

HOUSE OF ASSEMBLY
Thursday, 26 November 2020
ESTIMATES COMMITTEE B

Chair:

Mr M.J. Cowdrey

Members:

Dr S.E. Close
Mr J.P. Gee
Dr R.M. Harvey
Ms P.M. Luethen
Mr P.N. McBride
Ms A. Michaels

The committee met at 09:00

Estimates Vote

DEPARTMENT FOR INNOVATION AND SKILLS, \$399,235,000
ADMINISTERED ITEMS FOR THE DEPARTMENT FOR INNOVATION AND SKILLS,
\$16,145,000

Minister:

Hon. D.G. Pisoni, Minister for Innovation and Skills.

Departmental Advisers:

Mr A. Reid, Chief Executive, Department for Innovation and Skills.

Ms P. Chau, Executive Director, Performance and Business Operations, Department for Innovation and Skills.

Dr A. Dunbar, Executive Director, Innovation and Science, Department for Innovation and Skills.

Mr M. Smith, Director, Finance and Business Services, Department for Innovation and Skills.

Mr D. Rush, Acting Director, Science, Technology and Commercialisation, Department for Innovation and Skills.

Ms K. Marsh, Manager, Creative Industries, Department for Innovation and Skills.

Ms N. Becker, Project Director, Small Business, Department for Innovation and Skills.

Ms J. Halliday, Acting Chief Operating Officer, Office of the Chief Entrepreneur.

The CHAIR: Good morning, everybody, and welcome to Estimates Committee B. I will make a brief opening statement and then we will proceed with examination of proposed payments. The estimates committee is a relatively informal procedure and, as such, there is no need to stand to ask or answer questions. I understand that the minister and the lead speaker for the opposition have agreed to an approximate time for the consideration of proposed payments, which will facilitate a

change of departmental advisers. Can the minister and the lead speaker for the opposition confirm that the timetable for today's proceedings previously distributed is accurate.

The Hon. D.G. PISONI: Agreed.

Dr CLOSE: Yes, sir.

The CHAIR: Changes to committee membership will be notified as they occur. Members should ensure that the Chair is provided with a completed request to be discharged form. If the minister undertakes to supply information at a later date, it must be submitted to the Clerk Assistant via the answers to questions mailbox no later than Friday 5 February 2021.

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 based on about three questions per member, alternating each side. Supplementary questions will be the exception rather than the rule.

A member not on the committee may ask a question at the discretion of the Chair. Questions must be based on a line of expenditure in the budget papers and must be identifiable or referenced. Members unable to complete their questions during the proceedings may submit any questions on notice for inclusion in the assembly *Notice Paper*.

There is no formal facility for the tabling of documents before the committee; however, documents can be supplied to the Chair for distribution to the committee. 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.

All questions are to be directed to the minister, not to the minister's advisers. The minister may refer questions to advisers for a response should he wish. The committee's examination will be broadcast in the same manner as sittings of the house are broadcast, through the IPTV system within Parliament House via the webstream link to the internet and the Parliament of South Australia video-on-demand broadcast system.

This morning, the proposed payments under examination are in relation to the portfolios of innovation and small business. The minister appearing is the Minister for Innovation and Skills. I declare the proposed payments open for examination and refer members to the Agency Statements, Volume 3. Minister, would you like to make an opening statement and introduce your advisers.

The Hon. D.G. PISONI: Thank you very much, Chair. I will introduce my executive team with me this morning. Adam Reid, to my left, is the Chief Executive of the Department for Innovation and Skills. Phuong Chau, Executive Director, Performance and Business Operations, is behind him, then Dr Andrew Dunbar, Executive Director, Innovation and Science, is to her right. Martin Smith is the Director, Finance and Business Services, then Judy Halliday is directly behind Dr Dunbar. Judy is the Acting Chief Operating Officer, Office of the Chief Entrepreneur. David Rush is the Acting Director, Science, Technology and Commercialisation, then there is Nikki Becker, who is the Project Director, Small Business.

The Marshall Liberal government believes strongly in the critical role that innovation plays in achieving economic growth. We know that creativity, science and research, entrepreneurship and commercialisation go hand in hand, creating jobs, growing new businesses and fostering a vibrant, dynamic economy. This government is committed to creating an environment that gives innovators the courage and the power to activate their ideas. We want to strengthen our creative industries and to see them thrive.

I recently launched South Australia's Creative Industries Strategy, a 10-year vision to build and accelerate progress in creativity. The strategy sets an ambitious target for 5 per cent growth per annum to 2030 by accelerating industry growth, forging a collective identity and strengthening skills and pathways. Our plan is to grow entrepreneurship in the state. The Future Industries eXchange for Entrepreneurship, or our FIXE program, has continued to inspire, equip, enable and celebrate entrepreneurship in South Australia.

Under the guidance of the chief entrepreneur, Jim Whalley, we have introduced many initiatives under FIXE to support startups and entrepreneurs, including a Research,

Commercialisation and Startup Fund to support projects to help entrepreneurs to bring their ideas to market; the Go2Gov program, which calls on startups to propose solutions to public sector challenges; the FIXE Scholarship Program to support staff of early stage scale-up or high-growth businesses to participate in leadership, management and innovation development training; and the Activate Angels program to support angel investor networks to invest in more early stage businesses.

Our partnership with Stone & Chalk and the establishment of the startup hub at Lot Fourteen has continued to support the start up community. Since the launch, the startup hub has welcomed 45 startups, occupying 147 workstations; hosted 160 community events, workshops and seminars; raised \$10.6 million in investment; created 175 new jobs; collaborated with GigCity to digitally stream events to innovation districts in Tonsley, Mount Gambier and 22 other sites across the site; and launched a mentor match program to match founders to a pool of more than 150 mentors across Australia.

The Australian Cyber Collaboration Centre was opened at Lot Fourteen on 20 July. It is known as A3C and will provide a cyber training academy and cyber test range facility. The A3C has already attracted 17 members from a range of industries, both in South Australia and interstate, and the Marshall Liberal government is focused on growing the cybersecurity industry, increasing awareness and resilience and providing opportunities to develop new products and services.

The release of our 10-year science strategy, EXCITE, was another milestone for 2020 and a significant achievement for the state's Chief Scientist, Professor Caroline McMillen. This strategy aims to foster industry research collaborations and track research investment and young wealth creators. A key objective under EXCITE is to place South Australia at the top quartile of OECD nations for STEM and research innovation.

Under these various plans and initiatives, we now have a strategic road map to support and foster innovation in the state. As you know, this year has also presented challenges to our innovation businesses as a result of COVID-19 and last summer's devastating bushfires. Small business are the lifeblood of our community and the heart of our state's economy. Providing them with immediate support to ensure they have the best chance of getting through to the other side of this has been a clear focus.

Through our Jobs Rescue Package we have provided payroll, rent and land tax relief; waived liquor licensing fees; and provided a boost to the Cost of Living Concession for small businesses. The Business and Jobs Support Fund, now amounting to \$530 million, will continue to identify and assist businesses and industry sectors impacted by COVID-19, and the \$265 million Community and Jobs Support Fund will continue to support community organisations, including sporting, arts and recreational bodies, not-for-profit organisations and other industry sectors to assist with training South Australians seeking new skills and employment in a modern economy.

The budget also includes a \$220 million increase to the Economic and Business Growth Fund, which encourages the growth of existing industries, developing new industries, building international connections and attracting foreign and national direct investment.

We offered \$10,000 emergency cash grants to small businesses and not-for-profits that had suffered a significant loss of income or who were forced to close as a result of COVID-19 restrictions. In our startup and scale-ups we introduced a confidential mentoring service. Known as the FIXE Mentor Program, startups and scale-ups were matched with experienced business mentors to support and guide them through the impacts of COVID-19.

We know this has been, and continues to be, an incredibly difficult time for business. We are now starting to emerge from the pandemic, and it is clear that South Australia is uniquely positioned as one of the healthiest and safest places in the world, and the Marshall Liberal government has set its sights firmly on economic recovery.

Innovation, science and creativity will be absolutely integral, not only to economic recovery but in keeping South Australia safe and strong.

The CHAIR: Lead speaker for the opposition, did you wish to make an opening statement?

Dr CLOSE: Thank you, Chair, not other than to thank the staff who have arrived, some of whom I worked with when I was briefly the Minister for Innovation, Manufacturing and Automotive Transformation.

The CHAIR: With opening statements complete, we turn to questions from members. Member for Port Adelaide.

Dr CLOSE: If we can turn to Budget Paper 4, Volume 3, page 119, the program summary chart, it looks like the innovation program has decreased in size over the past few years. Can the minister explain what has previously been undertaken by the department that has now ceased as a result of this reduction, or what has gone to another department to be undertaken there?

The Hon. D.G. PISONI: When you say in recent years, obviously the budget papers refer to the 2019-20 year and the 2020-21 year.

Dr CLOSE: Yes, and in fact if you were to look back to 2016-17 it was about \$13 million, then it drops in 2018-19, 8.8, and in 2020-21, 8.4.

The Hon. D.G. PISONI: There are quite a number of innovation programs that we have introduced. There were programs that finished and were replaced with other programs. The SA Venture Capital Fund, I am advised, used to sit within the innovation portfolio which now sits within Treasury, so that does not appear in the budget papers for this particular department. But some of the innovation programs introduced by the former government, such as the South Australian Commercialisation and Startup Fund, which was a \$10 million fund, has been replaced by the \$28 million Research, Commercialisation and Startup Fund. That received some extra funding in this year's budget as well.

The commercialisation initiative fund is now complete. The Medical Research Commercialisation Fund (MRCF) continues to operate. The Future Industries Accelerator, \$750 million over three years, continues to operate. The Australian Institute for Machine Learning continues to operate. The Innovation Voucher Program is now complete, and the game development fund continues to operate.

There is a \$300,000 game innovation fund administered by the Film Corporation and also now, I understand, a PDV program worth—do we have the numbers on that—the first rebate for games development in Australia that was introduced by this government a couple of months ago. That is a \$3.3 million fund.

Dr CLOSE: Has the minister received any feedback from industry that they are unclear as to which government department they should be speaking to for assistance in business development grant applications, export advice and other functions?

The Hon. D.G. PISONI: The interesting thing is that industry is seeing that the government is very keen to facilitate private sector growth here in South Australia. There is no doubt that the private sector is very pleased to see some of the tax reform that has happened here in South Australia—the payroll tax reform, the land tax reform. They are very pleased to see the reform and the additional funding in the skills space.

Also, we have had some very good feedback from the screen sector in particular about moving screen out of the department of arts and into the Department for Innovation and Skills. They feel as though they are an industry and they are having access to a lot more resources from a much bigger department.

Dr CLOSE: To be clear, it was not in the arts department, it was in the department of state development previously. There was not an arts department.

The Hon. D.G. PISONI: It was under arts. Having the ability to have access to a much bigger department has proven to be very successful. A release has been put out this morning by the Film Corporation about, I think, a 34 per cent growth over the last 12 months in screen here in South Australia; a record \$143 million was reported in that release today.

We were one of the first places in the world to resume screen production after the COVID lockdown, so that started with the ABC series *Aftertaste*, shot in the Adelaide Hills. I must congratulate Kate Croser for playing a very active role in working with Screen Australia to develop a

COVID-safe work plan for production to return as quickly as possible. That has certainly generated a lot of interest from around the world, looking at the options for production here in South Australia. I assure the honourable member that there is no confusion from international industry as to how they can approach the government to do business here in South Australia.

There was a MoG that came into effect in April, the first last year I think it was, that basically saw the capital and investment part of business growth in South Australia being managed by the Department for Trade and Investment and the human side of industry, that is, skills being managed by the Department for Innovation and Skills, so it was a clear delineation. Anything that is considered to be a startup or a scale-up is the responsibility of my department.

Small business is very broad. We are a small business state and so, obviously, we have a lot of interest in what small business can offer in South Australia. There is a very large overlap of the work that is done between the two departments in supporting small business. I have to say that we do certainly attend to inquiries very quickly. We do not have a siloed cabinet in South Australia under Premier Marshall. We have departments that work together and speak with each other to get outcomes for the benefit of South Australian taxpayers, South Australian industry and South Australian employees. We are very focused on a cabinet style of government, where we work together to ensure we can get the best possible outcomes for jobs growth in South Australia.

Dr CLOSE: Is your department the first port of call for the defence industry?

The Hon. D.G. PISONI: No, that is very clear.

Dr CLOSE: If they are manufacturers?

The Hon. D.G. PISONI: The Premier is the minister responsible for defence industries. The defence industry sits within the Department of the Premier and Cabinet, and obviously there is a very strong relationship with the defence sector, because they are skills hungry. We work very closely with Defence SA and the Department of the Premier and Cabinet in delivering and designing projects that are required by the defence sector for skills.

One that comes to mind was a shared project just recently: Defence SA played a significant role and the Department for Innovation and Skills played a significant role. That was the digital program that is being run by Flinders University for people who are already skilled in engineering, or even trades related to the shipbuilding sector, to upskill their digital ability. That is being done in conjunction with BAE. That work was a combination, if you like, of work being done over multiple departments.

As you know, cabinet meets twice a week, and that gives ministers a very good opportunity to both formally and informally discuss overlaps in their departments and in their portfolios, which tends to mean we are able to minimise the risk of important issues being missed or not being managed as effectively as we possibly can.

The answer is very clear. To anyone who is listening to this, I feel sorry that you have the time to be doing this, but the answer is very simple: if you are a defence company, your first port of call is Defence SA, and Defence SA will make sure that the entire government works with you to enable you to meet your objectives.

There was a great story yesterday in the *Manufacturers' Monthly*. Lockheed Martin Australia has announced contracts with four South Australian small to medium enterprises to explore Australian sovereign technologies that may be incorporated in the AIR6500 system solution. This is another terrific spin-off from South Australia having a focus on defence industries and technology. Five Australian companies were in the mix; four of those were South Australian. I think that shows that the system we have in place for supporting and facilitating business in the defence sector in South Australia is working.

Dr CLOSE: If I turn to page 114 of the same budget paper and volume, Ministerial responsibilities, how many changes of name has the department had and what would have been the cost of making those changes since March 2018?

The Hon. D.G. PISONI: Initially, I was sworn in as the Minister for Industry and Skills. There was a review of Investment Attraction and industry support after that process. I spoke on that in quite

some detail earlier. It was after that review that it was agreed that the government would use the recommendation of Steven Joyce to separate those two areas: the capital intensive and policy area of industry, and the human capital, if you like, of industry. I think the important thing to remember there is that there is also a very close relationship between both CEs of those departments and also of the ministers.

Dr CLOSE: The second half of the question was: if you could give an estimate of the cost of the changing of name from state development to industry and skills to innovation and skills?

The Hon. D.G. PISONI: I think there was a question that came through on notice from I believe it was the Hon. Clare Scriven not long after that happened, or it may have been from the person who was acting for her in the lower house, the member for Ramsay, so I will refer you to that answer.

Dr CLOSE: An answer was given?

The Hon. D.G. PISONI: Yes.

Dr CLOSE: How long ago was that? Is there any update or change since then?

The Hon. D.G. PISONI: There has been no change, no.

Dr CLOSE: If we can move to Budget Paper 5, page 100, which identifies operating savings, it appears that there is more than \$13 million of operating savings allocated to the department, which includes a cut of seven FTEs. Can the minister explain what programs the savings will be coming from?

The Hon. D.G. PISONI: I am not sure there are particular programs, but I will see what we can do to identify where those savings are coming from. I think there is no doubt that the Department for Innovation and Skills has been very quick to respond to new government policy. The savings will be achieved through strategic prioritisation of functions and the continued rollout of efficiencies across areas such as:

- digital efficiencies, through system upgrades and digital-by-default strategies. You will notice in the budget there is significant capital grade of the digital systems;
- travel, through greater use of Microsoft Teams for intrastate and interstate meetings. We have found that to be obviously very effective, particularly in the work that is very heavily reliant on the federal government for the national agenda when it comes to areas of skills and migration;
- ICT, through improved ICT replacement and maintenance strategies; and
- stationery, through our continued use of digital-by-default strategies.

They are quite modest savings, and Adam Reid assures me that he will be able to attain those savings and continue to deliver the exceptional outcomes that we have been delivering in this department since the change of government.

Dr CLOSE: Is the estimate of a seven FTE cut likely to be actually seven people equivalent leaving or are you expecting to take those savings through other mechanisms?

The Hon. D.G. PISONI: In addition, from February 2022, the Department for Innovation and Skills will reduce its graduate rotation from 11 FTEs to 4 FTEs, and that is in line with department size. As you know, under the DSD, I think when it was a department of about 2½ thousand people, there were 11 graduates, so obviously there is a significant difference proportionately, or per capita, in the size the department is now, with I think fewer than 400 staff. So there is a saving there. The graduate program is now more proportionate to the size of the department.

Ms MICHAELS: Can I take the minister to Budget Paper 5, page 99, the first table on the Back to Business Grants for Wine Producers. I understand that is a scheme to provide \$300,000 in the current financial year for grants of up to \$10,000. Can you update the committee on how many applications have been received to date?

The Hon. D.G. PISONI: For the particular program you are referring to, we have had one application for the wine taint program.

Ms MICHAELS: Do we know the amount that was applied for? Was it the full \$10,000?

The Hon. D.G. PISONI: Yes, it was \$10,000, I am advised.

Ms MICHAELS: Do you know how many wine producers have been affected by the bushfires?

The Hon. D.G. PISONI: That data is more likely to be held by the Department of Primary Industries. They are certainly engaging with the wine taint program. It reminds me of an experience I had when the Chief Scientist and I were visiting the finalists of the science awards. We visited the Waite centre, where we met a team of scientists who were working on wine taint. We even went through a tasting process to identify what happens when smoke taints the grapes and the grapes are turned into wine.

They were also telling us about the international work that they had been doing because there had been very large fires in California just recently, and wine taint testing over there was taking about two months for the results to come back, which is obviously useless for anyone who is producing wine. Consequently, they were called in to support that role, and obviously it was a great export income earner.

One of the most interesting stories they told was that one of the wine companies had picked grapes before the fire came through, and because they were in pallets, ready for crushing, they then got wine taint. The insurance company would not pay because the science told them that wine taint only happens on the vines, but they were able to prove that wine taint actually happens even after picking. So the work that was done here in Waite actually enabled a large wine producer in California to get their insurance payout. That is a very interesting story, don't you think?

Ms MICHAELS: Thank you for that extensive answer, minister. I again refer to Budget Paper 5, page 99. Of those grants, by my maths there would be a maximum of 30 if each applied for \$10,000. Are you aware of or has your department done any research on any unmet need, if you are not aware of how many producers there actually are who have been affected by the bushfires?

The Hon. D.G. PISONI: I think I covered that answer earlier. PIRSA is managing that and working with those industries, and we are there to support them.

Ms MICHAELS: So your department has no plans itself for any unmet need to help those producers?

The Hon. D.G. PISONI: One thing we identified very early in coming to government was that there was a lot of duplication between different departments. The Premier was very keen to ensure that that sort of wastage did not happen. He was much more interested in departments working together rather than competing with each other and doing the same thing, and so consequently departments like PIRSA, Trade and Investment and the Department for Innovation and Skills work very closely together. We have roles and responsibilities that we are responsible for, and we do everything we can to try not to double up on work. So we are very confident of the work that PIRSA is doing, and we will work with them in delivering the grants once they are established.

Mr McBRIDE: My question refers to the final 2019-20 highlight on page 118, Volume 3 of the Agency Statements. Could the minister outline what he has done to support small businesses recover from last summer's devastating bushfires?

The Hon. D.G. PISONI: Thank you very much, member for MacKillop. I know that is something that you are certainly very interested in and very concerned about, so thank you for your question. The Marshall Liberal government took decisive and early action to support small businesses recover from last summer's devastating fires. The South Australian and commonwealth governments have partnered to deliver financial assistance and tailored support to small businesses affected by the summer fires.

My department is administering the small business Bushfire Recovery Grant, which provides up to \$50,000 to small businesses directly affected by the fires to assist with clean-up and the re-establishment costs. As of 27 October 2020, my department has received 200 applications for this program, for the value of \$6,795,225. Sixty-six applications have been rejected due to ineligibility for the program, and 134 grants have been awarded as follows:

- Yorketown, two grants totalling \$100,000;
- Keilira, two grants totalling \$72,500;
- Cudlee Creek, 66 grants totalling \$2,052,529;
- Kangaroo Island, 64 grants totalling \$2,017,780;

That is a total there of \$4,242,809.

My department is also administering the small business Loss of Income Grant, which provides \$10,000 to eligible small businesses to assist with income loss. As of 27 October 2020, my department has received 570 applications for the small business Loss of Income Grant to the value of \$5.7 million. Fifty-three applications have been rejected due to ineligibility for the program, and 24 are currently in the due diligence process. Forty-three grants have been awarded as follows:

- Kangaroo Island, 274 grants, \$2.74 million;
- Adelaide Hills, 175 grants, \$1.75 million;
- Mount Barker, 20 grants, \$200,000;
- Yorke Peninsula, 14 grants, \$140,000;
- Kingston DC, four grants, \$40,000;
- Mid-Murray, four grants, \$40,000;
- Murray Bridge, two grants, \$20,000.

So it is \$4.93 million in total in that set of grants. My department is working closely with newly established small businesses to ensure appropriate support is provided. My department is also administering and recently launched the SA Wine Grape Smoke Taint Grant, which provides up to \$10,000 to eligible wine grape producers who have experienced crop loss from smoke taint and a decline in revenue caused by the bushfires. Applicants to this program are required to provide a dollar-for-dollar co-contribution to the value of the grant they apply for.

The South Australian and commonwealth governments have partnered to deliver \$1.8 million in Disaster Small Business Transformation and Growth Program, which will:

- establish a community-led business up, which open on 30 October on Kangaroo Island, providing co-working space, event space, shared meeting rooms and necessary digital infrastructure;
- coordinate access to a network of existing facilities and infrastructure in the Adelaide Hills;
- provide small business financial counselling to provide first response financial counselling to impacted small businesses;
- develop a program of events and workshops with a focus on digital capability, financial planning, marketing, export and investment advice and other topics as determined by the community; and
- provide an additional round of the South Australia Export Accelerator grants.

I have appointed a business recovery officer in the Adelaide Hills to provide one-to-one case management support to assist small business and I have also appointed a small business coordinator on Kangaroo Island to manage the business hub to provide case management support to small business.

My department is aware of instances of attempted fraudulent claims in the small business program. The due diligence process undertaken by the department has identified these claims. The South Australian government has created the SA Business Information Hub, which is a trusted source for the most up-to-date information for South Australian businesses and industries. This includes:

- a dedicated small business information hotline to provide advice and support over the telephone to small businesses;
- the business.sa.gov.au website for small businesses seeking online support during the crisis; and
- tailored case management services for small businesses.

My department is working closely with other agencies to ensure small businesses are provided a seamless across-agency service to receive the support required.

The recently announced SME Business Advisory Services Program will provide \$5 million in 2020-21 to assist small to medium business enterprises in South Australia to access business advice to support the development of sustainable business strategies. Under the scheme, the government will provide a subsidy to contribute towards the cost of approved professional advisory services for financial and business planning, strategy development, change management, continuity planning and market access.

Ms MICHAELS: Again, I refer to Budget Paper 5, page 99 under Back to Business Grants for Wine Producers. Can I take you back to your last answer to my question where you spoke about PIRSA and its knowledge and involvement in the wine producers and the fire effect? Is this grant not better suited to being dealt with under PIRSA given your comments about not doubling up in terms of government departments?

The Hon. D.G. PISONI: We were involved from the very beginning with the grant program for small business. There have already been 50 grants for the loss of income for wine producers that were administered by my department, so it just made sense for us to continue to administer this grant.

Ms MICHAELS: I will take you to the same page but the second table now under Small Business and Not for Profit grants. Do you know how many small businesses were affected by the bushfires and how many not-for-profits were affected by the bushfires?

The Hon. D.G. PISONI: Many of those who were affected obviously applied for grants and were successful in that process that I referred to in answer to the question by the member for MacKillop. I think I covered that in my answer to the member for MacKillop. It is a demand driven process. Everybody who feels they were affected has the ability to apply. There are criteria, and obviously in every situation there is a small number of people who will try to work the system. Others may not qualify for the loss of income requirement or other requirements for the impact of the fires on their particular business.

I think there was a total of 200 applicants, as I mentioned in my answer to the previous question to the member for MacKillop. They are people who have obviously self-nominated for whatever reason, whether it be a genuine reason, a misunderstanding of the program or a reason to deliberately obtain a grant that they were not entitled to.

Just to give you some more detail on that, when we did the estimates of the total numbers that may have occurred, we estimated there were 790 businesses on Kangaroo Island and 2,300 in the Adelaide Hills. They were the estimates of businesses not necessarily affected, but the estimates of businesses as I understand.

Ms MICHAELS: I think you said there were 230 applicants?

The Hon. D.G. PISONI: There were 200.

Ms MICHAELS: Were they all applying for the maximum of \$50,000? I am talking about the Small Business and Not for Profit grants.

The Hon. D.G. PISONI: They are both small business recovery grants. One was a \$50,000 grant.

Ms MICHAELS: Yes, I am speaking about that at the moment.

The Hon. D.G. PISONI: You are speaking about that one? I am advised that not all of them applied for \$50,000 because it was a recovery grant based on the cost of getting back to business. I do not think it is a figure that we can probably give you today, but we can see if we can bring that back to you at a later stage.

Ms MICHAELS: Are you expecting more applications to be received or have they all dropped off now? Is it your understanding that everyone who wanted to apply has applied?

The Hon. D.G. PISONI: I am advised that there are still applications coming through. The feedback the department has had on that is that people are not necessarily in a position to start getting their house in order immediately. It takes time, so consequently the grants are still open and people are still making applications.

Ms MICHAELS: Do you have any plans if the 2,300 Adelaide Hills businesses and 790 KI businesses were all to apply? Is there any additional funding to be provided?

The Hon. D.G. PISONI: Obviously they need to meet the criteria. All those who have met the criteria, as I understand, have been granted the payments.

Ms MICHAELS: And all those who will meet the criteria will be granted the payments?

The Hon. D.G. PISONI: I am advised that the amount available for both of those grants is not exhausted, so there is no requirement for me to call for additional funding at the moment.

Ms MICHAELS: Can I take you now to the third table on page 99 of Budget Paper 5, which is the Small Business Disaster Transformation and Growth Program. I understand that is over three years and allocates some funding for a business hub on Kangaroo Island. How much of those funds are for operating the business hub?

The Hon. D.G. PISONI: I was very pleased to open the business hub on Kangaroo Island last month. We had a full contingent of Kangaroo Island businesses represented. We heard some quite amazing stories from those who were affected by the fires. I think the building itself was empty for about five or six years. It was a toy store, I believe, in the centre of Kingscote. I am working from memory here, but I think about \$100,000 was spent on refurbishing the centre. I was told that was done by local tradespeople and local suppliers.

The exciting thing about the business hub is that they have the ability for teleconferencing now. There is a conference room. People who might be doing business in Sydney, Melbourne or even overseas can have meetings in real time in that conference room. It also means there is a stronger connection with the government. A group of interested businesspeople can have meetings with government departments for programs that might be suggested or are being administered by those government departments.

We are also working on having the business hub work in conjunction with Stone and Chalk, the innovation hub at Lot Fourteen, to help incubate new businesses, transform businesses, get advice and ensure that those on Kangaroo Island can join in on many of the webinars that are conducted by Lot Fourteen. This is a terrific bridge, I would argue, for business on Kangaroo Island with the mainland, not just for Adelaide but for business interests interstate. I know that many of the food producers have significant interests interstate, with their products being sold in Sydney and Melbourne. This hub will certainly help them to have better access to those customers.

It will also enable them to launch their products on Kangaroo Island with a broader audience by using the teleconferencing material. Of course, there is support. The centre is staffed. Consequently, there is support there for businesses to have access or to know where they might need to start their approach with government. The support there is driven by the department. The specific details we will take on notice but, just to give you an idea, obviously there was a cost to set it up. There is a cost of operations, but I am advised that the overwhelming proportion of the funding is for programs for businesses on Kangaroo Island.

Dr HARVEY: My question relates to Budget Paper 4, Volume 3, page 118, specifically the first and third objectives. Could the minister please outline what has been done to support the state's businesses and researchers through the COVID-19 pandemic?

The Hon. D.G. PISONI: Thank you, member for Newland. Once a scientist, always a scientist. I know you are always interested in research, so I am very pleased to have that question from you. The Marshall government took decisive action early to support business and researchers during the COVID-19 pandemic. On 31 March this year, the South Australian and commonwealth governments commissioned Detmold Medical Pty Ltd to establish a face mask manufacturing capability at Brompton, South Australia to manufacture 45 million face masks for SA Health and 100 million for the National Medical Stockpile.

This support for a local business to deliver critical personal protective equipment (PPE) also needed the Marshall government's support for the involvement of researchers from Flinders University and the University of South Australia to establish a local testing facility to ensure the quality of the PPE. It was supported by a Research, Commercialisation and Startup Fund grant of \$450,000 for Flinders University and the University of South Australia to purchase equipment.

In March 2020, we commissioned a targeted survey of South Australian startups and scale-ups. These businesses highlighted that there were three main areas of very high concern for their businesses: their ability to navigate the difficult and volatile business environment, their ability to attract new customers and their access to capital to grow their businesses through this period.

During the COVID pandemic we have launched the FIXE mentoring program, a FIXE leadership program and a FIXE scholarship program and have provided funding to the Business SA SAYES program. These programs all address different aspects of capability building for our startup and scale-up businesses. Government is a key customer for a large proportion of South Australian businesses, so the Go2Gov program was launched in July to connect startups to government by supporting government agencies in becoming a first and reference customer for business.

We have also had a temporary COVID-19 waiver on a case-by-case basis related to matched private capital funding requirements in the direct grant support available through the Research, Commercialisation and Startup Fund. This ensures that the startups can continue to access competitive grant funding and grow their businesses and be well positioned for recovery.

In May, I announced a \$1 million investment package to support the local music industry, including a \$300,000 grant to support the iconic live music venue the Governor Hindmarsh Hotel, known as The Gov, to continue as a vital platform for live music through the COVID restrictions. I have also announced an additional \$820,000 in project support grants to support the live music venues, creating employment opportunities for artists and music professionals. Just in case there are any musicians listening, the applications close today.

The South Australian government has also announced stimulus measures to support small business across the state, including payroll tax relief—a waiver for businesses with an annual payroll up to \$4 million and a deferral for those over \$4 million; land tax relief; a waiver of liquor licensing fees; the establishment of a \$530 million Business and Jobs Support Fund; the establishment of a \$265 million Community and Jobs Support Fund; \$850,000 in fee and rent relief for nearly 300 SA nature-based tourism businesses; \$10,000 in emergency cash grants to employing small businesses with an annual turnover that exceeds \$75,000; and a \$5.7 million financial support package to help the tourism sector, which includes the Small Tourism Business Grant Fund, a one-off cash payment of up to \$10,000 for eligible sole traders and small tourism businesses with an annual turnover of more than \$100,000 and less than \$1 million.

During this time, coordination and communication are critical, including provision of accurate and timely advice to small business owners and workers. The South Australian government has created the SA Business Information Hub, which is a trusted source for the most up-to-date information for South Australian business and industry. This includes a dedicated small business information hotline to provide advice and support over the telephone to small businesses, the business.sa.gov.au website for small businesses seeking online support during the crisis and tailored case management services for small businesses.

The department is working closely with other agencies to ensure small businesses are provided a seamless across-agency service to receive the support required. The recently announced small and medium-sized business advisory services program will provide \$5 million in 2020-21 to assist small to medium enterprises in South Australia to access business advice to support the development of sustainable business strategies. Under the scheme the government will provide a subsidy to contribute towards the cost of approved professional advisory services for financial planning, strategy development, change management, continuity planning and market access.

Ms MICHAELS: In Budget Paper 5, page 99, the Small Business Disaster Transformation and Growth Program, there is one FTE allocation. Is that for the operation of the Kangaroo Island business hub?

The Hon. D.G. PISONI: I am advised that is, yes.

Ms MICHAELS: That allocation ceases at the end of the 2021-22 year, so is it planned to close the business hub then?

The Hon. D.G. PISONI: No, there is an option for the continuation of that site beyond that time in the leasing arrangements. Obviously, in the lead-up to that time there will be a review of the success of the program and whether any changes may be required to the program. Consequently, everything is tied to give the Kangaroo Island community the option as to what they might want to do in moving forward beyond that point.

The CHAIR: With that answer, the time agreed and allocated for the examination and proposed payments in regard to the portfolios of innovation and small business has concluded; therefore, there are no further questions and I declare the examination of the portfolio agencies of innovation and small business completed.

Membership:

Mr Boyer substituted for Dr Close.

Departmental Advisers:

Mr A. Reid, Chief Executive, Department for Innovation and Skills.

Ms N. Chandler, Executive Director, Strategy, Policy and Migration, Department for Innovation and Skills.

Ms P. Chau, Executive Director, Performance and Business Operations, Department for Innovation and Skills.

Ms L. Newstead, Director, Strategic Policy and Projects, Department for Innovation and Skills.

Mr M. Smith, Director, Financial and Business Services, Department for Innovation and Skills.

The CHAIR: We shift now to the next session, which will run until 11am, to the examination of proposed payments in regard to the portfolio of migration. The minister appearing is again the Minister for Innovation and Skills, and the estimate of payments relate to the Department for Innovation and Skills and administered items for the Department for Innovation and Skills as previously outlined. I advise that the proposed payments remain open for examination and refer members to the Agency Statements, Volume 3. Minister, if you would like to make an opening statement in regard to this portfolio, you can, and if you could introduce your advisers for the benefit of the committee.

The Hon. D.G. PISONI: Joining Adam Reid, Phuong Chau and Martin Smith, are Nari Chandler, Executive Director, Strategy, Policy and Migration, and Louisa Newstead, Director, Strategic Policy and Projects.

The Marshall Liberal government is working to position South Australia as a safer, attractive place to live and work. The 2019-20 year was South Australia's largest year on record for both streams of South Australia's migration program. Over the past 18 months, 68 entrepreneurs from around the globe were endorsed by government to obtain a visa through our Supporting Innovation in South Australia pilot program, or our SISA visa as we affectionately call it. Many are now in South Australia developing their products and businesses in priority industries and there are also 4,328 nominations in the General Skilled Migration program, and 780 business nominations.

The COVID-19 pandemic has thrown many challenges our way, however, our recovery in South Australia is encouraging. There remains high demand for skilled workers in critical growth areas, and we are addressing this demand by working with industry and the training sector to skill domestic workers, and also via skilled migration.

However, the rise of COVID-19 and the associated travel bans have caused uncertainty and disruption in Australia's migration program. The Australian government has full responsibility for determining the size and scope of the migration program and its administration. All applications or visas are considered and granted by the Department of Home Affairs.

While migration is largely the remit of the Australian government, South Australia has input into the skilled and business migration programs, including negotiating allocations for the state under the General Skilled Migration program and business program each year, implementing state-specific policy settings for skilled and business migration within the federal policy framework. We have also entered into two bilateral arrangements with Home Affairs in relation to the SISA, which is the Supporting Innovation in SA visa pilot, and the DAMA programs.

