

HOUSE OF ASSEMBLY
Wednesday, 4 August 2021
ESTIMATES COMMITTEE B

Chair:

Mr M.J. Cowdrey

Members:

Dr S.E. Close
Ms P.M. Luethen
Mr P.N. McBride
Ms A. Michaels
Mr S.P. Murray
Mr J.K. Szakacs

The committee met at 13:01

Estimates Vote

DEPARTMENT FOR INNOVATION AND SKILLS, \$402,391,000
ADMINISTERED ITEMS FOR THE DEPARTMENT FOR INNOVATION AND SKILLS,
\$13,096,000

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.

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

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

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

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

Ms J. Halliday, Chief Operating Officer, Office of the South Australian Chief Entrepreneur, Department for Innovation and Skills.

The CHAIR: Welcome back to the final day of Estimates Committee B—all going well: we should never say too much these days. I will begin, given we have a new minister, by making the opening remarks before we move into the first session for today's estimates committee.

The estimates committees are a relatively informal procedure and, as such, there is no need to stand to ask or answer questions. I understand that the minister and the lead speaker for the opposition have agreed 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 the timetable as previously distributed remains accurate?

Ms MICHAELS: Yes.

The CHAIR: Very good. Changes to committee membership will be notified as they occur. Members should ensure the Chair is provided with a completed request to be discharged form, and I have a number of those to note in a second. If the minister undertakes to supply information at a later date it must be submitted to the Clerk Assistant via the answer to questions mailbox no later than Friday 24 September 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 the giving of the call for asking questions. A member who is not a member of the committee may ask a question at the discretion of the Chair. All questions are to be directed to the minister, not to the minister's advisers. The minister may refer questions to advisers for a response.

Questions must be based on lines of expenditure in the budget papers and must be identifiable or referenced. Members unable to complete their questions during the proceedings may submit them as questions on notice for inclusion in the assembly *Notice Paper*. I remind members that the rules of debate in the house apply in committee. Consistent with the rules of the house, photography by members from the chamber floor is not permitted while the committee is sitting.

Ministers and members may not table documents before the committee; however, documents can be supplied to the Chair for distribution. The incorporation of material in *Hansard* is permitted on the same basis as applies in the house; that is, that it is purely statistical and limited to one page in length.

The committee's examinations will be broadcast in the same manner as sittings of the house are broadcast, through the IPTV system within Parliament House, via the webstream linked to the internet and the Parliament of South Australia video-on-demand broadcast system.

The minister appearing today is the Minister for Innovation and Skills. The estimate of payments relate to the Department for Innovation and Skills and the Administered Items for the Department for Innovation and Skills. I declare the proposed payments open for examination. I call on the minister to make an opening statement, should he wish, and to introduce his advisers.

I also remind members of the advice provided by the Deputy Clerk in terms of the wearing of masks. If all members are able to wear one during proceedings, if they could, apart from when actively participating in the committee process. Thank you for adhering to that advice throughout the week so far.

The Hon. D.G. PISONI: First of all, may I thank the committee for being so agile and agreeing to the late change caused by me being unwell on Monday. Thank you very much for doing that. I also thank the parliamentary officers for making the arrangements.

I will introduce Adam Reid, the Chief Executive of the Department for Innovation and Skills; Phuong Chau, the Executive Director, Performance and Business Operations; Andy Dunbar, the Executive Director of Innovation and Science; Martin Smith, Director of Financial and Business Services; Nikki Becker, Project Director of Small Business; Karen Marsh, Manager, Creative Economy; and Judy Halliday, the Chief Operating Officer of the Office of the Chief Entrepreneur.

The Marshall Liberal government knows the critical role that innovation plays in achieving economic growth. We know that creativity, entrepreneurship, science and research, business and industry all work well together to help create jobs, grow new enterprises and contribute to a vibrant, dynamic economy. Despite the challenges created by the pandemic period, we have never had a more engaged and positive innovation ecosystem than we do right now in South Australia.

The government is creating an environment in which businesses can survive and grow, enter new markets and create jobs. Through our 10-year Creative Industries Strategy, we have accelerated our creative industries sector. Through the work of the South Australian Film Corporation, we have brought globally successful films and television series to the state. These include the international

blockbuster *Mortal Kombat*; the Stan Original series *The Tourist*, the largest ever TV production in South Australia; and the new series of *Firebite*, just announced to be filmed in South Australia.

Of course, *Mortal Kombat* has already been a major hit globally. Production on this action film right here in South Australia provided work to more than 535 South Australian crew members and hundreds of local vendors. The production is estimated to have delivered an additional 180 jobs in post-production, digital and visual effects, bringing the total number of South Australians working on *Mortal Kombat* to 715. To continue to grow the screen sector, we have invested a further \$29.4 million in the state budget to increase screen production funding and extend the PDV rebate scheme.

We are also supporting the state's contemporary music sector through the Music Development Office, providing an extra \$1.2 million investment in COVID-19 support grants, and we have expanded the Umbrella Festival, our winter live music festival, into regional South Australia through an additional \$200 million funding boost. The Jam Factory continues to support and promote the craft and design sector, contributing approximately \$3 million to professional income in wages, fees and sales, up 3 per cent on the previous year.

The Marshall Liberal government remains determined to make South Australia a global leader in entrepreneurship. We are continuing to put that plan into action. Our Future Industries eXchange for Entrepreneurship (FIXE) plan is going from strength to strength, building our entrepreneurship ecosystem and supporting the creation of new businesses in the state.

The state's first Chief Entrepreneur, Jim Whalley, has handed the role over to Andrew Nunn, who is continuing in this important work. We thank Jim for his outstanding efforts during his time as the state's first Chief Entrepreneur. The Office of the Chief Entrepreneur provides startups and entrepreneurs with the advice and tools they need to develop their business and go global through targeted programs and grants.

We are awarding our seed funding grants of between \$50 and \$500,000 through the Research and Innovation Fund to help startups execute a project to accelerate growth and fast-track them to the next stage of their business growth. The fund has also invested \$9.5 million into 24 early-stage startups, leveraging an average of \$12.2 million of private investment, which is forecast to generate 500 jobs over two years and up to 1,400 jobs in five years.

The Go2Gov program is connecting early-stage startups to state government to secure their first big customer, whilst solving some of the public sector's challenges. The FIXE scholarships program supports early-stage businesses to participate in business leadership and innovation development training, and Lot Fourteen remains the centrepiece of the government's commitment to the new economy and accelerating the growth of startup businesses and making South Australia the nation's unrivalled startup capital.

Lot Fourteen is now a tangible example of coordination and commitment, and today the Stone & Chalk Startup Hub at Lot Fourteen continues to grow, with 194 residents across 58 companies. As of the end of June 2021, resident startup companies at the hub collectively had raised more than \$25 million in new investment and have created 100 new jobs since joining the startup hub. We unashamedly encourage more locals to build their careers and to pursue their ambitions and ideas right here in South Australia.

In May this year, the SouthStart Conference attracted more than 800 attendees to our state, including a significant delegation of interstate entrepreneurs, venture capitalist investors, who converged to hear more than 100 speakers and network with their peers. Despite the challenges of COVID-19, the fact that we could run a national event in May and host more than 800 delegates in our state speaks volumes of the Marshall government's response to the pandemic and our nation-leading approach to managing COVID-19.

