clearly outline the restraints that SA Water has, and then keep working with them. I suppose there are two elements to this question: first there is the regulatory period and, second of all, none of this infrastructure is free. It will all be more costly than people anticipate, and then there will inevitably be a debate about it, because the nature of these things is that we all like to debate it and think about it.

All we can do for those developers, really, is to tell them what it will cost and to facilitate their investments. But inevitably, like I said before, you get to what you can reasonably ask a developer—and ultimately it is the homebuyer who wears that cost. Developers just pass it through. There is that question and then the question of what is properly trunk infrastructure that should be part of the system. The only way to pay for trunk infrastructure, and there is no magic pudding here, is out of people paying their water bills, which amortises the cost over a long period. I do not know how long, but we can get you those figures.

That is the way that every utility, since the invention of the Victorian sewer, has been done, or it has been done with government debt or with some combination of the two, or the developers pay, or the federal government comes along with a massive investment, as happened in the 1970s under Gough Whitlam. Those are the only solutions, and there is no way to stretch. The nature of these investments is that if you go out there with a little bit of money and try to stretch it, it actually leads to worse outcomes because you need scale and you need volume to run an efficient system and to get those efficiencies.

We were talking about Roseworthy before and the augmentation charge. We were charged at full cost for Roseworthy—it was over \$100,000 per allotment—for two reasons: we were asking them to wear the whole cost of trunk mains and enabling infrastructure to get the water there, and also the scale of the housing was not big enough. So one of the things GARP does is that it allows you to build at scale. Hopefully, the ESCOSA review allows us to take a longer view at least on capital, and then we have to work out collectively how we pay for it.

Mr BASHAM: One final question.

The Hon. N.D. CHAMPION: One more; I overtalked.

The ACTING CHAIR: Squeeze it in.

Mr BASHAM: You may want to take this on notice. I am just trying to understand the augmentation fees that are going to be paid over the forward estimates. What is the expectation of what is likely to come in over the forward estimates?

The Hon. N.D. CHAMPION: I will take it on notice. Principally, we thought a lot about the augmentation as part of the construction of the Housing Roadmap, and we thought a lot about when we would ask developers to pay. They pay when the block is sold, and that is important for their

cashflow and expectations. As development activity proceeds throughout the city, augmentation flows in.

Mr BASHAM: Could that be split into wastewater and water, if possible?

The Hon. N.D. CHAMPION: It already is, yes. It is five plus five.

The ACTING CHAIR: Thank you, minister. The allotted time having expired, I declare the examination of SA Water and the proposed payments for the Department for Housing and Urban Development, Administered Items for the Department for Housing and Urban Development and Administered Items for the Department of Treasury and Finance complete. I thank the committee, minister and advisers for your contributions. I lay before the committee a draft report for Estimates Committee A.

Mrs PEARCE: I move:

That the draft report be the report of the committee.

Motion carried.

At 17:47 the committee concluded.