Each year, the Australian government allocates a number of places to state and territory governments to enable nomination of skilled and business migrants. Due to the uncertainty, states and territories are yet to receive their full allocations for this year (2020-21), so targets for those programs this year are still unknown. Interim allocations are made to each state and territory in August 2020.

In response to COVID-19, the Marshall government has prioritised medical professionals to support our health and care sectors, and engineers to support our construction and manufacturing sector. We have also used our allocations to support businesses in crucial sectors, such as agriculture, food production, defence industries, mining and energy and manufacturing and logistics.

My department has worked with the Department of Home Affairs in Canberra to ensure that the business migration program maximises the economic benefits for South Australia. The new designated area migration agreements (DAMAs) now have a pathway to permanent residency for all occupations. We have gained a range of new occupations in health care, agribusiness, manufacturing and high-tech sectors. There are additional English language and age concessions and changes to skill and work experience requirements.

Considerable work has been undertaken to reposition the state's skilled migration and business migration programs with the Migration SA brand, and a consumer website developed to facilitate improved operation and promotion. The Marshall Liberal government will continue to refine and improve our skills and migration programs to better support opportunities for South Australia.

The CHAIR: Lead speaker for the opposition, do you wish to make an opening statement?

Mr BOYER: No opening statement, thank you, Chair.

The CHAIR: Opening statements are now concluded. I call on members for questions. The member for Wright.

Mr BOYER: Minister, I might start with a question based on your opening statement, if I could. You referred to interim payments being made, and I think you mentioned potentially there being one in August this year. Is that right, and if so, what was the total of the interim payment made to South Australia?

The Hon. D.G. PISONI: It was an allocation of numbers, not money.

Mr BOYER: What was that interim allocation of numbers?

The Hon. D.G. PISONI: We have an interim allocation for business migration of 180 and skilled migration of 900.

Mr BOYER: Still on that topic, how do those figures of 180 and 900 compare with the previous interim allocation of numbers the state was provided?

The Hon. D.G. PISONI: The numbers are obviously significantly lower. This has caused significant issues in regional South Australia. The federal government, I think, had a migration program of about 160,000. That has now been cut back to, working from memory here, 30,000 and each state is given interim allocations based on that lower total number. You can imagine from that that the number is significantly lower than it has been.

I know the member for MacKillop is very concerned about meat processing and other agricultural industries in his electorate that are finding it very difficult for the mainly seasonal work that was conducted by visa holders in regional South Australia. I think it is fair to say that now the tourism sector in regional South Australia, which again relied heavily on people on visas going into regional South Australia to work as chefs, front of house and waiting staff, is also suffering.

It is a bit of a double whammy here, because they are also experiencing a boom in regional tourism from intrastate and interstate tourists. Consequently, we have heard stories of people who have gone to a hotel that is really buzzing in regional South Australia and after two hours still had not received a meal because it was only the partners and owners of the business and their children who were available to work in the venue.

There has really been a very significant effect on regional South Australia in particular with COVID-19 and the lack of skilled labour coming in from overseas, those who are on pathways to permanency or, alternatively, those who are on working holidays or those who are spending some time travelling around the country or have come over for a set period of time with the intention of gaining some experience working in an industry in regional South Australia.

There are all sorts of different reasons why people come to Australia. We are obviously interested in people who come in to Australia to come to South Australia, particularly if they want to make South Australia their home and bring their families. The younger they are the better, obviously, because if they are at the stage where they have not started families and they move to regional South Australia, we will see the regions start to grow after contracting for so many years, which means that there will be more services available to those living in regional South Australia and the economy that is driven through the industries in regional South Australia will continue to grow.

I know the member for Chaffey keeps reminding me that 50 per cent of South Australia's exports come from regional South Australia, and yet I think less than a third of South Australians live in regional South Australia. You can see that regional South Australia has really felt the brunt of the break in the migration program due to COVID-19. We are working with them to try to alleviate that problem as best we can with students who are still here, but it is a real challenge that we are facing at the moment because of the drop-off in skilled migration, both those on permanent pathways and those who are here for an experience.

Mr BOYER: I refer to Budget Paper 4, Volume 3, page 106, Migration and targets. In reference to your last answer and regional South Australia, what is the predicted impact of a lack of skilled migration due to COVID on things like seasonal fruit picking and industries like that? Is there anything that the government is looking at putting in place to help those industries?

The Hon. D.G. PISONI: It is a very good point, member for Wright. It has had a significant impact. My understanding is that about 50 per cent of the picking work, or the seasonal work, is required within about a 90-minute radius of the CBD, and the other 50 per cent is required out in the regions. The Riverland is a big user of skilled migration.

I met with representatives of the affected regions on a Teams meeting a number of weeks ago now, to start to implement some immediate responses to support those sectors and those industries getting labour out of Adelaide into the regions. I know that the Minister for Primary Industries has also met with them. Our two departments are working together. Adam Reid has been playing a very active role in looking at measures we can put in place to ensure that people are aware of those opportunities.

Obviously, one of the key areas are those foreign students who are on their university break, who will not be able to go home if they have not finished their degrees, because they want to continue here next year. We see them as a terrific source, for their own experience and their own income requirements. We are working with the universities in order to make sure they are aware of those opportunities. Obviously, there are transport issues, so we are working with industries to deal with those transport issues, whether that is arranging buses to get people from the CBD out to McLaren Vale or Cherry Gardens or the Adelaide Hills or elsewhere, where there is seasonal work to be done.

There is also the issue of accommodation, particularly in those areas that are too far to drive to in a single day for a day's work so you will need to actually live in that region. There is a bit of a double whammy there in managing that situation because obviously there was always accommodation for backpackers when they were looking at places like Nippy's and Costa and other businesses that have very sophisticated employment programs for migrant workers, but, of course, COVID means that there were fewer beds available because of spacing and of course the boom in regional tourism means that there is less accommodation available for people who work in the area. It is a very complex issue that we are dealing with at the moment.

We are also looking at some longer term solutions so that the industries and sectors that operate outside of metropolitan Adelaide can work together so that they are offering more than just seasonal work, which may very well encourage people to move from other parts of Australia or, alternatively, from the metropolitan area into the regions. There are some beautiful places to live outside of Adelaide. I am sure that the member for MacKillop would agree with me that there are enormous lifestyle benefits to living in regional South Australia.

The key is to ensure that we are seeing the ability for people to have careers in agricultural and hospitality sectors outside of the metropolitan area. We are working collectively. I am working with Minister Patterson and Minister Basham. The departments are working together to look for a longer term solution for that issue as well.

Mr BOYER: I refer you to Budget Paper 4, Volume 3, page 126, and highlights again. Does the minister believe that the two Designated Area Migration Agreements (DAMAs) that we have are efficient and workable?

The Hon. D.G. PISONI: We are very pleased that we were able to negotiate a new DAMA. The first DAMA I think identified some barriers that employers found to coming to South Australia. We were very pleased with the outcomes of negotiations that were led by Nari Chandler and Louisa Newstead with their equivalent policy people in Canberra, and I was also very pleased with the work that the member for Sturt, James Stevens, has done in working with Minister Tudge and I in getting some outcomes that are more industry related.

I can talk about some of the changes that are in the new DAMA that started from consultation with industry and also migration agents. I think it is fair to say we took that advice on board and we were able to convince the federal government that there were some significant barriers that needed to be addressed. The government of South Australia has recently undertaken a review of two DAMAs and has negotiated significant enhancements to the program, including more appropriate and competitive work experience requirements and the addition of new occupations in health care, agribusiness, manufacturing, high-tech and creative industries. Now all occupations have a pathway to permanent residency.

We have also secured amendments to the English and age concessions as well as an agreement to implement a more appropriate and competitive set of work experience requirements. We have also been successful in changing the work experience requirements under the DAMA for a number of occupations, which will make it easier for qualified and international graduates to be eligible. This is predominantly for those who might be here on student visas and who decided that that they might wish to pursue a pathway to residency.

The Australian government has also supported our request for the government of South Australia to undertake the skills assessment process for occupations where there is no alternative option. This will ensure that occupations that were previously ineligible can now be available for skilled migration and that the workers filling those positions are appropriately skilled.

The Department for Innovation and Skills has implemented the revised DAMA program. Obviously, the brakes on that are the reduction in the federal allocations. We know that the border has been closed internationally, so we are focusing on attracting people who might be interstate in Australia who might want to look at South Australia as being a place of permanent residency. It is anticipated that the enhancement of the DAMA will lead to an increased uptake once local economic conditions have improved and international travel restrictions have eased.

Mr BOYER: On the same reference, Budget Paper 4, Volume 3, page 126, in the highlights, what is your response to claims that have been made that the DAMAs are too complicated for employers? Do you think there is any truth in that?

The Hon. D.G. PISONI: We responded to that, virtually from when the feedback was coming in. That is why we have negotiated a new DAMA, for both the regional DAMA and the technology DAMA, that has not just taken into account but has addressed the issues that were raised. One of the biggest issues was that there was no pathway to permanent residency. It made it less attractive, if you like, for people who wanted to come to Australia for a permanent life change to be a part of the Australian community to use the DAMA to come to South Australia. So that was one that we were very pleased to address.

Another one was how long it took for someone to work in the industry or in the sector in which they were qualified. That particularly affected those who were here as international students. It did not take into account the work they were doing while they were getting their qualification. Now we have been able to include that work as well. The first round of DAMAs only really included the work done post qualification. We are now including the experience obtained while gaining that qualification, which has meant that it is now much more attractive for employers and those who want to come to Australia to choose South Australia to do that.

Mr BOYER: I refer to the same budget line again: Budget Paper 4, Volume 3, page 126, highlights. What is the maximum number of visas that could be granted per year under these Designated Area Migration Agreements?

The Hon. D.G. PISONI: I think there is a total of about 1,050. We have 700 on the regional DAMA and 350 on the technology DAMA. This information is publicly available, incidentally.

Mr BOYER: I refer to the same budget line again, minister. How many visas have been successfully granted under the current DAMAs, of the 1,050 that could be granted in total?

The Hon. D.G. PISONI: The current DAMA has only recently been in use, and obviously we have closed borders for migration at the moment. I will see if I can get a number under the current DAMA. The most current Department of Home Affairs information is that 19 visas have been lodged, with 11 still awaiting a response from the Department of Home Affairs. Seven have been granted, and none have been refused so far.

As of 30 June this year, South Australia has endorsed 28 employers for a total of 135 positions under the two DAMAs—28 employers submitting 32 applications, with four employers submitting multiple applications.

Mr BOYER: In relation to the most recent DAMA to which you referred, under which, I understand from your previous answer, 19 visa applications have been lodged and seven have been granted, when did that commence? How long have applications been able to be received for that?

The Hon. D.G. PISONI: I am advised that the information I gave you previously was from the introduction of the very first DAMA, 1 July last year. The new DAMA has been in play—I do not have the exact date—from the end of September or October, I think, when that came in.

Mr BOYER: On the same budget line again, just to clarify, am I right in saying that under the old DAMA from 1 July 2019 and from a year onwards, or at least up until when this new DAMA has commenced in September, there were only seven visas of a possible 1,050 granted? Is that correct?

The Hon. D.G. PISONI: That is my understanding. What needs to be understood here is that the DAMA is not the only mechanism for skilled migration into South Australia. We have had some significant growth in a number of other areas. I will see if I can get some figures for you on the growth in skilled migration in other areas and using other mechanisms. We had a target of

3,000 skilled visa nominations for 2019-20, and 4,307 nominations were achieved by the end of that financial year.

Mr BOYER: On the same budget line again, given that the full effects of COVID were not really felt until April of this year, what do you put the big discrepancy between the maximum number of visas that could have been granted under the previous DAMA (1,050) and the seven that were granted under that previous DAMA down to?

The Hon. D.G. PISONI: The DAMA was new. There was not a DAMA until then. I think I identified some of the issues that were addressed in the DAMA mark 2, or the revised DAMA, that is now in operation. I think what again needs to be understood is that it was a brand-new program. There was not a bilateral agreement with the federal government on skilled migration prior to this, as far as I understand.

As a matter of fact, I think previous Premier Jay Weatherill put on record that he was not interested in skilled migration. So I think it is fair to say that, yes, there were some shortcomings in the original DAMA. Certainly, my ministerial office and the department worked diligently in responding to the concerns that were raised or the barriers that were raised by industry.

It needs to be understood that it is not the state government's decision as to what is in a DAMA. We put things forward and we advised the federal department. South Australia is in a unique position compared to other states, particularly the big states of New South Wales and Victoria and even Queensland. I think Melbourne takes in three weeks the total number of new migrants that South Australia takes in an entire year, so it gives you some idea as to the difference in the requirements and the needs for different states and territories.

What we were putting forward to the federal department was something out of the box. They were not the sorts of things that were required in the area of skilled migration where they were obviously very experienced in dealing with the big states. I congratulate the migration team for the work they did in convincing Canberra how South Australia is a unique case. We were seeing a negative net figure for migration in South Australia before this government came to office where more people were leaving than coming to South Australia.

I am very pleased with the latest figures that show we have just about eliminated that net. I think the last figures from the March quarter showed that we were almost in positive territory with the net migration figure in South Australia. That is due to the good work of the government and the policy changes that were implemented by the department.

But the bottom line is—and this is often a misconception, and members of parliament also have this misconception. They write to me about a migration matter, thinking that I have the ability to intervene or deal with a migration issue. Migration is solely the role of the federal government and a DAMA is important because it enables us to have agreement with the federal government specific to South Australia.

We are very pleased that there was an enormous amount of movement with the federal government between the first round of the DAMA and the revised DAMA. Obviously, the timing of the revised DAMA has meant that it has been released during an international travel ban into Australia and a severe reduction in the number of migrants in the allocation from Canberra, so it will take some time under this uncertain COVID environment before we are able to start to get the same sort of growth figures that we were getting prior to COVID using a variety of different visa programs into South Australia.

We are committed to getting the best we can out of our industries in regional South Australia and to ensure that our new technology economy—driven out of the defence sector, along with cybersecurity and a lot of the things that are happening at Lot Fourteen and other innovation hubs in South Australia—has the skill and the talent it needs to grow.

On top of that, we are ensuring that we have the skills here to pass on to those in our training programs. That is why we are so pleased that we were able to get the amendments to the Training and Skills Development Act through the parliament, which will enable us to declare new vocations in these very areas where we currently have to bring people in from overseas to deliver those skills here in South Australia. So it is a very exciting time in South Australia.

Obviously we have to get past the situation we are in at the moment with the worldwide pandemic, but in the meantime we are not standing still. We are working diligently behind the scenes. I think there is no doubt that every member of the team in the Department for Innovation and Skills might be looking very graceful above the water but their legs are moving like crazy underneath where you cannot see them. During this period we are making significant change so that we will be in top gear when the pandemic is over.

Mr BOYER: On the same budget line again, Budget Paper 4, Volume 3, page 126, referring to your previous answers about change between the first DAMA and the newer DAMA, were changes also made to the age of skilled migrants who could be attracted under the newer DAMA compared with the older DAMA?

The Hon. D.G. PISONI: Yes, in some skill sets in particular there were changes. The age was lifted from 45 to 55. I think the average age of an entrepreneur is about 45. Also, there was some English proficiency, I think in some of the skilled areas, required in regional South Australia. The requirement for English proficiency was lowered in that space, which I am certainly very pleased about because I think it is important that we have an ability to have opportunity for people to come to South Australia who have the skills that we need. When my father arrived from Italy in 1952 he did not speak a word of English. He now says he even thinks in English. I was very pleased to be able to achieve this outcome particularly for our agricultural sector.

Mr BOYER: On the same budget line again, with the additions and removals of some occupations under this new DAMA, what consultation occurred with industry in terms of their existing demands, and was each industry that would be affected by the changes made between the two DAMAs consulted about those changes?

The Hon. D.G. PISONI: One thing that the MoG changes did back in April 2019 was recognise that skills come in two forms: you can develop your own skills as, in this instance, a state, and you also have immediate skills needs that you need to import. So they were brought in together to the one department, into the Department for Innovation and Skills. Previously, skilled migration sat with the Department for Trade and Investment. The Joyce review identified that there was a lot of synergy. A lot of the work that is done for skills development is also very useful in establishing where the skills shortages are that cannot be dealt with immediately through skills training.

We have seen some terrific examples where skilled migration in South Australia has led to the ability for young South Australians to learn trades. There is one particular example that I often use because I was so impressed and taken by the story. There is a bakery in Mount Gambier. I think for several years they were applying for a pastry chef because they wanted to be the best French bakery in regional South Australia, and they simply could not fill the position.

Through a migration agent, they managed to find a pastry chef in the Philippines, who then came to their business on a visa. She has been with them now for 10 years. The great thing is that, on last count, I think she has trained four local apprentices. That is something the business did not have the ability to do because they did not have somebody with those skills, but they now have offered opportunities to local young people in Mount Gambier.

We are seeing this story time and time again. There is a very large engineering firm I visited last year that relied heavily on skilled migration to get their apprenticeship program up. Obviously, there are ratios for the number of tradespeople to apprentices. They wanted to train more people, but their ratio levels would not allow them to do that. Through the skilled migration program, they found the Philippines again to be a great place for fabrication trades. They were able to employ fabricators on skilled visa programs, who as I understand it are all on pathways to stay in South Australia, and this meant that they could then employ more apprentices.

This is where having the skilled migration program and the skills development program working hand in hand is developing more opportunities for South Australia and South Australians in particular. This is particularly important for us, with our ambitions to have as much of the defence and defence-related industry work as possible done in South Australia. Obviously, we need to have the skills in order to do that.

Some of those skills are not immediately available in South Australia. Ensuring we have people who have those skills in South Australia and then developing new skills programs, particularly

in white-collar areas that have not been done before, and using those people who are here with those skills to train South Australians, is a significant part of the strategy to ensure we have the skilled labour that we need to keep as much of that work as possible in South Australia.

So consultation, obviously, was with the industry skills councils that we have set up with the Training and Skills Commission. A migration advisory committee was set up. We had our sixth meeting yesterday with the migration advisory committee, which is predominantly stakeholders, and there is an annual review that is also consulted on. Industry owns our skills agenda in South Australia. We are a very modest bunch; we simply facilitate it.

I take this opportunity to thank industry for embracing training and skills development in South Australia. We have led the nation since we took the shackles off. We have engaged industry and given them ownership of skills development in South Australia, and that is evident in the changes we have made to the DAMA and the changes we have made to skills training development as well.

Mr BOYER: On the same budget line, I note that one of the occupations that has been recently added to eligibility under the DAMA is librarian, which on the face of it to many of us might seem like an odd one. Can you perhaps explain what kind of information is relied on in an example like that to inform the decision to add an occupation like that?

The Hon. D.G. PISONI: That would have come out of the consultation process. I do not have the specific details about every single occupation that was on the list, but there are probably some general fundamentals that are important. We obviously present recommendations to the federal government. They also have their own ideas. What we can do for that particular example is try to find, regarding that occupation, whether that came from the commonwealth government or whether that was one of our own suggestions that came out of consultation.

Mr BOYER: I take you to Budget Paper 4, Volume 3, page 126, targets 2020-21. Do we have any country or region-specific plans? For instance, is there a strategy around South-East Asia or India or somewhere else that we are specifically focusing on at the moment in terms of attracting people under the DAMA?

The Hon. D.G. PISONI: It is not just under the DAMA that we are attracting people. The main criteria is the skill sets, but there is a second criteria for the defence sector. Obviously, there are arrangements with Australia, New Zealand, Canada, the US and Britain, known as the Five Eyes, that have agreements to work together on defence projects. So there will be some skill sets that will be exclusive for people from those countries because they simply are not allowed under international agreements and the federal government's agreement to work on defence projects in South Australia.

Australian citizens can, of course, so that does not mean that somebody who may have come here from the Philippines, for example, cannot become an Australian citizen and then work as a fabricator on the submarines. If they are an Australian citizen, they are a member of a Five Eyes country, and as Australian citizens they can work on Australian defence projects.

That is really the only criteria when it comes to particular countries. Obviously, there are some countries that are stronger in some areas than others. I know that Italy and France have been where we have seen a number of SISA visas come from. There are Italians that would be here working for the arm of the Italian Space Agency that is in South Australia. So it really depends on the skill sets they have and the areas of skill requirements in South Australia.

Again, it is an employer driven process. Employers are obviously guided by what the federal migration program has in place for the regulation of that program and the delivery of that program.

Mr BOYER: On the same budget reference, Budget Paper 4, Volume 3, page 126, targets, I understand the commonwealth government made a decision that non-permanent resident visa holders would not be eligible for either JobSeeker or JobKeeper payments. Do you think that is going to make it more difficult for South Australia to attract skilled migrants?

The Hon. D.G. PISONI: That would happen around Australia, so it would not disadvantage South Australia disproportionately to any other state. I think it is fair to say that if I was a skilled migrant, I would be very pleased I was in Australia at the moment and South Australia in particular, with what is happening around the world. I think they are heading for about 200,000 new cases a

day in the US. Europe has some of the biggest numbers of COVID cases it has ever had each and every day.

So I think it is an apples and oranges situation. I think there is no doubt that there has been a lot of support from the federal government and there has been significant support from the state government for industry sectors to get through this. Any decision that the federal government makes that relates to immigration will not have any disproportionate effect on South Australia, unless it is something specific about the bilateral agreement through the DAMA.

Mr BOYER: The same budget reference again, given the disruption to the pipeline of new temporary migrants arriving as international students, what is your agency doing in terms of actively supporting those students who are already here, and who probably cannot leave at the moment, to stay on once the pandemic is, fingers crossed, over?

The Hon. D.G. PISONI: Minister Patterson manages the foreign student program, so that is probably a question to be directed at him. What I can tell you—and I covered this in an answer to a question earlier—is that we are actively working with universities at the moment to engage foreign students who are here over the Christmas period in work, in regional South Australia in particular, and also in seasonal work that is required within 90 minutes of the CBD. That is a program we have started. We are working with the sector, with PIRSA and with DTI in order to make that happen. We are certainly engaging the students who are here at the moment.

Mr BOYER: Budget Paper 4, Volume 3, page 126, program summary, and more specifically income. Under fees, fines and penalties I see that the budget for the 2019-20 financial year was, say, \$1.3 million, the actual was a bit more than \$1.7 million, and the forecast for 2020-21 is getting close to \$2 million. Can you tell us what fees, fines and penalties they might be and why they are increasing so steeply?

The Hon. D.G. PISONI: There has been a growth in migration and the fees are obviously the significant factor there. We have also aligned our fee structure to be a full cost recovery. We do not think it is appropriate for existing South Australian taxpayers to subsidise the skilled migration program. Employers are responsible for that and consequently I think you will find—I will get some clarification in a minute—that increase in fees is a combination of higher growth in migration and an increase in fees to fully recover the costs. Basically, half a million dollars is an increase in the migration fees. The answer I have given you gives the reasons for you seeing that: it is a combination of growth and full cost recovery.

Mr BOYER: Same budget line, and referring to the answer you just gave, am I right in saying that the fee that was previously subsidised by the taxpayer, the migration fee, is now passed on to the employer in full?

The Hon. D.G. PISONI: Just to clarify, the employer-sponsored fees are not cost recovered. The fees for business migration are cost recovered, and the state-sponsored skilled migration, in other words, people who are coming here because they have the skills the state wants but do not have an employer, are cost recovered.

Mr BOYER: On the same budget line, in your first answer you talked about the government believing it was not fair for South Australian taxpayers to subsidise that fee. If it is being absorbed in some way by an employer or somebody else, does that not act as a break in any way on accessing the system or wanting to attract—

The Hon. D.G. PISONI: There is certainly increased demand for the services at the migration unit.

Mr BOYER: Same budget reference and program summary again: I see that the FTE count budgeted for was 29.6, but actual for 2019-20 was 35.2. Can you explain what the additional 5.6 FTE was for, please?

The Hon. D.G. PISONI: Basically, we have an increase because the government has a pro-active skill migration program. We have introduced revision of the fees. Obviously, if the program is bigger it requires more services, so that is the outcome. We would be very concerned if we had a policy of reducing the program but were increasing the staff, but we have a policy of increasing the

program, so we are making sure the program is supported, and we have adjusted fees to support that additional staff allocation.

Mr BOYER: Thank you, minister. Given your answer, why is the budget for 2020-21 for FTEs dropping to 31, down from 35.2?

The Hon. D.G. PISONI: I am advised that it is part of the reduction in the corporate overhead. The department is making department-wide efficiencies, and that is the contribution for the department-wide savings.

Mr BOYER: On the same budget line, so the program in that case is being reduced then?

The Hon. D.G. PISONI: The program is being expanded but, unlike the Labor Party, we do not necessarily believe that throwing money at something is justification for saying you are expanding your program. We are actually expanding the program by using the resources we have in the department effectively and efficiently, and I will take this opportunity to thank Nari and her team and Phuong and her team for getting us in this position. It has been a very strong commitment from Adam Reid, as the chief executive, right through to those who are on the phones and out on site supporting industry in South Australia to get better outcomes with the resources we have. I would argue that it may very well be a difference of position of philosophy, member for Wright, that we will not agree on there.

Mr BOYER: On that same budget line, minister, just trying to make sense of your answers. If that is true—I mean, you have increased the FTE count from 25 in 2018-19 to 29.6 in 2019-20 to 35.2 and now down to 31.0. So I am not sure how your previous answer makes sense. Can you elaborate how it does?

The Hon. D.G. PISONI: It is about directing resources as to where they are needed, and that is exactly what we are doing.

The CHAIR: The time agreed and allocated for the examination of payments for the portfolio of migration has expired; therefore, there are no further questions and I declare the examination completed.

Sitting suspended from 11:01 to 11:15.

Membership:

Mr Malinauskas substituted for Ms Michaels.

Dr Close substituted for Mr Gee.

Departmental Advisers:

Mr A. Reid, Chief Executive, Department for Innovation and Skills.

Ms P. Chau, Executive Director, Performance and Business Operations, Department for Innovation and Skills.

Ms M. Richardson, Executive Director, Skills and Workforce Capability, Department for Innovation and Skills.

Ms L. Newstead, Director, Strategy Policy and Projects, Department for Innovation and Skills.

Mr M. Smith, Director, Finance and Business Services, Department for Innovation and Skills.

Mr C. Zielinski, Director, Skills Planning and Projects, Department for Innovation and Skills.

Mr C. Markwick, Project Director, Apprentices and Trainees, Department for Innovation and Skills.

The CHAIR: This afternoon we will be examining proposed payments in regard to the portfolios of skills and employment. There are two sessions in regard to those portfolios, the first between 11.15am and 1.15pm, when we will then break, and the remainder after lunch. The minister appearing is the Minister for Innovation and Skills.

The estimate of payments is as read earlier in relation to the Department for Innovation and Skills and administered items for the Department for Innovation and Skills. I advise the proposed payments remain open for examination and refer members to the Agency Statements, Volume 3. I call on the minister to make an opening statement, if he so wishes, in regard to the relevant portfolios and to introduce his advisers.

The Hon. D.G. PISONI: Firstly, I introduce Adam Reid, Chief Executive, Department for Innovation and Skills, sitting on my left; Phuong Chau, Executive Director, Performance and Business Operations; Madeline Richardson, Executive Director, Skills and Workforce Capability; Martin Smith, Director, Finance and Business Services; Louisa Newstead, Director, Strategy Policy and Projects; Chris Zielinski, Director, Skills Planning and Projects; and Callan Markwick, Project Director, Apprentices and Trainees.

Since the COVID shock, the South Australian job market has quickly recovered to be stronger than it was at the start of this year. We have recorded the strongest employment growth rate of all the states since January. When compared to the start of the year, data for October showed that South Australia had 5,700 more people employed in full-time jobs, which is 5,000 more people employed overall, and a labour force participation rate that was up a full 1 per cent.

In contrast to the improvement in South Australia, the national figures remain weaker than what was recorded in January. The recovery has resulted in our state recording the third lowest unemployment rate of all the states in October and a rate that was equal to the national figure. Before September and October, the last time South Australia's employment rate was in line with the national figure, or was lower, was more than six years ago. As a result, 45,100 more people have been employed since the low point in May. South Australia's unemployment rate is now the second closest of all the states to what was recorded at the start of the year.

Looking forward, modelling used for the state budget employment forecast shows that there will be 34,900 more South Australians employed throughout the year to the June quarter of 2021. These are very encouraging results, and as we continue our recovery from the COVID-19 pandemic, the South Australian government remains committed to turning the training system around.

A sustainable and secure training system is key to our economic success and that is why we have been continuing our work to turn the training system around after years of decline. This decline is clearly demonstrated through the significant falls experienced in South Australian apprenticeship and traineeship activity between 2012 and 2018. Data for the National Centre for Vocational Education and Training (NCVER) shows that apprenticeship and traineeship commencement numbers in South Australia fell by 66.9 per cent between 2012 and 2018. That is more than two-thirds, and more than any other state or territory.

From the start, we knew that we had a long way to go in recovering from this decline and turning the system around. We also know that times are now more challenging than ever and this is why we remain focused on backing skilled career pathways, including through apprenticeships and changing attitudes towards the value of VET partnering with industry to respond to what they need and delivering programs that remove barriers to training and employment and building our VET training market to ensure supply can meet the demand for the skills' needs.

We are backing skilled career pathways. We have a strong path to build the workforce in industries where there is demand for skilled workers and to assist people to advance their careers. The Skilled Careers: Explore Your Passion campaign is underway and showcases the industries, both established and emerging, where skilled career pathways can be pursued.

Through the \$88 million JobTrainer initiative, a new partnership with the Australian government, we are providing access to low, short, fee courses and qualifications to school leavers, young people and jobseekers. The investment includes \$53.5 million from the state government and \$34.5 million from the Australian government. This program is about encouraging more young people and jobseekers to develop the skills that are required for roles in South Australia's growth industries,

both in our metropolitan and regional communities. Training delivery will be a mix of short courses and qualifications with tailored delivery aligned to sector needs to support entry and re-entry into the workforce.

Our investment in JobTrainer comes on the back of our \$200 million Skilling South Australia initiative, also in partnership with the Australian government. Through the investment in apprenticeship pathways we have seen recent outcomes that include apprenticeships and traineeships. This is the March 20 NCVER data: engineering, ICT and science technician occupations increased by 112 per cent, commencements for people over the age of 45 years have increased by 83 per cent, regional and remote commencements increased by 6 per cent and 30 per cent respectively; school-based apprentice and trainee commencements increased by 37 per cent; and higher qualification apprentice and trainee commencements increased by 210 per cent.

Working in partnerships has never been more crucial as we navigate the current economic challenges. The hallmark of Skilling South Australia is codesign with industry and employers. In 2019-20, more than 60 Skilling South Australia projects valued at around \$9 million got underway. This brings the total to nearly 150 projects worth more than \$26 million since Skilling South Australia commenced.

The projects span a wide range of established and emerging industries, delivering the skills industry needs the most. For example, women in civil, a pre-apprenticeship project developed in partnership with the Civil Contractors Federation, is seeking to address the under-representation of women in the civil construction industry. Participants will be supported through a Civil Contractors Federation women in civil committee, who will provide participants with mentoring throughout the project. Upon completion, the participants will transition into a Certificate III in Civil Construction and commence an apprenticeship with host employers through group training organisation arrangements.

To support employers, training providers, group training organisations and apprentices in response to new challenges we are facing and remove barriers, we have put in place initiatives such as the Equipped for Growth package, which provides funding of up to \$5,000 to reduce the cost of employing a first-year apprentice or trainee, and that has seen more than 500 employers taking on 730 new apprentices and trainees since April this year. Equipped for Work has provided a reimbursement of up to \$1,500 for more than 300 employers, including GTOs, and 1,900 apprentices and trainees for items such as personal protective equipment, tools, uniforms, medical assessments and training.

In addition, through payments of around \$2.5 million, we have supported group training organisations to reduce their charge to other companies (their charge-out rate), to make apprentices a more affordable option for the host employers. More than \$2 million is available through the GTO capacity boost to support suspended apprentices to diversify their scope and service growth in emerging sectors and increase business development activity.

Labour market conditions remain more challenging than before COVID-19, with uncertainty about the length and recovery of structural impacts. Our goal to realise 2,800 additional apprentices and trainees by 2022 will no doubt be challenging as we navigate the challenges of COVID-19. The impacts are evident against the 2019-20 commencement targets of 5,200. We are below the anticipated level with an actual of 3,200 commencements above the baseline of 9,972. That is a total of 13,175.

However, the foundations we have built are strong, and our investments are backing a skills-led economic recovery. This means South Australians can access the skills they need, whether this is to upskill transition or take up an apprenticeship, and businesses can have access to talent when they need it. We have also made great progress with a commitment to building the sustainability of our training provider network. The investment in our building capability program has supported hundreds of training providers. This program promotes and supports the ongoing development of capacity, professionalism and reputation in the VET sector to deliver high-quality outcomes for industry and students.

Our response to support the training sector during COVID-19 was decisive. The VET Market Continuity Package of up to \$16 million, announced in April, provided the private training sector with continuity of funding to deliver training and diversify their delivery to respond to the changing demands and adapt to new technology. We are now undertaking proactive market engagement and sounding through VET commissioning. VET commissioning is about working together to build our VET market to increase access and choice. The reality is that there are skills needs that cannot be serviced by the current profile of our training market, so we are backing capability and capacity building.

We have a number of quality non-government training providers wanting to diversify and expand, so we are working with them. TAFE and non-government providers are an important part of our efforts to deliver more training and more access. All providers are being asked to work differently and effectively. I will continue to pursue value for money alongside quality in the way we invest in vocational education training. Let me give two examples of what we—

Mr MALINAUSKAS: Point of order, Mr Chairman: I was wondering if there is a time limit for opening statements.

The CHAIR: It is approximately 10 minutes. I had a couple of minutes for an introductory statement; therefore, there is no point of order.

Mr MALINAUSKAS: It has been 12 minutes since the committee started, sir.

The CHAIR: As I have just said, I had a couple of minutes at the start to make introductory remarks. There is no point of order. Continue, minister.

The Hon. D.G. PISONI: Thank you. You have three hours, Peter. I can go three and three, if you want? Do you want me to do that?

The CHAIR: Minister!

Mr MALINAUSKAS: I was simply asking the question, sir. That is what we do in estimates: we ask questions.

The Hon. D.G. PISONI: Big issues, Peter, big issues. The training resources for the regional and remote delivery in construction project, delivered in partnership with Carey Training, aims to develop online platforms to support increased capacity to deliver training across the state. The project will reduce the need for face-to-face visits, ensuring that students, particularly those in regional and remote South Australia, can access quality training.

The training for mental health peer support and for the Buurtzorg self-managed teams to support aged and disability care projects are developing new innovative learning and assessment materials for micro-credential training, enabling new and existing workers to skill and upskill for more specialised personal support and nursing roles in aged and disability care. Clearly, the South Australian government has continued to increase access to subsidised training and has partnered with training providers and industry to remain responsive to challenging needs and demand.

The CHAIR: For my benefit, could you indicate who lead speaker for the opposition is?

Mr MALINAUSKAS: Regarding the employment section, that would be me, Mr Chairman.

The CHAIR: But there is only one lead speaker per portfolio agency.

Mr MALINAUSKAS: That would be me, Mr Chairman.

The CHAIR: Very good. Would you like to make an opening statement?