The Marshall government is delivering on our commitment to make South Australia the nation's leader in cybersecurity. The Australian Cyber Collaboration Centre (A3C) is a cornerstone of this vision. South Australia is now driving the growth of Australia's cyber industry, creating high-tech jobs, training pathways and creating significant interest from interstate and overseas. The A3C now has 34 members from a range of industries, both South Australian and interstate.

Cybersecurity is a high demand industry, and modelling by the South Australian Skills Commission shows between 5,000 and 7,500 new job openings for South Australia's ICT workforce over the next five years, with 1,500 required in training and cybersecurity. The Marshall government's partnership with local not-for-profit youth employment enterprise KIK Innovation is one example of how we are directly supporting future jobs in the skills sector and pathways to get there.

Under this program, a groundbreaking French computer programming school 42 has opened its first Australian campus right here in Adelaide, with 140 jobs or training pathways now available for young South Australians, and the Marshall government has provided more than \$750,000 in funding to assist KIK Innovation open this world-renowned education model.

As part of our Growth State economic strategy, our 10-year Hi-Tech Sector Plan 2030 transforms our state into one of the world's leading high-tech centres. EXCITE, our 10-year science and innovation strategy, is growing business investment in research and development, driving innovation and increasing productivity. The Marshall government remains firmly focused on creating more jobs, backing business and building what matters.

Small business is the backbone of our economy, and we will continue to support them to grow beyond these challenging times. We acted decisively to help businesses' doors stay open and to keep their jobs and their staff. We launched a business advisory services program to give small business enterprises access to business advice to develop sustainable business strategies. This program was so popular that it quickly oversubscribed, with 677 grants awarded worth more than \$5 million.

In April this year, we presented Bizweek 2021 in partnership with industry groups and business leaders to help businesses adapt, evolve and grow. During the week, 761 businesses participated in the program of virtual and in-person events to learn more about marketing, e-commerce, social media, resilience, planning and more.

We launched the SA Business Hub App, which gives South Australian businesses access to on-the-spot financial support, incentives and services. In partnership with the Australian government, we launched the Kangaroo Island Business Hub to provide an essential place for businesses on the island to rebuild, grow and innovate following the devastating bushfires and the pandemic. The hub has already supported 214 local businesses to build their capacity through a range of activities. We are also providing \$2 million over five years to support the Australian Centre for Business Growth at UniSA, which delivers a range of programs aimed at CEOs of small to medium businesses to give them the knowledge, skills and values to transform and grow their businesses.

We know this has been and continues to be an incredibly difficult time for business. As we enter a new decade, faced with increasingly complex economic industrial environments, particularly in the wake of COVID-19, solving today's challenges with innovation and new thinking is vital to our state's future.

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

Ms MICHAELS: No, other than to thank the minister for his very fulsome opening statement. I will jump straight into questions, if that is okay.

The CHAIR: There being no opening statement, we call for questions. The member for Enfield.

Ms MICHAELS: Can I take the minister to Budget Paper 3, page 22, line 19, the Innovation and Skills operating initiatives line. Over the forward estimates, the budget drops from 46.7 in the current year down to 36.3 and then 8.6 in each of the last two years of the forward estimates. That is a significant drop. Would any of that be attributed to removing any supports for small business in South Australia across those forward estimates?

The Hon. D.G. PISONI: Those declines that you have highlighted in the budget refer to the timing for the completion of the JobTrainer initiative and the Skilling South Australia initiative. At the moment we are in the process of negotiating a new national partnership with the federal government on the skills training, but there is certainly no relevance to small business support, in answer to your question.

Ms MICHAELS: You are not anticipating any cuts to any programs for small business over the forward estimates?

The Hon. D.G. PISONI: No.

Ms MICHAELS: Can I take you to Budget Paper 4, Volume 3, page 167, the first table with the FTEs for your department. For science and innovation there is a drop of FTEs from 337 to 327, a reduction of 10 FTEs. Can you explain what that reduction is for?

The Hon. D.G. PISONI: That drop you are referring to in that budget line is because of the bushfire support coming to an end.

Ms MICHAELS: Are you able to provide the projected FTEs over the forward estimates?

The Hon. D.G. PISONI: I am not sure whether that is something we are able to do right now, but I am sure if we can come back to the member with that, we can do that. Is that specifically relating to the innovation and science portfolio?

Ms MICHAELS: Yes. On the same budget reference but the second table on page 167—the program net cost of services summary—it was budgeted at \$58 million and an estimated result was \$47.8 million, so you underspent by about \$10 million. Can you explain that underspending in a time when small businesses desperately needed support from your department?

The Hon. D.G. PISONI: Again, that reflects the completion of the bushfire support program.

Ms MICHAELS: So were you not able to allocate that \$10 million to other supports?

The CHAIR: Perhaps for clarity, member for Enfield, your question was in relation to Program 1: Science and Innovation, and the spending on that line?

Ms MICHAELS: Yes, which includes small business supports, I understand.

The CHAIR: Very good.

The Hon. D.G. PISONI: I am advised that money was placed in the budget because it was one-off funding and I think there is actually an explanation in the budget papers themselves in the Agency Statements on page 170 that covers that:

The \$6.9 million decrease in total income in the 2021-22 Budget compared to the 2020-21 Estimated Result is primarily due to once-off funding in 2020-21 from the COVID-19 Support Fund for the SME Business Advisory Services Scheme...

This was demand driven, so the money was there to be paid to people who required it. My understanding is that was the underspend due to the fact that the supply outstripped the demand.

Ms MICHAELS: Sorry, can you clarify that? Supply outstripped demand for a particular program, and so you underspent?

The Hon. D.G. PISONI: Yes, basically, the money was there for those who required it and all of those who required it applied for it, qualified for it, got it.

Ms MICHAELS: Can I take you to Budget Paper 5, page 65, line 14, Small Business Capability program. There is \$900,000 this financial year and just over \$500,000 over each of the forward estimates. Can you explain that program?

The Hon. D.G. PISONI: The Small Business Capability program provides \$2.6 million over four years to improve small business resilience through building capability for growth, including \$2.2 million towards the development of digital and cybersecurity capabilities, as well as other traditional key business capabilities, to enter the national trade market, and \$0.4 million for improvements to digital resources available to small businesses. The revitalisation of web presence will provide improved information and support for small business.

That basically covers off the focus for that funding. I think this was highlighted during the COVID period, but when a lot of people go into business—we are a very small business state here in South Australia—they tend to move from tools into their business. They are always too busy to look at opportunities to ensure that their businesses have the capability they need to be more

sustainable, to grow and to be able to exploit opportunities, so this program is available for small businesses that want to look at increasing their capability.

Ms MICHAELS: That program, you said, is available and is open now?

The Hon. D.G. PISONI: The programs are still being designed and they will be kicked off with the redesigned website in due course.

Ms MICHAELS: When do you expect that to happen?

The Hon. D.G. PISONI: It will be a staged approach. The website work is being done now—cybersecurity capability and so forth. It will be available later, towards the end of the year. The time lines are still quite fluid.

Ms MICHAELS: What is the definition being used for small business in that program and how many South Australian small businesses do you anticipate would qualify?

The Hon. D.G. PISONI: The definition of a small to medium business is up to 199 employees, which covers about 98 per cent of businesses in South Australia.

Ms MICHAELS: Do you know a number for that?

The Hon. D.G. PISONI: Of businesses?

Ms MICHAELS: Small business that qualify, with 199 or fewer employees.

The Hon. D.G. PISONI: I think that would be around 150,000 businesses. I do not have an exact number, obviously.