Mr MALINAUSKAS: No. I would just like to thank the minister for his opening statement. I was simply asking if there was a time limit associated with an opening statement. It was a legitimate question. But also I would like to thank all the minister's officials from the respective departments for their time in preparing for estimates. I am very conscious of the fact of how much work goes into the preparation for a session like this today, and I want to thank them sincerely.

The CHAIR: Thank you, member for Croydon. I will note that I decide whether a point of order is appropriate or not, not yourself.

Mr MALINAUSKAS: Yes, that is obvious.

The CHAIR: Yes. Are there questions? I call on members who would seek the call. The member for Croydon.

Mr MALINAUSKAS: Thank you, Mr Chairman, for the opportunity to ask a question in estimates. I start with Budget Paper 5, Budget Measures, page 100. How many FTEs does the Department for Innovation and Skills currently have?

The Hon. D.G. PISONI: On page 115 of the budget you will see the workforce summary. The workforce summary total as per agency programs is 328.2.

Mr MALINAUSKAS: How is the Department for Innovation and Skills going to deliver the cuts of more than \$13.2 million over the next four years?

The Hon. D.G. PISONI: I did answer this question in the previous session. The savings will be achieved through a strategic prioritisation of functions and the continued rollout of efficiencies across areas such as digital efficiencies through system upgrades and digital-by-default strategies; travel, the greater use of Microsoft Teams for intrastate and interstate meetings; through improved ICT replacement and maintenance strategies, and you will notice in the budget that there is an item there that covers that; and stationery, through the continued growth of digital-by-default strategies, in other words moving closer towards a paperless operations.

Also, when the department was the department of state development, it was a much bigger department, and they had a graduate rotation of 11 FTEs. That will be pulled in line with the department size now of four FTEs. That gives you an idea of the savings measures. Also, these are savings measures that will also be achieved through more effective and efficient operation of the department, which Adam Reid assures me are well and truly achievable.

Mr MALINAUSKAS: Of course, improvements to productivity and efficiency are always welcome, but in order to achieve the saving, you have to stop spending money on something that you currently are spending money on. I note the minister's examples of saving money on paper. That is prudent, but naturally it is a long way short of \$13 million. You mentioned travel as well. Presumably savings on travel are not going to get anywhere near \$13.2 million. What will the minister's department not be spending money on, with the exceptions of paper and a bit of travel, that they are spending money on now?

The Hon. D.G. PISONI: Is this really what you have, Leader of the Opposition? You want to know about travel and paper.

Mr MALINAUSKAS: You mentioned travel and paper.

The Hon. D.G. PISONI: That is really what you are focusing on: how much paper?

The CHAIR: Members!

Mr MALINAUSKAS: You mentioned travel and paper.

The Hon. D.G. PISONI: I am happy to elaborate, but—

The CHAIR: Minister, the member for Croydon has asked a legitimate question. You can provide an answer to his question.

The Hon. D.G. PISONI: Alternative premier over there.

Mr MALINAUSKAS: You mentioned paper and travel, not me. It is your answer.

The Hon. D.G. PISONI: You justify it.

Mr MALINAUSKAS: I will. It is in your answer.

The CHAIR: Members, the decorum of this chamber has been incredibly good now for the majority of estimates. We will continue. Questions will be asked in silence. Answers will be given in silence.

The Hon. D.G. PISONI: The budget papers will tell you that the reduction in the FTEs is a certain contribution and the \$13 million is over four years. It is not over a single year.

Mr MALINAUSKAS: How many FTEs will be reduced in the effort to deliver the cuts of the \$13.2 million over four years?

The Hon. D.G. PISONI: If you go to page 115 of the budget papers, it will tell you. This is Agency Statements, Volume 3.

Mr MALINAUSKAS: Yes.

The Hon. D.G. PISONI: The actual for June 2019-20 is 340.1—

Mr MALINAUSKAS: Yes.

The Hon. D.G. PISONI: —and the budget for 2020-21 is 328.2.

Mr MALINAUSKAS: Yes. Those 12 jobs, what will they be?

The Hon. D.G. PISONI: Seven of those are in the graduate rotation.

Mr MALINAUSKAS: Yes.

The Hon. D.G. PISONI: There have not been any specified roles. My chief executive informs me that has not been specified as of yet. But to give an example as to how we achieved some savings last year, 23 employees were separated from the agency via voluntary separation packages and two executives were also terminated. This delivered savings associated with the residual 17 FTEs.

Mr MALINAUSKAS: Will any particular employment programs be impacted as a result of the cut in FTEs or savings measures generally?

The Hon. D.G. PISONI: We do not believe there will be any impact on employment opportunities for South Australians. As a matter of fact, we have been delivering more employment opportunities for South Australia. We have seen the new industries that have moved into Lot Fourteen. I think there is close 1,000 people who are working there every day.

Many of those industries are industries that have started recently or come to South Australia. We have seen a large uptake in adult apprenticeship and traineeships for those over the age of 45 where we are delivering new opportunities for people who may have been very well skilled when they entered the workforce or when they finished their training 20 or 30 years ago. Now those industries are diminishing and new industry opportunities are happening, so we do not want to see those South Australians and the skills that they have developed over their lifetime being wasted.

Consequently, we have been putting enablers in place and removing barriers for employers to enter paid training arrangements where they are paying people over the age of 45 to learn new skills. This has been particularly supported in the aged and disability care sector where, for the first time, South Australia is delivering paid training in that area.

What has traditionally been the case, and this happened for the entire 16 years of the previous government, was that people in the aged-care sector would need to go and learn in their own time in the classroom. They would then need to work for six to eight weeks free for a provider in order to get the on the job experience so that they could get their qualification.

We started very early working with industry and providers to introduce a traineeship in that space where people actually get paid a salary while they are learning over a 12-month period. They end up with a Certificate III in Individual Support. That program is continuing. We are very encouraged by the interest from the aged-care and the disability-care sector in now expanding that program with the support that is coming out of Canberra with the 50 per cent wage subsidy. It is certainly making it much easier for them to make longer term commitments to their staff.

This is a sector that historically has offered predominantly casual employment, lower wages, very little career opportunity, and many of the businesses in this aged-care and disability-care sector have had 30 per cent turnover every year. So it is a real challenge for us to turn this around and deliver real career opportunities for people who, let's face it, are predominantly women in this sector.

Since I have come into this job, I have wondered whether, if this was a male-dominated sector, an apprenticeship or traineeship system would have been introduced 50 years ago. We are very committed to having a very strong, paid apprenticeship or traineeship program operating widely

within that sector, so I dismiss any concern from the Leader of the Opposition that the government's performance will be affected at all by the efficiency targets that are highlighted in the budget.

Mr MALINAUSKAS: The minister in his previous answer mentioned the struggle that many older workers have in the community trying to find second jobs, particularly as the South Australian economy has gone through a well-documented transition over a sustained period and that continues to occur. Much of that challenge for older workers has been exacerbated of course by the current circumstance that the world finds itself in with the pandemic and the economic challenge associated with that. In that context, why did the minister choose to cut funding to the DOME program?

The Hon. D.G. PISONI: We found the process of block funding not to be delivering on the outcomes that the government wanted to see. We have not cut any access to funding to anybody who was receiving block funding. What we have actually done is sat down and worked with those organisations to see what services they are able to provide for their cohort.

I have to say that the opportunities for those over the age of 45 have been substantially improved through Skilling South Australia. The reason why that has happened is the system we inherited from the previous government was one where there were various pots of money that were designed by bureaucrats—and I suspect the union movement had a role to play in that—and employers had to work towards the conditions attached to that pot of money in order to access it.

We have actually turned that on its head. What we have said to employers is, 'There is a pot of money. We are not just going to give it to you.' To organisations like DOME who provide services, we have said, 'Let's work together to see how we can make this work and actually deliver paid training outcomes.'

A classic example of somebody who had quite a bit of resistance to the Skilling South Australia program is Paul Brock from Carey Training. He was initially very frustrated that he had to change his business model in order to continue receiving funding from the state government. Now his business, which is an Aboriginal-owned business, is booming. There are more apprentices, more employees as an RTO and more clients as an RTO.

The industry has embraced the service that they are delivering, and they are delivering more apprenticeship and traineeship outcomes simply because we were able to find a package that worked for his training organisation and for his clients as employers of those apprentices and trainees. So there is plenty of money for DOME, it is just a matter of meeting the government's criteria in order to have access to it.

Mr MALINAUSKAS: Given the minister's answer about wanting to work with these organisations, and I am specifically talking about DOME, why did the minister not take the time to meet with DOME to work collaboratively with them so as to ensure they met whatever conditions or expectations the government had of them? Naturally, it is appropriate that the government have expectations of organisations that they provide funding to but, given you are saying that you wanted to work with them collaboratively, why not sit down with them collaboratively and work through that detail, rather than largely giving them an arbitrary cut and, at least in their view, not having any productive or genuine engagement with the government before the decision was made?

As part of that question, if I could add one other element to it, did the minister take the time in government as the minister to thoroughly examine the work DOME were doing and take the time to go and see those people in DOME who were doing that work? I understand many of them were volunteers. I did, and I certainly got the impression that these were good people delivering good outcomes. Maybe it was not at the volume that people would hope—they can always do better—but they were good people delivering good outcomes for an important segment of those in our community who are desperately looking for help to find work.

The Hon. D.G. PISONI: I think you understand as well as I do, Leader of the Opposition, that ministers do not get involved in designing and delivering programs. That is what the Public Service is for. The government delivers the policy—

Mr MALINAUSKAS: Sorry, can I ask—

The Hon. D.G. PISONI: I have not finished my answer. You can wait until I have finished my answer. I am very familiar with DOME. I will use this opportunity to thank Madeline Richardson and her team, particularly Callan Markwick, for the work they have been doing in delivering projects by working with industry. It is just ludicrous to suggest that the minister's role is to sit down with every organisation that is receiving government funding to decide on how that government funding should be delivered and to examine the methods or details of how that is done.

I have 328 people in the department whose job it is to do that work, and then they advise me on what work they have done and what outcomes they have concluded. Obviously, being the shadow minister in this area for a very long period of time—I think seven years—I am very familiar with the work that DOME have been doing. We are working with DOME. The funding model will change, and I am very confident that we will get the outcome that will deliver more opportunities in skill training for those over the age of 45.

I think what is important here is that the only sustainable way for somebody over the age of 45, or anybody moving from one industry to another, is to make sure they have the skills that are in demand; in other words, making themselves valuable. You make yourself valuable as a member of staff, and that is your guarantee of job security.

This is where we probably differ as political parties: we do not think it is our role to pay people to run around writing CVs for people that cannot write their own CVs. We actually think it is our role to give those people the skills to write their own CVs. Many of the programs that were delivered under the previous Labor government were—and I tell you what: if I was an employer and I employed somebody who had someone else write their CV, I do not think I would be very happy to learn that that person did not have the capability of writing their own CV. That is the system we inherited. So we are focusing on making sure that people have the skills for the modern workforce we have here in South Australia.

Ms LUETHEN: My question is to the Minister for Innovation and Skills. I am regularly referring people in my community to the skills South Australia website. How have apprenticeship and traineeship figures performed under Skilling South Australia?

The Hon. D.G. PISONI: I thank the member for King—

Mr BOYER: Point of order: Chair, could we please have budget references?

The CHAIR: Absolutely. That is part of this process. Member for King, did you have a budget reference for your question?

Ms LUETHEN: Sorry; I am referring to the third 2019-20 highlight on page 122, Volume 3 of the Agency Statements.

The Hon. D.G. PISONI: I thank the member for King for her question and not only that but also her enthusiasm and her support for her constituents who want to pursue career pathways through vocational education and training. I had a terrific experience just couple of weeks ago in a street corner meeting with the member for King. She had advised those living next door that I would be on that corner with her, and we had a number of people come specifically to talk about the new opportunities that were available in apprenticeships and traineeships. I spoke to one young man who was doing a teaching degree and felt that it was not for him, and he was very keen to move into an electrical apprenticeship, so I was very pleased to point him in the right direction.

South Australia has seen steady growth in apprentice and traineeship commencements since Skilling South Australia launched in September 2018. The latest training data, released today, shows an increase in the number of enrolments in apprenticeships and traineeships in South Australia during the first six months of the year. The National Centre for Vocational Education Research—or NCVER—data for apprentices and trainees shows that the number of enrolments increased from 10,051 in the first six months of 2019 to 10,805 during the same period this year.

South Australia has retained its number one ranking in this category with a 6.5 per cent increase in apprentices and trainees, contrasting with a national fall of 8.6 per cent. Today's figures also show the number of school students enrolling in government funded VET programs jumped by 12.1 per cent to more than 6,000 for the first half of this year.

Today's data continues our nation leading growth in apprenticeships and traineeships, with national training data highlighting commencements for the year to March of 11.9 per cent compared to the same period a year earlier. South Australia recorded the highest percentage increase of all states and territories, while nationally commencements declined by 7.7 per cent, giving South Australia a nearly 20 per cent lead, ahead of the rest of the nation. According to the latest NCVER figures that is a 20 per cent difference.

The Marshall Liberal government's significant investment in training and skills development, which leads to real jobs in this state, has resulted in South Australia also being ranked first in terms of apprentice and trainee growth, in percentage terms, in key demographics, including people over the age of 45, women, Aboriginal and Torres Strait Islander people and higher qualifications. This achievement follows a 64.2 per cent decline in apprenticeships and traineeships in the five years between 2013 and 2018, before the state government implemented the Skilling South Australia program, the largest percentage decline in the nation over that same period.

To demonstrate the magnitude of this decline, Victoria, the next worst performing state, recorded a 55.6 per cent decline, 8.5 percentage points better than South Australia's performance, while Tasmania, the best performing state, recorded a 29.9 per cent decline, a 34.3 per cent better outcome over that period than South Australia's performance.

Recent NCVER data reported that, as of 31 March this year, the number of apprentices and trainees increased by 9.9 per cent, or by 1,645 to 18,180, when compared to the same period a year earlier. This was the highest percentage increase of all the states and territories, with the next performing state, Tasmania, recording just a 0.4 per cent increase. Victoria, the worst performing state, recorded a 14.4 per cent decline over the same period. The national decline was 2.9 per cent.

This is the first time in five years, since September 2015, that the number of apprentices and trainees in training in South Australia has been above 18,000. These results provide a strong foundation to build on as we navigate the challenges of COVID-19 and focus on rebuilding and recovering.

Central to this is ensuring that our state system remains resilient and adaptive to meet the skills and workforce needs of industry. We have invested in subsidised training by more than doubling the number of training contract courses available through the Subsidised Training List. The government also levelled the state's training system by ensuring greater contestability and access to non-government training providers, resulting in greater choice for students and employers.

Apprenticeships and traineeships remain the key focus to support business and individuals but we are also listening to feedback from industry, confirming that businesses are requiring shorter forms of training to rapidly skill or upskill the workforce, development of a pipeline of skilled workers for complex job roles, micro-credentials to respond to new and emerging skills needs, and new models of apprenticeships and traineeships. As a result, the state government has expanded its skills offer through JobTrainer to complement the outcomes and achievements we continue to see through Skilling South Australia.

We will continue our efforts to partner with industry and respond to changing needs, support skills development through a wide range of short courses, qualifications and apprenticeships and traineeships, and continue to build the capacity and capability of the vocational education training sector to meet the long-term skilling needs of the state. These results provide a strong foundation for us to navigate the challenges of COVID-19 and ensure we remain responsive to changing needs.

Mr BOYER: On Budget Paper 4, Volume 3, page 124, and if I could refer to your earlier answer where I believe you said that you do not think it is the role of the minister to be meeting with groups that are given funding to speak with them about—

The Hon. D.G. PISONI: No, hang on, I did not say that. I did not say it is not my role to do that. I did not say that at all. That is your language. I did not say that, so I would like that withdrawn, please.

Mr BOYER: That is exactly what you said, minister.

The Hon. D.G. PISONI: No, I did not say that at all.

Mr BOYER: You said it is not the role of the minister to be meeting with all the groups who are given money.

The Hon. D.G. PISONI: No, it is not the role of the minister to be designing the programs, is what I said.

Mr BOYER: That is not right.

The CHAIR: Would you like to rephrase, member for Wright, or withdraw? It has been requested that you withdraw.

Mr BOYER: If it is not the role of a minister to be involved in designing any of the programs, what exactly do you think your role is as minister?

The Hon. D.G. PISONI: It is quite simple really, and I will preface this by telling a little story. I was visiting a new constituent who was working for one of our very successful technology companies in South Australia and he said, 'Gee, your department is doing great work in skills training.' I said, 'Well, as a matter of fact it's the same department that Labor was running. When they were in office they delivered a 66 per cent decline in skills training. It's actually about the changes in government policy and the leadership within cabinet and the government that is delivering the outcomes. It's the same quality, the same great team that the previous government had access to but weren't providing leadership to.'

Basically, member for Wright, the answer to your question is that leadership and policy design is the key role of the minister. Obviously, there are decisions that the minister will make on the advice of the department, but it is my role to make sure that I have the advice to be able to make those decisions. You are forcing me to reminisce now, but when I had my furniture manufacturing business—

Mr BOYER: Here is a story we have not heard before.

The CHAIR: The member for Wright, you asked the question. The minister gets to answer.

The Hon. D.G. PISONI: I made the finest furniture in Australia, I had people from all over the country, and there is even one of my beds in Tampa, Florida, that somebody found at the Sydney Antique Centre, purchased and had sent over. It required all sets of skills. It required wood machining, cabinet making, upholstery, French polishing, woodcarving and woodturning. They are all individual skills. I, as a furniture manufacturer, did not have the skills to do all of that, but I had the ability to manage that business and make sure I had the skills required to deliver that very high-quality furniture. That, in a nutshell, is a version of what a manager does. You have not had private sector experience, so I can understand how you do not understand that, but that is how it works

Mr BOYER: That is not correct.

The Hon. D.G. PISONI: Do tell me, what is your private sector experience?

Mr BOYER: I worked for a law firm for two years.

The Hon. D.G. PISONI: You worked for a law firm? You were not the owner of the law firm?

The CHAIR: Minister, neither of those questions are relevant to the budget papers; neither of those questions are in order. The minister does not ask questions, either, in this process.

Mr BOYER: Point of order: I ask that the minister withdraw his comment that I do not have private sector experience. They were his exact words. I ask that the minister withdraws.

The CHAIR: You have been asked to withdraw, minister.

The Hon. D.G. PISONI: I withdraw.

The CHAIR: Withdrawn. Member for Wright.

Mr BOYER: Referring to your earlier answer about meeting with groups that are given money by the government, and in light of your assertion that you did not say that it is not the minister's job to do that, do you then believe it is the minister's job to meet with groups like DOME and other groups that may be receiving government funding and that may be losing it?

The Hon. D.G. PISONI: If there is a request for a meeting on a broader discussion, if somebody wants to present the work they do, I am more than happy to meet with people. In fact, I am a very accessible minister. I have been advised that DOME has been meeting with the department to see how they may be able to participate in the Skilling South Australia program and have access to the Subsidised Training List or a combination of the two. I understand there are a number of options available to them.

Mr BOYER: On that again, has DOME requested to meet with you since its funding was reduced or cut?

The Hon. D.G. PISONI: I do not recall. I will have to consult my diary to be able to answer that question.

Mr BOYER: Perhaps you could also then consult your diary about whether or not you have met with DOME at all since its funding was cut, separate from whether or not they have requested to meet with you.

The Hon. D.G. PISONI: I am happy to come back to the committee with an answer on that question.

Mr MALINAUSKAS: I thank the minister for his stories. We know how some of them ended, but not all of them.

The CHAIR: Member for Croydon, comments are unnecessary. It is for the asking of questions. Let's stay focused.

Mr MALINAUSKAS: Thank you, Mr Chairman. How did the government arrive at the employment—

The Hon. D.G. PISONI: I would like that comment withdrawn. You are the Leader of the Opposition, you are suppose to have some decorum.

The CHAIR: Minister, again, the comment is not necessary. You have asked the member to withdraw his comment though. Is the member happy to withdraw?

Mr MALINAUSKAS: I need to understand what comment I have made that—

The CHAIR: Minister, would you like to clarify?

The Hon. D.G. PISONI: 'We know how some of them ended.' It is an extraordinary comment to make.

The CHAIR: I think the minister is alluding to the inference of the statement that was made. Are you happy to withdraw, member?

Mr MALINAUSKAS: What was the inference? I said, 'I welcome the minister telling his stories. We know how some of them ended.' I am not too sure what inference—

The CHAIR: You have been asked to withdraw the statement.

Mr MALINAUSKAS: Why would I withdraw it?

The CHAIR: Because the minister has taken offence. It is not up to you to subjectively decide whether offence has been taken—the minister has and he has asked you to withdraw.

Mr MALINAUSKAS: He has not said he has taken offence.

The Hon. D.G. PISONI: I have taken offence, and I have taken offence because, under parliamentary privilege, there have been dog whistles about my previous role, before I was a member of parliament. No-one has had the courage to take them outside of the parliament, and it is obvious to me that your comment was a reference to that privileged dog whistling.

Mr MALINAUSKAS: Sorry, Mr Chairman, I have absolutely no idea what the minister is referring to.

The CHAIR: Your perception is irrelevant. The standing is that it is a subjective test. The minister has taken offence, therefore he has asked you to withdraw. Are you happy to withdraw?

Mr MALINAUSKAS: Sure.

The CHAIR: Member for Croydon, can you please proceed to a question.

Mr MALINAUSKAS: Sure. I refer to Budget Paper 3, page 99, Economic forecasts, table 7.1. How did the government arrive at the employment forecast contained in 7.1?

The Hon. D.G. PISONI: That is something you will need to refer to the Treasurer. The Treasurer does the employment forecasts.

Mr MALINAUSKAS: I refer to the minister's opening statement, where the minister referred to the performance of the South Australian labour market during the course of corona and was using in the statement the comparison of jobs in South Australia versus jobs immediately pre-corona. In that context, I invite the minister, for the committee's benefit, to give us a picture of how he saw the labour market performing in South Australia prior to COVID coming to the fore in February/March this year.

The Hon. D.G. PISONI: It was historical data that is available publicly in that opening statement.

Mr MALINAUSKAS: Yes.

The Hon. D.G. PISONI: If you want to refer to the employment forecasts in the budget, you will need to refer that to the Treasurer.

Mr MALINAUSKAS: I was not asking about budget forecasts. Maybe I will repeat the question. The minister in his opening statement referred to the labour market's performance in South Australia over the last nine or so months since COVID. I was asking the minister for his view of the performance of the South Australian labour market prior to COVID, since he is using prior to COVID as the benchmark in his opening statement.

The Hon. D.G. PISONI: I am advised that prior to COVID economic conditions in South Australia were improving, with stronger business confidence, higher levels of employment and hours worked, and forecasts anticipating stronger economic growth. The NAB Quarterly Business Survey reported that South Australia had the strongest business conditions of any mainland state in the December and March quarters.

Mr MALINAUSKAS: In that case, how does the minister explain the performance of the South Australian labour market in the two years post the government's election versus the two years prior? For the minister's benefit, in the last two years of the former Labor government, 6.2 per cent of all jobs created throughout the country were in South Australia, but in the first two years of this government that number collapsed from 6.2 per cent to 1.3 per cent. How does the minister explain that?

The Hon. D.G. PISONI: I notice that you conveniently omitted the first three years since 2014 of the Labor government, when South Australia had either the highest or the second highest unemployment rate.

Mr MALINAUSKAS: No, I did not actually omit that.

The CHAIR: You asked a question and you are getting an answer.

The Hon. D.G. PISONI: I think it was in July 2015, without COVID, that unemployment hit 8.3 per cent in South Australia. That was an achievement. I do remember the 2010 promise of 100,000 new jobs over a six-year period. I think the outcome of that was that you just missed out by about 93,000. I think that was the number of new jobs that were missed out.

A lot happens with the unemployment numbers. They can be inconsistent. We have had months where we have seen a large number of people enter the workforce and get jobs, but because of the large number of people who have entered the workforce, the workforce has also grown and so the participation rate has increased. Consequently, an increase in the participation rate can actually see an increase in the headline figure of unemployment, the seasonally adjusted level in particular.

That is obviously the focus that the media plays, it is the focus that the opposition plays; it is an easy figure to articulate. But there is a lot of detail that happens beyond those figures in the unemployment figures. Often, it is a combination. There are two things that can affect that headline figure: one is obviously more people getting jobs, and the other one is more people entering the workforce because they are feeling more confident about getting a job. That is generally the driver as to why people enter the workforce.

There is also another indicator that is not really in the headline figure, and that is the number of hours worked increasing. Obviously, that is a very good sign because we see that those who are already in the workforce who have wanted to work more hours or longer hours are actually given that opportunity and are being paid to work more hours and so their incomes are increasing. That is another good indicator that is not a headline indicator. That is another one the government is very interested in because we obviously like to see people who want to work be able to work. We do not like to see people underemployed here in South Australia, so that is another strong indicator that we monitor. As a government, we like to see that.

We are also very interested in the shift from part time to full time. Sometimes you might actually see no increase in the number of jobs overall, but you will see a decline in part-time work and an increase in full-time work. There are many different indicators that governments will use to make policy decisions about the job market. One of the significant policy decisions we have made is that we know how important it is that we have a skilled workforce here in South Australia, and so we have invested an enormous amount of money.

But it is not enough to invest the money on its own. We know what happened with the Skills for All program when there was money thrown at training providers and there were no measures of outcomes, there were no conditions of receiving that money for job outcomes. Policy changes are important, regulatory changes are important, and legislative changes are important. So we have been working right across that area to make sure that the extra money we are spending in skills is actually getting the outcome.

For example, my understanding is that we are actually delivering fewer pre-apprenticeship and pre-traineeship programs than under the previous government, but they are leading to more paid apprenticeships and traineeships because we are doing them in conjunction with industry and we are getting commitments from industry to employ those participants who have been successful in those pre-apprenticeship and pre-training programs to take them on as apprentices and trainees.

That has seen employers benefit because they are actually getting a brand-new staff member at the beginning of an apprenticeship who has a higher skill level and has actually already made the commitment that that is the area they want to be in. For the apprentice, it means that they are happy to sign a commitment for a period of time to complete that apprenticeship or that traineeship because they have already made a decision after that intensive pre-apprenticeship program that that is what they want to do and they enjoy doing it.

Of course, that is not the end of their vocational education experience. Just because they have finished their Certificate III in Electrotechnology, that does not preclude them from then going on for more through vocational education or moving on to a university degree.

We are certainly very keen to see people continuing the education process, and we know that vocational education is probably the easiest and most convenient way for people to get extra skills. By formalising the process of making it easier for people who are in the workforce already to upskill, we will help to insulate those people from technology changes that make them irrelevant as employees and as valued members of staff.

It is all about keeping staff valuable and making sure that industries have the skills that they need so they can grow and continue to bring income into the state, which in turn employs people through their own businesses but also more broadly when there is more money circulating in the economy.

I know that for many there is a temptation—I have been there, so I do understand it—to point to raw statistics without looking at what is happening under the water, if you like, to contribute to the

economy and at what the economic settings are delivering. When the job figures come out it is not just that headline figure, it is always a day of many experiences or availability of new information.

Dr HARVEY: My question relates to Budget Paper 4, Volume 3, page 114, specifically the departmental objectives. Can the minister please provide an update on South Australia's economic and employment recovery following the COVID-19 shock?

The Hon. D.G. PISONI: Thank you very much, member for Newland. I thank you for your interest. You are someone who is always very focused on jobs outcomes and the economy, and I thank you for doing that. In many respects, South Australia is recording one of the strongest economic and employment recoveries in the nation, following the COVID-19 shock. South Australia continues to be among the nation's leaders in the recovery of spending, consumer and business confidence, business conditions and the labour market.

When looking at the volume of spending in the local economy, South Australia's state final demand figure was the least impacted of all the states in the June quarter. The volume of private new capital expenditure increased by 4.8 per cent in the June quarter in South Australia, in seasonally adjusted terms, while all other states declined. The national figure declined by 5.9 per cent.

Retail turnover in South Australia was 8.9 per cent stronger in September when compared with the pre-COVID level in February—much stronger than the national growth rate of 5 per cent—in seasonally adjusted terms. The number of dwelling approvals in South Australia increased by 28.3 per cent in September, in seasonally adjusted terms, making it the second strongest of the states and almost double the national growth of 15.4 per cent. According to the Westpac-Melbourne Institute, of the mainland states South Australia recorded the strongest consumer sentiment in November and also recorded the strongest improvement since the dip in April, with a growth of 59 per cent.

According to National Australia Bank's quarterly report, business confidence in South Australia was relatively stable in the first half of 2020, while the other mainland states declined, and improved in the September quarter to be above the national level of business confidence. The same report showed that business conditions in South Australia improved in the September quarter to be the second strongest of the mainland states. National Australia Bank also reported that confidence among small and medium-sized enterprises in South Australia improved in the September quarter to be the second strongest of the mainland states.

Business SA's measure of business confidence showed that South Australia recorded its largest improvement in over 20 years in the September quarter. Since the COVID-19 shock, South Australia's labour market has also recorded a strong recovery, with 45,100 more people employed, the unemployment rate declining by 1.8 percentage points and 46,900 fewer unemployed people. South Australia's labour market recovery has outperformed the national figures across key indicators when compared with the labour market in October.

With pre-COVID conditions in March, South Australia outperformed the national data for employment, hours worked, the unemployment rate, the youth unemployment rate, the underemployment rate and the labour force participation rate. In fact, the recovery has been so strong that wages paid in South Australia are by far the closest of the states to the pre-COVID levels, being just 0.6 per cent below the level in March, while nationally wages are 4.3 per cent lower.

According to the Australian government's vacancy report, internet job vacancies in October were 16.4 per cent higher than pre-COVID levels in seasonally adjusted terms in South Australia, the third strongest result in the nation. While our state has surpassed the pre-COVID level, national internet job vacancies in October remained 1.7 per cent lower than was recorded in February.

In addition to the strong recovery so far, modelling used by the state budget employment forecast shows that there will be 34,900 more South Australians employed throughout the year to the June quarter 2021.

Mr BOYER: If I could take you back to your previous answer about the role of the minister, and I now have the benefit of the *Hansard* rush in front of me, I will ask you the question again about what you think your role is. According to the rush, your answer was:

It is just ludicrous to suggest that the minister's role is to sit down with every organisation that is receiving government funding to decide on how that government funding should be delivered and to examine the methods or details of how that is done.

Would you like to revise your earlier answer about what you said, in light of that?

The Hon. D.G. PISONI: No, that is perfectly clear. The bottom line is that there are very skilled people with special skills in the department. For me to come in over the top of the work that they do is just ludicrous. It is not how government works. You were a chief of staff under the previous Labor government. You know that entirely. I am just staggered that you think it is my role to design employment programs and training programs. It is not my role at all to do that. The department does that.

Obviously, they work with my office because there are policy directives that we want to see implemented because we believe shifts in policy can have a dramatic impact. I think there is no doubt that the shift in policy in the skills area has had a dramatic impact on the success of the skills program in South Australia. It has had success in skills through apprenticeship and traineeships, and it has had success in skills through skilled migration, and that is because of a significant policy shift.

I think we are probably starting to see the weakness of the previous Labor government, where ministers think they can come in and actually design and deliver government programs. I know they used to like to get credit for the press releases that went out, but I am more than happy to share the credit of the outcome that we have been able to deliver in skills and innovation in South Australia with those who do all the grunt work.

Mr MALINAUSKAS: I just want to revisit those employment numbers because I think they are important in the context of where we start from. I take the view that just getting back to where we were prior COVID does not represent the whole aspiration of the future of the state in the medium to longer term. I want to understand, particularly in the context of the fact that we saw a real failure to deliver jobs growth in the first two years of the government. I appreciate the minister's lengthy explanation on understanding the difference or what underpins the headline unemployment rate, but I would rather—

Dr HARVEY: Point of order: do we have a budget line that we are referring to at the moment?

Mr MALINAUSKAS: Budget Paper 3, Budget Statement, page 99. I again would invite the minister to explain—and if he is not willing to, I am happy to move on to other questions because we have a lot to get through—why the massive differential of 6.2 per cent of all jobs being created in Australia being in South Australia in the last two years of the Labor government, versus 1.3 per cent in the first two years of this government?

The Hon. D.G. PISONI: In the first two years of the Marshall government, we saw a 2.2 per cent employment growth and 18,000 more jobs than when you were in office.

Mr MALINAUSKAS: On the same budget line, does the minister share the view that economic growth is important when it comes to underpinning the creation of new jobs in the state?

The Hon. D.G. PISONI: Absolutely, economic growth is important. Economic growth does not stand still. Where economic growth comes from does not stand still. That is why it was so important that we went through a reform process with the changes to the Training and Skills Commission, introducing the skills commission in South Australia, which surprisingly you, Leader of the Opposition, did not support. You voted against it in a division in the lower house. It surprised everybody in the industry, I have to say. Actually, it more than surprised them.

Mr MALINAUSKAS: We did ultimately support the final passage of that, minister. I take offence to the minister's incorrect representation of our position.

The Hon. D.G. PISONI: You voted against it in the lower house. It was voted against in the lower house. You even called for a division.

The CHAIR: Let's return to the answer.

The Hon. D.G. PISONI: It did not just surprise industry, it actually scared them, because it was a document that was prepared by industry. Quite extraordinary! The economic environment

changes and the policy settings that have been delivered by the Treasurer and the Premier are very focused on jobs and opportunities in South Australia. Things do need to change. We need to make sure we are agile to do that.

There is no doubt that the fastest way out of the COVID pandemic economic situation we are in now is through a skills-led recovery. There is no doubt that employers need skills, so it is our job as a government to facilitate that process. We are supporting it financially. We are engaging the industry sector as never before. I think it was in 2012 or even earlier than that—it could even have been before 2010—when skills councils were abolished by the previous government. But we knew how important they were to get that information—even right down from the factory floor, if you like—about where the skills needs are and what is changing in the environment.

I am also very pleased that Senator Cash, the federal minister responsible for vocational education, is leading significant reform in the skills sector from Canberra. This is an area that has been slow to reform historically. Peter Holland will tell you that there are some skill sets that are still in the pack of skills required to be an electrician for electrical appliances that do not exist anymore. There is nothing for halogen lamps, for example, which are predominantly used in modern building. This is a reflection of how slow things are to change through the national system.

There is a major reform happening of ASQA, a major reform happening of the way that skills are developed and approved, and I am very pleased to be part of that on the federal COAG skills committee, which is the new name for that process that involves all the skills ministers. I am very pleased with this bipartisan support for skills reform. Whether you are representing a Labor state or a Liberal state, there is support for reform and an understanding as to why that reform is needed. Obviously, there are some philosophical differences but, in the end, everybody on that national skills committee wants to see more up-to-date skills training and more relevant skills training.

We are seeing more and more what we would traditionally call white-collar industries turning to vocational education for pathways for skills for their industries as well. We have started speaking with the universities about how they can get involved in higher apprenticeships and vocational education. TAFE has also been working with us to get involved in those new skill sets. They are the RTO for the new Certificate IV in Cyber Security three-year traineeship that is rolling out in South Australia at the moment.

We are very pleased with the outcomes that we are achieving in skills reform because we know how important it is for economic conditions to be in the right place. In order for that to happen, industry needs to have the skills for their workforce.

Mr MALINAUSKAS: We, too, would share the view that economic growth is fundamentally important to underpinning a strong performance in the labour market. What was South Australia's gross state product figure for the last financial year?

The Hon. D.G. PISONI: I think that is, again, a question for the Treasurer. I am not sure whether your spokesperson covered that with the Treasurer. I was not able to witness that session.

Mr MALINAUSKAS: Does the minister not know what the performance was of South Australia's economy in the last financial year?

The Hon. D.G. PISONI: Of course I understand what the performance of the economy is but this is not—

Mr MALINAUSKAS: So what was the gross state product for the last financial year?

The Hon. D.G. PISONI: What I need you to do is ask questions about the budget in relation to the Department for Innovation and Skills. I am responsible for the Department for Innovation and Skills and I rely on information that comes from across government for policy decisions that are made.

Mr MALINAUSKAS: Has the minister—

The CHAIR: Member for Croydon, you very well know that there needs to be a budget reference and it needs to be relevant to the portfolios of responsibility for the minister. The Treasury portfolios have already been addressed. I have left the questions open for the benefit of the minister should he wish to answer them. They are not in line with budget estimates questions in regard to

these portfolios. The minister may answer the question if he so wishes, but I do make it clear that questions from the opposition and all members, in fact, need to be relevant to the portfolio areas and budget lines that are relevant to those portfolios.

Mr MALINAUSKAS: I am just trying to work out if the minister wants to answer or not.

The Hon. D.G. PISONI: I have already made it clear that this is not a line that I am responsible for. He has asked me if I know what it is, and the answer is yes, I do—

Mr MALINAUSKAS: What is it?

The Hon. D.G. PISONI: —but I am not responsible for it. What you need to do is go back to *Hansard* for that information if you like. It is not my responsibility to answer that question. It is very clear what lines of the budget this examination is about, so I am happy to answer questions on what lines of the budget I am responsible for, but you have either missed your opportunity with the Treasurer or you will find it in *Hansard*.

Mr MALINAUSKAS: I might come back to that in just a moment, given that the minister knows, or says he knows, and is not willing to inform the chamber—

The CHAIR: You have asked the question. We do not need to make statements in reference to questions that have already been asked.

Mr MALINAUSKAS: The minister has made the statement that he knows but he will not say.

The CHAIR: Member for Croydon!

Mr MALINAUSKAS: It must be a secret. Does the government have confidence in its modelling regarding employment forecasts contained within Budget Paper 3, Budget Statement, page 99, Economic forecasts, table 7.1?

The Hon. D.G. PISONI: Sorry, I missed that. Can I have that again?

Mr MALINAUSKAS: Does the minister have confidence in the modelling regarding employment forecasts?

The Hon. D.G. PISONI: I have confidence in the Treasurer and his office and the documents they have produced in the budget. My role is to do my part to make sure that South Australians are skilled and ready to be employed by growing businesses in South Australia. Here is a fun fact for you, Mr Chair: when we came to office, South Australia had the lowest skilled workforce in the nation, the most number of people—

The CHAIR: I was actually aware of that fact.

The Hon. D.G. PISONI: —without skills in the workforce. So not only do we have to start climbing the rungs of the ladder but first we have to dig ourselves out of a hole that we inherited from the previous government. I am doing my bit. I have full faith in the work that the Treasurer and his department are doing, and I am working diligently with my department to deliver on the government's agenda.

Mr MALINAUSKAS: I, too, have a fun fact, which leads into the next question. I am able to inform the committee that South Australia's change in gross state product over the 2019-20 financial year was negative growth of 1.4 per cent. Considering that South Australia's gross state product performance was the worst in the country—

The CHAIR: Member for Croydon, I have already made a ruling in this regard that questions that reference statistics that are not relevant to the minister's portfolio are out of order.

Mr MALINAUSKAS: But the minister has acknowledged that economic growth underpins employment performance in South Australia.

The CHAIR: He may well have, but your question needs to pertain to a budget line.

Mr MALINAUSKAS: It does. Sorry. It is the same budget line that I was using for the last question, which I am happy to repeat: Budget Paper 3, Budget Statement, page 99.

The CHAIR: That budget line has no reference to GSP, as far as I am aware.

Mr MALINAUSKAS: No, but it has a reference to employment growth, which is underpinned by economic growth.

The CHAIR: Correct, but your question has just predicated itself on GSP, which is not relevant to this minister's portfolios.

Mr MALINAUSKAS: Sorry, Chair. The minister has acknowledged that employment growth is underpinned by economic growth. I am asking questions about the underpinning economic performance of the state that drives jobs growth in South Australia. The minister refused to tell the committee what our—

The CHAIR: The minister did not refuse.

Mr MALINAUSKAS: Yes, he did.

The CHAIR: The questions had been ruled out of order.

Mr MALINAUSKAS: No, the minister refused to tell us what the economic growth was, and now we know why, because it was the worst in the country.

The CHAIR: Member for Croydon, I am the Chair. You do not question my rulings—

Mr MALINAUSKAS: I am not.

The CHAIR: —nor do you try to undermine my rulings—

Mr MALINAUSKAS: I am not.

The CHAIR: —by providing commentary that is against what has been said. I am more than happy for you to ask a question that is relevant to a line item within the budget that is relevant to the portfolio responsibilities of this minister. They are relevant to employment statistics, but your question should not be prefaced with GSP.

Mr MALINAUSKAS: Very well. Maybe if I ask the question this way, Chair: on the same budget line, how does the minister anticipate that South Australia will achieve the forecast employment growth figures given it has the worst economic performance in the nation, as depicted by the gross state product figures recently released?

The Hon. D.G. PISONI: First of all, I do not accept the premise of the question.

Mr MALINAUSKAS: Which premise? What do you mean? What do you not accept?

The CHAIR: Member for Croydon, the minister is answering.

The Hon. D.G. PISONI: I think what the shadow minister for jobs fails to understand is that the fastest way out of this situation post-COVID is skills training. The question for him is: will he direct his skills shadow to actually deliver a skills policy? They went to the election without a skills policy, and they still do not have a skills policy more than 2½ years since the election.

The CHAIR: Minister, I will pull you up. That is not directly relevant to the question that has been asked. Please, your remarks need to be relevant to the question that has been asked by the member for Croydon. Please continue, minister.

The Hon. D.G. PISONI: In the Budget Statement, page 99, you will see there is a spreadsheet that shows the projection for state final demand for 2021-22 is 4¾ per cent. The employment growth figures are there, which also relate to the revenue implications for payroll tax. So the fact that we have expected growth of 4¾ per cent will obviously have a positive impact on the growth of jobs and the economy. So I think that—

Mr MALINAUSKAS: If true.

The Hon. D.G. PISONI: Well, you say, 'If true,' and I can understand you being that cynical—

The CHAIR: Minister, you do not need to respond—

The Hon. D.G. PISONI: —because there was that 100,000 jobs—

The CHAIR: Minister, you do not need to respond to interjections.

The Hon. D.G. PISONI: I do remember a promise of 100,000 jobs in 2010 from the previous Labor government that fell about 93,000 short. This is actually a budget document. I do not know that the 100,000 jobs was ever in the budget, actually. It was just in the media release and all the paid government advertising.

Then, if you look at the comparison growth between the June quarters, which is, as I understand it, the way that the federal government releases their figures, the growth rate for 2021 would be a strong 4.25 per cent between the June quarters.

Mr MALINAUSKAS: Growth in what?

The Hon. D.G. PISONI: Growth in employment.

Mr MALINAUSKAS: Moving on from South Australia having the worst economic performance in the last financial year on state final demand—gross state product—

The CHAIR: Member for Croydon, if that is a comment in passing it is not necessary for the question.

Mr MALINAUSKAS: I was just moving on from that. Can the minister advise what are the key employment programs his agency are responsible for when it comes to creating jobs in our state beyond the previous responses the minister has given in regard to skills? I am talking about employment programs.

The Hon. D.G. PISONI: Again, there has been a significant shift in policy between what I suppose most people would describe as the socialist policies in the employment area from the previous government.

Mr MALINAUSKAS: The socialist policies?

The Hon. D.G. PISONI: Yes; government support. We are all about actually reducing the cost of doing business. That is the difference. You want to tax people more. We want to actually tax them less, businesses in particular.

Mr MALINAUSKAS: So why are you taxing them more then?

The CHAIR: The member for Croydon!

The Hon. D.G. PISONI: So consequently it is a significant shift in policy. I accept that everybody in this place wants the same outcomes. The debate is about how it is achieved, right? There is no doubt from a 16-year record of Labor government that one thing is obvious: it is about higher taxes and handouts. We are about lower taxes—

Mr MALINAUSKAS: Higher taxes and less jobs.

The CHAIR: The member for Croydon, you will not interrupt the minister and you will not interject.

The Hon. D.G. PISONI: —and creating the environment for a vibrant private sector in South Australia, and there is no doubt that that is happening. We are seeing new businesses come into South Australia. We are seeing new industries come into South Australia. We are seeing demands for new skills in South Australia that have never been here before that we are responding to. So there is a significant difference in policy here.

This goes back to the point I was making earlier. These are the roles of ministers; it is about policy decision and policy delivery. Fortunately, we have a public sector that has responded very well to the changes in policy under the new government, and we are delivering that policy and getting the benefit of that.

Dr HARVEY: Budget Paper 4, Volume 3, page 122, the first objective. How is the government responding to training and skills development that addresses emerging industry needs?

The Hon. D.G. PISONI: This picks up on the point that I made earlier about the reforms in training and the need for new training and new pathways. Nationally recognised qualifications are an

important path to support strong educational and employment outcomes for individuals and deliver core skills required in the economy. Industry has said that it requires a modern, flexible and accessible training system capable of meeting current and future workforce skills needs.

South Australian businesses are increasingly relying on shorter forms of training with 60.8 per cent of nationally registered training being for specific subject modules. Further, almost half of South Australia's businesses use non-accredited training to meet their specific skill needs. Micro-credentials or shorter forms of training play a critical role in responding to industry and employer demands for a modern, flexible and accessible training system capable of meeting current and future workforce needs.

The state government has engaged with industry and education and training providers to understand the needs and opportunities for micro-credentials in South Australia. Under a pilot soon to be released, industry will be offered support to develop micro-credentials by my department, and the Training and Skills Commission will be responsible for endorsing micro-credentials for delivery in South Australia. This will provide timely recognition for contemporary short courses that respond to industry need. An important thing here, too, is that this formalises that micro-credential training.

The new approach to developing and endorsing micro-credentials will strengthen connections between nationally accredited subjects and non-accredited training in a meaningful way, to provide individuals with a certificate that represents the learning outcomes achieved. Micro-credentials will be particularly important to support high priority sectors such as digital and human services, including disability care. They will support people to get into jobs or to reskill and upskill in line with emerging needs.

As a result, employers will have great confidence that industry endorses the training and students will gain certification for their learning that is recognised by the industry, not just by the company that delivered it. The pilot will also position South Australia to further influence reforms at the national level.

Mr BOYER: I might take you back briefly to your opening statement where I think you spoke about—I may have the name of the campaign not exactly right—the Explore Your Passion campaign. Can you tell us a bit about that campaign, including the cost of it and whether any analysis has been done post campaign to see any success it may have had?

The Hon. D.G. PISONI: This is the second campaign. You would have seen the first campaign I think in early 2019. The campaign is to support the South Australian government Skilling South Australia initiative. An advertising campaign to focus greater awareness in shifting perceptions of apprenticeships and traineeships commenced in May 2019 and concluded in December.

The communication objectives of the campaign were to raise awareness of career opportunities, improve perceptions of apprenticeships and traineeships as an aspirational training pathway, and showcase stories of people who have had success in the apprenticeship pathway. The campaign was delivered through digital media channels with supporting advertising on radio, regional television, press and outdoor. The messages were targeted to potential apprentices, including school students, job seekers and those who influence them, including parents, families and school communities.

Over the campaign period, website visitation increased by over 15 per cent, with the campaign delivering 75 per cent of overall traffic, and telephone inquiries increased by 15 per cent. Our market research was undertaken through the campaign period, and this indicated a significant rising of appeal of apprenticeships within the target audience, and it is not just through that research that was established.

A number of RTOs and group training organisations reported that they were getting applications for apprentices from students who would tell them they were considering going to university, and then they saw that an apprenticeship pathway was an alternative for them where they could start earning money straight away in the area they were interested in, so they were getting students who were highly qualified in maths and science, for example, to work in those areas of electrotechnology, in particular electricians and air conditioning, mechanics—those areas where those sort of skills are very valued.

The budget for the campaign in 2019-20 was \$1.2 million, with half a million dollars spent on advertising. The second campaign commenced on 25 October 2020 to support JobTrainer and current skills initiatives, and will conclude on 25 June 2021. The total budget for the new campaign is \$2.5 million, ex-GST, with an advertising spend for this campaign of \$1.2 million. This one is broader and bigger, because obviously we are broadening the appeal of the campaign so that people who may have lost their job because of COVID, or their industry is years away from recovering, can see that there are paid pathways into another sector for them to pursue so that they do not have to look at only going to university to get additional qualifications but they can be paid while getting new qualifications.

The whole idea of the campaign is that—I hate to reminisce, but personal experiences are often the best. When I was looking at my options as a high school student, if you were going to university or doing an apprenticeship, there was no difference in status. People did not look at an apprenticeship as being a way out for people who were not good enough to go to university. Over the years we have seen that change, so consequently we have seen people who may have wanted to do an apprenticeship feel that they needed to go to university instead, and perhaps did not quite pursue an area or career that they wished they could.

Fortunately, we are now seeing, with the modernisation of the training system, with more awareness of the sorts of things available, the sorts of skills and careers that you can learn and enter through the vocational education system, predominantly through paid traineeships, which is what we are interested in—more paid opportunities to learn. We are a long way from the German model, but it is the model we hold up, where pathways are developed early on in high school, and I am really pleased with the work that Minister Gardner has done with the Flexible Pathways program, which will be fully implemented when grade 7 moves into high school in 2022 but has been rolling out pilots and on a smaller scale in the meantime, where we are seeing more school-based apprenticeships and more exposure to industry through the school system.

Getting back to the German example, it is not uncommon for someone to take the apprenticeship pathway and then go on to university. About 30 per cent of those who do an apprenticeship in Germany go on to university. It is the same entry method to go to university from doing an apprenticeship to doing 12 years of school—they both sit for a test. It is a very good system. I do not know whether we will ever get to that system, but we certainly want to get as close to that as we can because we want to encourage lifelong learning, because things do move so much quicker now than when people worked for the same business doing the same job for 10, 20 or 30 years—like my father did at GMH; 38 years I think he was at GMH as a toolmaker.

Technology did not change a lot over that period, but we have seen rapid technology changes, certainly since he retired in the late 1980s. He is still going. He is 93; he will be 94 in two months' time. I suppose the short answer to your question, member for Wright, is that we are very keen for people to understand that the opportunities are there for them, and we are also very keen for employers to understand that it is a real opportunity for them to get involved in skills training.

Mr MALINAUSKAS: I refer the minister to Budget Paper 5, page 6, regarding the Business and Jobs Support Fund. Was the minister or his department involved in developing that particular fund?

The Hon. D.G. PISONI: The fund is developed. Criteria is developed, and obviously there are projects that are put forward to that fund. It is money that is available and decisions that are made for applications to that fund are a cabinet decision.

Mr MALINAUSKAS: Were you or your department involved in the development of that program, or that fund?

The Hon. D.G. PISONI: I am not going to discuss what goes on in cabinet.

Mr MALINAUSKAS: I am not asking you to.

The CHAIR: The minister is providing an answer.

The Hon. D.G. PISONI: It is pretty obvious that ministerial involvement would happen at a cabinet level as well as at other levels. Yes, of course, it was an across-government response.

Mr MALINAUSKAS: How many jobs have been created so far through the Business and Jobs Support Fund?

The Hon. D.G. PISONI: I think that is a question the Treasurer would be able to respond to. Did you ask that question of the Treasurer?

Mr MALINAUSKAS: No, I am asking you as the employment minister.

The Hon. D.G. PISONI: I do not manage the fund.

Mr MALINAUSKAS: You just said your department was involved in the development of the fund.

The CHAIR: Member for Croydon!

The Hon. D.G. PISONI: The Treasurer manages that fund, and I imagine he would be the person best to ask that question.

Mr MALINAUSKAS: As the minister for employment, do you pay attention to how many jobs are created from particular government programs, particularly if the department has been engaged in the development of that program?

The Hon. D.G. PISONI: It is my number one focus. Job creation in South Australia is my number one focus. Often, my ministerial staff might receive a text message from me at 5 o'clock in the morning asking a question or me sending through a suggestion for us to follow up at our department meeting that might be happening further that day. The short answer is that I pay a lot of attention to job opportunities in South Australia.

Again, this is a difference in philosophy between, I think, the socialist view of the world and the free enterprise view of the world. We actually believe that sustainable jobs are generated in the private sector, and so our job is to facilitate the private sector. That is the philosophy behind the jobs and growth fund: facilitating growth in the private sector.

Mr MALINAUSKAS: Point of order: I refer to standing order 128 regarding relevance. I appreciate the minister's dissertation on political philosophy. My question was how many jobs have been created thus far from the Business and Jobs Support Fund?

The CHAIR: I think the minister is able to provide some preamble to getting to the response that is relevant to the answer. There is a contrast of approaches. I have no issue with that being relevant to the answer as long as the minister gets back to the crux of the issue quickly. Minister.

The Hon. D.G. PISONI: I think there is no doubt that the Leader of the Opposition would know that the jobs are not created immediately the grant is issued.

Mr MALINAUSKAS: Of course not.

The Hon. D.G. PISONI: There are time lines, there are commitments that have been agreed to. Predominantly, they relate to direct jobs, but there are so many spin-offs beyond that. A classic example is *Mortal Kombat*. We saw 880 people who received jobs directly, but there were many more people who received benefit indirectly, even an antique dealer whose shed looked a bit like *Steptoe and Son*, when I was out with the member for Kavel in his electorate, had the set designers from *Mortal Kombat* walk in and spend a few hundred dollars on some horrific pieces that he could not sell for years, so he was very pleased with the outcome.

I think that is the thing about the job stimulus fund. It is very simplistic, and it is either disingenuous or it is a total ignorance of how it works, to suggest that because you have given a grant of this much, that immediately there are going to be this many jobs. The way the question was asked is—you would expect a question like that to be asked by someone like Pauline Hanson, someone who has no idea about how economics works or how these funds work. You have an understanding of government, you have been in government and you have been a minister. To suggest that as soon as the money is spent—

The CHAIR: Minister, your comments are directed to the Chair, let's remember that. Your comments are directed to the Chair, not to individual members. I will also remind the member for Croydon that budget questions should be relevant to budget lines that responsible ministers have

responsibility for. Those two funds—I have been sitting in this chair all week—were addressed through the Treasurer's estimates process. Member for Croydon.

Mr MALINAUSKAS: The minister will know from his experience in observing the way I conduct myself in the lower house, I cannot think of an occasion when I have taken offence to something, but the idea that this minister wants to draw comparisons with my question about the business and jobs fund and somehow link that to a question that Pauline Hanson might ask is something I actually find offensive. Any comparison between myself and Pauline Hanson I think is pretty unjustified. I do take offence and I ask him to redraw.

The CHAIR: Member for Croydon, just to be clear, are you raising a point of order?

Mr MALINAUSKAS: Yes.

The CHAIR: Very good. The member for Croydon has taken offence to a comment made. Are you happy to withdraw, minister?

The Hon. D.G. PISONI: I withdraw.

The CHAIR: The comment has been withdrawn. Member for Croydon.

Mr MALINAUSKAS: I refer to Budget Paper 3, Budget Statement, page 97, table 7.3. I want to ask some questions of the minister, if he can avoid his infamous overreach. The Australian Institute found that in the early months of the pandemic the number of women employed fell by 5.3 per cent in comparison to 3.9 per cent as a national figure. What specific programs and strategies has the minister put in place to address unemployment or underemployment for South Australian women?

The Hon. D.G. PISONI: We are very conscious of the fact that a lot of the jobs that were affected early were jobs that were in what they describe as feminised industries. I did go into quite some detail about what we had already started doing a long time before the pandemic. As a matter of fact, one of the first priorities that we had when we came to office was introducing paid traineeships for those in the care sector.

We are also doing the same thing in the childcare sector. That is another industry where you go and learn in your own time and go work for free for somebody to get the qualification that you need, whereas there are industrial instruments that allow those to be paid traineeships. So that is another area in which we are doing work to support women.

Since the COVID shock in South Australia, the South Australian job market has quickly recovered to be even stronger than it was at the start of the year, with the strongest employment growth rate of all the states since January. Since the low point of the shock, the female labour force data has recorded a solid recovery, with 18,800 more women employed and 8,200 fewer unemployed. The female unemployment rate has declined by 0.2 percentage points, there are 19,500 fewer unemployed women and the female labour force participation rate is increasing by 2.5 percentage points.

This is terrific news that has an impact on the unemployment figure for women, because we are seeing more women having the confidence to go out to look for work. It also increases the headline number, the seasonally adjusted number. As a result of the strong recovery, the female labour force participation rate is now 0.5 per cent higher when compared with the start of the year, and there are 1,400 fewer underemployed women.

However, despite the improvement since COVID-19, the employment rate and underemployment rate performance for women remains more adversely affected than for men. When comparing October with the start of the year, there were 1,800 fewer women employed in October, while male employment was 6,800 higher. This is not a problem that has happened overnight; it is a systemic and historical problem. However, I am very pleased to be part of a government that was able to set up a program, through Skilling South Australia, that is focused on giving women the skills that they need.

A few months ago, I launched a program with MEGT. It was a program to do traineeships in Certificate III in Business, specifically for women who had been survivors of domestic violence and were ready to get back into the workforce but did not have the skills for the workforce. So this is

where—and I know the member for King is very interested in this—the extra funding at Skilling South Australia delivers. Skilling South Australia is additional to the Subsidised Training List. The Subsidised Training List is there to pay for the RTO, whether it be TAFE or a non-government provider, but the Skilling South Australia Fund is about the extra support for employers and their apprentices and trainees.

Because we do not have a set bucket of money for which we say, 'You must meet these criteria to access it,' we went out to those employers who were interested in participating in this program and designed a package, using that extra funding, to support those women. It even includes a private contact should they need additional support while they are transitioning into a career after many years of abuse. I know that is just a small part of the overall picture, but it is an example.

There is no silver bullet for this, and we do need to chip away at every opportunity in order to get the outcomes that we want to see: more opportunities for women in the workforce, more choices for women in the workforce and easier ways for women to get back into the workforce once they may have left the workforce for parenting responsibilities. Even although we all accept that parenting is a dual responsibility, the facts are that it is still predominantly women who are in that space. So it is a key priority of this government to ensure that those pathways are made as easy as possible.

Gone are the days when you may have been working as a woman on the assembly line at Coca-Cola. Now that you are back in the workforce you need skills, and the Certificate III in Business is one that is very much in demand by employers. I am so pleased that employers have come on board with this program. MEGT have rolled their program out and we have supported and funded that. Mas National are working with us on a program of their own in the same area. We will continue to do that. Regarding civil contracting, there is a program specifically for women to enter the civil contracting sector.

I know that PEER have recently offered female-only classrooms for their apprentices. Their researcher told them that women are uncomfortable when they are the only person on the worksite or they are the only person in the classroom, and so being able to be in a classroom with other women has meant that they are much more comfortable with their off-the-job training. I congratulate PEER for the work they are doing in proactively encouraging more women to move into male-dominated areas.

Mr MALINAUSKAS: Hopefully this might derive a quick response. Was the Office for Women consulted regarding your strategy to target jobs for women in the budget?

The Hon. D.G. PISONI: I met with the Office for Women just recently, and I had extremely good feedback from the Skilling South Australia program and the work my department was doing with women. They were very, very interested in the work they were doing. They were aware of it, and I was very pleased to share all information about what the department was doing for women.

I have invited them to contact me at any time if they have additional suggestions or ideas, or they have identified barriers for women, or they have identified enablers that the government can put in place to help women get back into the workforce, or women get the skills that they need to get into the workforce if they do not already have them. Michelle Lensink, of course, is the minister responsible for women. I have a very good relationship with her, and we do talk about these issues on a regular basis.

Mr MALINAUSKAS: Noting that women are, we know, statistically far more likely to be engaged in insecure work—approximately double in terms of working less than 20 hours a week for women in comparison to men—what has the budget done in a policy sense to try to address that degree of inequality for women in insecure employment?

The Hon. D.G. PISONI: I think I covered that. We are way ahead of COVID, and we are way ahead of the budget. We started this process of improving access to career pathways almost instantly on coming to government. It was identified very early, and the department certainly was aware of it. We gave the department the policy go-ahead to go full steam ahead on this process. The design of the Skilling South Australia program itself gave the department the flexibility it needs and the ability for it to be agile and respond to specific issues that women may have in re-entering the workforce.

Again, we do not have a bucket with a name on it, which is the Labor style of doing things. We actually have a program that is tailored to support. Not all women are the same. Different cohorts of women have different requirements, just like men. To suggest that you have a fund for women; we have a fund for everybody that we are making sure women have access to, and we are designing those programs specifically for that cohort of women that need something specifically for them in order to help them to join the workforce, get back in the workforce, to increase their skills, to stay in the workforce, to change jobs from one to another.

We are very, very focused on the skills that people need. We are aware of the challenges there are in some industries of demand, particularly in the aged-care and the disability-care sector, and we are delivering new models of training, which is also delivering new models of care.

Mr MALINAUSKAS: Given we only have a few more minutes, I might just change subject, although I had a lot more on that area. Is the minister aware of the number of people who are on JobKeeper in South Australia?

The CHAIR: Is there a budget line for that, member for Croydon?

Mr MALINAUSKAS: Budget Paper 3, Budget Statement, page 99, Economic forecasts.

The Hon. D.G. PISONI: On a regular basis I brief cabinet on issues such as that, JobSeeker and JobKeeper. For JobKeeper—this is as of 23 September—there are 55,971 businesses with applications processed for July. For JobSeeker, Youth Allowance and other, it is 118,611 recipients in September, down 4,400 or 3.6 per cent from August.

Mr MALINAUSKAS: Could I just have one last question?

The CHAIR: The time has expired. We are coming back in a session afterwards.

Mr MALINAUSKAS: Just one quick one on that stat so we can move on, if the minister is willing. It is straight up and down.

The CHAIR: If the minister is willing to take the question.

Mr MALINAUSKAS: Thank you, minister. That 55,971 figure is the number of businesses registered as at 23 September for JobKeeper. Is the minister aware of the number of employees that that then applies to on JobKeeper from those 55,000 businesses? Is that data available?

The Hon. D.G. PISONI: I think that is something that we can take on notice for that specific figure. I have just been advised that the federal government does not release that figure to us.

Sitting suspended from 13:16 to 14:15.

Membership:

Mr Szakacs substituted for Mr Malinauskas.

Mr Gee substituted for Dr Close.

The CHAIR: Welcome back everyone to Estimates Committee B. We will continue with the examination of proposed payments in regard to the portfolios of Skills and Employment. The minister appearing is the Minister for Innovation and Skills. The estimates of payments, as outlined earlier, relate to the Department for Innovation and Skills and the administered items for the Department for Innovation and Skills.

Mr BOYER: Minister, I will take you to Budget Paper 4, Volume 3, page 122, targets. Is it true that the glass and glazing apprenticeship course at Tonsley has been cancelled today?

The Hon. D.G. PISONI: I will have to take that on notice.

Mr BOYER: On the same budget line, is it true that there are now 50 to 60 current apprentices doing that Certificate III in Glass and Glazing at Tonsley who have been told, I am led to believe by the lecturer, that their only option now is a course from Melbourne to finish their apprenticeship?

The Hon. D.G. PISONI: I am not aware of any changes at Tonsley. As you know, I do not run TAFE.

Mr BOYER: Thank you for your answer, minister. On the same budget line, you are responsible for apprenticeships and training places in this state. Is that not correct?

The Hon. D.G. PISONI: I am responsible for funding apprentices and traineeships and funding vocational education. I am the purchaser of those services from TAFE and from non-government providers.

Ms LUETHEN: My question is to the Minister for Innovation and Skills. I refer to Volume 3 of the Agency Statements, page 122, highlights 2019-20, first dot point, second point. What has the Marshall Liberal government done to support apprentices, trainees and employers in the VET sector in response to the impacts of COVID-19?

The Hon. D.G. PISONI: I thank the member for King for her question and also for her commitment to supporting those who want to enter careers through vocational pathways in her electorate. In response to COVID-19, the state government has focused on the need for the continuity of learning, training, flexibility and engagement of targeted additional support needed to offset pressures faced by employers.

A key initiative in supporting training delivery was the \$16 million VET continuity package. This package supported our non-government training sector with a continuity of funding to deliver training and to back the diversification of this delivery. For some providers this meant enabling new online models to reach students. For others it was about ensuring teaching staff are upskilled to respond to the challenging demands and also involve the adoption of new technology.

The Building Capability Program supports the development of trainers and training providers to deliver innovative VET through training contracts and industry-responsive accredited courses. Recent projects include building electronic and VR tools for assisting students using farming machinery commonly used in the agricultural sector, and building training provider capability to build skills on digital platforms for cybersecurity, electrotechnology, plumbing, refrigeration and foundation skills, especially in response to the COVID-19 challenges.

Our training market has demonstrated resilience through the challenges COVID-19 has presented and we are now in a stronger position to encourage the uptake of new, low-fee training opportunities through JobTrainer with this readiness in place. Several responses to COVID-19 were also released to provide targeted support for employers, GTOs and students.

For example, in the 2019-20 year to date, \$2.5 million has been paid to group training organisations to reduce their charge out rate, making apprentices a more affordable option for host employers. Additionally, the GTO capacity boost of over \$1 million has been paid to build their capacity to support suspended apprentices to diversify their scope, to service growth in emerging sectors and increase business development activity.

Since April 2020 to year to date, over 500 employers have taken on 730 new apprentices and trainees receiving Equipped for Growth funding of up to \$5,000 to reduce up-front costs associated with employing a first-year apprentice or trainee, and Equipped for Work funding of \$1,500 was made available during the peak of COVID-19, providing increased reimbursement for goods and services to more than 300 employers, including group training organisations, and 1,900 apprentices and trainees for items including personal protective equipment, tools, uniforms, medical assessments and training. As at 16 October, Equipped for Work reimbursement of \$1,500 is for reimbursement up to \$1,000.

The Skilling South Australia Workforce Projects initiative provided a flexible and rapid response to support the retention, transition and mobilisation of workers across industry sectors in need. Eighteen projects have been approved to date, supporting 700 participants, including more than 400 people transitioning to new jobs and sectors, and over 280 upskilling to retain employment and adapt to new challenges.

Intensive outreach and support also occurred through the development of a tailored cross-industry mentoring program delivered through the Office of the Training and Skills Commission. This is supporting apprentices and trainees whose training contracts have been

suspended during COVID-19 to stay connected with their employers and off the job training. In addition to this, my department undertook telephone outreach support to apprentices and trainees, as well as employers, to help them navigate the various support programs available.

A flexible approach to keep apprentices and trainees engaged with their employer saw the Training and Skills Commission enable training contracts to be suspended until 1 January 2021 due to the downturn of business caused by COVID-19. Looking ahead, we have worked with the Australian government to co-invest up to \$88 million as part of the JobTrainer initiative. The JobTrainer initiative provides access to lower fee short courses and qualifications to school leavers, young people and jobseekers. We are continuing to increase access to subsidised training and to partner with training providers and industry to remain responsive to changing needs and demand.

Mr BOYER: Minister, if I could take you back to Budget Paper 4, Volume 3, page 122 and targets, in particular as they pertain to apprentices, can I ask: have you been to the Tonsley campus and inspected the facilities there either before your time as minister or in your time as minister?

The Hon. D.G. PISONI: I visit Tonsley regularly.

Mr BOYER: On the same budget line. In that case, have you been and inspected—I assume you have—the what I am told are state-of-the-art glass and glazing facilities for the course that is offered there at Tonsley?

The Hon. D.G. PISONI: I cannot recall what specific things I have seen at the Tonsley TAFE, just like I cannot recall specific courses or facilities that may be at non-government providers. We have I think about 100 non-government providers in South Australia. There is a very rigorous ASQA process for ensuring that providers of vocational education meet the appropriate levels of requirement, including the equipment that they use and the method to teach the curriculum. All of those things are nationally accredited now. I think it was back in 2012 that the previous government moved the responsibility for accreditation out of the state and into the national body.

I think the important thing about this is that the accreditation process is non-discriminatory. If you recall, in the last 12 months of the previous government, TAFE were randomly audited for their accreditation, and they failed 16 random audits. I will use this opportunity to thank Minister Gardner for his role in working with TAFE to enable them now to have seven years of accreditation for their delivery. The important thing is that the equipment, the curriculum and the process of delivery is all subject to a rigorous federal audit system that is supported by the states and also by the federal government.

Mr BOYER: Thank you for your answer. On the same budget line I had before, Budget Paper 4, Volume 3, page 122, targets, referring to your last answer, who would make a decision about the cancellation of a course like the Certificate III in Glass and Glazing? Is that someone in your agency, your portfolio, or Minister Gardner's?

The Hon. D.G. PISONI: I am advised that the glass and glazing course is one of the 800 or so subsidised training courses that are on the list. TAFE has the same access to that funding as the non-government sector.

Mr BOYER: But who would actually make the decision if that course is to come off the subsidised list and not be available anymore?

The Hon. D.G. PISONI: I can answer for me. My decision would be as to whether that course remained on the Subsidised Training List, and it does.

Mr BOYER: In that case, why are the 50 to 60 apprentices currently undertaking the certificate III being told they can no longer do that where they currently are?

The Hon. D.G. PISONI: That is something you might need to take up with the Minister for Education. I do not run TAFE, just like I do not run PEER.

The CHAIR: Member for Wright, you did have the opportunity earlier in the week to address questions to the minister responsible for TAFE. If you have not taken up that opportunity, that does not mean that you can extend your lines of questioning to a minister who is not responsible for those relevant budget lines.

Mr BOYER: He is responsible for apprentices.

The CHAIR: Yes, but not for the management of TAFE.

Mr BOYER: But these are apprentices still.

The CHAIR: If it is delivered as a TAFE course by TAFE, member for Wright, the relevant minister is the Minister for Education, who has carriage of that portfolio on those budget lines.

The Hon. D.G. PISONI: The point is, Chair, my responsibility is the purchasing and funding of skills training in South Australia. Both government-owned training providers and non-government training providers have the ability to access that subsidised training fund. When we came to office, there were only 350 courses on the Subsidised Training List.

When we started to ascertain and process advice that came from our industry skills councils, we quickly learned that the management of skills funding was not getting the best outcomes for industry, so we expanded the Subsidised Training List over several years to about 800 now. We went to the election with a policy of enabling the Subsidised Training List to be contestable.

We have a situation now where obviously we have seen growth in the non-government sector as employers, apprentices and trainees have chosen the non-government sector. Many of them are industry driven; for example, the Australian Nursing and Midwifery Federation. They have experienced tremendous growth under this government with their industry-driven programs.

I will use this opportunity to thank Rob Bonner for his work. He is someone who is very passionate about the skills that are in the healthcare sector and the work he has been doing with this government to provide more opportunities in that sector.

Mr BOYER: Budget Paper 4, Volume 3, page 122, targets, referring to your last answer where you stated that there were I think it was 350 courses on the subsidised list when you came to government and you have increased that, I think you said, to 800 now. Of the 350 when you came to government, how many of those subsidised places were offered by public providers and how many were offered by private providers? And I ask the same question for the 800 now.