Ms LUETHEN: Budget Paper 4, referring to page 169 of Volume 3 of the Agency Statements, can the minister advise how the Marshall Liberal government has engaged and supported small and medium businesses through the ongoing challenges of COVID-19 and the impacts of the 2019 bushfires?

The Hon. D.G. PISONI: The Marshall Liberal government took decisive and early action to support small business in South Australia to recover from COVID-19 and the devastating bushfires of 2019. In response to South Australia's latest COVID-19 outbreak, the Marshall government announced its \$100 million Business Support Package that will support an estimated 50,000 South Australian small to medium businesses.

The July 2021 COVID-19 Business Support Grant Program is providing \$3,000 for employing businesses and \$1,000 for non-employing businesses that suffer severe loss of income or have been forced to close as a result of the state's seven-day lockdown. As at 27 July 2021, more than 14,300 businesses had registered their interest for the grant, and approximately 2½ thousand small to medium enterprises had received the \$3,000 in small business support and 88 had received the \$1,000 sole trader support grants.

Prior to the July 2021 COVID outbreak, the South Australian government's \$1 billion stimulus package in response to the COVID-19 global crisis aimed to save South Australian jobs, safeguard the state's economy and minimise the economic impacts. In addition to the continued significant investment in key infrastructure projects as part of the record \$17.9 billion investment, the Marshall government is providing skills training and support for the heavily impacted tourism and events industry sectors, and stimulus measures we have put in place to support small businesses across the state include:

- emergency cash grants of \$10,000—21,360 businesses received a grant in rounds 1 and 2;
- payroll tax relief waiver for businesses with an annual payroll of up to \$4 million and a deferral for those over \$4 million;
- land tax relief;
- a waiver of liquor licensing fees;

- an \$851 million tradie support package to provide a pipeline of building and construction work;
- a reduction in water and sewerage costs, with the average business saving around \$1,400;
- the establishment of a \$749 million COVID-19 support fund to support businesses and sectors directly affected by COVID-19 and community organisations, sporting, arts and recreational bodies and to assist with training South Australians seeking new skills and employment; and
- an additional \$220 million investment in the Jobs and Economic Growth Fund—the fund now has a total of \$320 million.

In November 2020, I announced the \$5 million SME Business Advisory Services Program to assist South Australian small to medium businesses to access business advice to support development and sustainable strategies. The Marshall government presented Bizweek in 2021 in partnership with industry groups and business leaders.

The department also continues to administer the Regional Jobs Support and Incentive Program announced in December 2020 as part of the mobilising seasonal and regional workforce support package, which will help boost and fill seasonal and regional work vacancies across South Australia in response to the impacts of COVID-19.

In response to the bushfires, the small business Bushfire Recovery Grant provides up to \$50,000 to small businesses directly affected by the fires to assist with clean-up and the re-establishment costs, and the Loss of Income Grant provided \$10,000 to impacted businesses. The South Australian Disaster Small Business Transformation and Growth Program continues to deliver a range of measures, including the Kangaroo Island Business Hub, the establishment of a collaborative business network in the Adelaide Hills, access to export and investment advice, access to financial counselling and coaching and mentoring services.

The Marshall government created the SA Business Information Hub, providing a trusted source for the most up-to-date information for South Australian businesses and industries. This includes a small business information line to provide advice and support over the phone or email to small business. The business.sa.gov.au website for small business is providing online support, tailored case management services for small business, and Australian government and South Australian government support is available, and 5,615 businesses have been assisted this financial year.

In January 2021, we launched the SA Business information app, designed for both Apple and android users, to provide information from the SA Business Information Hub website, which collates state and federal financial support options for business sectors, including the arts, e-commerce and space. My department continues to work across government and with a range of other business and industry stakeholders to assess the requirements of small business and ensure that our small businesses are provided with seamless across-agency services, access to support, and the accurate and timely advice that they deserve.

Ms MICHAELS: Following on from the member for King's question on COVID supports—same budget reference—Business SA, as it usually does, puts in a submission for the budget each year, and did so this year with requests for assistance for small business. Minister, have you met with the CEO of Business SA to discuss that submission?

The Hon. D.G. PISONI: I meet with Business SA on a regular basis.

Ms MICHAELS: Did Mr Haese express any concerns about the government's handling of the assistance to small business through the COVID lockdowns?

The Hon. D.G. PISONI: No, Mr Haese is thrilled to bits with the way the government is supporting small business and the way the economy is running in South Australia.

Ms MICHAELS: So he is thrilled to bits with the lack of support in terms of the request put through their budget submission?

The Hon. D.G. PISONI: Mr Haese is very pleased with the way the South Australian economy is running in South Australia.

Ms MICHAELS: Have you met with the Master Builders Association in terms of any concerns they have with the definition of essential services and the impacts on small business?

The Hon. D.G. PISONI: I meet with the Master Builders Association regularly and they are over the moon with the amount of activity that the stimulus packages have provided for the building industry, with the \$25,000 federal grants, and they are very supportive and appreciative of the reinvigoration of the investment in skills in South Australia. Certainly the construction trade has been one of the biggest users of both state and federal incentives that have been delivered by the Morrison government and the Marshall government to support apprentices and trainees in the building industry. They will tell you—

Ms MICHAELS: My question was around essential services, Mr Chair.

The CHAIR: Member for Enfield, your question was in relation to whether the minister had met with the association and if he expressed anything. That is a relatively wide scope.

Ms MICHAELS: Sorry, in relation to the essential service definition.

The CHAIR: I am very happy that the minister's answer is germane to the question that was asked.

The Hon. D.G. PISONI: It does take me to some of the earlier conversations that I have had with organisations like Business SA, the MBA and the HIA about their sheer disappointment with the previous government's interest in apprentices and trainees. They were screaming for years about the skills shortages in South Australia and how that will continue to grow because of the continual decline in the commencement of apprentices and trainees in South Australia.

Mr SZAKACS: Point of order: relevance. To the best of my understanding, the COVID pandemic certainly postdates the former Labor government, so to the member for Enfield's question regarding whether the minister has met with a body in respect of the definition of essential services, I think that a debate around—

The CHAIR: Member for Cheltenham, I will bring us back. The rules that apply to debate are the same as the rules for a committee of the whole. They are not question time rules where the answer has to be entirely within the scope of being nothing but relevant to that particular point or question that has been asked.

Mr SZAKACS: Further to your previous ruling that the minister's answer was germane to the member for Enfield's question, my further point of order is simply that it is no longer subject to your previous ruling and germane now to the question of the member for Enfield.

The CHAIR: As I said, in terms of my ruling when relevance comes up, the minister is able to answer his question the way he wishes. The only requirement of asking questions is that they be referenceable and relatable to lines of expenditure made from the budget papers. In terms of a response, as with our responses through the committee of the whole process, they are able to be reasonably wideranging. I provide the minister the call.

The Hon. D.G. PISONI: It is extremely relevant because the major concern from those business organisations was that they felt they were not listened to previously. I can remember that, when I arranged my first set of round tables for industry to get an understanding of where the unmet skills needs were and what industry needed to see change and what they wanted the government to do, the first meetings were met with a lot of cynicism because they remembered these meetings from the previous government and they led to nothing. A classic example—

Ms MICHAELS: Point of order: there seems to be very little correlation to my question. I understand the minister can answer however he wishes, but we have limited time. We would appreciate it if you brought him back to the substance.

The CHAIR: Minister, in fairness to the process, perhaps we can try to wind up the answer to the question and allow the member for Enfield to—

The Hon. D.G. PISONI: Was the question not in relation to the COVID response?

The CHAIR: It was about being listened to by a particular interest group. I am happy that the answer provided to date has remained within the standing orders but, again, in the fairness of this process, if we could get to a conclusion of the answer perhaps in the next 30 seconds that would be appreciated.

The Hon. D.G. PISONI: One very illustrative example of an immediate response to COVID, certainly in the training space that we are responsible for, was our VET continuity package. It meant that we were able to provide extra funding to ensure that organisations like the Master Builders Association—which had their own group training body they had spent years building—were able to have additional funding to continue that process when COVID hit so they had some security of income and were able to continue their training programs, regardless of what happened to the placement of their group training premises. That is a classic example of a government listening to and engaging with industry and responding to exactly where they wanted to be.

Ms MICHAELS: Minister, have you spoken to any small businesses in the CBD that are concerned that the \$3,000 support was not sufficient to help them through what has been a very difficult period in the CBD?

The Hon. D.G. PISONI: Since that \$3,000 was announced, I have not been at work. I was ill, so I have not physically been out visiting small businesses, and we had a lockdown in that period as well. It has been a very difficult time. The Delta strain, in particular, of the COVID-19 pandemic has taken everybody by surprise. I think many Australians believed we had dodged a bullet, not realising that it was still well and truly on the way. I am very pleased with the decisions the government made to go in early and go in hard to stop the virus spreading in South Australia. I was very pleased that we were able to come out of lockdown when the Premier said we would come out of lockdown after just seven days.

I was in small business myself. I know that whenever there is a bump in the economy, particularly when you are in a business that is in discretionary spending, where people spend money for an experience and want to feel good about themselves or on something for the house that just adds joy rather than has a practical purpose, these are the times when that sort of spending is put to one side, when people are not feeling secure.

I think there is no doubt that there is an enormous amount of confidence, not just in the small business and medium business sector in South Australia, as we saw in the latest state bank report about confidence in South Australia, but we are also seeing consumer confidence. Before the most recent lockdown, we saw the number of people who were out and about enjoying the latest winter event, the Illuminate festival.

We saw big numbers of people not just enjoying the lights but spending their money at hotels and restaurants while they were out as couples or families or out on their own enjoying the Illuminate festival. We are obviously very sorry that we did have a breakout in South Australia, but we are also very pleased that we were able to get on top of that situation with a very quick lockdown. I know it was a severe lockdown, but we are now on the pathway back—

Ms MICHAELS: Mr Chair, that is probably sufficient time for my question.

The Hon. D.G. PISONI: —to expanding trading, with news this week that we are seeing the restrictions being gradually lifted from Thursday. This is obviously good news for business.

Ms MICHAELS: I take you to Budget Paper 4, Volume 3, page 166, the reference to the Kangaroo Island Business Hub, which you have already referred to in your answers today. Can you identify for me the three largest industries on Kangaroo Island and what the government is doing to support each of those industries?

The Hon. D.G. PISONI: Obviously, agriculture and tourism are the biggest industries on the island. They are made up of many small businesses in particular, and one thing that I learnt very quickly on my first visit to the island, just after the fires in January last year, was that many of those small businesses were single-person proprietors or they were couples who were proprietors and they had moved from farming something or producing something, finding it being a successful product and then all of a sudden being a business.

They were very interested in knowing how they could move to the next stage, and there is no doubt that by establishing the Kangaroo Island Business Hub on the island we have actually brought those businesses on Kangaroo Island a centre where they can gather for free, access each other for information and feedback and also access the services that are available through Lot Fourteen and other hubs we have for entrepreneurship and as a support in innovation centres in South Australia.

Ms MICHAELS: Point of order, Mr Chairman.

The CHAIR: Point of order, member for Enfield.

Ms MICHAELS: I appreciate the minister answering my question. I feel that my question has been sufficiently answered, therefore, I would like to move on.

The CHAIR: You put me in a very difficult place, member for Enfield. The question asked was about industries on the island and what the government is doing. I feel that the minister is providing an answer that is directly relevant to the question that was asked. It is entirely up to the minister to answer the question to the length that he wishes within the standing orders of the committee of the whole; that is, upwards of 15 minutes, I believe, is the limit to contributions. Clearly, that is not going to be the case in answering a question, but I will give the minister the opportunity to finish his answer to the question the member for Enfield asked.

The Hon. D.G. PISONI: I will finish my answer because it is a very important answer. The Business Hub has really been a game changer on Kangaroo Island. It has helped businesses take their business to the next level. It is amazing some of the incredible stories you hear from small business operators on Kangaroo Island. Having conversations about branding, about marketing, about pricing, and they say, 'We need support on that. We do believe our product is of a higher quality and deserves a higher price, but we don't know how to achieve that.'

We are seeing now that businesses have an avenue, they have an ability now to work with other businesses, because we are seeing a lot of collaboration happening. People have turned to each other to support each other during this period. I think it is a real changing time on Kangaroo Island in the way they do business.

The hub is a key deliverable under the joint state and commonwealth funded \$1.5 million Disaster Small Business Transformation and Growth Program. The hub provides a range of free support services for businesses, entrepreneurs and primary producers, including access to government support services, training, coaching and events, to help them transform and grow and innovate.

This is important because of the link they have now through e-commerce. They are able to have Teams meetings and Zoom meetings in a boardroom with people in Adelaide or people in Sydney or Melbourne that they are doing business with. It is access they could not have before, where there might be two or three different businesses talking to the same company. They are now able to prepare for those meetings collectively in a joint space and use the facilities that are available there. The business awards were conducted just recently on Kangaroo Island, and the hub was used for that purpose.

I think the important thing about the changes we are seeing on Kangaroo Island is that they are being driven by the business community, and the government is playing a role as a facilitator in order for that to happen.

The CHAIR: I am going to go to the member for Enfield out of respect for the process. I know that the member for Mount Gambier is keen to ask a question.

Ms MICHAELS: I am happy for the member for Mount Gambier to ask a question.

The CHAIR: Member for Mount Gambier, I will use my discretion to provide you with the call.

Mr BELL: I refer to Budget Paper 5, page 98. With the continuity package, the \$3 million that was reprofiled, are you able to detail which non-government training providers that supported and the amount that each of those non-government training providers were issued under that package?

The Hon. D.G. PISONI: My understanding is there were only four non-government training providers.

Mr BELL: Are you able to detail which non-government training providers they are?

The Hon. D.G. PISONI: It is a skills question, which is a bit later.

The CHAIR: I would say it is probably not relevant to the open budget lines at the moment, member for Mount Gambier. Are you under a time pressure to—

Mr BELL: Just picking up, the minister did talk about the continuity package in his previous answer. My next one is relating to—

The Hon. D.G. PISONI: If you are asking for something specific, we can bring it back.

The CHAIR: Minister, perhaps you can take the specifics of the question on notice. Member for Mount Gambier, did you wish to ask one more?

Mr BELL: No, my next one is a skills question as well.

The CHAIR: Very good. Member for Enfield.

Ms MICHAELS: Minister, what are you doing to support small building and construction businesses that are struggling to get structural timber at the moment and are unlikely to get any until March next year? How will they survive and what supports are you putting in place?

The Hon. D.G. PISONI: I know there is some work being done by Minister Basham's office. He has carriage of that project via the government.

Ms MICHAELS: Have you had any input into that at all?

The Hon. D.G. PISONI: Mr Basham is handling that.