The Hon. D.G. PISONI: My advice is that when we came to office only about 30 per cent of the Subsidised Training List was available to non-government providers. Basically now, subject to the VET commissioning program, all training funding is contestable.

Mr BOYER: I will take you to Budget Paper 4, Volume 3, page 124, Performance indicators. I think in your earlier answers before we had our lunch break you spoke about your target of 20,800 new apprentices and trainee places across the four years. Did you say that the baseline figure was 9,972 to which the 20,800 needed to be added?

The Hon. D.G. PISONI: This gives me an opportunity to clarify. The baseline figure is not an NCVER figure; it is actually a figure that was developed by the federal government that included areas that are not necessarily counted by the NCVER like pre-apprenticeships and pre-traineeships and like-type activity. The NCVER figures, I believe, were lower at that time, so comparing that baseline with NCVER figures is a bit like comparing apples and oranges.

Mr BOYER: Just to clarify then, minister, regardless of who actually set the baseline figure, the baseline figure is 9,972?

The Hon. D.G. PISONI: That relates to the funding arrangements with the federal government. So there are certain targets we need to meet above that baseline that was developed through a number of processes by the federal government and agreed to by the South Australian government. So we have a situation where the baseline is a mechanism for the federal government reducing funding, and it is a different counting process to what NCVER use. So by comparing the baseline with the NCVER figures you are not using the same comparisons.

It is also based on commencements from 2016-17, and my understanding is that in 2017-18 there was a further drop in the number of commencements of training. As a matter of fact, I think in 2017-18 we had a 5 per cent drop, and in 2018—these are calendar years now—we had a 9 per cent drop. So as you can see that number continually declined until we started seeing some of the reforms kick in with the Skilling South Australia program, where we saw the June figures for

2019 were a 5.8 per cent increase on the June figures for the year earlier, which were the lowest number yet.

I know it is confusing, but in the time I have had in government I have learnt to understand that there is not necessarily a black and white, yes or no answer or explanation. But I think it is important to understand that there are two sets of measurements here.

There is the very visible one, which everyone can see, and that is the NCVET figures. Up until COVID we were very confident of meeting our numbers, our commitment of 20,800, but the baseline figure that you refer to is a figure that includes more than just apprenticeships and traineeships. My understanding is that it includes like-type training and also the training that is delivered in the lead-up to an apprenticeship such as a pre-apprenticeship or pre-traineeship that NCVET do not count.

We watch the NCVET figures. We are judging ourselves on the NCVET figures for the 20,000, based on what the NCVET figures were when we came to office. Although we are doing better than other jurisdictions in the country, there is no doubt that the pandemic has certainly put a spanner in the works and has made a dent in our figures for the financial year ending 30 June.

Mr BOYER: On the same budget reference, Budget Paper 4, Volume 3, page 124, setting aside whether or not it is National Centre for Vocational Education and Research or something else, what is the baseline figure that you and your agencies say your government's target of 20,800 new apprenticeships and traineeships must come on top of?

The Hon. D.G. PISONI: I will get back to you with that.

Mr BOYER: You do not know your own baseline for the biggest—

The Hon. D.G. PISONI: I will bring that back to you.

Mr BOYER: On the same budget line, what are the targets across the forward estimates for the government to be able to meet its overall target of 20,800 new places, and how many places behind those targets are we currently?

The Hon. D.G. PISONI: Up until the pandemic, we were certainly on the way. We were very confident that we were meeting our targets. Remember, this is not 5,200 every year for four years. I mean, it is just a ridiculous suggestion to say that from 7 September, when the agreement was signed, that 12 months down the track you would see an extra 5,200 apprentices and trainees. The facts are that there is a reform process that we are going through. We are funding it to make sure that we can deliver that reform, but reform takes time.

There is a whole lot of things that we need to do in order to reinvigorate the training system in South Australia. That is why we are spending money on a communications and advertising campaign. That is why we are expanding the depth of the non-government sector. That is why we are working with the federal government to analyse skill sets that are no longer used and that will be removed nationally from the system. There have been some skill sets where it has already been agreed to do that. There is more work being done on that. That is why we are working on new traineeships and apprenticeships.

We were very quick to deliver new white-collar vocational pathways. We delivered a Microsoft traineeship within our first two years—within the first 18 months, I think it was, we launched one of those. We designed and launched an apprenticeship with an advanced diploma for applied technology, specifically designed for the defence sector in engineering. That is where people learn about robotics, data collection, manipulation and AI. Those sorts of skills are the base skills for many other disciplines in the engineering field.

We have also developed paid trainee arrangements for a number of the care applications that were previously done by people in their own time. There are now opportunities to be paid to learn in that sector. We have expanded the school-based apprenticeship program, and again I thank the education minister for the work he has done in that process where we have seen significant growth in school-based apprenticeships.

I would not say it was a simple answer, but it was a fairly obvious answer: let's go out and find out what employers want to engage in a school-based apprenticeship system. We did that and responded to that, or certainly the Minister for Education did and we did as a government, and consequently we saw many more employers being involved in the school-based apprenticeship program.

As far as the growth in apprenticeships and traineeships, it does not happen overnight because we are rebuilding a system that should have been rebuilt—or the process should have started probably a decade ago—as the economy was shifting. The minute the previous government was talking about a transforming economy, it should have been talking about a review and a reform of the skills system, because they go hand in hand. Skills are very much part of the economy. If you do not have the right skills you do not have the economy firing on all cylinders.

I just add that, obviously, we are very focused on the apprenticeship and traineeship numbers, but even in the short time since that commitment was made there has been a lot of other pathways developing in industry, and that is what JobTrainer is all about. JobTrainer is \$88 million of state and federal money. We have made our commitment for the 50 per cent share with the feds, but that is also because I put in an extra \$19 million so that we could take JobTrainer that extra mile and have extra resources to get people into further vocational education through apprenticeships or traineeships, or to go on through vocational education at diploma or other levels through government and non-government RTOs.

Things, such as shorter forms of training to rapidly skill or upskill the workforce, are in demand by industry. We are continuing to listen to what industry needs. They do not all need apprenticeships and traineeships, although I will congratulate industry for being so supportive of the mature-age program, where we are seeing record growth in the number of people over the age of 45 who are being paid to learn new skills. A lot of that is happening in the very fast growing area of demand in the care sector.

This is great, because people who have been doing work for years in that sector on a casual basis—maybe even working at two or three organisations on a casual basis—are now getting commitments from employers for a 12-month full-time traineeship or a couple of years for a part-time traineeship. These things are evolving in this space, and with a lot of this work the NCVET will not have caught up or updated their accounting mechanism, so they will not get an account from the NCVET, but that is not stopping us from investing in it and making sure these skills are being offered and recognised.

Micro-credentialing is a very important area of reform, and this is where somebody might be skilled in a particular area and there is a branch of that area where their additional skills are needed, so consequently what has been the practice in the past is that a company will provide unaccredited training that suits their particular company. The employee will do that training, but that training will not be recognised outside of that company, so it does not give that employee any extra value to offer the marketplace as an employee with extra skills, whereas the micro-credentialing will get them formal recognition of that extra skill they are learning and enable them to take it to market. It will actually empower people who have the skills to make sure they are being valued where they work.

We will also see new models of apprenticeships and traineeships. We are already seeing some of those happening now. The new act will enable us to declare new vocations more quickly and more easily. Again, whether they are going to be counted by the NCVET immediately or sometime in the future we do not know, but that is not stopping us from doing it.

From my point of view, the disappointing thing about the COVID pandemic is that we were doing extremely well. We were hitting our targets, we were on track to deliver, but of course we have had nearly nine months now of a disruptive economy that has put the brakes on some of the longer term planning that businesses might be doing through the commitments to take on apprentices and trainees.

Mr BOYER: I refer to Budget Paper 4, Volume 3, page 124, Performance indicators. I refer to the answer you just gave about being on target to deliver before the pandemic. I refer you to the 2018-19 actual, which was 3,244. If you had continued to deliver that pre-COVID, and if COVID had

not happened, you would have fallen thousands short of your 20,800 target. How is it that you can say that pre-COVID you were on target to deliver your 20,800?

The Hon. D.G. PISONI: How is it that you can ask that question? The facts are that up until March, we were on target to reach our target over the four years.

Mr BOYER: The budget papers say exactly the opposite.

The Hon. D.G. PISONI: No, they do not. You have a situation where you had a virtual standstill of commencements in apprenticeships and traineeships at the time of the year when the most apprentices and trainees are taken on. From March through to June is when most apprentices are taken on in businesses, and that is the period that was hit the hardest. We actually had at one stage about 1,400 apprentices who were suspended at that time. Fortunately, a number of them did qualify for the JobKeeper program and they were able to get back to their employers, but the employers certainly were not taking on new apprentices at that time.

I think we have done remarkably well compared to the other states. As a matter of fact, I think it is fair to say that we have performed better than any other state when it comes to finishing the financial year with an increase. The NCVET figures out today do say that we finished the financial year with more commencements of apprentices and trainees for the 2019-20 year than we did for the 2018-19 year. We actually ended up in a better place.

I have just been reminded that the profile changes. The more mature the program is, the higher the annual expectation is, but, as I said, I do not think any reasonable person would think that the COVID pandemic would not have an impact on people's decision to take on an apprentice or a trainee.

Mr BOYER: Referring you to your last answer and your insistence that you were on track to meet your 20,800 target, are you saying that the figure of 3,244 for the 2018-19 actual in terms of apprentice and trainee commencements is incorrect?

The Hon. D.G. PISONI: There are a couple of things there. That is in line with the profile number, and there is also a lag in reporting. This happens with the NCVET figures. It happens with the figures we present to the federal government to claim our share of the funding from the federal government for the Skilling South Australia program.

The total election commitment target for 2018-19 was 3,500, and, as you can see, we are certainly very much in that space. That does not mean that that 3,244 figure that you are referring to for the 2018-19 year is final because there will still be figures. It is just like last month when the unemployment figures came out for September for South Australia, it was 7.1 per cent. When the new figures came out for October last week, the revised figure for September was 6.9 per cent. Revisions happen all the time, and the revision period and the lag in the skills training area can be 18 months or more, I have been advised.

Mr BOYER: On the same budget reference, Budget Paper 4, Volume 3, page 124, Performance indicators, do you believe your government will meet its target of 20,800 before the next election?

The Hon. D.G. PISONI: Let's make it clear: we were on target to meet our election commitment and there is no doubt that a massive spanner has been thrown in the works because of the COVID pandemic. Everything has been put on hold. We are in recovery mode at the moment. We are very pleased with the growth that we have had in the return to apprenticeships and traineeships, the return to employment, and the return to growth in the economy, but we do not know what further impact COVID is going to have. We have not had a chance to analyse the impact that COVID has had currently for the budget figures. I know that the department is doing some work just to see where we might be landing in that space.

The bottom line is, we are committed to delivering more apprenticeships and traineeships here in South Australia. We came off a trajectory that was falling off the map, a 66.9 per cent decline in a six-year period under the previous government. So it was not just that we have started to climb the ladder, our first step was to get ourselves out of the hole that we inherited and we have had substantial reform.

Do not just take my word for it, look at the national figures, look at where we are sitting with the commencement of the apprenticeships and traineeships compared to every other jurisdiction in the country. I think for the figures that were released for the March on March year we ranked number one in 24 categories. I am just working off memory there so I might be out a little bit but I think it was about 24 categories where we ranked number one in percentage growth of apprenticeships and traineeships.

For apprentices and trainees in training, we had 10 per cent growth in a single year. We had commencements increase by nearly 12 per cent in that year as well. It is not only a point-in-time figure, this is a count over the year. I think there is no doubt the response we have had from industry, from schools is great. When I visit a school, the influencers, such as teachers and principals, are talking about vocational education, they are talking about apprenticeships. I have not heard that for a very long time.

If you set up Google alerts, member for Wright, you will actually find that there will be advertisements by training companies in South Australia to take on more staff to deal with the increase that is being required in the non-government sector to deliver traineeships and apprenticeships.

Mr McBRIDE: My question is referring to the third 2019-20 highlight on page 122, Volume 3 of the agency. How is the government supporting industry and achieving apprenticeship growth targets through the Skilling South Australia projects initiative?

The Hon. D.G. PISONI: Thank you very much, member for MacKillop. I know that the member for MacKillop has personally become involved in seeing more apprenticeships and traineeships happening in his electorate. We continue to partner with industry and the vocation education training sector to support new apprenticeship and traineeship pathways, increase training contract uptake and pilot new and innovative models of training. We are removing barriers and creating traineeship opportunities in sectors where the use has historically been low. This combined effort has resulted in the development of new apprenticeship and traineeship pathways to support more South Australians.

Since the launch of Skilling South Australia in September 2018, there are an additional eight new apprenticeship and traineeship pathways available for South Australians looking for a skilled career in local industry. In addition, the state government has invested in subsidised training by more than doubling the number of training contract courses available through the Subsidised Training List, resulting in greater choice for students and employers.

Most recently, in response to industry feedback, the state government introduced an innovative approach to apprenticeship delivery, an Australian first: a new dual trade pathway. This pathway provides prospective electrical refrigeration technicians the opportunity to complete both an electrical and a refrigeration/air conditioning qualification concurrently to meet the skill needs of the industry. Previously, this required two separate apprenticeships of eight years, normally one after the other; this is now done over a five-year period. We have eliminated the duplication from each of those trades so that the focus is on the new skills that are required between the two trades.

Additionally, through Skilling South Australia, we have established pathways to support our schooling sector, such as Certificate IV in Education Support and Certificate IV in Financial Services. Individuals working across all three schooling sectors—public, Catholic and independent—will benefit from this new traineeship pathway by building on their existing qualifications or experience. This new pathway will equip individuals who support our teachers and students with the skills and workplace experience required to advance their careers.

This government has also supported a new traineeship pathway in the Certificate IV in Aboriginal and/or Torres Strait Islander Primary Health Care Practice. This traineeship provides participants with a pathway to obtain the advanced clinical skills needed to provide primary healthcare services to Aboriginal and Torres Strait Islander clients and communities. Upon completion of the traineeship, participants will be qualified to provide specific healthcare programs, advice and assistance and administration of medication.

My department has also invested in a Skilling South Australia project with the Aboriginal Health Council of South Australia to support 24 Aboriginal people from regional and remote areas in

the APY lands through a new pathway traineeship in Certificate III in Aboriginal and/or Torres Strait Islander Primary Health Care. Completion of certificate III with an industry work placement will position Aboriginal and Torres Strait Islander participants with the relevant skills and experience to work in a work environment. This project also provides a pathway to higher level traineeship in Certificate IV in Aboriginal and/or Torres Strait Islander Primary Health Care Practice.

The government also invested in the traineeship pathway of the Women in Civil pre-apprenticeship project codesigned with the Civil Contractors Federation. The project addresses the under-representation of women in the civil construction industry, providing 16 women with skills, experience and training in the industry. The women in this project are being supported with mentoring through the Women in Civil committee of the Civil Contractors Federation. Upon completion of the project, the women will transition into apprenticeships at the certificate III level. Again, this is another paid apprenticeship pathway that has been developed by this government with host employers through the Civil Contractors Federation's new group training arm.

DIS also partnered with TAFE SA and apprenticeship support network provider MEGT to codesign a new pathway model of onsite mine training through a traineeship through the Certificate III in Resource Processing. Thirty-five workers at the South Australian Jacinth-Ambrosia site have upskilled through a bespoke Iluka Resources traineeship project combining certificate III qualification with work at its largest zircon mine. The project has formed part of Iluka Resources' workplace plan to improve performance and employee retention rates and the recommencement of its traineeship program.

The project has achieved positive outcomes for South Australia's Far West community by providing a tailored response to industry workforce development needs. These new traineeship pathways have built capacity in some of the state's key growth areas, including allied health, education support, civil construction and cybersecurity. By working in partnership, our efforts are increasing opportunities for skilled careers and enabling industry to access a qualified and work-ready workforce.

Just on that Jacinth-Ambrosia Iluka mines project, member for King, you would be interested to know that I met one of the young women who, as part of that project, was transitioning from unskilled work into skilled work through that program and now sees a career pathway for herself in the mining industry.

Mr BOYER: Minister, if I could take you to Budget Paper 4, Volume 3, page 114, Ministerial responsibilities, I understand recently there was a recruitment process for what was then the vacancy position for the Construction Industry Training Board. Was an application received for that position from a former Liberal MP?

The Hon. D.G. PISONI: First of all, I do not discuss who may have applied for a position. It would be most unorthodox for—

Mr BOYER: I am not asking for a name.

The Hon. D.G. PISONI: —the government to be giving information away that might identify people who may have applied for something they were—

Mr BOYER: I am not asking for a name.

The CHAIR: Member for Wright, he is giving an answer. He will be heard in silence.

Mr BOYER: Minister, are you refusing to answer the question about whether or not an ex-Liberal member of parliament applied for the role of CEO of the Construction Industry Training Board?

The Hon. D.G. PISONI: I am not aware of who applied for positions as a CEO of the Construction Industry Training Board. I am not aware of that. I am not involved at that level, and I am not aware.

Mr BOYER: Is it true that the Master Builders Association will no longer be represented on the Construction Industry Training Board and, if so, why is that?

The Hon. D.G. PISONI: There are members of the Master Builders Association on the board.

Mr BOYER: Thank you, minister. So their representation is going to continue on the board as it has done, I understand, since the inception of the CITB?

The Hon. D.G. PISONI: There was an act of parliament that changed the make-up of the CITB to be a skills-based matrix rather than an organisation-based matrix. The board was selected from applicants who applied to be on the board. There was a process that analysed the skill sets of those people who applied to be on the board, and the selection was recommended to me with the support of that matrix. I remember when the new board was appointed on 1 July that Ian Markos was appointed to the board and resigned just recently.

Mr BOYER: Thank you, minister, for your answer. Just referring to that answer and Mr Markos, who I understand is retiring in December, will the Master Builders Association continue to have representation on the Construction Industry Training Board after Mr Markos retires?

The Hon. D.G. PISONI: I refer you to my previous answer. The board is not a board that is made up of industry representation. It is actually skill sets that are needed. I recommend you read the act because the act makes it quite clear as to the requirements that the government is looking for for that board and it is not organisational representation. It is actually skill sets.

Mr Markos had skill sets that the board thought were valuable at the time, but he has his own life and he has chosen to resign from the board in the lead-up to his retirement from the Master Builders. There is a very senior member, I believe, who is active on the board of the Master Builders Association, Anthony Carbone. I stress that there are no reserved seats for any organisation on the CITB.

Ms LUETHEN: My question is to the Minister for Innovation and Skills, referring to the final 2020-21 target on page 122, Volume 3 of the Agency Statements. What is the government doing to support increased capability and capacity of VET providers to deliver the skills needed by industry?

The Hon. D.G. PISONI: I thank the member for King for her question and also her understanding that it is a mammoth job we have in South Australia in reforming the TAFE sector and making sure that we can deliver the skills that employers want to employ South Australians. The Marshall government is actively investing in the development of the South Australian vocational education and training system, with a strong focus on sustainability and the capability and capacity of the sector and its workforce.

To meet the opportunities and challenges ahead, we need a strong VET system with a mix of public, industry-based, enterprise and not-for-profit non-government providers offering a diverse range of skills to support economic growth. To do this, the Marshall Liberal government has been implementing a range of initiatives to strategically develop the market by supporting the sector to continuously improve, grow and diversify. These initiatives range from:

- supporting individual VET practitioners to develop as high-quality teachers through professional development and higher-level qualifications;
- investing in enterprise level projects to build capability and capacity and to foster research and innovation in the vocational education and training sector;
- supporting strategic sector wide projects to support the VET workforce and rebuild sector capability in areas such as state-based course development to ensure the sector is responsive to local industry need; and
- increasing contestable purchasing strategies to drive choice and access.

The building capability program is a key government initiative. This program promotes and supports the ongoing development of capability, professionalism and reputation of the VET sector to deliver high-quality outcomes for industry and students. The program focuses on:

- professional development for a high-performing VET workforce;

- training provider-led projects that support innovation, quality and growth at an enterprise level; and
- sharing best practice in connecting through regular forums.

In 2019, 800 participants from 300 organisations were involved in 58 professional learning events which were rated an average of four stars out of five, and 10 RTO delivered projects worth nearly \$300,000 focused on driving innovation, development and research across the sector. For example, one project resulted in the South Australian development of an accredited heritage trade skills course in an area of unmet need.

In 2020, professional development has been a key touchstone for VET providers who, like other SMEs across the state, have faced significant challenges in pivoting their businesses through COVID-19. As a result, we have seen more than 500 participants from over 150 organisations participate in online professional learning and training provider updates, with a strong focus on local RTO experiences.

We have also invested in over 40 projects worth more than \$2 million that have supported training providers to innovate and develop solutions to increase the delivery of high-quality training, strengthen relationships with industry and employers and respond to unmet need. For example, one project has resulted in an apprenticeship pathway to a dual electrician and refrigeration mechanic. I spoke about that in response to a previous question. The Building Capability Program is just one of the ways we are supporting VET market development.

In response to COVID-19, we moved quickly to ensure training providers could remain open and invest in innovative approaches to deliver skills. Through the VET Market Continuity Package, we invested around \$16 million to support provider viability and ongoing capability. This support ensured the VET market was positioned to play a key role in the skills-led economic recovery. To meet the state's needs for a skilled workforce, the government is working in partnership to build the South Australian VET market to increase access and choice. To do this, we are focused on:

- investing in quality, capacity and capability;
- developing market diversification and depth;
- fostering sustainable growth; and
- supporting greater value for money.

We know that there are some skills needs that cannot be serviced by the current composition of the training market. Equally, there are training providers seeking to grow and diversify their delivery profile. The introduction of VET Commissioning ensures we take a proactive approach to understanding, utilising and building VET market capacity and capability to meet the state's strategic skill needs.

Commissioning builds on existing engagement and contestable purchases through the Subsidised Training List where around 800 courses are available to be delivered and are aligned to industry demand. With the national spotlight on VET, our investment and proactive engagement is positioning us to maximise skills outcomes and ensure industry has access to the skills they need, and that VET supports skilled career pathways.

There is always work to do and we know the economic rebuild and recovery will take time; however, I am positive about the resilience within our training market throughout these challenging months and remain committed to keep working in partnership, to investing in the training needs with support and development.

Mr BOYER: I might go to omnibus questions, if that is okay.

The CHAIR: I will cut you off if you do not get them in.

Mr BOYER: The omnibus questions are:

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

- What is the actual FTE count at 30 June 2020 and the projected actual FTE count for each year of the forward estimates?
 - What is the total employment cost for each year of the forward estimates?
 - What is the notional FTE job reduction target that has been agreed with Treasury for each year of the forward estimates?
 - Does the agency or department expect to meet the target in each year of the forward estimates?
 - How many TVSPs are estimated to be required to meet FTE reductions over the forward estimates?
2. For each department and agency reporting to the minister:
- How much is budgeted to be spent on goods and services for 2020-21, and for each of the years of the forward estimates period?
 - The top ten providers of goods and services by value to each agency reporting to the minister for 2019-20; and
 - A description of the goods and/or services provided by each of these top ten providers, and the cost to the agency for these goods and/or services.
 - The value of the goods and services that was supplied to the agency by South Australian suppliers.
3. Between 1 July 2019 and 30 June 2020, will the minister list the job title and total employment cost of each position with a total estimated cost of \$100,000 or more which has either (1) been abolished and (2) which has been created?
4. Will the minister provide a detailed breakdown of expenditure on consultants and contractors above \$10,000 between 1 July 2019 and 30 June 2020 for all departments and agencies reporting to the minister, listing:
- the name of the consultant, contractor or service supplier;
 - cost;
 - work undertaken;
 - reason for engaging the contractor; and
 - method of appointment?
5. For each department and agency for which the minister has responsibility:
- How many FTEs were employed to provide communication and promotion activities in 2019-20 and what was their employment expense?
 - How many FTEs are budgeted to provide communication and promotion activities in 2020-21, 2021-22, 2022-23 and 2023-24 and what is their estimated employment expense?
 - The total cost of government-paid advertising, including campaigns, across all mediums in 2019-20 and budgeted cost for 2020-21.
6. For each department and agency reporting to the minister, please provide a full itemised breakdown of attraction and retention allowances as well as non-salary benefits paid to public servants and contracts between 1 July 2019 and 30 June 2020.
7. What is the title and total employment cost of each individual staff member in the minister's office as at 30 June 2020, including all departmental employees seconded to ministerial offices?
8. For each department and agency reporting to the minister, could you detail:

- (a) How much was spent on targeted voluntary separation packages in 2019-20?
- (b) What department funded these TVSPs? (except for DTF estimates)
- (c) What number of TVSPs were funded?
- (d) What is the budget for targeted voluntary separation packages for financial years included in the forward estimates (by year), and how are these packages funded?
- (e) What is the breakdown per agency/branch of targeted voluntary separation packages for financial years included in the forward estimates (by year) by FTEs?

9. For each department and agency reporting to the minister, how many executive terminations have occurred since 1 July 2019 and what is the value of executive termination payments made?

10. For each department and agency reporting to the minister, what new executive appointments have been made since 1 July 2019, and what is the annual salary, and total employment cost for each position?

11. For each department and agency reporting to the minister, how many employees have been declared excess, how long has each employee been declared excess, and what is the salary of each excess employee?

12. In the 2019-20 financial year, for all departments and agencies reporting to the minister, what underspending on operating programs (1) was and (2) was not approved by cabinet for carryover expenditure in 2020-21?

13. In the 2019-20 financial year, for all departments and agencies reporting to the minister, what underspending on investing or capital projects or programs (1) was and (2) was not approved by cabinet for carryover expenditure in 2020-21? How much was sought and how much was approved?

14. For each grant program or fund the minister is responsible for please provide the following information for 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 financial years:

- (a) Name of the program or fund;
- (b) The purpose of the program or fund;
- (c) Balance of the grant program or fund;
- (d) Budgeted (or actual) expenditure from the program or fund;
- (e) Budgeted (or actual) payments into the program or fund;
- (f) Carryovers into or from the program or fund; and
- (g) Details, including the value and beneficiary, of any commitments already made to be funded from the program or fund.

The CHAIR: That will do. Member for Wright, you can provide the other questions through the procedure outlined earlier in the day. The time agreed and allocated for the examination of proposed payments in regard to the portfolios of Skills and Employment has expired. Therefore, there are no further question and I declare the examination of the portfolio agency of Skills and Employment completed and the estimate of payments for the Department for Innovation and Skills and administered items for the Department for Innovation Skills closed.

Sitting suspended from 15:16 to 15:30.

DEPARTMENT FOR HEALTH AND WELLBEING, \$5,513,116,000
COMMISSION ON EXCELLENCE AND INNOVATION IN HEALTH, \$5,962,000
WELLBEING SA, \$20,915,000

Membership:

Mr Picton substituted for Mr Gee.
Mr. T.J. Whetstone substituted for Mr McBride.
Hon. A. Koutsantonis substituted for Mr Szakacs.
Ms Stinson substituted for Mr Boyer.

Minister:

Hon. S.G. Wade, Minister for Health and Wellbeing.

Departmental Advisers:

Dr C. McGowan, Chief Executive, Department for Health and Wellbeing.
Mr J. Woolcock, Chief Finance Officer, Department for Health and Wellbeing.
Mr D. Frater, Deputy Chief Executive, System Leadership and Design, Department for Health and Wellbeing.
Ms J. TePohe, Deputy Chief Executive, Corporate and System Support Services, Department for Health and Wellbeing.
Mr T. Packer, Director, Capital Projects, Department for Health and Wellbeing.

The CHAIR: Welcome back to Estimates Committee B. In this afternoon's session, we will be examining proposed payments in relation to the portfolio of SA Health. First, I will make some opening remarks, given we have a new minister and new advisers. The estimates committee is a relatively informal procedure and, as such, there is no need to stand to ask or answer questions.

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

Mr PICTON: From my perspective, I would suggest that, given the current COVID emergency, it would be appropriate to spend more time on the Department for Health in the health general section, if that were agreeable to the government.

The Hon. S.G. WADE: My understanding is that the representatives of the government and the opposition have agreed to the schedule. I propose we honour those commitments.

The CHAIR: The minister has proposed that the commitments that have been entered into and agreed stay the same in terms of the timetable. From my perspective, that will be the case, unless there is any further objection.

Changes to committee membership will be notified as they occur. Members should ensure that the Chair is provided with a completed request to be discharged form. If the minister undertakes to supply information at a later date, it must be submitted to the Clerk Assistant via the answers to questions mailbox no later than Friday 5 February 2021.

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 based on about three questions per member, alternating each side. Supplementary questions will be the exception rather than the rule.

A member not on the committee may ask a question at the discretion of the Chair. 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*.

There is no formal facility for the tabling of documents before the committee; however, documents can be supplied to the Chair for distribution to the committee. 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.

All questions are to be directed to the minister, not to the minister's advisers. The minister may refer questions to advisers for a response. The committee's examinations will be broadcast in the same manner as sittings of the house are broadcast, through the IPTV system within Parliament House via the webstream link to the internet and the Parliament of South Australia video-on-demand broadcast system.

I will now proceed to open the following lines for examination. Today's session will run from 3.30pm to 5.30pm on the examination of proposed payments in relation to SA Health. The minister appearing is the Minister for Health and Wellbeing. The estimate of payments relates to the Department for Health and Wellbeing, the Commission on Excellence and Innovation in Health and to Wellbeing SA.

I declare the proposed payments open for examination and refer members to the Agency Statements, Volume 3. I call on the minister to make an opening statement, if he so wishes, and to introduce his advisers for the benefit of the committee.

The Hon. S.G. WADE: I would like to introduce my department executives to the panel: Dr Christopher McGowan, Chief Executive, Department for Health and Wellbeing; Ms Julienne TePohe, Deputy Chief Executive, Corporate and Systems Support Services; Mr Don Frater, Deputy Chief Executive, System Leadership and Design; Mr Jamin Woolcock, Chief Finance Officer; and Mr Tim Packer, Director, Capital Projects.

As this past week and a half has demonstrated, the COVID-19 pandemic remains an active threat to the community of South Australia as we see case numbers growing in other countries around the world and a significant cluster in our own state. In this context, I thank the opposition for their flexibility in the estimates program. Many of my leadership team are engaged in the pandemic response. Accordingly, I come with a smaller set of advisers, and you will appreciate this means I am likely to need to take more questions on notice during this committee.

The pandemic has created unprecedented disruption across the health system and has required rapid response from the entire SA Health team. I am particularly proud of the leading role taken by SA Health and how well our health system has responded and adapted and evolved over the last nine months. I would like to sincerely thank our frontline staff: the doctors, nurses, midwives, paramedics and allied health professionals, along with our administrative teams. The staff are committed and dedicated, working tirelessly each day to deliver quality and safe care across our health system. But without the cooperation of the community, all their efforts would not be enough.

The Marshall Liberal government has shown it is not afraid to take the decisions necessary to maintain the health and wellbeing of South Australians. In the course of the pandemic we have secured our supply of PPE in the context of high global demand. We have seen SA Pathology ramp up its capability to record testing highs of over 10,000 tests processed in a single day. We have secured dedicated facilities as part of our response and worked with the private hospital sector to ensure the hospital capacity was on hand should we need it.

At the same time, we have been working to address the core business of the health portfolio. This year, we have continued the downward trends in ambulance ramping, begun following last September's high. We have cut elective surgery numbers from the high of 2,781, as of 31 May, and were the first Australian jurisdiction to recommence elective surgery following the pause in

non-urgent elective surgery during the first phase of the pandemic. Although there has been a spike due to the recent community pause, we have seen a decrease of 34 per cent, or nearly 1,000.

We have also seen further investment in the new Women's and Children's Hospital, bringing the total investment to date to \$685 million, including an unprecedented \$600,000 for clinician engagement and an expansion of The Queen Elizabeth Hospital stage 3 redevelopment, with an additional \$50 million to deliver an expanded clinical services footprint.

On top of this, the budget has invested another, I think, \$800 million in the health system, meaning the government has invested an additional \$2.3 billion in health since the March 2018 election. The budget demonstrates the Marshall Liberal government's commitment to resourcing the public health response to the global pandemic while building the health infrastructure South Australia needs for its future and delivering better services for South Australians.

I conclude my opening remarks by acknowledging again the commitment and dedication of our doctors, nurses, midwives, paramedics, allied health professionals and other SA Health staff across the system. I thank them for their support and hard work every day in delivering safe and quality care to all South Australians.

The CHAIR: Lead speaker for the opposition, did you wish to make an opening statement?

Mr PICTON: Yes, thank you, Chair. We, too, appreciate and acknowledge the exceptional and unprecedented events of this year in regard to the COVID-19 pandemic, and thank the doctors, nurses, scientists, and allied health professionals—the public servants and contact tracers—everybody who has been involved in this effort from the Chief Public Health Officer, who has done an exceptional job, and her deputies, right down to those people collecting the samples at testing sites. We thank all those people involved in the response.

I think this really does highlight the importance of a strong public health system in South Australia, strong not just in hospital services but out of hospital services, in public health and in prevention; they are enormously important in terms of our state's health system. I am happy to go to questions.

The CHAIR: Member for Kaurana, you have the call.

Mr PICTON: I refer to Budget Paper 5, page 76, protecting SA from the spread of COVID-19 and specifically the operation of a robust hotel quarantine system. Who is ultimately in charge of the hotel quarantine system?

The Hon. S.G. WADE: Obviously the government is, but the leadership of the medi-hotel systems in South Australia is, I would say, overseen by the State Coordinator. Not only is the State Coordinator responsible for the whole pandemic response but also, as the police commissioner, he is responsible for SA Police, and SA Police provide the end-to-end oversight of the system, from international travellers arriving at the airport to international travellers being discharged from medi-hotels.

Mr PICTON: Minister, I asked a similar—

The CHAIR: Member for Kaurana, if you could please wait to be given the call. That is how this chamber has operated all week, and we have continued to do that.

Mr PICTON: Really? Okay, very formal.

The Hon. A. KOUTSANTONIS: I thought it was informal.

The CHAIR: It is informal but, as I said, the questions will go from one side to the other in an order that is appropriate for that to be done. The call needs to be distributed. Member for Kaurana.

Mr PICTON: My goodness. I asked a similar question of the police minister today and he said that SA Health was the control agency in regard to hotel quarantine. If that is correct, that SA Health is the control agency in regard to hotel quarantine, who in SA Health is ultimately in charge of the hotel quarantine system?

The Hon. S.G. WADE: The Minister for Police is correct in saying that SA Health is the control agency. The control agency operates under the State Coordinator. Be that as it may, we

certainly see this as a partnership. The partnership is very strong between SA Health and SA Police and is perhaps nowhere more demonstrated than in the medi-hotels. Our officers have been working alongside one another for months now. I think we might have started medi-hotels in March, so it is a well-established program, and the basic model is the same; it continues to evolve.

In terms of our own arrangements—I might just check formally. I think it is best to put it this way: obviously Dr McGowan, as the Chief Executive of the Department for Health and Wellbeing, is responsible for SA Health's involvement in the hotel quarantine system, as in relation to any other service that is delivered by SA Health, but on a day-to-day basis the team at the hotel quarantine is the Rapid Response Nursing and Midwifery Service.