Ms MICHAELS: Budget Paper 4, Volume 3, page 170, talks about the SME Business Advisory Services scheme. How many South Australian small businesses have sought advice through that scheme?

The Hon. D.G. PISONI: The small business advisory program scheme, launched on 12 November last year, provided one-to-one matched funding to a maximum of \$10,000 per business. There was a robust assessment process undertaken on each application, with a three-stage approval process to ensure appropriate due diligence and probity of applications. The program, designed to be open until 17 May and which attracted significant interest from all sectors and regions across the state, was closed early in February due to oversubscription.

There were 949 business applications received into the program seeking funding of \$6,769,524, with 667 applications approved with a total value of \$5,016,480. The following services were the most requested: business planning, marketing, transformation of business and operating models, business futureproofing, IRT and e-commerce.

Under the program, relevant businesses could apply to be an approved provider. As these approved providers must be South Australian based, it was anticipated that the program will inject \$10 million directly into the South Australian economy. There were 451 applications received from businesses seeking to be classified as approved providers under the program, with 329 approved. Of the approved providers, 211 were selected by SME businesses to provide authorised services.

My department continues to evaluate completed projects under the program, with expected long-term outcomes; businesses to demonstrate transformations, based on advice received; implementing sustainability, with all growth measured 12 months after the program ends; increase in dialogue and business understanding and transformation of what it means for their business; and improved culture of innovation in South Australian small business.

Ms MICHAELS: Did you seek any additional funding from the Treasurer to meet the excess demand that you have just talked about?

The Hon. D.G. PISONI: There was no additional funding sought. It was a one-off \$5 million budget for a COVID response, which is what we delivered.

Ms MICHAELS: In relation to the small business hub app, referring to Budget Paper 4, Volume 3, page 168, the digital transformation line, are you able to advise how many times the app has been downloaded?

The Hon. D.G. PISONI: The app was tied to the business.sa.gov.au website. More than 110,000 hits have been made on the business.sa.gov.au website during the financial year with over 320 page views and, since the launch of the app, 246 users have downloaded the app in South Australia.

The CHAIR: The time allocated for the examination of payments in relation to the portfolios of innovation and small business has concluded; therefore, there are no further questions and I declare the examination of the portfolios of innovation and small business complete.

Membership:

Hon. Z.L. Bettison substituted for Ms Michaels.

Mr Boyer substituted for Dr Close.

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 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: I advise that the proposed payments remain open for examination. I invite the minister to make an opening statement in relation to this portfolio, should he wish, and to introduce his advisers.

The Hon. D.G. PISONI: The Marshall government has been working over the past year to position South Australia as a safer and more attractive place to live and work. We remain vigilant to the challenges presented by COVID-19, responding quickly and decisively where necessary. We have taken action to ensure we have maintained our enviable economy and lifestyle, which has seen Adelaide named the most livable city in Australia by *The Economist* Intelligence Unit's Global Liveability Index 2021 as well the third most livable city in the world.

This is an outstanding result, achieved thanks to the collective efforts of every South Australian to keep our state safe and our economy strong. South Australia's lifestyle is a major drawcard for many workers and families flocking to our state, and while we continue to successfully manage the pandemic, there is no doubt that last year has been particularly difficult for the state's skilled migration programs and the businesses and industries that rely on them.

While it remains difficult to predict when borders will reopen and skilled migration programs will be able to resume, the Marshall government remains committed to looking beyond our borders to meet vital skill needs and to enrich South Australia's cultural fabric through welcoming skilled migrants to our state.

While international borders have remained closed we have nominated 3,344 skilled migrants, with a strong focus on those already living and working in South Australia. This is a crucial element to helping local businesses retain skilled workers in sectors critical to the state's economic recovery. We have recommenced offshore nominations to support businesses to attract skills that are not currently available in our local workforce. In fact, South Australia has commenced nominating offshore skilled migrants in a number of trade occupations, with the aim that these workers will have

achieved their visas when international borders reopen so we can recommence the skilled migration program for industry.

We have negotiated with the Morrison government to increase the proportion of permanent skilled visas, with 47 per cent of those nominated recommended for a permanent visa, up from 29 per cent the previous year. Employers have continued to access employer-sponsored programs, with a total of 108 positions nominated directly by employers. Forty-four of those positions utilise South Australia's designated area migration agreements, or DAMAs. There is also a strong interest in the 132 permanent business visa. This resulted in South Australia delivering its largest business migration program on record, with 959 nominations.

We continue to seek opportunities to diversify the country of origin for business migration applicants as well as the range of South Australian businesses that can benefit from the program. The Marshall government knows that skilled migration will be essential as we rebuild and recover from COVID-19. Population growth and improved workforce availability will keep South Australia nationally and globally competitive, delivering more local jobs.

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

Mr BOYER: No, thank you, Chair.

The CHAIR: With opening statements concluded, we turn to questions.

Mr BOYER: Budget Paper 4, Volume 3, page 167, key agency outputs. What support did your government give skilled migrants who were ineligible for JobKeeper or JobSeeker during the COVID-19 global pandemic?

The Hon. D.G. PISONI: That was a matter for the Department of the Premier and Cabinet, so I do not have any information on that.

Mr BOYER: Same budget line and same question: you have no role as minister, or your agency has no role, in providing any support to skilled migrants? You are the minister, I presume, responsible for migration, but you have no role in supporting—

The Hon. D.G. PISONI: No, I am not. I am not the minister responsible for migration. I am the minister responsible for skilled migration. The question that you asked me related to the Department of the Premier and Cabinet, not to me.

Mr BOYER: Just to clarify, then, minister: there was no support from your agency provided to skilled migrants in South Australia that were not eligible for JobKeeper or JobSeeker?

The Hon. D.G. PISONI: I refer to my previous answer.

The CHAIR: Member for Wright, I will draw you back to the fact that the question needs to relate to a budget line of expenditure.

Mr BOYER: Which it did.

The CHAIR: I believe the minister has provided an answer. He is seeking further clarification. If the minister wishes to add to that answer I will provide him with that opportunity.

Mr BOYER: I refer to Budget Paper 4, Volume 3, page 167. How many skilled migrants left South Australia in the last financial year?

The Hon. D.G. PISONI: That sort of information is held by the commonwealth and they do not share that with the states.

Mr BOYER: On the same budget line, to clarify your answer, you are not aware or not told how many skilled migrants leave the state, you are only told how many come to the state; is that correct?

The Hon. D.G. PISONI: No, we do not have any sight as to where skilled migrants go once they come to South Australia.

Mr BOYER: On the same budget line, Budget Paper 4, Volume 3, page 167, how many international students who recently completed their studies were given additional time to achieve permanent residency due to the global restrictions of the pandemic?

The Hon. D.G. PISONI: That is not relevant to this budget line and it is not relevant to my department. I do not manage international students.

Mr BOYER: I think the budget line is something for the Chair to rule on, not you, minister.

The CHAIR: Member for Wright, please provide the minister an opportunity to complete his answer.

Mr BOYER: Have you finished your answer, minister?

The Hon. D.G. PISONI: Do you want to repeat the question?

Mr BOYER: I asked you twice already.

The Hon. D.G. PISONI: If it is anything to do with foreign students, it is not my responsibility. That is the answer. I am not the minister responsible.

Mr BOYER: What are you responsible for? Anything?

The Hon. D.G. PISONI: Skilled migration, as per the budget papers.

The Hon. Z.L. BETTISON: In the same area, aren't international students who then stay on to a pathway to permanent residency then classified as skilled migrants?

The Hon. D.G. PISONI: Anything to do with changes to visas or people being granted visas or applying for permanent residency is all a federal government matter. The state plays no role whatsoever.

The CHAIR: Members, I will step in here. I must admit, I am entirely inclined to make a ruling in that regard: that changes to visa classifications and visa changes very clearly are in the domain of the federal government. I will provide the minister an opportunity to provide further information, should he wish.

The Hon. Z.L. BETTISON: For international students who apply to remain in South Australia with permanent residency, do they not apply through the state occupation list that you influence? Would they not be applying through that occupation list?

The Hon. D.G. PISONI: Yes, we nominate them. We are not advised as to whether their nomination has been successful and we do not have any sight as to the outcome.

The CHAIR: To get to the bottom of this, it appears that the state supports applications to another government department, so in terms of responsibility for decision-making, numbers, statistics, etc., that responsibility would lie with the federal government, from what I have heard here. So perhaps, members, if we can try to stick to questions that entirely revolve around the responsibilities of the minister and the department or are specifically referenced within budget lines.

The Hon. Z.L. BETTISON: Just looking at the same Budget Paper 4, Volume 3, page 167: how many skilled migrants left South Australia?

The CHAIR: That question has been asked, member for Ramsay, and an answer has been provided.

The Hon. Z.L. BETTISON: My apologies.

Mr BOYER: Budget Paper 4, Volume 3, page 172, the business, innovation and investment parts there: how did you achieve over the target, given that international borders have been shut?

The Hon. D.G. PISONI: The number relates to nominations. It does not necessarily mean that they are here.

Mr BOYER: The same budget line: in reference to that answer, am I right in saying that when the budget papers say that you have achieved over target, that is in terms of nominations not necessarily in terms of people who are actually present?

The Hon. D.G. PISONI: The indicator is nominations.

Mr BOYER: Same Budget Paper 4, Volume 3, page 172: have you now received the 2020-21 allocation of skilled migrants from the commonwealth, and how does that compare with previous allocations?

The Hon. D.G. PISONI: The answer is yes.

Mr BOYER: What is that allocation?

The Hon. D.G. PISONI: The same as last year: 1,000.

Mr BOYER: What did you advocate for as minister in terms of the allocation, or what did the government advocate for, and how does the 1,000 that has been allotted compare with that?

The Hon. D.G. PISONI: I advise that those negotiations between the state and commonwealth on such matters are confidential.

Mr BOYER: Same budget paper: on what basis are they confidential? What confidentiality provisions cover that information?

The Hon. D.G. PISONI: They are intergovernmental negotiations, and that is standard practice.

Mr McBRIDE: I refer to target 7 on page 175, Volume 3 of the Agency Statements. How will the state's 2021-22 general skilled migration program and business innovation and investment visa program support South Australia's economic recovery?

The Hon. D.G. PISONI: Thank you very much, member for MacKillop. I know that, certainly in regional South Australia, the skilled migration and investment programs are important for the local economies, and nothing is more important for the future of South Australian businesses than being able to get up and running again. Central to the challenge is our small businesses being able to find the right people, right when they need them. South Australia's 2020-21 migration program will provide an important contribution to this challenge and to South Australia's economic recovery.

South Australian workers will always have the priority but, where there are skills shortages, our migration program can help businesses fill workforce gaps, which in turn will lead to growth and expansion and the creation of new local employment opportunities. We have seen examples of this, particularly in regional South Australia.

The South Australian government is focused on supporting businesses and sectors that are critical to both the health response to the COVID-19 pandemic and a strong economic recovery, such as health and medical care, agriculture, food production, mining, energy, manufacturing and logistics, to provide the necessary skilled workforce when local workers are not available. The focus on sectors that are playing a role in the economic recovery will continue, and our 2021-22 program will expand to also prioritise defence professionals and trade occupations with strong future demand to assist in long-term economic growth and priority sectors.

Following confirmation in the recent commonwealth budget of the overall national migration planning level, South Australia's skilled migration allocation for the full 2021-22 program year will be 5,200 places, comprising 2,600 Skilled Nominated visas (subclass 190) and 2,600 Skilled Work Regional (Provisional) visas (subclass 491). Our program emphasis will be on nominating highly talented and qualified skilled migrants who can bring new skills and technology to South Australia and who can contribute to job creation by helping local businesses to grow and reach their potential.

With the international travel ban still in place, South Australia's skilled program will continue to focus on temporary skilled migrants who are already living and working in Australia. This will assist local businesses to retain valued workers and continue their economic contribution to the state. However, with travel restrictions expected to be gradually eased in 2022, the state government is taking the necessary steps to recommence nominating skilled migrants from overseas. These critical workers can help meet our state's skills needs, particularly to support growing health and defence manufacturing sectors.

Also critical to South Australia's post-COVID growth is our Business Innovation and Investment Program, which provides new sources of direct investment into local businesses and accelerates job creation in the state. Business migrants who have been nominated by the South Australian government are required to operate a business or make certain qualifying investments in the state to meet their visa conditions. South Australia's endorsement criteria are particularly weighted towards job creation for local workers.

In recent years, the state's business migration program has been highly successful in attracting overseas businesspeople to implement their ideas. The 2021-22 program will be increasingly driven to high-quality businesses, critical growth sectors, regional expansion and targeted exports to bring more of South Australia to the world. South Australia's visa nomination allocation for the 2021-22 program will be 1,000 places. The Department for Innovation and Skills continues to work closely with the Australian government's Department of Home Affairs on all programs that increase job opportunities and economic capacity for South Australians.

The government of South Australia acknowledges the enormous challenges Australia is facing due to the ongoing global pandemic. The state government is focusing on initiatives to support recovery and boost the South Australian economy and creating jobs. Skilled and business migration will form an important part of this strategy.

The Hon. Z.L. BETTISON: I refer to Budget Paper 4, Volume 3, page 174. How many employers in South Australia have access the employer-sponsored migration programs?

The Hon. D.G. PISONI: There have been 108 positions across all employer-sponsored visa subclasses.

The Hon. Z.L. BETTISON: Is that more or fewer than previous years?

The Hon. D.G. PISONI: That is fewer than previous years. The actual for 2019-20 in the budget papers on page 177 will tell you there were 360. Obviously, that is the impact of COVID.

The Hon. Z.L. BETTISON: How many FTEs are working in the area, administering employer-sponsored and skilled migration programs?

The Hon. D.G. PISONI: I am advised there are nine FTEs.

The Hon. Z.L. BETTISON: Has this decreased from previous years?

The Hon. D.G. PISONI: We are going to take that on notice.

The Hon. Z.L. BETTISON: Will you take it on notice looking at 2018-19 and 2019-20; is that possible?

The Hon. D.G. PISONI: I will take it on notice in accordance with the budget papers.

Mr BOYER: I refer to Budget Paper 4, Volume 3, page 174. In one of the dot points, under highlights, you talk about pivoting the skilled migration program around supporting economic recovery. Could you tell us how the program was pivoted?

The Hon. D.G. PISONI: The question relates to the second dot point from the last on the list of highlights, which states, 'Pivoted South Australia's skilled migration program'—

Mr BOYER: The second-last dot point.

The Hon. D.G. PISONI: 'to attract skills required to support economic recovery'?

Mr BOYER: That is right.

The Hon. D.G. PISONI: There is probably a broader answer to that question. When we came to office, the skilled migration unit was completely different from the skills unit. When you really think about the relationship they had, they did have a lot of synergies because they were chasing the same thing: the ability for employers to access skills in South Australia for their businesses to grow, for the economy to grow and for more jobs generally to be available.