Mr PICTON: Is that service led by the Chief Nurse?

The Hon. S.G. WADE: I would correct the member: the Chief Nurse is a position that no longer exists. The relevant officer is the Chief Nurse and Midwifery Officer, and the service I referred to does report through the Chief Nurse and Midwifery Officer.

Mr PICTON: Who is responsible at each site? For instance, who was the responsible officer at the Peppers Hotel site?

The Hon. S.G. WADE: I imagine that varies from day to day, but I am happy to take that on notice.

Mr PICTON: Do the people responsible at, for instance, the Peppers Hotel site have responsibility for not just SA Health staff but also hotel staff and private security staff as well?

The Hon. S.G. WADE: I am advised that the Rapid Response Nursing and Midwifery Service is not in a position to direct hotel and other staff.

Mr PICTON: Who do hotel and other staff report to?

The Hon. S.G. WADE: My understanding is that on a day-to-day basis SA Police, SA Health represented by the service, and hotel management work in partnership.

Mr PICTON: The Jane Halton report, as it has been called—the national report into hotel quarantine—said that South Australia and SA Health had an Effective Quarantine Workstream. What is the Effective Quarantine Workstream? Is that the same thing as the Rapid Response Nursing and Midwifery Service? Who leads that and who do they report to?

The Hon. S.G. WADE: The honourable member is correct to say that Ms Halton reflected positively on the arrangements in South Australia. In particular, I suspect she was referring to the Effective Quarantine Workstream. We have a number of workstreams operating within the governance framework for the pandemic. They have changed from time to time during the pandemic, depending on the particular challenges we face, but the workstream that is responsible for hotel quarantine is called the Effective Quarantine Workstream.

Mr PICTON: Is that the same thing as the Rapid Response Nursing and Midwifery Service, or is the Effective Quarantine Workstream a separate area of the department?

The Hon. S.G. WADE: No, the service is the men and women who are providing on-the-ground services at the medi-hotels. The Effective Quarantine Workstream is a group of officers, which I imagine would include members of that service but also involve other officers from SA Health who might be involved in other aspects of effective quarantine. Medi-hotels are only one part of our quarantine and isolation services.

I would imagine that the Effective Quarantine Workstream would involve not only people from the medi-hotels service but also people involved in infection control, people who might be involved in home quarantine or isolation, people who might be providing mental health services to people in quarantine and isolation, and of course the workstream itself, like the other sister workstreams to that workstream, feeds into what in Health are often called situation meetings where different workstreams work together to make sure that our response is integrated.

Mr PICTON: Who provides leadership for that Effective Quarantine Workstream? Is that the chief executive that you mentioned or is that the chief nursing and midwifery officer?

The Hon. S.G. WADE: I am advised that the workstream is co-chaired by two officers, but neither of those officers are involved in the Rapid Response Nursing and Midwifery Service.

Mr PICTON: Who are those two officers?

The Hon. S.G. WADE: I will take that question on notice.

Mr PICTON: Is there any regular auditing that takes place in regard to the hotel quarantine facilities, so regular, not the once-off review you have already mentioned? If so, who undertakes that auditing?

The Hon. S.G. WADE: I am advised that police regularly conduct audits.

Mr PICTON: Is there a risk register for the hotel quarantine program?

The Hon. S.G. WADE: I am happy to take that on notice.

Mr PICTON: Can you also take on notice: is there a risk register for each hotel site, who compiles that risk register, and who is it provided to?

The Hon. S.G. WADE: I will take those on notice.

Mr PICTON: How, as minister, do you provide oversight for the hotel quarantine system?

The Hon. S.G. WADE: By providing oversight to the Chief Executive of the Department for Health and Wellbeing.

Mr PICTON: Have you received written or verbal briefings in regard to the hotel quarantine system?

The Hon. S.G. WADE: I have received a range of briefings both by the chief executive and other officers.

Mr PICTON: Have you asked questions about the program, and, if so, which questions have you asked about it?

The Hon. S.G. WADE: Yes, I have asked questions.

Mr PICTON: What is the process by which MSS Security have been engaged to provide private security guards for hotel quarantine? Is that using the existing contract that SA Health has with MSS Security to provide security for hospitals, or is there a new contracting arrangement in place?

The Hon. S.G. WADE: I am advised that MSS is engaged through an extension of the existing contract.

Mr PICTON: What is the cost and what is the term of the extension to the existing MSS contract?

The Hon. S.G. WADE: With all due respect, this pandemic is not over. The cost to when?

Mr PICTON: To date.

The Hon. S.G. WADE: Again, cost to date—we have not done today's reckoning. I will take that on notice.

The Hon. A. KOUTSANTONIS: So you have not budgeted for it?

The Hon. S.G. WADE: He asked me the cost to date.

Mr PICTON: What are the responsibilities of MSS private security staff in hotel quarantine?

The Hon. S.G. WADE: I am advised that the primary role of security officers in medi-hotels is to monitor the compliance of residents with their quarantine requirements and to advise police if there is any noncompliance.

Mr PICTON: Are there any guarantees or commitments in the contract with MSS Security regarding infection control or the training of staff?

The Hon. S.G. WADE: I am advised—I would not call them guarantees. Under the contract, MSS has an obligation to ensure that security officers are appropriately trained, in particular in relation to infection control, and training is provided both online and face to face.

Mr PICTON: What face-to-face training is provided and have there ever been any guards who have worked a shift without receiving face-to-face training?

The Hon. S.G. WADE: I am happy to take those two questions on notice.

Mr PICTON: Who provides the training for MSS's private security staff? Is it SA Health or an external agency?

The Hon. S.G. WADE: I am advised that the online training was developed by SA Health, and I understand that the face-to-face training is delivered by SA Health.

Mr PICTON: Can the minister assure the committee that no private security guard who has not received that face-to-face training has worked a shift at hotel quarantine?

The Hon. S.G. WADE: I refer the member to my previous answer to a previous identical question.

Mr PICTON: The contract between SA Health and MSS states that MSS must 'keep an up-to-date security register of all supplier staff'. Has SA Health been provided with a register of all security staff who have worked in medi-hotels? Who holds that register?

The Hon. S.G. WADE: I am happy to take that question on notice.

Mr PICTON: Does SA Health know the details of all security guards who have worked in medi-hotels and what shifts they have worked?

The Hon. S.G. WADE: Similarly, I will need to take that one on notice.

Mr PICTON: Has SA Health undertaken any background checks of those private security staff from MSS who work in hotel quarantine?

The Hon. S.G. WADE: I would be surprised if SA Health had done background checks. After all, there are regulatory frameworks for security guards, licensing arrangements and the like. I imagine we rely on them.

Mr PICTON: Is SA Health provided with a police check or a working with children check for each security guard working in the hotel quarantine program?

The Hon. S.G. WADE: I imagine that police checks are part of the regulatory regime for security officers, and I would be very surprised if they would need working with children checks, considering the role of security officers in the medi-hotel context.

Mr PICTON: Well, I am surprised: there are children in the medi-hotels.

The Hon. S.G. WADE: And security officers should be having no contact with them.

Mr PICTON: I would hope so. Given that this is the same contract that is being used for public hospitals, are there any MSS security staff who are concurrently working in public hospitals and in hotel quarantine?

The Hon. S.G. WADE: I draw the honourable member's attention to the announcement by the Premier yesterday, in relation to dedicated health facilities. The government intends that no one staff member should work in two high-risk environments. So, in that context, a person who works in one of our hospitals would not be permitted to also work in medi-hotels.

Mr PICTON: So up until yesterday does that mean that there have been security staff who have been working in medi-hotels as well?

The Hon. S.G. WADE: I did not say that.

Mr PICTON: Have there been any security staff, up until yesterday, who have also worked in medi-hotels?

The Hon. S.G. WADE: I am not aware of any.

Mr PICTON: Up until yesterday, was there a prohibition on any security guards working in hospitals as well?

The Hon. S.G. WADE: I am happy to take that on notice, but I am not aware of any prohibition.

Mr PICTON: So there may well have been. The contract with MSS and SA Health states that MSS must notify the minister immediately if MSS or any of its security officers are subject to any disciplinary action or their licence is suspended or placed under condition. Have any such notifications been provided to the minister or the department in relation to MSS hotel quarantine private security guards?

The Hon. S.G. WADE: I will need to take that on notice.

Mr PICTON: Under their contract with SA Health, MSS is required to notify SA Health of any conduct complaints within 24 hours in writing. Have any such notifications regarding conduct complaints been made in relation to hotel quarantine services of private security guards?

The Hon. S.G. WADE: I am happy to take that on notice.

Mr PICTON: If there were issues in regard to private security guards, who would be notified within SA Health regarding those issues?

The Hon. S.G. WADE: I am advised that each of the major contracts within SA Health have a contract manager, and the responsibility of the contract partner would be to report to the contract manager.

Mr PICTON: Is that contract manager part of the Effective Quarantine Workstream or in a separate area of the department?

The Hon. S.G. WADE: As I said, the Effective Quarantine Workstream brings together a range of officers from across the department. I will check whether the contract manager in relation to that contract is part of the workstream.

Mr PICTON: And take it on notice?

The Hon. S.G. WADE: That is what I said.

Mr PICTON: You said you would check. Is MSS security subcontracting out any of its medi-hotel services?

The Hon. S.G. WADE: I am advised that we understand that MSS is subcontracting some of its activities, but of course MSS still carries the primary responsibilities of the contract.

Mr PICTON: Who is MSS subcontracting to?

The Hon. S.G. WADE: We will take that on notice.

Mr PICTON: Has the minister or his delegate given written approval for MSS Security to subcontract any of its hotel quarantine services as is required under the contract which says that MSS must not subcontract any part of the security services without the written approval of the minister?

The Hon. S.G. WADE: I will take that on notice. The contract manager manages the contract.

Mr PICTON: Do you remember signing written approval as the minister under the contract for MSS to subcontract its services as you have said that it is doing or is MSS doing that outside the bounds of the contract?

The Hon. S.G. WADE: As I have indicated before, the day-to-day contract management of this contract is undertaken by the contract manager. I do not recall having had any role in the day-to-day contract management.

Mr PICTON: When did MSS first begin subcontracting its services for hotel quarantine?

The Hon. S.G. WADE: I will take that on notice.

Mr PICTON: The contract with MSS gives the minister broad ranging powers including to require information, acquire records, carry out audits of operations, question and observe any MSS individual or subcontractor, and access premises, documents and computer records. Have any of these powers been utilised regarding MSS's hotel quarantine services?

The Hon. S.G. WADE: I will have to take that on notice.

Mr PICTON: The MSS contract requires for each site where MSS services are operating a brief weekly report to SA Health and a much more detailed monthly report including an issues log, quality and compliance inspection reports, and details of any complaints or emergencies, risks or harms. Have those weekly and monthly reports been provided to SA Health for each of its hotel quarantine sites?

The Hon. S.G. WADE: I am happy to take that on notice.

Mr PICTON: Would those weekly and monthly reports as required by MSS be provided, as you said at the outset, to the responsible officers in the department, the chief nursing and midwifery officer, and the chief executive officer?

The Hon. S.G. WADE: What I said was that the contract is managed by the contract manager. I suspect any relevant reports would go to the contract manager.

Mr PICTON: Would you not expect that any issues including issues, logs, quality and compliance inspection reports, details of complaints and emergencies regarding hotel quarantine would be provided to at the very least the Effective Quarantine Workstream or the responsible officers undertaking the oversight of hotel quarantine in SA Health?

The Hon. S.G. WADE: As I indicated, the contract manager is responsible for the day-to-day week-to-week management of the contracts. I am sure that the contract manager engages all relevant officers as issues arise.

Mr PICTON: Have you, as minister, sought any information from your department regarding the compliance of MSS with its requirements under the contract?

The Hon. S.G. WADE: I have been briefed from time to time on the medi-hotel operations.

Mr PICTON: And have you been briefed in regard to the operations of MSS Security as the provider of security services in hotel quarantine?

The Hon. S.G. WADE: The briefings have been broad ranging.

Mr PICTON: Are staff working for MSS Security, or as we learn now one of its subcontracting services, employed on a full-time, casual or part-time basis?

The Hon. S.G. WADE: I am advised that is a matter for the supplier.

Mr PICTON: So SA Health has no interest in terms of the employment arrangement of staff under this contract?

The Hon. S.G. WADE: SA Health has an acute interest to make sure that the contracted services that we pay for are delivered and contractual requirements are met.

Mr PICTON: Is SA Health provided with information regarding how much staff are paid under the contract with MSS Security, either for MSS or one of the, as we know now, subcontracted services?

The Hon. S.G. WADE: I do not know.

Mr PICTON: Will you take that on notice?

The Hon. S.G. WADE: Yes.

Mr PICTON: Has any consideration been given to providing staff working for MSS with more secure work or higher paid work that means that they might have less need to work in multiple locations?

The Hon. S.G. WADE: The issue of people working at more than one location has been considered in the context of medi-hotels. Recently, the chief executive of my department wrote to the AHPPC and sought any advice they might have on employment arrangements.

Mr PICTON: Of the subcontracting that has occurred under the MSS contract, what is the total number of subcontracted services that are now working for MSS?

The Hon. S.G. WADE: I would have to take that on notice.

Mr PICTON: Under the contract with MSS for hotel quarantine, does MSS need to request permission for each subcontractor from SA Health or is there a blanket approval to subcontract those services?

The Hon. S.G. WADE: I will take that on notice.

Mr PICTON: Under the contract with MSS Security, does SA Health vet and consider the appropriateness of each subcontracting service for hotel quarantine security services, or do you not have information regarding the veracity of each of those services?

The Hon. S.G. WADE: MSS, as the primary contractor under the contract, is responsible for meeting the obligations of the contract.

Mr PICTON: Was subcontracting under the contract occurring at the time of the national quarantine review undertaken by Jane Halton?

The Hon. S.G. WADE: I do not know.

Mr PICTON: Is subcontracting of MSS Services being undertaken at each medi-hotel site or are there only specific sites where subcontracting is occurring?

The Hon. S.G. WADE: I am not aware.

Mr PICTON: Is subcontracting occurring in relation to hospital services under the MSS contract or just in relation to the hotel quarantine services?

The Hon. S.G. WADE: I would need to take that on notice.

Mr PICTON: Since the program started, in relation to hotel quarantine, how many breaches have occurred across the program?

The Hon. S.G. WADE: This information has previously been in the public domain, but I am happy to provide the honourable member with an update on notice.

Mr PICTON: So you do not have any information before you in relation to how many breaches there have been?

The Hon. S.G. WADE: I refer the honourable member to my previous answer.

Mr PICTON: Is the minister aware of any recommendations by the Victorian inquiry into hotel quarantine regarding subcontracting of private security services?

The Hon. S.G. WADE: No. I have not read the Victorian review.

Mr PICTON: Can the minister confirm that he has not read the Victorian inquiry into hotel quarantine?

The Hon. S.G. WADE: As I said, I have not read the Victorian review.

Mr PICTON: Has the minister been briefed in regard to the Victorian inquiry into hotel quarantine?

The Hon. S.G. WADE: Not that I am aware.

Mr PICTON: Do you think you should have been briefed in relation to the Victorian inquiry into hotel quarantine?

The Hon. S.G. WADE: The Victorian inquiry came out recently. I am particularly mindful of the national review by Ms Halton, which went to national cabinet. We note that the Victorian review

made recommendations that we would not support in terms of the public reports, but we continue to evolve our quarantine model.

Mr PICTON: Is the minister aware that the Victorian inquiry into hotel quarantine was released on 6 November, 20 days ago and almost two weeks before the Parafield cluster was identified?

The Hon. S.G. WADE: That is what I would call 'recently'.

Mr PICTON: Does the minister not believe that, within the space of that time, it would have been appropriate to receive a brief regarding learning the lessons of that inquiry?

The Hon. S.G. WADE: My officers continue to work with their national networks, particularly the AHPPC. I will seek further advice from the Chief Public Health Officer. I would expect that the Victorian Chief Health Officer would have briefed the AHPPC.

Mr PICTON: What lessons did you learn from the Victorian hotel quarantine review, and what actions were taken following the review?

The Hon. S.G. WADE: As I said, I expect that the Victorian Chief Health Officer would have briefed the AHPPC, and we have members on that committee.

Mr PICTON: Did SA Health or you as minister engage with either the Victorian inquiry process or the Victorian government about the inquiry?

The Hon. S.G. WADE: I refer the honourable member to my previous two answers.

Mr PICTON: The Victorian inquiry said:

[These] security guards actually could not 'ensure' that detainees remained in their rooms...Their actions were limited to the use of 'verbal de-escalation techniques' in which, as holders of security licences under relevant Victorian legislation, it was assumed they were trained. [Unlike police officers] The guards had no legal authority to physically restrain, or to touch, any detainee.

Do the security officers employed under the MSS contract have any additional powers in relation to their ability to provide that security than what was identified in the Victorian inquiry?

The Hon. S.G. WADE: The honourable member highlights the fundamental difference between the botched Victorian Labor government medi-hotel program and the South Australian program. The South Australian program from day one has been overseen, from departure off the plane to discharge from the medi-hotel, by SA Police. It is SA Police that have the relevant powers to ensure that compliance is delivered.

Mr PICTON: Whose idea was it to use private security guards under the existing MSS contract with SA Health to provide private security guards for hotel quarantine?

The Hon. S.G. WADE: The South Australian model was developed in partnership between SA Police and SA Health.

Mr PICTON: Are you suggesting that SA Police were involved in the decision to use the SA Health contract with MSS Security?

The Hon. S.G. WADE: What I am saying is that SA Police in partnership with SA Health developed the model. It certainly would not have been implemented without the support of both organisations.

Mr PICTON: Were you briefed on the decision to use MSS Security under the existing SA Health contract to provide private security for the hotel quarantine program?

The Hon. S.G. WADE: I refer the honourable member to my previous answer, where I indicated that I have been briefed on medi-hotel arrangements from time to time.

Mr PICTON: Did that include the use of private security guards by MSS?

The Hon. S.G. WADE: I was certainly aware that private security guards were operating, under the oversight of SA Police.

Mr PICTON: So they are under the oversight of SA Police, even though they are on contract with SA Health?

The Hon. S.G. WADE: Yes.

Mr PICTON: So is there a variation to the contract in which it says that they are now under the direction of SA Police as opposed to the contract which says they are under the direction of SA Health?

The Hon. S.G. WADE: As I said earlier, SA Health and SA Police and hotel management work together on the sites. The role of security officers is to ensure compliance by the residents. Of course, they do not have the full powers of sworn police officers. They work in partnership.

Mr PICTON: Ultimate responsibility under the contract, is that with SA Health or SA Police?

The Hon. S.G. WADE: In relation to contractual obligations, clearly that is with SA Health.

Mr PICTON: The Victorian hotel quarantine inquiry, which you have not read, says that surfaces should be tested in hotel quarantine. Has that occurred in our hotel quarantine sites and, if not, why not?

The Hon. S.G. WADE: I am happy to take that on notice.

Mr PICTON: If there was testing, as the Victorian inquiry recommended, how regularly did that occur at the Peppers site and what were the results of that?

The Hon. S.G. WADE: I am also happy to take that on notice.

Mr PICTON: The Victorian inquiry, which the minister has not read, further recommended that a contact tracing team and prevention and control unit be embedded within each quarantine facility. Has that been in place in South Australia?

The Hon. S.G. WADE: I am advised that it has not, and to be frank I cannot see the purpose of doing that.

Mr PICTON: The Victorian inquiry recommended that regular reports be provided to the minister regarding the quarantine program, including details about compliance, monitoring and the risks at each site. Does that occur in South Australia, and if so, how often do you receive those reports?

The Hon. S.G. WADE: The matter that the honourable member refers to sounds similar to the contract management we were discussing earlier.

Mr PICTON: Except that this is a report to the minister. Are you receiving reports regarding compliance monitoring of risks at each site?

The Hon. S.G. WADE: As I said earlier, the contract management is looked after by the contract manager.

Mr PICTON: The Victorian inquiry, which the minister has not read, recommended that all hotel cleaning practices be developed, directed and overseen by infection prevention and control experts. Has that occurred in South Australia's hotel quarantine?

The Hon. S.G. WADE: Infection control in medi-hotels is supervised by SA Health.

Mr PICTON: Have they had oversight over all hotel cleaning practices, and have they developed, directed and overseen the processes for that cleaning?

The Hon. S.G. WADE: As I said, infection control has had a fundamental role in the delivery of medi-hotels.

Mr PICTON: The Victorian inquiry also recommended each quarantine facility have regular independent safety audits. Has that been adopted here? Who conducts those reports? How frequently are they provided to the minister?

The Hon. S.G. WADE: I do not know what a safety audit refers to in that context.

Mr PICTON: It would have been good to read the report. The Victorian inquiry also recommended, as I said, regular and timely reports be provided to the minister, including compliance and risk registers of the hotel quarantine system. Are there compliance and risks registers, and what format are they in?

The Hon. S.G. WADE: Yes, I suspect the honourable member is asking the same question that he asked me earlier and so I refer him to my earlier answer.

Mr PICTON: The Victorian inquiry recommended the site manager roles at each facility be filled by a person who has experience in the management of complex healthcare facilities. Is there a site manager for each of our hotel quarantine sites, and do they have experience in the management of complex healthcare facilities?

The Hon. S.G. WADE: I will ask Dr Chris McGowan to answer that question.

Mr McGOWAN: I can advise you that the Victorian report has been read by executive staff involved in the management of the medi-hotel program. We have reviewed the recommendations. I think there are something like 76 or 79. We have considered which ones we think are relevant and useful to adopt—some are and some are not. We are working through it and, as we continue to review the medi-hotel program, we will adopt the ones we think are worthwhile.

Mr PICTON: Specifically at the Peppers Hotel, since it opened how many incidents and breaches have been reported to SA Health?

The Hon. S.G. WADE: My understanding is that would be part of the information I will be providing in response to an earlier question on notice.

Mr PICTON: Is there a safety learning system operating for hotel quarantine and, if so, where do those reports go?

The Hon. S.G. WADE: I will take that on notice in relation to the SA Health component. It certainly would not be my expectation that SLS would be used by other entities such as police or hotel management, but I will need to check in relation to the service.

Mr PICTON: How many hotel quarantine staff have been disciplined for breaches that have been identified across the system?

The Hon. S.G. WADE: I am happy to take that question on notice.

Mr PICTON: At a joint press conference with you, minister, and the Deputy Chief Public Health Officer, Dr Cusack, on 17 August, it was announced that there would be an ongoing active surveillance program of testing hotel quarantine workers. Who was responsible for carrying out this active surveillance testing program?

The Hon. S.G. WADE: My understanding is that the active surveillance is overseen by the community testing workstream.

Mr PICTON: What is the community testing workstream?

The Hon. S.G. WADE: It is one of the workstreams that feeds into the leadership group, the situation group that coordinates SA Health's COVID response.

Mr PICTON: How many tests have been undertaken of hotel quarantine staff in the active surveillance testing program since 17 August?

The Hon. S.G. WADE: I will have to take that on notice.

Mr PICTON: How often was each hotel quarantine staff member tested under the active surveillance testing program?

The Hon. S.G. WADE: I will also have to take that on notice. It is probably important to indicate here that my understanding is that each worker presenting to work at a medi-hotel is required to indicate whether or not they have symptoms at each presentation.

Mr PICTON: Yes, however, this was a program announced by Dr Cusack for an active surveillance program. It was mentioned, referenced, as being similar to that undertaken for truck

drivers, and the like. It was said that they would carry on a steady basis of testing into the future so that there would be no possibility of leakage of the virus outside the hotel system, and for anyone who would have the opportunity to come into contact with residents in the hotel. So between 17 August and 15 November, how many hotel quarantine staff were actively tested as part of the surveillance program?

The Hon. S.G. WADE: I think that is a repeat question.

Mr PICTON: Did the surveillance program request tests from staff who would come into contact with people at their work with the opportunity to come into contact with residents at the hotel, and did this include private security guards and all the hotel guests services staff?

The Hon. S.G. WADE: I am sorry, would you mind repeating that question?

Mr PICTON: Happy to. As was announced by Dr Cusack on 17 August, did the surveillance program request tests from staff, quote: 'Staff who would, for any point of their work, would have had the opportunity to come into contact with the residents of the hotel'? Did that include all private security guards, and did that include all hotel guest services staff?

The Hon. S.G. WADE: I will seek further advice, but my understanding is that all staff were able to seek voluntary tests and that all staff could avail themselves of active testing surveillance.

Mr PICTON: Obviously, all staff, as with anybody in the community, were able to access testing, but how did this active surveillance program work? Did people go to the staff and say, 'We would like you to participate in this program'? Were they asked to get a test? How often were they asked to do that? How did this active surveillance program roll out? Obviously, anybody could get testing, but that is not an active surveillance program.

The Hon. S.G. WADE: I am happy to take that question on notice.

Mr PICTON: Were you briefed on the active surveillance testing program, and how often were you briefed on it and by whom?

The Hon. S.G. WADE: The active testing surveillance program, as I said, is overseen by the surveillance workstream. It was one of the matters that I was briefed on from time to time during this pandemic.

Mr PICTON: Was the chief executive, who, as you mentioned, had ultimate oversight of the hotel quarantine system, provided with information briefings regarding the active surveillance testing program?

The Hon. S.G. WADE: I imagine he was.

Mr PICTON: Did this active surveillance testing program actually happen?

The Hon. S.G. WADE: SA active testing surveillance has been in place for a number of months. The focus shifts from time to time under the oversight of the workstream, and my understanding is that that was under a framework, a plan.

Mr PICTON: Why did the focus shift from time to time, particularly when hotel quarantine is obviously a risk that the state would have to mitigate? Why would focus shift away from that ever?

The Hon. S.G. WADE: One example of a shift in the active testing surveillance program might be when our borders are opened or closed to particular states. It might increase or decrease the need for truck drivers to be tested. To be frank, we have been significantly impacted by the propensity of other states to undertake testing for particular cohorts. Often when other states are less willing to undertake tests for certain cohorts, we need to increase our effort.

Mr PICTON: Dr Cusack said on 17 August, 'I'd see it as ongoing.' What the minister is saying is that that was not necessarily ongoing and the focus changed from time to time, and therefore perhaps this was happening at some time but was not happening continually from 17 August until today.

The Hon. S.G. WADE: I have nothing to add to my previous answer.

Mr PICTON: What dates was the active surveillance testing program actually operating?

The Hon. S.G. WADE: I think that is a question that I have already been asked.

Mr PICTON: By what date last week were all hotel quarantine staff, including private security guards, including hotel staff, subjected to proactive COVID testing?

The Hon. S.G. WADE: I will take that on notice.

Mr PICTON: In relation to the Halton review, the national quarantine review—I might just call it the Halton review from now on—there is very little detail in that in regard to South Australia. The minister misquoted me before saying that I agreed it spoke highly of South Australia. It does not speak at all about South Australia in terms of a positive or negative assessment. But the Chief Public Health Officer said in the past few days, 'We were given a few small suggestions, but nothing major in terms of improvements.' Noting that those small suggestions were not listed in the report, can you outline what those suggested improvements were that came out of that report?

The Hon. S.G. WADE: The Halton report was a report to national cabinet and so the Premier is the relevant minister and the Chief Public Health Officer had access through the AHPPC.

Mr PICTON: So did you not receive, as the minister who has oversight of the Department for Health and Wellbeing, the suggestions that came out of the Halton report?

The Hon. S.G. WADE: The Halton review itself has been published, but the comparative analysis is in appendices which national cabinet has not made public.

Mr PICTON: Have you seen the appendices?

The Hon. S.G. WADE: No, I have not.

Mr PICTON: Why have you not read the appendices from this report?

The Hon. S.G. WADE: It is a confidential national cabinet document.

Mr PICTON: So it is confidential from the Minister for Health? You are not allowed to see this report?

The Hon. S.G. WADE: As a former political staffer in the federal parliament—

Mr PICTON: You were a staffer, too.

The Hon. S.G. WADE: —the honourable member would recall that national cabinet, as a part of the federal cabinet, is subject to very strict confidentiality requirements.

Mr PICTON: Who in your department has seen the appendices to the Halton report? Has anybody?

The Hon. S.G. WADE: My understanding is the Chief Public Health Officer has access, and I will seek confirmation of that.

Mr PICTON: So the people who you have mentioned at the beginning of this who were responsible for hotel quarantine, particularly the chief executive, the chief nursing and midwifery officer, they have not seen the appendices to the Halton report into an assessment of our hotel quarantine system?

The Hon. S.G. WADE: I have nothing to add to my previous answer.

Mr PICTON: How have you declared that South Australia received a gold star in the Halton report when such a statement is not made in the report that has been released publicly and you have not read and do not have access to the appendices that are attached to it?

The Hon. S.G. WADE: I have been advised that the Premier and by the Chief Public Health Officer, and I am also advised that the secretary of the federal department has similarly confirmed that with the department.

Mr PICTON: How can your department implement the recommendations of the appendices to the Halton report if you or your chief executive do not have access to the appendices?

The Hon. S.G. WADE: As I have indicated, the Chief Public Health Officer is a member of the AHPPC and has access.

Mr PICTON: Who was responsible for the oversight of the implementation of recommendations in the appendices to the Halton report?

The Hon. S.G. WADE: We understand the recommendations are in the main body.

Mr PICTON: Have all suggestions, recommendations or advice in the appendices to the Halton report been implemented?

The Hon. S.G. WADE: It is as I have said. I refer the member to my previous answer.

Ms BEDFORD: I refer to Budget Paper 4, Volume 3, page 15, in relation to the Modbury Hospital upgrade and development. Can the minister advise the committee how many acute cases requiring surgery have been transferred to other hospitals because of the closure of all four operating theatres at the Modbury? What hospitals have been performing these operations and how many of them were performed at each of those sites?

The Hon. S.G. WADE: I need to seek that information on notice.

Ms BEDFORD: I refer to Budget Paper 4, Volume 3, page 12, Sub-program 2.4: Women's and Children's Health Network, which is detailed on page 39. What are the current and planned arrangements for the outsourcing of surgery from the Women's and Children's Hospital? Which private hospitals will be performing these services? Have any patients already had their operations undertaken off site?

The Hon. S.G. WADE: I will take that question on notice.

Ms BEDFORD: My last question is, can you explain why there appears to be no new funding to address identified substantial deficiencies in resources, staffing and equipment at the Women's and Children's Hospital?

The Hon. S.G. WADE: With all due respect, the funding for the network has increased.

Ms LUETHEN: I refer to Budget Paper 4, Volume 3, page 63. Could the minister outline how the expanded My Home Hospital program will provide better healthcare services closer to home?

The Hon. S.G. WADE: I would ask the chief executive of the department to provide you with an answer.

Dr McGOWAN: The My Home Hospital program recognises the fact that many people who occupy beds in our hospitals do so because there is a lack of effective services in the home. The proposition is essentially that if somebody has an illness, such as cellulitis or a urinary tract infection or something like that which requires more care than a GP can provide in his or her practice in the context of a fee-for-service business model, currently they end up in hospital.

That creates use of beds and blockage in the emergency departments and so on and so forth. So the proposition is that if we can give those people a service at home—quality nurses and doctors visiting and monitoring them at home, where it is safe to do so—it will provide a much more convenient service for the patient. It will mean the ambulance is not having to wait to get them into care, because essentially they are getting the service at home at a reduced cost to the community, thereby relieving pressure on our hospitals.

We think this is an exciting new direction for health that essentially tries to populate the gap between the general practice, our excellent general practitioners, and our very expensive and very sophisticated hospital system. This will go live. I think at the moment on 17 December it is expected to start taking its first patients. Initially, it will focus on providing care to people in nursing homes, and we would like to see it grow out to a significant part of the health system architecture over the coming years.

Mr DULUK: I refer to Budget Paper 4, Volume 3, page 16, row 3, Repatriation Health Precinct Reactivation. How much funding in this year's budget has been allocated to surgery services at the Repat? What is the time frame for surgery to return to the Repat precinct? Have any preferred private providers been identified for the project, or has SA Health had any difficulties in sourcing preferred surgery providers for the Repat site?

The Hon. S.G. WADE: A preferred surgery partner has been identified for the Repat site, and discussions are going on between the preferred provider and the Department for Health and Wellbeing on the appropriate workload and mix.

Mr DULUK: How much has been allocated to surgery services in this year's budget for the Repat?

The Hon. S.G. WADE: It is very much linked to those discussions. The primary source of the funding is from within the current allocations of the networks.

Mr PICTON: I refer to the same budget line as before, Budget Paper 5, page 76 and the operation of a robust hotel quarantine system. For patient zero of the Parafield cluster, the security guard, who was identified yesterday, when was the last time that that security guard received a negative test?

The Hon. S.G. WADE: I am not going to engage in clinical matters. My understanding is that inquiries are still going on as to the composition of that cluster.

Mr PICTON: Did that patient zero, the first private security guard, breach any infection control procedures at any time that they had been working in the medi-hotel system?

The Hon. S.G. WADE: I would refer the honourable member to the public comments made by the Chief Public Health Officer yesterday.

Mr PICTON: Did that patient zero, the first private security guard, have a record of any breaches in the hotel quarantine system?

The Hon. S.G. WADE: I am not willing to take questions on notice on matters that actually relate to individual security guards.

Mr PICTON: How long had that security guard been working for the hotel quarantine system as a private security guard?

The Hon. S.G. WADE: As I said, I appreciate the broad scope of the estimates committee inquiry. That is why I have been quite willing to take questions on the programs, but on the circumstances of individuals I am not.

Mr PICTON: Have all private security guards and cleaners been interviewed as part of the investigation into the outbreak?

The Hon. S.G. WADE: That is a very broad question. Are we talking about the cleaners at the Stamford as well?

Mr PICTON: No, at Peppers.

The Hon. S.G. WADE: I am happy to take that on notice.

Mr PICTON: At Peppers, are there any shared facilities whereby the virus could have transmitted between staff, such as a lunchroom or other shared facilities?

The Hon. S.G. WADE: I am not aware.

Mr PICTON: Have you made inquiries as to whether there are shared facilities such as lunchrooms, etc., where security guards and cleaners may have mixed?

The Hon. S.G. WADE: If the honourable member is asking me, 'Do I have such little confidence in SA Health and SA Police that I would want to second-guess their investigation?', the answer is no.

Mr PICTON: What is the current status of the investigation, and have you received any briefings in relation to the investigation?

The Hon. S.G. WADE: I have certainly been involved in conversations with the Chief Public Health Officer, and she has also made public comments that the investigation is ongoing, particularly related to communicable disease specialists looking at the material.

Mr PICTON: What was the procurement process for the contract with Peppers or its parent, the Accor group?

The Hon. S.G. WADE: My understanding is that Peppers engaged in this program through responding to a public expressions of interest process. I also make the point that different hotels involved in this program are involved in different hotel groups.

Mr PICTON: What is the value of the contract with Peppers and what is the term of the contract?

The Hon. S.G. WADE: I am advised that different providers in the panel have different arrangements. I am happy to provide further advice to the member.

Mr PICTON: Who supervises the contract with Peppers and with other hotels involved in the hotel quarantine program?

The Hon. S.G. WADE: Similar to my answers to the security contract, there is a contract manager for the panel of medi-hotel providers.

Mr PICTON: What guarantees are given in the contract regarding infection control or the training of staff?