The decision was made to move the responsibility for skilled migration out of the Department for Trade and Investment into the Department for Innovation and Skills because the Department for

Innovation and Skills has all the resources, if you like, for skills development and understanding the skills environment in South Australia. What we have been able to do is pivot the work we are doing with the Skills Commission.

As you know, the Skills Commission is also more broadly representative now in its new role, where it looks beyond skills that are acquired through training and skills that may be acquired elsewhere for industry in South Australia. We now have a system where we are able to have a good understanding of where the skills gaps are in South Australia and how we can complete those skills gaps. The first preference is for those skills gaps to be closed through skills training. We started that process very quickly and very early on coming to office, and then there are skills that are immediate and needed.

Mr BOYER: Point of order: my question was very specific in terms of the dot point there and how it was pivoted in terms of supporting economic recovery. The minister has not touched on that now. His answer is not relevant or germane to the question at all.

The CHAIR: I would say the information the minister has contributed so far is providing background information in terms of how the programs have changed at a high level. I do not believe that he has left the question that was put forward by the member for Wright as yet, but I will listen carefully as the minister continues to provide his answer.

Mr BOYER: Thank you, Chair. We have had five minutes of background on this one so far.

The Hon. D.G. PISONI: Just getting back to the ability for the pivot to occur in this situation, because of that move that was made in April 2019—

Mr BOYER: Point of order: my question was not about how the pivot was able to occur; my question was how was it pivoted to support economic recovery. It is a sum total of about 20 words in that dot point and I could not have been clearer in my question. The question is: how was it pivoted to support economic recovery?

The CHAIR: Member for Wright, your question was clear. The answer the minister has provided is directly answering the question. He is providing background as to changes that have been made to the programs. To my understanding, that is a pivot.

The Hon. D.G. PISONI: I think the ability to pivot under these circumstances was enhanced by those changes that were made earlier. An example of that pivot was the fact that we shifted our focus from nominating overseas applicants to local applicants who were already in South Australia or people who were interstate. They were already in Australia, exempt from the travel ban, and could stay in Australia under new visas that were negotiated in South Australia.

Mr BOYER: I refer to Budget Paper 4, Volume 3, page 177, specifically in relation to designated area migration agreements. The 2020-21 DAMAs are at 25 per cent of the 2020-21 projection of 400. I accept this has been impacted by closed borders. What will you be doing in terms of seeking an extension of the five-year agreement with the commonwealth government in relation to those DAMAs?

The Hon. D.G. PISONI: I am very confident that the new minister, Alex Hawke, with whom the Premier and I have had very good and productive meetings, understands that South Australia has some unique issues that you may not see in the bigger states or the bigger cities. He also understands how close we are to industry in South Australia to ensure that the information we are sharing to negotiate these DAMAs is information that is of value to industry so that those DAMAs can be reviewed on an annual basis to suit industry needs.

This is our second review of the two state DAMAs, and it has provided a business case to the Department of Home Affairs for significant enhancement to the program. These include additional new occupations that will support South Australia's priority growth in state industries, including engineering, trade and machinery operator occupations; support for manufacturing sectors and horticultural, beekeeping and seafood industry occupations; and support for agribusiness industries and hospitality roles to support economic growth in regional South Australia.

We are seeking to reinstate some of the selected higher skill occupations that were removed in the 2019-20 DAMA in areas where relevant industry associations and employers argued strongly

for their inclusion under the DAMA, including hospitality, motor trades and forestry. It is an ongoing feast. There is an annual review, demand can change between reviews and the government has more information. Industry has changed or pivoted and requires new sets. New industries start, and one of the areas where the DAMAs are seen to play a very strong role are in skill sets we need that are not in Australia at all, particularly in the areas of advanced manufacturing, artificial intelligence and other areas within the IT sector.

Mr BOYER: I refer to the same Budget Paper 4, Volume 3, page 177. Keeping in mind the projection of 400, what figure will you be advocating for the next stage or a re-signed agreement? What will the government's position be?

The Hon. D.G. PISONI: The re-signed agreement is not due for about 12 months.

Mr BOYER: Yes, and that is exactly how a lot of these projections work. I refer to the same Budget Paper 4, Volume 3, page 177. As per projections in here, which go a year out as well, what are you going to be advocating in terms of the allocations under the DAMA?

The Hon. D.G. PISONI: I will be guided by the information that becomes available when those negotiations start.

The Hon. Z.L. BETTISON: On Budget Paper 4, Volume 3, page 177, do you consider the DAMAs to be successful?

The Hon. D.G. PISONI: I think what needs to be remembered about the DAMAs is that they were a standing start. They did not exist in South Australia before 2019, I think it was. We did not get everything we wanted in the first DAMA in particular, and then COVID hit and that had a dramatic impact on DAMAs. We are hopeful that future DAMAs will be very successful because we have now been able to demonstrate that we are able to provide the information the commonwealth needs in order to approve the skill sets that we require on our DAMAs.

Many of the rules, if you like, of a DAMA are determined by the federal government, so we advocate and ask for what we need, what we believe we need in South Australia. It does not necessarily mean that we get it, but we are certainly happy with the new DAMA. We are seeking to maintain the features that were attained in 2021 to reduce barriers, including pathways to permanent residency, amendments to the English/age concessions, as well as agreements to implement a more appropriate and competitive test for work experience requirements, and allowing the state government to take on responsibility for skills assessments for new occupations which do not have existing skills assessing authorities.

This was a barrier particularly as we were rolling out a number of new skills pathways in the agricultural sector in particular where there were no skills assessments available for migrants who may come here on those skill sets and, consequently, there was no pathway. Being able to negotiate that that is now managed by the state for those assessments has put us in a much stronger position to support employers who need to bring those special skills into South Australia.

The Hon. Z.L. BETTISON: Obviously, the original DAMAs required some tweaking to be as successful as you intend them to be, so at this point we have not achieved what you wanted to achieve. How are you actually promoting the DAMAs to South Australian businesses?

The Hon. D.G. PISONI: Every migration agent in the state is fully abreast of the DAMAs. We are in touch with them regularly. As a matter of fact, when I first met the migration agents association—I am not sure if that is what they are called—I approached them to see whether we could catch up. I attended one of their meetings and they said it was the first time they had ever had an approach from a government minister to hear what they had to say. I have stayed in regular contact with them. They were very pleased to have some input and I think it is fair to say that they have also been partly responsible for the improvements that we have put forward to the federal government for the outcomes we want in South Australia.

The Hon. Z.L. BETTISON: Migration agents are in a complete world of pain at the moment. It is great that you have mentioned them but what have you actually done to support migration agents who are so important to make the achievements happen for us for the DAMAs? Their businesses are barely surviving. What have you actually done?

The Hon. D.G. PISONI: That is a very cheap shot from the member for Ramsay. I explained to you that we engaged them very early in coming to office and the migration agents—

The Hon. Z.L. BETTISON: I am just asking what you have done to advocate for them.

The CHAIR: Member for Ramsay, the minister is entitled to be heard in silence while he is providing his answer.

The Hon. D.G. PISONI: I explained in some of the pivots that we have been delivering during COVID. We are working with migrants who are already here, for example, in order to process migrants—

Members interjecting:

The CHAIR: Members!