The Hon. S.G. WADE: Similar to my answer in relation to security services, rather than guarantees there are obligations under the contract. I will certainly seek a summary of those for the honourable member.

Mr PICTON: What training do the hotel staff receive in regard to infection control?

The Hon. S.G. WADE: I will take that question on notice.

Mr PICTON: Do hotel groups—i.e. Accor, which runs a number of the hotels in the program—share staff across hotel quarantine sites in the group?

The Hon. S.G. WADE: I am advised that that has occurred.

Mr PICTON: Sorry, did you say that staff have worked across multiple sites?

The Hon. S.G. WADE: I understand that that has occurred.

Mr PICTON: How many hotels has that occurred across?

The Hon. S.G. WADE: I am happy to take that on notice.

Mr PICTON: Has that been something where SA Health have provided approval for that to occur?

The Hon. S.G. WADE: I will seek advice.

Mr PICTON: Is that still the practice as of today, that staff are working across different sites?

The Hon. S.G. WADE: I refer the honourable member to my earlier answers on a similar question.

Mr PICTON: Does that mean that they are still occurring as of right now?

The Hon. S.G. WADE: That means that the answer is still relevant.

Mr PICTON: So the answer that they are still working across sites is still relevant as of today?

The Hon. S.G. WADE: I refer the honourable member to my previous answer.

Mr PICTON: Does each hotel or hotel group have their own COVID procedures or does each of them follow a common SA Health procedure?

The Hon. S.G. WADE: Obviously, hotel management has the right to run their own hotel, but in relation to infection control they need to operate in accordance with SA Health's infection control arrangements.

Mr PICTON: So there is a common infection control procedure that applies across each hotel?

The Hon. S.G. WADE: My understanding is that SA Health infection control specialists work with the management in relation to infection control arrangements that are appropriate for their particular site.

Mr PICTON: Thank you, minister, but does each hotel have a separate infection control procedure or is there a common infection control procedure across every site?

The Hon. S.G. WADE: My understanding is the infection control arrangements would need to be sensitive to the particular site.

Mr PICTON: Are those infection control procedures drafted by SA Health or are they drafted by each hotel or hotel group?

The Hon. S.G. WADE: I will take that on notice.

Mr PICTON: So, minister, you are not aware whether SA Health are the ones who have come up with the infection control procedures or whether the hotels are coming up with the infection control procedures?

The Hon. S.G. WADE: SA Health infection control specialists drive infection control practices at medi-hotels.

Mr PICTON: Does SA Health approve each infection control procedure at each of the hotels?

The Hon. S.G. WADE: I have nothing more to add to my previous answer.

Mr PICTON: Why was it only yesterday that deep cleaning took place at the Peppers Hotel given that the issues there have been known since 15 November?

The Hon. S.G. WADE: I am advised that deep cleaning occurs on an ongoing basis as a positive case departs a room. Obviously, the full deep cleaning of Peppers will need to await the full decanting of active cases.

Mr PICTON: So the deep cleaning of Peppers has not yet occurred?

The Hon. S.G. WADE: I refer the honourable member to my previous answer.

Mr PICTON: Has any further deep cleaning of medi-hotels happened, particularly including the Stamford, since 15 November?

The Hon. S.G. WADE: My understanding is that the deep cleaning of rooms in each of the hotels is ongoing as active cases leave particular rooms.

Mr PICTON: What about the shared facilities that are used by the staff at the medi-hotels?

The Hon. S.G. WADE: I am happy to seek advice for the honourable member in relation to the cleaning schedule for common areas at medi-hotels.

Mr PICTON: As clearly has been mentioned publicly, the Victorian review—I am sure the minister knows, even though he has not read it—states that private security guards should only be employed solely at the hotel quarantine sites and not be working at other locations. I understand the government has not gone down that path, but does the South Australian government know about secondary employment of security guards and other hotel staff? As of today, are you aware of the secondary employment of all those staff?

The Hon. S.G. WADE: As it is not a requirement under the contract, my understanding is that we would not be advised, but this is exactly the sort of issue that will be addressed by the AHPPC as they respond to the government of South Australia's request for any advice on secondary employment and related issues.

Mr PICTON: Even if you, minister, and the government obviously do not want to go down the path of prohibiting secondary employment, why would it not make sense to put out a request for all those staff to provide details of their secondary employment to at least make sure that, if there

were to be another outbreak, there is readily available information in regard to that secondary employment?

The Hon. S.G. WADE: That is exactly the sort of opportunity that I expect the AHPPC will address in its advice.

Mr PICTON: Do you not believe that there might be a need to act quicker rather than waiting for a report in terms of asking for details of secondary employment?

The Hon. S.G. WADE: I will pass the honourable member's suggestion to the Chief Public Health Officer.

Mr PICTON: When will the government's contract with Wakefield Hospital expire?

The Hon. S.G. WADE: I am advised that the current contract expires on 22 February 2021.

Mr PICTON: If that was to be used as the new health facility, what would be the government's plans after February next year?

The Hon. S.G. WADE: I suggest to the honourable member, with all due respect, that it is a hypothetical question.

Mr PICTON: Is the minister aware that a private developer owns that site and has signalled their intention to create an ageing and health precinct?

The Hon. S.G. WADE: In broad terms I am aware of that.

Mr PICTON: Would the government consider using emergency powers to compulsorily acquire or otherwise prevent that from occurring?

The Hon. S.G. WADE: As I indicated to the honourable member, I am not willing to wander into the realm of hypotheticals.

Mr PICTON: I note that in an answer to a question on notice you provided, as of 17 June there had been no staff who had stayed at a so-called health heroes hotel. Up until today's date have there been any staff who have stayed in a health heroes hotel?

The Hon. S.G. WADE: I will need to take that on notice to seek an update. I would make the point that South Australia, fortunately, has had a lower number of active cases in recent times—shall we say since the first wave. Also the fact that a service has not needed to be used does not mean it is not valued.

Mr PICTON: Is there a current health heroes hotel available?

The Hon. S.G. WADE: My understanding is that there is an established relationship in place, but I will seek further information on notice.

Mr PICTON: Does SA Health have the ability to approve flights and arrivals into South Australia, or is that a responsibility of the federal government and we are just notified when they are occurring?

The Hon. S.G. WADE: My understanding is that the federal government and the state government work together in a cooperative way in that regard. South Australia indicated recently that we sought a pause in the flights, and that request was respected.

Dr HARVEY: My question relates to Budget Paper 4, Volume 3, page 15. Can the minister please provide an overview of the \$40 million budgeted for the Modbury Hospital redevelopment? What services will this provide to Modbury once the redevelopment is complete?

The Hon. S.G. WADE: I thank the honourable member for his question, and I will ask Mr Tim Packer to provide an answer.

Mr PACKER: The South Australian government has committed a total budget of \$98 million to upgrade and provide additional services at Modbury Hospital, including the re-establishment of a four-bed high-dependency unit. The main works construction commenced in October 2019, and the planned completion date is December 2021.

The government is committed to ensuring that people in the north and the north-eastern suburbs are provided with more healthcare services close to home. The project will deliver the following:

- an emergency extended care unit, which was opened in August 2019;
- a short stay general medical unit located next to the hospital's emergency department;
- a new surgical unit, including additional procedural spaces and new operating theatres;
- a new four-bed high-dependency unit;
- a new state-of-the-art purpose-built palliative care unit with 20 individual rooms;
- a new outpatient department and upgrade of the building facade; and
- significant engineering infrastructure upgrades.

There has also been a refurbishment of a further level within the tower building. The funding of \$40.15 million provided in 2020-21 will complete the outpatient department, the surgical unit, including the HDU, and to progress the construction of the palliative care unit, the short stay general medical unit and the engineering upgrades.

Obviously, the works will continue to be delivered in a staged manner, reflecting the operational nature of Modbury Hospital. Components will be progressively delivered as they come online to allow the hospital to continue to deliver clinical functions throughout the project. With the reduction in elective surgeries there was an opportunity to complete all four operating theatres in one stage rather than over multiple stages. This work is currently ongoing and will be completed in April 2021, which is eight months ahead of the program.

Works are currently underway to Level 1 West and North surgical unit with the installation of services and internal partitioning. The location of the HDU has been created on Level 1 East and the completion of this work has created some additional bed capacity which is available.

Ms BEDFORD: I refer to my earlier question on the Women's and Children's Hospital, Budget Paper 4, Volume 3, Program 2 to Sub-program 2.4, and ask how much of the capital upgrade was spent on consultants through to the previous two years, and was any of that money left over?

The Hon. S.G. WADE: I will seek an answer to the honourable member's question on notice, but I have heard suggestions of the amount spent on consultants in relation to this project which I am assured by the network are without foundation, but I will seek specific advice. My understanding is that the type of consultancy work that would have been undertaken on a project like this would incur normal project-related consultancy costs. Every project needs to engage a range of skills to be delivered.

Mr PICTON: I refer to Budget Paper 4, Volume 3, Sub-program 2.1: CALHN, page 29. What are the contractual arrangements for KordaMentha returning to CALHN? We understand the media from the other day saying that there was a pause in their contract and they were given a payment of \$57,000 during that time. What payments are they receiving under the revised contract, and what is the total sum of the contract now?

The Hon. S.G. WADE: I am advised that the cost of the varied contract is \$4.403 million, which represents a saving to government of about \$10 million, compared with the previous extended contract. In terms of the focus of the work, I am advised that the team is working both remotely and on the ground, and they will focus on initiatives and opportunities to assist CALHN's operational services workforce capability and flexibility for the remainder of the contract extension.

Mr PICTON: Has there been any approval for KordaMentha staff who are based in Melbourne or Victoria to travel physically to Adelaide as part of their work for CALHN?

The Hon. S.G. WADE: I am not aware of any exemptions being provided.

Mr PICTON: I refer to an email from KordaMentha, Natalie Chin, on 14 February to, amongst others, your chief executive, Chris McGowan, their 'CALHN Organisational Recovery—Weekly Update', which refers to:

Key meetings and discussions were with:

- various meetings with the CALHN Executive and 2020 Delivery to develop a new March-June Bed Plan to increase standby beds to assist in improving efficiency and meeting financial budget.

Key activities and updates include:

- Worked with Executive and 2020 Delivery on the various detailed patient efficiency initiatives to reduce occupancy/increase standby beds and feed into the preparation of a new March-June Bed Plan.

What were the contents of the March-June bed plan, and how many beds have been transferred from active beds to standby beds in CALHN this year?

The Hon. S.G. WADE: I am happy to approach CALHN and seek answers to those questions on notice for the honourable member.

Mr PICTON: How many overnight beds are currently available in CALHN, as opposed to the same time last year?

The Hon. S.G. WADE: I would like to highlight to the member that the CALHN efforts to establish beds on standby is key to their strategy to make sure the hospital works effectively. A hospital does not work properly if it is packed to the rafters. Making sure that there are beds on standby means they have the ability to respond to surges when they come.

Mr PICTON: I refer to Budget Paper 4, Volume 3, Workforce summary, page 13. How many voluntary separation packages were offered and accepted in the 2019-20 calendar year across the local hospital networks and the department, and how many so far in the 2020-21 financial year?

The Hon. S.G. WADE: In terms of the 2019-20 financial year, I am advised that a total of 321 separation packages were accepted, and I am advised that nine of them related to the department. I think it is really important to see voluntary separation packages in the context of the overall work force. One of the key positive opportunities that volunteer separation packages give to both workers and to management is to refresh organisations.

The fact that voluntary separation packages are being offered does not necessarily mean that the workforce is being reduced, and in that context I would refer the honourable member to the Auditor-General's Report, which indicates that, in spite of those separation packages being offered, there has been an increase in the size of the health workforce this year. In particular, the number of doctors employed by SA Health has grown by 120 this year.

Mr PICTON: Budget Paper 5, page 77, Transport relief for hospital staff to support COVID-19 Response. The funding for this measure only expires this financial year. Does that mean that, as of next financial year, there is no funding in the budget to provide transport relief for hospital staff or their car parking fees?

The Hon. S.G. WADE: The government has indicated that we are keen to recognise the work of the health workforce in the context of the pandemic, and the initiative is linked to the duration of the pandemic.

The CHAIR: The time agreed and allocated for the examination of proposed payments in relation to the portfolios of SA Health has expired; therefore, there are no further questions and I declare the examination completed.

Sitting suspended from 17:31 to 17:45.

Membership:

Ms Wortley substituted for Ms Stinson.

Departmental Advisers:

Dr C. McGowan, Chief Executive, Department for Health and Wellbeing.

Dr J. Brayley, Chief Psychiatrist, Department for Health and Wellbeing.

Mr J. Woolcock, Chief Finance Officer, Department for Health and Wellbeing.

Ms M. Bowshall, State Director, Drug and Alcohol Services, Department for Health and Wellbeing.

The CHAIR: We move to the examination of proposed payments in this session, from 5.45 until 7.15 this evening, in regard to the portfolio of SA Health (mental health and substance abuse). The minister appearing is the Minister for Health and Wellbeing. The estimates of payments are in relation to the Department for Health and Wellbeing, as previously mentioned, the Commission on Excellence and Innovation in Health and Wellbeing SA. I advise that the proposed payments remain open for examination and refer members to the Agency Statements, Volume 3. Minister, if you would like to make an opening statement and introduce your advisers, please proceed.

The Hon. S.G. WADE: I would like to introduce my department executive to the panel. To my left is Dr Christopher McGowan, Chief Executive, Department for Health and Wellbeing. Behind me is Dr John Brayley, Chief Psychiatrist; Ms Marina Bowshall, State Director, Drug and Alcohol Services; and Mr Jamin Woolcock, Chief Finance Officer, Department for Health and Wellbeing.

I would like to acknowledge the strain that the COVID pandemic has placed on our community and its impact on health and wellbeing. The government of South Australia has acted swiftly to support the South Australian community through this difficult time by establishing new support programs and expanding existing services.

The South Australian Virtual Support Network, which was established in direct response to COVID-19, focuses on early intervention and mental health prevention services, increases drug and alcohol service capacity, and provides initiatives for children and young people affected by social isolation and the economic impacts of COVID-19.

I would like to sincerely thank our frontline staff, the doctors, nurses, midwives and allied health professionals, along with our administrative staff, for their ongoing commitment to delivering services and working tirelessly to provide quality and safe care across the health system.

The Marshall government has made mental health a key priority. On 2 November 2019, we released the South Australian Mental Health Services Plan 2020-2025. The plan will guide future resourcing options and enable the safe stewardship of the state's existing investment in mental health services.

Key themes of the plan include a life course approach, therapeutic engagement, recovery-oriented services, consumer participation and peer support services, carers (including young carers), equity of access to services, staff wellbeing, Aboriginal mental health and effective suicide prevention. Significant progress has also been made towards the establishment of the Urgent Mental Health Care Centre, with the successful service provider engaged in September this year.

The Marshall government continues to focus on addressing the harms associated with alcohol, tobacco and other drugs. We recognise their impact not only on the health of the individual but also on the health of our community. It is estimated that these issues cost the Australian community \$55 billion per annum in social costs, such as health care, productivity and crime.

Such figures highlight the importance of coordinating efforts both within health and across other portfolios to ensure harm is reduced and the impact of substance abuse is reduced for individuals, families and the community as a whole. I would like to acknowledge the work of Drug and Alcohol Services South Australia in leading efforts both within and across other portfolios, as well as the non-government and private sectors, to ensure harm is reduced for individuals, families and the community.

I am pleased to report briefly on some of the significant health gains that have been achieved as a result of these efforts. In 2019, 9.7 per cent of South Australians aged 15 years and over reported daily smoking, confirming the downward trend observed in recent years. The proportion of 15 to 19 year olds who abstain from alcohol increased from 38 per cent in 2011 to 53 per cent, and the use of methamphetamine in South Australia decreased significantly from 1.9 per cent in 2016 to 1 per cent in 2019.

I conclude my opening remarks by once again thanking all our staff for their support, hard work and dedication to delivering quality and safe care.

The CHAIR: Lead speaker for the opposition, did you wish to make an opening statement?

Mr PICTON: No.

The CHAIR: With opening statements concluded, I call on members for questions. The member for Kaurana.

Mr PICTON: I refer to Budget Paper 4, Volume 3, page 29, Central Adelaide Local Health Network (CALHN). Did the minister receive a letter from 28 emergency department doctors at the Royal Adelaide Hospital dated 9 September raising concerns about the care of mental health patients?

The Hon. S.G. WADE: My recollection is that I did.

Mr PICTON: Has the minister read the letter from the emergency department doctors?

The Hon. S.G. WADE: Yes, the work that is being done at the Central Adelaide Local Health Network in relation to the development of our services, particularly the model of care, emanates from an inspection by the Chief Psychiatrist, and the Chief Psychiatrist continues to liaise with CALHN in the development of services.

Mr PICTON: What is the minister's reaction to the letter to the chair of the board, copied to him and the Premier, saying that the current efforts to reform CALHN mental health services are unlikely to lead to meaningful change?

The Hon. S.G. WADE: My response is that I have great confidence in the Chief Psychiatrist, the management and board of CALHN and the goodwill of clinicians as they work together to deliver quality and safe care.

Mr PICTON: The minister says people are working together to deliver quality and safe care, but the letter clearly states:

Daily, ED nurses and doctors are forced to provide care that they know is suboptimal, and at times, unethical. In addition, they work with a continual risk of violence or assault that increases with the time patients spend in the continual light and noise of the ED.

Does the minister agree that the care being provided to patients at the moment is suboptimal and unethical?

The Hon. S.G. WADE: What I want to make very clear is that I have no doubt that all of the people who are participating in this conversation have, first and foremost, the desire to deliver the best possible care. There are clearly issues in terms of delivering on that. Some of those issues were highlighted by the Chief Psychiatrist as a result of his inspection. The Chief Psychiatrist put in place a gazettal, which has led to a whole piece of work being done. I would perhaps ask the Chief Psychiatrist if he could explain to the committee the work that is being done.

Dr BRAYLEY: As you may be aware, the gazettal conditions, using the powers of the Chief Psychiatrist in the Mental Health Act, were put in place because of concerns about the lack of a model of care at the Royal Adelaide emergency department, also the lack of an interview room and the need to make sure that instances of restrictive practice were clinically recorded so that they could be reviewed with the aim of reducing the use of restrictive practices.

That gazettal condition actually followed an inspection in January. Because there had not been sufficient change, on review later in the year, by I think about late June, the gazettal condition was put in place. That led to extensive work at CALHN. I was very pleased to see the involvement of the board executive, clinical leaders and clinicians in developing that work. Towards the end of that three-month period, I received quite an extensive report from CALHN about the progress that had been made at that time.

I thought that the work that was presented to me was intensive and of high quality. It looked at the areas of the gazettal condition but it also encompassed issues of hospital diversion and the complete flow through their system because, at the same time, other initiatives, such as Hospital in

the Home and looking at the further expansion of the mental health ambulance co-response, were also being discussed. With that, the gazettal conditions were lifted, but we continued to monitor the situation, recognising, for example, that the basis of a model of care is in place but that that model of care is still subject to consultation and is yet to be finally implemented.

I believe that the sorts of concerns that we saw in our inspection are similar to the concerns of clinicians and consumers. I think the most important caveat is that our gazettal condition is not a reflection on the individual clinicians at the Royal Adelaide ED or in mental health. It reflected the need to have improved systems in place, rather than reflecting the dedicated work of clinical staff.

Mr PICTON: Minister, is it now your view that the concerns raised by 28 emergency department doctors at the Royal Adelaide—that the care that they know is suboptimal and at times unethical—are now resolved?

The Hon. S.G. WADE: My understanding of the advice that the Chief Psychiatrist gave us is that that work is still ongoing.

Mr PICTON: So there is still care that is being provided that is suboptimal and unethical to this date.

The Hon. S.G. WADE: The Chief Psychiatrist continues to work with the CALHN management and board and, for that matter, the teams of clinicians at the hospital to ensure that we deliver the best possible care to patients.

Mr PICTON: With respect, minister, that may be the answer to some question but not to my question, which is: is there care currently being provided in CALHN which is suboptimal and unethical, as was stated by 28 emergency department doctors only a couple of months ago?

The Hon. S.G. WADE: As I indicated, there is still room for improvement.

Ms LUETHEN: Referring to Budget Paper 4, Volume 3, page 21, could the minister please outline the measures implemented to provide mental health support to the South Australian community during the COVID-19 pandemic, particularly for people living in the northern suburbs of Adelaide?

The Hon. S.G. WADE: I will ask the Chief Psychiatrist to respond to that question.

Dr BRAYLEY: The COVID-19 mental health support was mentioned by the minister in the introduction. It was initially called the Virtual Support Network and still is, because a lot of the services were being delivered virtually but then came to be more face-to-face services.

In terms of the budget side of this, there was an initial amount of \$1.277 million allocated in 2019-20, which was invested to establish the network. This stage 1 of the Virtual Support Network included the COVID-19 Mental Health Support Line. It also encompassed support for carers, people from culturally and linguistically diverse communities and Aboriginal communities, and people already with a lived experience of mental illness.

In May 2020, cabinet approved further funding \$4.421million for stage 2 of this response. This enabled increased drug and alcohol service capacity, enhanced use of digital technology, initiatives for children and young people, increased capacity for mental health services for older persons, to residents, enhancing in-reach into aged care, increased counselling services, prison in-reach services delivered by forensic mental health and allied health.

There were resources for the Commissioner for Public Sector Employment to provide enhanced mental health and wellbeing support for public sector employees. In addition, there was funds allocated to the Mental Health Coalition to assist with preparedness in the event of a further outbreak, preparedness for the mental health NGO sector. There is a governance oversight group that looks at how the money is spent and re-prioritises according to need.

Most recently, stage 3, as announced in the budget, was the \$10.711 million, which has further expansion of drug and alcohol in-reach and outpatient support, and also expands the mental health co-response with ambulance, because by the time stage 3 came about we were seeing significant increases in calls to our crisis lines, increases in mental health and drug and alcohol presentations to emergency departments. So the response has been flexible and overseen by that

committee. These are predominantly statewide services that can be accessed by people across SA, including the people in the north of Adelaide.

Specifically with regard to NALHN, in the second phase, the Northern Adelaide Local Health Network received \$350,166 in that period, which covered clinical resources, digital resources and money for older persons in-reach residents in aged care. There was also \$203,000 to establish forensic mental health assessment and treatment for prisoners, because there were concerns about prisoner mental health during this period. There was a similar initiative with CAMHS for youth who were in contact with the justice system. That is a run-down for the state and some specific information about funding to NALHN.

Mr PICTON: I refer to the same budget line as before in relation to CALHN, Budget Paper 4, Volume 3, page 29. The letter from the 28 emergency department doctors stated:

Recent public criticism—explicit and implied—and scapegoating of ED staff for outcomes that relate to CALHN's inability to provide adequate mental health services has had a catastrophic effect on morale.

Minister, when you received that letter outlining the concerns about public criticism, what action did you take to address the issue of morale of the staff of the emergency department?

The Hon. S.G. WADE: Certainly, at around that time, I had a number of discussions with the Chief Psychiatrist and people at CALHN. I was confident that a respectful conversation was the goal of the leadership and I believe that relations have significantly improved since the time of that letter.

Mr PICTON: Do you believe that the emergency department staff were being scapegoated for blame?

The Hon. S.G. WADE: I do not believe they were being scapegoated. I appreciate that people were concerned about being scapegoated but, as the honourable Chief Psychiatrist indicated just minutes ago, we do not blame the clinicians for the services that they have inherited. Let's be clear that the Royal Adelaide Hospital transferred from the old Royal Adelaide Hospital site to the new Royal Adelaide Hospital site without a model of care and that is an element of the legacy of the former government which we are trying to address.

Mr PICTON: Minister, have you taken action to make sure that the emergency department staff of the Royal Adelaide know that they are able to speak publicly about their concerns? In their letter to the chair of the board and to you, they said:

SA Health's insistence that clinicians are also not allowed to speak publicly about these issues compounds the distress that many staff are suffering.

The Hon. S.G. WADE: I have repeatedly made public statements which indicate that I respect the right of clinicians to speak publicly on matters of concern. But fundamentally, we look to clinicians, management, boards and, for that matter, oversight bodies such as the Chief Psychiatrist to work together. I believe much can be achieved collaboratively and the media does not always help.

Mr PICTON: Is there an insistence from SA Health that clinicians are not allowed to speak publicly?

The Hon. S.G. WADE: I am advised by the chief executive of the department the answer is no.

Mr PICTON: Did you offer to meet with the clinicians after receiving this letter from them?

The Hon. S.G. WADE: Not that I recall.

Mr PICTON: You did not make an offer. You have not met with them, I presume, following the receipt of this letter from the 28 doctors.

The Hon. S.G. WADE: I am happy to take that on notice.

Mr PICTON: Did you ask anyone from the department or from CALHN to speak to these doctors and address their concerns?

The Hon. S.G. WADE: As I indicated earlier, I had discussions with both the Chief Psychiatrist and with representatives of CALHN. I was aware of the ongoing discussions and I am pleased that progress is being made.

The CHAIR: Member for Kaurna, I have been very generous through this hearing so far. If I can please just bring you back to providing a budget reference for each question, and I remind you that questions should be guided to a relevant budget line and you need to be able to reference that budget line in your question.

Mr PICTON: Yes. I refer to Budget Paper 4, Volume 3, page 29, Central Adelaide Local Health Network. There was a number of suggestions raised by the 28 doctors in their letter to you regarding the provision of mental health services at the Royal Adelaide Hospital. I would like to ask your response to each of them and what actions you have taken. The first is:

Ending localised bed management: it is not acceptable that a patient waits days in the Royal Adelaide ED while a mental health bed is available in SALHN or NALHN. We have repeatedly asked why this should be the case and have not received an answer.

The Hon. S.G. WADE: Localised bed management is a longstanding issue of concern and it certainly predates this government. I wonder if the Chief Psychiatrist might give us a perspective on the issues involved.

Dr BRAYLEY: The question of localised bed management is currently under review. In the Office of the Chief Psychiatrist, the Director of Planning, Policy and Safety is doing that work. We have also looked at modelling about what happens if you change the localised bed management model, because when it was put in place it was considered to have an important role in the way the system operates. Some of that modelling and review of data would suggest that, basically, localised bed management might work but then, when there are peaks, the system becomes more flexible in terms of having systems with other LHNs taking referrals.

Currently, this assistance will occur on an urgent basis. The chief operating officers do have regular teleconferences when there are significant bed demands, but the localised bed management policy—that question, this particular approach that has been in place—is likely to be modified so that it is more flexible at peak times.

The Hon. S.G. WADE: I think it would be fair to say that CALHN is particularly affected by localised bed management because people from all over the city and all over the state might come to the Royal Adelaide and not be accessing the services of other hospitals.

Mr PICTON: The second issue that the 28 doctors raised with the government in their letter of concern was:

An equitable distribution of rural and remote patients requiring transfer: these patients continue to be sent overwhelmingly to the RAH ED; even when the only available beds may be in SALHN or NALHN.

Why is there not a better distribution of those regional patients?

The Hon. S.G. WADE: I will ask the Chief Psychiatrist to respond to the honourable member's question.

Dr BRAYLEY: When the localised bed management policy was put in place, when people in rural areas are transferred into the city, there are particular flows as to which hospital they will go to. As you can imagine, people from the Fleurieu Peninsula would be going to the SALHN area. People from the region just north of NALHN would go to the Lyell McEwin and significant numbers of people, including those who come in via air transfer, do go to the Royal Adelaide Hospital.

That has been operating for some time, but this is the very issue of simulation modelling that we have looked at in terms of how those flows can be changed for rural people in terms of their emergency department assessment, noting that the rural and remote unit for many of these people is going to be the place where they will get their inpatient admission on the Glenside campus.

The rural and remote unit is run by Barossa Hills Fleurieu, but in the model that was put in place a few years ago, basically the work on the Glenside campus and the Royal Adelaide was linked together, which is why the RAH ED has had these people referred through it. Indeed, that is

something to be changed, particularly at peak times, and has also been the subject of modelling that can show the benefit of changing those flows.

Mr PICTON: The third issue that was raised, minister, with you and the board was:

Re-examination of the types of patients in Mental Health beds: we have been assured in the past that the opening of additional Forensic beds would mean that patients requiring forensic care would no longer have to wait in the RAH ED for such a bed; but we still see long waits for these beds and it is not clear why this continues to be the case.

In relation to that recommendation, minister, what action did you take?

The Hon. S.G. WADE: Two of the initiatives of the Marshall Liberal government directly relate to forensic services. This government opened 10 forensic mental health beds at Glenside and introduced a court diversion service. I am advised that the allocation of the additional forensic mental health beds has improved services for forensic mental health patients but, in the spirit of continuous improvement, NALHN, which is the network responsible for the Forensic Mental Health Service, is currently reviewing the utilisation of those beds.

Mr PICTON: How many emergency department beds in CALHN are typically occupied by mental health patients, noting that the doctors in this letter approximated that it was 25 per cent to 50 per cent?

The Hon. S.G. WADE: We do not have that data with us. We will take that on notice.

Mr PICTON: Have any inpatient mental health beds been added to CALHN to address the concerns raised by these 28 doctors in their letter of concern?

The Hon. S.G. WADE: Yes.

Mr PICTON: How many?

The Hon. S.G. WADE: There were an additional four beds, with an intention to add to those. I cannot tell you how many have been added since the initial four.

Mr PICTON: How many of those four or eight beds are open today?

The Hon. S.G. WADE: I think my previous answer made it clear that that is not clear.

Mr PICTON: What percentage of rural and remote patient transfers are sent to CALHN, as opposed to other LHNs, for mental health patients?

The Hon. S.G. WADE: I am happy to take that question on notice.

Mr PICTON: Have there been any budget cuts to mental health programs within CALHN?

The Hon. S.G. WADE: The member used the word 'any'. I will need to consult with the local health network to be able to answer that question.

Mr PICTON: Given that this is budget estimates and CALHN is a feature of the budget, will CALHN have the same funding for mental health in this financial year as it had in the previous financial year, or will there be a reduction or an increase?

The Hon. S.G. WADE: Funding for mental health services is provided by the government to the Central Adelaide Local Health Network. It is their responsibility to allocate that money and deliver quality and safe services as efficiently as possible.

Mr PICTON: So no-one in the Department for Health and Wellbeing knows what the budget for mental health services in the largest LHN, CALHN, is?

The Hon. S.G. WADE: A significant proportion of mental health funding is activity-based funding, particularly inpatient services. In terms of CALHN's investment, I am aware of an increase in investment. CALHN, for example, has been a leading advocate for the Mental Health Co-Responder program, which has mental health clinicians sitting alongside SAAS paramedics to provide mental health consumers with the opportunity of community-based responses rather than needing to go to an emergency department to receive the mental health care they need.

The board and management, of course—going back to the discussion we were having about the model of care—are working with their teams to develop services with the funding that is provided to them.

Mr PICTON: So are there any budget savings that apply to mental health services in CALHN this financial year?

The Hon. S.G. WADE: I am advised that there are no mental-health-related savings mandated by the Department for Health and Wellbeing.

Dr HARVEY: My question relates to Budget Paper 4, Volume 3, pages 28 to 59. Could the minister please outline the matters that have been discussed by the NDIS psychosocial transition task force in the last 12 months?

The Hon. S.G. WADE: I thank the member. I will ask the Chief Psychiatrist if he can provide a response.

Dr BRAYLEY: The NDIS transition task force was set up back in June 2018 to monitor the impact of the NDIS implementation on South Australians who experience mental illness, and service providers. During this period, task force lobbying has contributed to the introduction and implementation by the NDA of the streamlined access process for people with psychosocial disability, and the establishment of the recovery coach role which provides case management type services for people with primary psychosocial disability and improved NDIS pricing arrangements for the delivery of capacity-building psychosocial services.

The statement is that we have contributed to that. Obviously, the NDIA would hear these messages from consumers, carers, and service providers all around the country, but our task force has been a venue where senior NDIA people, as well as people from commonwealth departments, state departments, statutory bodies, the safeguarding commission, consumers and carers and NGOs talk about this work and raise the issues using a risk register to structure the identification of issues and the solutions that need to be put in place.

This year, while the meetings are occurring monthly, earlier in the year there were a number of panels where providers brought specific client concerns to be addressed and to be escalated. We have also used this to look at the needs of people who need very high-level support, with complex needs, who have been in hospital and have been part of a particular 31 Homes program.

The task force has monitored the statistics of the transition of the people who are identified, and not just our transition statistics from state services to the NDIA, but the commonwealth makes their statistics available. Interestingly, in terms of the past 12 months, that initial task force focus, we have looked at our role. People were very keen to meet because it is a continue meeting, it gives an opportunity for the sector to get together.

There was a project that the Mental Health Coalition did looking at transition and the best way to transition, which was guided by the task force, but there has also been a lot of COVID-related discussions—not strictly NDIS but it was just a very useful venue to help get people prepared and responding in March and April when there was a lot of anxiety with the first wave of COVID. Of course, this led to the project I mentioned earlier that the Mental Health Coalition is doing in terms of supporting their sector with COVID-related matters. That has taken some of the task force time this year as it has continued to meet virtually.

Ms BEDFORD: Budget Paper 4, Volume 3, and the question is whether there is any planned investment in Woodleigh House at Modbury Hospital, or are we keeping it as a film set for a movie?

The Hon. S.G. WADE: The Marshall Liberal government is investing heavily in the Modbury site, but I certainly share the honourable member's view that Woodleigh House is well past its use-by date. The Chief Psychiatrist did impose gazettal conditions on Woodleigh House. I might just clarify that.

Dr BRAYLEY: Yes, this would have been approximately early 2019, so during 2019 there was improvement work. It was conditions related to the physical infrastructure and models of care.

The Hon. S.G. WADE: As a result of the gazettal process there were improvements in the model of care and in some of the physical attributes of the site, but I certainly do not suggest that they address the long-term need for investment, and the government is aware of that need.

Ms BEDFORD: When might we see something change at Woodleigh House for the better?

The Hon. S.G. WADE: I can only assure you that we are very mindful of the need and, as we continue to work through our capital works and service budgeting going forward, it is very much on our radar.

Mr PICTON: Just picking up the same budget line, in terms of CALHN, page 29 of Budget Paper 4, Volume 3. The minister said just before the member for Newland asked a question that there were no savings of mental health for CALHN imposed by the Department for Health. Does that mean there may be savings that are not imposed by the Department for Health?

The Hon. S.G. WADE: The answer is the answer.

Mr PICTON: The answer is the answer. Are there any potential savings or any savings at all, whether or not they are imposed by the Department for Health and Wellbeing, at CALHN for mental health services?

The Hon. S.G. WADE: We expect all local health networks to continue to improve their services, looking for opportunities for continuous improvement. Often, when efficiencies are identified, they go to fund service improvements.

Mr PICTON: How it is possible, given the concerns raised by these doctors, given the concerns raised clearly in the order that was placed on the RAH, given the demand of patients and the number who were stuck for more than 24 hours, that savings could be found from mental health services in CALHN?

The Hon. S.G. WADE: The honourable member is referring to a particular segment of the CALHN services. I would like to ask him to pause, and in that letter I would remind him that the clinicians said:

For at least a decade, patients presenting to the RAH emergency department who require inpatient psychiatric care, have suffered unacceptable delays in transfer to appropriate beds.

That was the case when he was a health minister under the former Labor government.

Mr PICTON: I was never the health minister.

The Hon. S.G. WADE: You were the assistant minister for health. So it is true for at least a decade, as those honourable clinicians said, so his moral outrage sounds somewhat hypocritical.

Mr PICTON: If it is possible to answer a question, how is it possible that savings could be found, given the tremendous stress on mental health services in CALHN at the moment?

The Hon. S.G. WADE: As I said, services can be improved by identifying inefficiencies and turning them into service improvements.

Mr PICTON: Can you assure the committee that there will be no reduction in clinicians or direct services to patients out of potential savings in CALHN this year through mental health services?

The Hon. S.G. WADE: I am very confident in the work that has been done by the Chief Psychiatrist, in partnership with the management and board of CALHN, together with the clinicians. I am very confident that the development of the acute mental health model of care will see a significant improvement in care at that facility. The fact that we did not have a model of care that we could receive from the outgoing government is disappointing. We are intending to address that legacy.

Mr PICTON: Where do you believe the fat could be cut in terms of mental health services? You said that efficiencies can be found. Whereabouts would there be efficiencies in terms of the delivery of mental health services in CALHN?

The Hon. S.G. WADE: I have nothing to add to my previous answers.

Mr PICTON: I refer to Budget Paper 4, Volume 3, Program 2: Health Services, page 28. What has been the longest wait for a mental health patient in an emergency department for a bed over the past year?

The Hon. S.G. WADE: I do not have maximum wait visit times at EDs, but in terms of the latest 12-month comparison at metropolitan hospitals from September 2019 to September 2020, there was a slight decline from 12.7 hours for an average visit time to 11.8.

Mr PICTON: In terms of the number of patients who have been waiting over 24 hours in an emergency department, which I believe is commonly referred to as a 24-hour breach, can the minister give the committee the numbers in the past financial year who have breached that 24-hour mark?

The Hon. S.G. WADE: I thank the honourable member for his question. For the same parameter, from the latest available to a 12-month comparison, the percentage of presentations greater than 24 hours has decreased from September 2019 at 12.7 to September 2020 being 8.8.

Mr PICTON: So 12.7 was 2019-20? Is that right?

The Hon. S.G. WADE: Sorry, just to be clear: in both cases, I was talking about the change from September to September, because the September figure is the latest available. In September 2019, the percentage of presentations that were greater than 24 hours was 12.7, and the rate in September 2020 was 8.8.

Mr PICTON: Do you have figures for the entirety of the 2019-20 financial year?

The Hon. S.G. WADE: Yes, I do. I am happy to take that on notice.

Mr PICTON: Also, do you have the total numbers (what you said were percentages) of patients who had breached that 24 hours across the emergency departments in the 2019-20 financial year, if possible?

The Hon. S.G. WADE: I am happy to take that on notice.

Mr PICTON: What is the current occupancy rate of mental health beds across CALHN?

The Hon. S.G. WADE: I will need to take that on notice because the dashboards change all the time.

Mr PICTON: How many acute mental health care beds are there currently in the system in total, and what is the difference compared to 12 months ago?

The Hon. S.G. WADE: I am advised that there are 369 mainstream acute beds and that is current, and I will seek a number for last year.

Mr PICTON: What has been the average length of stay for mental health patients in public hospital emergency departments in the previous financial year?

The Hon. S.G. WADE: I believe that that is the question I took on notice just a few minutes ago.

Mr WHETSTONE: Referring to Budget Paper 4, Volume 3, page 24, minister, would you please advise the committee the commitment that the government has made to investing in non-government provided treatment services in South Australia to support people who are impacted by alcohol and other drug problems?

The Hon. S.G. WADE: Mr Chair, I would ask Marina Bowshall if she would answer that question.

Ms BOWSHALL: Just over \$15 million has been allocated in the 2020-2021 financial year to the non-government sector to provide alcohol and other drug assessment treatment, support and harm reduction services. The Department for Health and Wellbeing has commissioned a range of alcohol and other drug treatment services across metropolitan and regional areas in South Australia and enabled these services to be delivered from 1 July 2020 to 30 June 2023. Services include:

- counselling services, which incorporates psychosocial interventions, such as outpatient counselling through a range of different therapies, and police drug diversion initiative appointments, and they are available in multiple locations across the state;
- residential rehabilitation programs in four metropolitan Adelaide locations as well as Whyalla, Berri and Mount Gambier;
- sobering up services, available in metropolitan Adelaide, Ceduna and Port Augusta;
- mobile assistance patrol services in the Adelaide central business district and Ceduna; and
- an integrated youth substance misuse specialist service based at Stepney, but able to provide services to young people across the state, which includes outpatient counselling, sobering up and residential rehabilitation.

We also fund a range of family support groups across metropolitan Adelaide, the Barossa, Mount Barker and Port Augusta and these services are complemented by a telephone support service, which is provided by Family Drug Support. We also fund the peak non-government agency, the South Australian Network of Drug and Alcohol Services, to coordinate non-government programs and provide advice to the government about the non-government sector.

We recognise the important work of the non-government sector in collaborating and building upon the services provided by government. They make a very significant contribution to the wellbeing of South Australians in the state. We recognise that the provision of their alcohol and other drug treatment services are of incredibly high quality and support individuals and families as they seek to address their substance use and build a healthier future for themselves.

Ms BEDFORD: Supplementary: I noticed in your response that you mentioned the mobile assistance program for Aboriginal people. I am wondering what other Indigenous focus programs you have and what you have for culturally and linguistically diverse people?

The Hon. S.G. WADE: Could I ask Ms Bowshall to respond to that question.

Ms BOWSHALL: We provide services that are funded to ensure that they are culturally sensitive and appropriate for all Aboriginal people across the state. We do fund Aboriginal community-controlled services for sobering up and also for tobacco control programs. We also have a range of Aboriginal clinical services based within Drug and Alcohol Services itself, providing services on the APY lands and assertive outreach programs in the inner city of Adelaide.

In regard to CALD programs, we embed access to all our programs with interpreter services and we engage with consumer groups that have CALD representation to ensure they are culturally appropriate. That is certainly another area that we want to develop further as we go through and continue to develop and enhance our services.

Ms BEDFORD: Just to squeak one more question in.

The CHAIR: One more, member for Florey.

Ms BEDFORD: Thank you for being very indulgent. Do your programs have anything to do with the prison sector? How are substance abuse programs administered through Corrections, or is that not something you can help me with?

The Hon. S.G. WADE: Ms Bowshall is from Drug and Alcohol Services South Australia. That service does provide an inreach service to youth justice facilities, but inmates of adult correctional facilities receive their drug and alcohol support from the Prison Health Service, which is a service overseen by the Central Adelaide Local Health Network.

Mr PICTON: I refer to Budget Paper 5, page 72, Adult Mental Health Centre. When is the Urgent Mental Health Care Centre currently expected to open?

The Hon. S.G. WADE: My understanding is that it is expected that the service will be operational by February 2021.

Mr PICTON: Where will the facility be?

The Hon. S.G. WADE: On Grenfell Street, in the city.

Mr PICTON: How many staff have been dedicated to work in the centre particularly? What is the breakdown in terms of how many psychologists and nurses there will be? Will there be any doctors working in the centre?

The Hon. S.G. WADE: Neami, our partner in this project, has been involved in a codesign process and, I am advised, has begun recruiting two positions. I will seek details in response to the honourable member's question and provide an answer to him.

Mr PICTON: What is the highest acuity level of emergency department presentation that would be diverted to the centre?

The Hon. S.G. WADE: I am advised that the centre will be designed to provide an option for people with mental health issues in the triage 3, 4 and 5 categories.

Mr PICTON: Given that triage level 3 can be quite serious mental health patients, what security measures or backup facilities will be available in place at the centre?

The Hon. S.G. WADE: The centre will be established with triage guidelines for both SAAS and police. The centre itself will have de-escalation strategies, which they will deploy with both peer workers and other health workers. The facility is close to police and, of course, the wider range of SA Health services are available to support the centre.

Mr PICTON: Given the Australasian College for Emergency Medicine lists category 3 mental health patients as including people who are very distressed, acutely psychotic or potentially aggressive, will all of those category 3 patients be able to be deferred to the Urgent Mental Health Care Centre with peer workers?

The Hon. S.G. WADE: I am concerned at the honourable member's attempts to be critical of this model.

Mr PICTON: Point of order: I did not do anything of the sort. I am asking a question in terms of which patients will be going there?

The Hon. S.G. WADE: I would like to remind the honourable member of the responses of some of the leaders of mental health services in South Australia. The Mental Health Coalition of South Australia said that they welcome the news that South Australia's new Urgent Mental Health Care Centre will be delivered by local community mental health service provider Neami, with RI International.

The coalition talked about this much-needed centre. It is the first of its kind in Australia. While similar models have been operating for a number of years in the United States, they say that it will provide a high-quality alternative to the emergency department and has been developed based on strong feedback from the experience of people with mental illness, their families, as well as clinicians.

The centre is completely within the spirit of the 2020-2025 Mental Health Services Plan. In fact, the centre was explicitly referred to as a strategy in that report. We believe that whilst it may be novel for Australia, it is well based on evidence. It has the strong support of the peak body in South Australia and we look forward to working with all the mental health services that will interact with the centre to make sure that it delivers higher quality and safe care.

Mr PICTON: That was not quite an answer to the question, but we will move on. Why was the CALHN tender proposal for this centre rejected?

The Hon. S.G. WADE: My understanding is that there was more than one provider who submitted to the open market expression of interest and those bids were assessed. The Neami proposal was accepted.

Mr PICTON: Is it correct that the CALHN tender or expression of interest offered additional hours of operation for the service compared to the winning tenderer?

The Hon. S.G. WADE: My understanding is that all of the bids to the open market expressions of interest are commercial-in-confidence but I assure the honourable member that the

hours of operation of each of the proposals would be one of the factors that would have been considered by the evaluation panel.

Mr PICTON: How is it commercial-in-confidence for one part of the government to propose something to another part of the government? Where is the commercial interest for a part of the government, the Central Adelaide Local Health Network?

The Hon. S.G. WADE: I am mindful of the criticism of the honourable member of the Neami proposal—

Mr PICTON: Point of order: I am not criticising anything. I am asking a question.

The CHAIR: The minister is providing an answer.

The Hon. S.G. WADE: I am allowed to give your question an answer. I am aware of the honourable member's comments in the public domain criticising the acceptance of the Neami bid as privatisation. I just make the point that the CALHN consortium bid involved non-government partners. If he wants to criticise the Neami proposal on that basis, I would ask him to reflect on that. In terms of the so-called probity freedom for government to show commercially confidential information across different organs of government, I respectfully disagree.

Mr PICTON: Is it correct that the CALHN tender offered additional clinical FTE staff for the same price as the winning tenderer?

The Hon. S.G. WADE: As I said, all of the relevant elements of the service model would have been considered in the evaluation process.

Mr PICTON: Will any RI International staff be present in Australia to deliver on this project?

The Hon. S.G. WADE: I do not know the particular arrangements that Neami and RI are planning in terms of virtual visits or physical visits, but again I would refer the honourable member to the comments made by the Mental Health Coalition. I understand that Geoff Harris, the executive director, said:

The successful bidders are the not-for-profits Neami and RI International. Neami have been delivering specialist mental health services in SA for 18 years and are one of the largest specialist mental health service providers in Australia. RI International has a strong track record of delivering this kind of [care] in several states of the USA and will be responsible for assisting Neami to implement the model in SA.

For those who are followers of changes of government in South Australia, Neami has been in South Australia, as Mr Harris said, for 18 years. They have received tens of millions of dollars from the former Labor government, and to be criticised as being a party to a privatisation I think is disrespectful to the non-government sector.

Dr HARVEY: My question relates to Budget Paper 4, Volume 3, page 24. Could the minister please provide an update on the prevalence of alcohol, tobacco and other drugs within the South Australian population, including any new trends?

The Hon. S.G. WADE: I thank the honourable member for his question. I might ask Ms Bowshall to provide us with information on that.

Ms BOWSHALL: In 2020, the National Drug Strategy Household Survey was released. This survey is conducted every three years by the Australian Institute for Health and Welfare and was released in July 2020. In the survey, 2,660 South Australians aged 14 years and older provide information based on their views, understanding and use of substance use patterns, attitudes and behaviours.

The South Australian data show there have been significant decreases between 2016 and 2019 in recent use of methamphetamine and recent illicit use of pain reliever medications and opioids, while recent use of alcohol, tobacco and cannabis has remained stable. Compared to the national average, South Australia has lower prevalence for a range of substances including methamphetamine, cannabis, cocaine and ecstasy. South Australia is also below the national average for recent illicit drug use with 15.4 per cent reporting use at least once in the last 12 months compared to 16.4 per cent nationally.

The recent use of methamphetamine, as the minister mentioned in his opening address, has decreased significantly in South Australia from 1.9 per cent in 2016 to 1 per cent, which is lower than the national average, or national prevalence, of 1.3 per cent. In addition, the prevalence of daily smoking in South Australia is 11.9 per cent, which is equivalent to the national figure of 11 per cent. There was no change in South Australia's prevalence of daily drinking or lifetime and single-occasion risky drinking; however, there was an increase in the proportion of ex-drinkers within the state, from 6.6 per cent in 2016 to 8.5 per cent in 2019, which is similar to the national average of 8.9 per cent.

The results of the survey showed that in a number of important areas South Australia's substance use prevalence has decreased significantly between 2016 and 2019, and South Australia's prevalence particularly for use of illicit substances is lower than the national average. We continue to be committed to continuing that trend to decreasing the prevalence of harmful drug use in the community and are working with individuals, families and the community as a whole to progress actions to continue these downward trends.

Mr PICTON: I have a question in relation to Budget Paper 4, Volume 3, page 39, Women's and Children's Health Network. What is the average wait between obtaining a referral and attending an appointment with CAMHS?

The Hon. S.G. WADE: I do not have that information with me. I am happy to take that on notice but hasten to add that the Office of the Chief Psychiatrist is aware of issues in relation to the intake process into CAMHS and is working with WCHN to seek to address those issues.

Mr PICTON: How many children with a referral are currently on the waiting list for an appointment with CAMHS?

The Hon. S.G. WADE: I am happy to take that on notice.

Mr PICTON: How many incidents of restraint and seclusion have there been in Boylan Ward in the year to date this year?

The Hon. S.G. WADE: Unsurprisingly, we will need to take that on notice.

Mr PICTON: Have any issues of restraint and seclusion been raised with either you or the Chief Psychiatrist in regard to Boylan Ward?

The Hon. S.G. WADE: I take it in the last year?

Mr PICTON: Yes.

The Hon. S.G. WADE: In terms of the information the honourable member has sought, I am happy to take that on notice. The fact that the government is committed to high-quality mental health services for children and adolescents is demonstrated by the fact that, as part of our \$50 million Women's and Children's Hospital sustainment project, we are upgrading the existing Boylan Ward.

Construction works for the new ward commenced in January 2020 and I understand will be completed shortly. The opportunity of a new facility—shall we say, a renovated facility; I appreciate it is within the constructs of the old hospital—does give clinicians an opportunity to design a facility that can better support their model of care and reduce the prospect of restraint and seclusion being used.

Mr PICTON: What has been done to address the severe shortage of psychologists working with five to twelve year olds, as was publicly raised by the Commissioner for Children and Young People last month?

The Hon. S.G. WADE: I will seek advice from the Women's and Children's Hospital Network in relation to that question.

Mr PICTON: Have you met with the Commissioner for Children and Young People to discuss her concerns?

The Hon. S.G. WADE: No, I have not.

Mr PICTON: Are you aware of her concerns?

The Hon. S.G. WADE: Yes, I am.

Mr PICTON: What have you done following becoming aware of her concerns?

The Hon. S.G. WADE: I have not sought to meet with her, and as far as I know she has not sought to meet with me.

Mr PICTON: Are there any plans to outsource any of the services currently being provided by CAMHS?

The Hon. S.G. WADE: I am not aware of any.

Mr PICTON: Will the full range of services currently being provided at the Women's and Children's Hospital for children with mental health conditions or who need services be available at the new hospital?

The Hon. S.G. WADE: The design of the new Women's and Children's Hospital is actively underway. Just as happened with the new Royal Adelaide Hospital, the local health network, I am sure, will be looking at opportunities to re-evaluate what services might be best delivered from a hospital site. There may well be, for example, outpatient services that can be more effectively delivered for patients in a community setting rather than on the hospital site itself?

Mr PICTON: Will the new Women's and Children's site house additional inpatient mental health beds, given the significant demand placed on Boylan Ward to date at the current site? How many total mental health care beds are being planned?

The Hon. S.G. WADE: Those figures will not be finalised until the business case is finalised.

Mr PICTON: When is the business case scheduled to be finalised?

The Hon. S.G. WADE: Next year.

Mr PICTON: Is there a particular time next year?

The Hon. S.G. WADE: My understanding is the second quarter of next year.

Mr PICTON: So how was there a report in *The Advertiser*, I think it was even during the lockdown, where you were quoted in terms of the number of beds that would be open at the Women's and Children's Hospital?

The Hon. S.G. WADE: My recollection of the phrase I used was 'preliminary planning'.

Mr PICTON: In relation to preliminary planning for the new Women's and Children's Hospital, how many mental health care beds are in the preliminary planning?

The Hon. S.G. WADE: I am happy to take that on notice.

Mr PICTON: In relation to Budget Paper 5, page 73, COVID-19 Mental Health Support, why does South Australia have the lowest spend per capita out of every mainland state in its response to the mental health care impact of COVID-19?

The Hon. S.G. WADE: I do not support the premise of the honourable member's question. I think one of the risks here is that people may not have realised that the government has committed to the mental health response in three tranches, for want of a better word. I will ask the Chief Psychiatrist to explain that to us.

Dr BRAYLEY: The first part of the virtual support network was \$1.277 million and that was until the end of June; then July to September, \$4.421 million; and now in the budget, \$10.711 million. This basically includes our community initiatives delivered by LHNs and by non-government organisations. It does not include some other expenditures. For example, there was the use of the Adelaide Clinic for a period of time to help with decanting during the first wave, and that has been activated again through CALHN, or some of the mental health costs that have been in quarantine services.

The Hon. S.G. WADE: I thank the Chief Psychiatrist for his answer. I would also like to add to it by saying that the government has also allocated \$5.3 million for the statewide wellbeing strategy which encourages South Australians to 'open your world' to sports, arts and physical activity during the pandemic.

I think it is really important to appreciate that the pandemic was always going to impact on the broader South Australian community. This government recognised early that we had both an economic crisis and health crisis, but we also recognised that within the health crisis there was both the physical health threat, and the mental health threat. The mental health threat was not only for people with already present mental health issues, but the threat was there for the broader community.

The CHAIR: The time agreed and allotted for the examination of payments in relation to SA Health (mental health and substance abuse) is complete; therefore, there are no further questions and I declare the examination of the portfolio agency completed.

Departmental Advisers:

Dr C. McGowan, Chief Executive, Department for Health and Wellbeing.

Ms C. Mason, Director, Office for Ageing Well, Department for Health and Wellbeing.

Mr J. Woolcock, Chief Finance Officer, Department for Health and Wellbeing.

The CHAIR: We are examining proposed payments in relation to Office for the Ageing. This session runs from 7.15pm to 7.45pm. The minister appearing is the Minister for Health and Wellbeing. The estimated payments are as referenced earlier to the Department for Health and Wellbeing, to the Commission on Excellence in Innovation and Health, and to Wellbeing SA. I advise that the proposed payments remain open for examination and refer members to the Agency Statements, Volume 3. Minister, if you wish to make an opening statement in regard to this portfolio you have the ability to, and to also introduce your advisers.

The Hon. S.G. WADE: By way of clarification, this is the Office for Ageing Well, not simply the Office for Ageing.

The CHAIR: That is not on my sheet, unfortunately.

The Hon. S.G. WADE: I would like to introduce my departmental executive staff. To my left is Dr Christopher McGowan, Chief Executive, Department for Health and Wellbeing. Behind me is Cassie Mason, Director, Office for Ageing Well, and also Mr Jamin Woolcock, Chief Finance Officer.

The COVID-19 pandemic has been challenging for all South Australians but especially older South Australians. Nationally, the majority of deaths from coronavirus have been of people aged 60 years and over. In South Australia, our four deaths were all individuals older than 60, with an average age of 72. Whilst compared with other countries, Australia has done very well in limiting the spread of the virus, older people continue to be particularly vulnerable to this disease.

South Australia moved rapidly to develop plans and put in place measures to protect residents of aged-care facilities and I am very pleased that, to this point, South Australia has been able to avoid the tragic outcomes to the scale that have occurred in some other jurisdictions.

Weekly meetings, hosted by the Office for Ageing Well, commenced in April 2020 with aged-care peak bodies, advocacy groups and providers to identify and work through issues associated with the operationalising provisions of the emergency management arrangements. These meetings have been crucial for ensuring our residential aged-care facilities are able to modify their practices and operations rapidly in response to new public health advice and directions.

As well as playing a vital role in delivering the government's COVID response, the Office for Ageing Well has continued its core business, developing and implementing a range of social policies and programs at the individual community and system level that reflect the diversity of opinions, needs and priorities of older South Australians.

In the last 12 months, the Office for Ageing Well has undertaken extensive consultation that culminated in the release of the South Australian Plan for Ageing Well 2020-2025. The plan is for all South Australians and includes a call to action on a range of matters, including tackling ageism, embracing diversity and increasing accessibility.

One of the most significant developments for the Office for Ageing Well over the past year was the establishment of the Adult Safeguarding Unit, which commenced operations on 1 October 2019. The unit has a legal mandate to respond to reports of abuse and neglect of older South Australians who may be considered vulnerable.

In response to the tragic death of Ann Marie Smith, the focus of the unit recently expanded to include adults living with a disability who may be vulnerable to abuse. This is just a brief summary of some of the important and varied work being led by the Office for Ageing Well, in particular with a broad range of stakeholders, particularly older people themselves, to ensure that current and future older Australians are in the best position to age well.

The CHAIR: Lead speaker for the opposition, do you wish to make an opening statement?

Mr PICTON: No.

Ms BEDFORD: I refer to Budget Paper 4, Volume 3, page 21, where reference is made to the State Ageing Plan 2020-24. This appears to be the only reference in the budget papers to the role of the Office for Ageing Well. It is my understanding that the Office for Ageing Well continues as a statutory office. Given this, can you explain the administrative position of the office within SA Health, and am I right in my understanding that the office is now totally subsumed within Wellbeing SA?

The Hon. S.G. WADE: No, I can assure the honourable member that this unit is not subsumed within Wellbeing SA.

Ms BEDFORD: Can you elaborate?

The Hon. S.G. WADE: The arrangements between this office and the department are the same this year as they were last year, and Wellbeing SA was established last year.

Ms BEDFORD: I understand the Office for Ageing Well continues with the responsibility for administering the Retirement Villages Act, which is up for review in the near future. Could you indicate to the committee when this review might occur and outline the issues you expect will be canvassed?

The Hon. S.G. WADE: The Department for Health and Wellbeing administers the Retirement Villages Act 2016. The object of the act is to provide a balance between the rights and responsibilities of residents of retirement villages and operators. The Retirement Villages Unit, which is within the Office for Ageing Well, consists of four staff. The unit investigates complaints, and those complaints are monitored on an ongoing basis to inform the upcoming review of the legislation.

The unit has been surveying residents and operators on various provisions of the legislation in preparation for a review of the act in 2021. The act requires the legislation to be reviewed three years from commencement; as such, a review is required in 2021. An open consultation round will commence in January 2021 through the release of a discussion paper on the YourSAy website, publicising the review on the SA Health website, and a direct mail campaign to key stakeholders.

Ms BEDFORD: What consideration has been given to appointing a regulator to ensure the Retirement Villages Act is being adhered to by retirement village operators, given the position of relative power they hold with respect to their residents? Beyond mediation, how are retirement village operators currently monitored and overseen regarding their compliance with the act, and does the Office for Ageing Well impose any penalties for noncompliance?

The Hon. S.G. WADE: As I indicated, the Retirement Villages Act will be subject to a review, which will start next year. Any proposals for a change in the regulatory framework, including the establishment of a regulator, could be put forward through that process. In relation to current activity to ensure compliance with the current act and regulations, I will ask Ms Mason whether she could respond to that query.

Ms MASON: The Retirement Villages Unit investigates and assesses a whole range of complaints and allegations of breaches of the act and regulations. In 2019-20, the compliance activity of the Retirement Villages Unit has focused on the new legislative provisions that have been introduced to improve transparency of resident finances at annual meetings as well as resident protections. This includes ensuring certificates of title are properly endorsed to protect residents' interests in the village and that the financial transparency at annual meetings is adhered to.

Our office chose randomly 15 per cent of operators, and they were required to present their documentation to our unit, which was checked against the requirements of the legislation, and the feedback was provided to operators. Pleasingly, the majority of provisions were complied with. There was minor noncompliance, but for the most part it has been really pleasing to see operators complying.

Mr PICTON: Mainly because I am not sure about my ability to manage time, I might ask the omnibus questions now so that we do not run out of time for that.

1. For each department and agency reporting to the minister:
 - What is the actual FTE count at 30 June 2020 and the projected actual FTE count for each year of the forward estimates?
 - What is the total employment cost for each year of the forward estimates?
 - What is the notional FTE job reduction target that has been agreed with Treasury for each year of the forward estimates?
 - Does the agency or department expect to meet the target in each year of the forward estimates?
 - How many TVSPs are estimated to be required to meet FTE reductions over the forward estimates?
2. For each department and agency reporting to the minister:
 - How much is budgeted to be spent on goods and services for 2020-21, and for each of the years of the forward estimates period?
 - The top ten providers of goods and services by value to each agency reporting to the minister for 2019-20; and
 - A description of the goods and/or services provided by each of these top ten providers, and the cost to the agency for these goods and/or services.
 - The value of the goods and services that was supplied to the agency by South Australian suppliers.
3. Between 1 July 2019 and 30 June 2020, will the minister list the job title and total employment cost of each position with a total estimated cost of \$100,000 or more which has either (1) been abolished and (2) which has been created?
4. Will the minister provide a detailed breakdown of expenditure on consultants and contractors above \$10,000 between 1 July 2019 and 30 June 2020 for all departments and agencies reporting to the minister, listing:
 - the name of the consultant, contractor or service supplier;
 - cost;
 - work undertaken;
 - reason for engaging the contractor; and
 - method of appointment?
5. For each department and agency for which the minister has responsibility:
 - How many FTEs were employed to provide communication and promotion activities in 2019-20 and what was their employment expense?
 - How many FTEs are budgeted to provide communication and promotion activities in 2020-21, 2021-22, 2022-23 and 2023-24 and what is their estimated employment expense?

- The total cost of government-paid advertising, including campaigns, across all mediums in 2019-20 and budgeted cost for 2020-21.

6. For each department and agency reporting to the minister, please provide a full itemised breakdown of attraction and retention allowances as well as non-salary benefits paid to public servants and contracts between 1 July 2019 and 30 June 2020.

7. What is the title and total employment cost of each individual staff member in the minister's office as at 30 June 2020, including all departmental employees seconded to ministerial offices?

8. For each department and agency reporting to the minister, could you detail:

- (a) How much was spent on targeted voluntary separation packages in 2019-20?
- (b) What department funded these TVSPs? (except for DTF estimates)
- (c) What number of TVSPs were funded?
- (d) What is the budget for targeted voluntary separation packages for financial years included in the forward estimates (by year), and how are these packages funded?
- (e) What is the breakdown per agency/branch of targeted voluntary separation packages for financial years included in the forward estimates (by year) by FTEs?

9. For each department and agency reporting to the minister, how many executive terminations have occurred since 1 July 2019 and what is the value of executive termination payments made?

10. For each department and agency reporting to the minister, what new executive appointments have been made since 1 July 2019, and what is the annual salary, and total employment cost for each position?

11. For each department and agency reporting to the minister, how many employees have been declared excess, how long has each employee been declared excess, and what is the salary of each excess employee?

12. In the 2019-20 financial year, for all departments and agencies reporting to the minister, what underspending on operating programs (1) was and (2) was not approved by cabinet for carryover expenditure in 2020-21?

13. In the 2019-20 financial year, for all departments and agencies reporting to the minister, what underspending on investing or capital projects or programs (1) was and (2) was not approved by cabinet for carryover expenditure in 2020-21? How much was sought and how much was approved?

14. For each grant program or fund the minister is responsible for please provide the following information for 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 financial years:

- (a) Name of the program or fund;
- (b) The purpose of the program or fund;
- (c) Balance of the grant program or fund;
- (d) Budgeted (or actual) expenditure from the program or fund;
- (e) Budgeted (or actual) payments into the program or fund;
- (f) Carryovers into or from the program or fund; and
- (g) Details, including the value and beneficiary, of any commitments already made to be funded from the program or fund.

15. For the period of 1 July 2019 to 30 June 2020, provide a breakdown of all grants paid by the department/agency that report to the minister, including when the payment was made to the recipient, and when the grant agreement was signed by both parties.

16. For each year of the forward estimates, please provide the name and budgeted expenditure across the 2020-21, 2021-22, 2022-23 and 2023-24 financial years for each individual investing expenditure project administered by or on behalf of all departments and agencies reporting to the minister.

17. For each year of the forward estimates, please provide the name and budget for each individual program administered by or on behalf of all departments and agencies reporting to the minister.

18. For each department and agency reporting to the minister, what is the total cost of machinery of government changes since 1 July 2019 and please provide a breakdown of those costs?

19. For each department and agency reporting to the minister, what new sections of your department or agency have been established since 1 July 2019 and what is their purpose?

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

- What savings targets have been set for each year of the forward estimates?
- What measures are you implementing to meet your savings target?
- What is the estimated FTE impact of these measures?

I refer to the budget paper which I think is the only budget paper that references the office, which is Budget Paper 4, Volume 3, page 20, System Leadership and Design. When was the Department for Health and Wellbeing or the Office for Ageing Well or the Adult Safeguarding Unit informed about the death of Ann Marie Smith, and what did it do once it was informed of that death?

The Hon. S.G. WADE: The Adult Safeguarding Unit was not made aware until after it had been made public.

Mr PICTON: Does that include the Office for Ageing Well and the department as well?

The Hon. S.G. WADE: Certainly, it does relate to the Office for Ageing Well, because the ASU is within that office. In terms of the department, I am happy to take that on notice, and I will take it on notice in terms of the broader portfolio because the department itself is an administrative unit and it would be unlikely to be informed.

Mr PICTON: I refer to Budget Paper 4, Volume 3, page 28, Health Services. How many state-run aged-care facilities have failed to meet accreditation standards since the last estimates, and which are those facilities?

The Hon. S.G. WADE: I am advised that there are no current notices of noncompliance in South Australian government aged-care facilities. The Bonney Lodge and Hawdon House matters have now been archived.

Mr PICTON: Just to clarify, there have been no additional matters that have been raised since last estimates?

The Hon. S.G. WADE: I cannot handle something as general as 'any matters being raised'.

Mr PICTON: Well, any state-run aged-care facilities that have failed to meet accreditation standards.

The Hon. S.G. WADE: I am advised that there are no current notices of noncompliance in South Australian government aged-care facilities.

Mr PICTON: Have there been any notices of noncompliance since last estimates?

The Hon. S.G. WADE: There have certainly been matters in relation to non-government home care providers, but I do not answer for them.

Mr PICTON: Have there been any matters of noncompliance of state-run aged-care facilities since estimates last met?

The Hon. S.G. WADE: I am not aware of any.

Mr PICTON: Are there any plans to privatise or outsource any current state-run aged-care facilities or services?

The Hon. S.G. WADE: With all due respect, the Office for Ageing Well is responsible for older South Australians and their support. The matters the honourable member is referring to are completely within the governance of the local health networks. That budget line has been closed.

Mr PICTON: Well, actually no, it has not.

The CHAIR: The budget line has not been closed, but for the portfolio that is open at the moment and for which we are examining those payments that is not relevant. I uphold the point of order that the question is out of order, member for Kaurna.

Mr PICTON: It is shocking that you would not want to answer that. I reference the same budget line, page 20, which I believe is the only reference in the budget to the Office for Ageing Well. What is the total amount of funding that has been dedicated by the state government to state-run aged-care facilities to assist with their COVID response?

The Hon. S.G. WADE: The Office for Ageing Well has a range of initiatives that have been funded to address COVID-19 aged-care matters since March 2020. In that context, the Office for Ageing Well relates to all aged-care providers, government and non-government. There was \$30,000 assigned to the Aged Care Industry Association to develop sector workforce resources and strategies to assist in COVID preparedness and to implement emergency management direction requirements. Of course, those sector workforce issues are just as relevant to government providers as non-government providers.

Funding was also provided to draft a multi-outbreak strategy to assist residential aged-care facilities in the management of multiple outbreaks. This work resulted in the release of the COVID-19 Integrated Response Framework for the Management of Multiple Outbreaks in Residential Aged Care Facilities in South Australia and involved considerable consultation with the aged-care sector and across the Department for Health and Wellbeing.

Funding has also been provided to contact and infection control expertise to assess the 268 infection control plans submitted by facilities to the department as a requirement of Emergency Management (Residential Aged Care Facilities) Direction. Those control plans were also required of government sites as well as non-government sites.

Funding has also been provided to extend the work of the aged-care consultant on developing a community outbreak management guideline for residential aged-care facilities and to further identify tools and resources to assist the State Control Centre Health and residential aged-care facilities in the event of having to respond in community outbreak scenarios. That is an overview of some of the work being done by the Office for Ageing Well. That support assists our local health networks in delivering quality and safe services.

I would hasten to add that the amazing collaboration of the residential aged-care sector has really come to the fore in the context of the Parafield cluster. The residential aged-care facility at Brompton is a facility run by Anglicare, which has a particularly high cohort of residents who come with long-term vulnerabilities and chronic conditions, so it is a particularly challenging site.

As I understand it, four of the aged-care workers at that site have tested positive but, thankfully, no resident has tested positive for COVID-19 at that facility. Considering the high vulnerability of residential aged-care facilities to COVID-19, I think that is a tribute not only to the collaborative work of the Office for Ageing Well and the wider sector but particularly to the high-quality work done by Anglicare at that facility. I would like to pay tribute to the local management team but also to Reverend Peter Sandeman at AnglicareSA for their care for the safety of their residents.

Mr PICTON: As part of the government's response to protecting aged-care facilities, it temporarily closed a number of country emergency departments. Which of those still remain closed?

The Hon. S.G. WADE: As that matter is related to budget lines in relation to local health networks, I am happy to take that question on notice.

Mr PICTON: For the government's CCTV trial in aged care, when is that trial commencing, when will it conclude and what are the total number of sites included?

The Hon. S.G. WADE: The commencement of the trial has been slightly delayed due to COVID, but we are hopeful that it might get underway before Christmas. In terms of sites, it is currently scheduled for two sites.

Mr PICTON: Are there going to be any other sites considered? Is the total budget still \$785,000?

The Hon. S.G. WADE: The answer is no and yes.

The CHAIR: With that answer, the time agreed and allotted to the examination of payments in relation to the portfolio of Office for the Ageing has expired; therefore, there are no further questions and I declare the examination of the portfolio agency of the Office for the Ageing complete and the estimate of payments for the Department for Health and Wellbeing, Commission on Excellence and Innovation in Health and Wellbeing SA closed. I lay before the committee a draft report. I move:

That the draft report be the report of the committee.

Motion carried.

At 19:46 the committee concluded.