The Hon. D.G. PISONI: We are processing migrants who are overseas to be ready for them to arrive when the borders open. We are continuing to work to support the industry, but of course we are in lockdown in Australia. We do not have open borders, but we are working diligently as a department to ensure that, when the borders do open, we will have a skilled migration program that continues to operate.

The Hon. Z.L. BETTISON: Minister, obviously it is a very frustrating time when the borders are shut and we would like to promote South Australia to the world. Do we have any country or region-specific plans? For instance, is there a strategy around maximising the new relationship with the UK with the recently signed, or signed partly agreed, free trade agreement?

The Hon. D.G. PISONI: That is an area you will need to take up with the minister responsible. We are agnostic when it comes to skilled migrants. The skilled migration program is usually employer-driven. We do not say, 'I know you have someone coming from that country, but we do not want them.' We will support them in processing employer-sponsored programs—

The Hon. Z.L. BETTISON: Minister, I appreciate your conversation about being agnostic, but obviously we have seen a renewed interest from the UK in our relationship and the deepening of our relationship. Will you be promoting the South Australian DAMAs in the UK?

The Hon. D.G. PISONI: There is no doubt that there is a lot of interest that Lot Fourteen in particular has generated in the UK. There is a massive opportunity through the free trade agreement with the UK and we will be working diligently to process those who apply for skilled migration into South Australia through the federal government.

The Hon. Z.L. BETTISON: Will the new Agent General be promoting the South Australian DAMAs and have you briefed the new Agent General for the UK?

The Hon. D.G. PISONI: Yes.

The Hon. Z.L. BETTISON: The Adelaide City Technology and Innovation Advancement Agreement covers the occupations of defence and space and advanced manufacturing technology industries. I understand that we had up to 300 DAMA applicants per year as part of that agreement. How many applicants were sponsored in 2019-20 and 2020-21 for this agreement?

The Hon. D.G. PISONI: How many what, sorry?

The Hon. Z.L. BETTISON: How many were sponsored?

The Hon. D.G. PISONI: I am advised that over the 2019-20, 2020-21 year we have endorsed 14 positions or applications.

The Hon. Z.L. BETTISON: What year did you say? Was it 2019-20 or—

The Hon. D.G. PISONI: The last two years.

The Hon. Z.L. BETTISON: So in the last two years, 14 positions?

The Hon. D.G. PISONI: Yes.

The Hon. Z.L. BETTISON: Out of a possible 600 positions? Is that correct—300 per year?

The Hon. D.G. PISONI: A total of 14 have been endorsed, yes.

The Hon. Z.L. BETTISON: The South Australian Regional Workforce Agreement has its key occupations, regional growth, industries, agribusiness and a few others, up to 750 places per year. How many applications were sponsored in 2019-20 and 2020-21?

The Hon. D.G. PISONI: There were 170.

The Hon. Z.L. BETTISON: Just to clarify, that is over two years?

The Hon. D.G. PISONI: Yes.

The Hon. Z.L. BETTISON: So 170 out of a possible 1,500 places?

The Hon. D.G. PISONI: A total of 170 positions were endorsed.

The Hon. Z.L. BETTISON: To be accepted to have a DAMA visa, a company must submit evidence for completed labour market testing. How many South Australian employers have completed specified labour market testing in 2021?

The Hon. D.G. PISONI: There is quite a bit of detail in there. I think we need to take that on notice.

The Hon. Z.L. BETTISON: I also have a question in a similar vein that you may need to take on notice. To apply for endorsement by your department, businesses must request an endorsement application form. Can you provide me with how many South Australian employers completed a request for endorsement application in 2021?

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

The Hon. Z.L. BETTISON: Are the DAMAs too complicated for businesses to use them effectively?

The Hon. D.G. PISONI: There is always room for improvement, but I must emphasise that the major partner in the DAMA is the federal government. We are confident that the second round is more responsive to what industry needs, and the pathway to permanent residency, for example, is a big plus. The DAMA is still a very expensive process for employers, but of course we have had COVID. COVID has put the brakes on many people's plans to use the DAMA, who we have been talking to in order to improve the DAMA.

The Hon. Z.L. BETTISON: Do South Australian government departments need to go through the same process to participate in the DAMA?

The Hon. D.G. PISONI: I am told that any employer.

The Hon. Z.L. BETTISON: Can you indicate to the committee which government departments have applied to have a DAMA?

The Hon. D.G. PISONI: That is something we will need to take on notice.

Mr SZAKACS: I refer to the same line item as the member for Ramsay's line of questioning. United Kingdom residents under the age of 35 are subject to the new free trade agreement which dispenses with labour market testing. For those Brits under 35 who, under the UK free trade agreement, will not need to show or prove labour market testing if they are subject to an employer-sponsored DAMA, will that employer need to show labour market testing?

The Hon. D.G. PISONI: I am not responsible for the free trade agreement.

Mr SZAKACS: No, but you have just answered about 20 minutes of questions on DAMA and labour market testing, so I am sure this is within your capacity, maybe.

The Hon. D.G. PISONI: I am advised we have not seen any detail on the new arrangements.

Mr SZAKACS: Have you sought any advice on the new arrangements?

The Hon. D.G. PISONI: We have not seen any detail on the arrangements.

Mr SZAKACS: Is your answer that I have seen more detail than you have as minister?

The Hon. D.G. PISONI: I do not know what you have seen.

Mr SZAKACS: I have seen—

The CHAIR: Members, if you could please wait for the call.

Mr SZAKACS: Minister, I am reading off a fact sheet from the Department for International Trade from the government of the United Kingdom. Is it your answer to this chamber that you are not aware that the Australia-United Kingdom free trade agreement will dispense with labour market testing for under 35s?

The Hon. D.G. PISONI: I am advised that labour market testing rules for business are a matter for the commonwealth. The process is that they advise us as to the impact that has on other arrangements that are with the states, and we have not been advised.

Mr SZAKACS: My question specifically then—

The CHAIR: Member for Cheltenham, I had not provided you with the call yet.

Mr SZAKACS: Minister, my question specifically is in relation to the portion of this area in your responsibility—the state, as a signatory to the DAMA agreement with the commonwealth. Have you sought advice on what the implications of the dispensing of labour market testing for under 35s from the United Kingdom will be for local businesses, for South Australian businesses?

The Hon. D.G. PISONI: I am advised that they instruct us.

Mr SZAKACS: I am sorry. Who are 'they'?

The Hon. D.G. PISONI: The federal government instruct us.

Mr SZAKACS: Have you sought advice from the federal government about how this will impact South Australian businesses?

The Hon. D.G. PISONI: I have answered your question. They advise us when it affects us.

Mr SZAKACS: Have they advised you? I assume by 'you', you mean the government of South Australia. Have they advised you yet in how this will impact South Australian businesses?

The Hon. D.G. PISONI: No. My advice is we have not received advice.

Mr SZAKACS: When would you think that it would be prudent to receive the advice from the commonwealth, or at such time that the advice has not been forthcoming when you would seek it as minister?

The Hon. D.G. PISONI: That is something I would review at the time. I think what needs to be understood is that there is no-one coming from the UK on a DAMA at the moment. Their borders are shut. We have much more urgent things to do, like making sure that people who are here can stay here if they want to, and that is what we have been doing.

The Hon. Z.L. BETTISON: Minister, just looking at Budget Paper 5 in the Budget Measures Statement, in chapter 1 there is a budget context, an overview, that talks about new business support measures. It talks in there about the new measures assisting the mobilisation of a seasonal and regional workforce. What role did you or your department play in assisting the mobilisation of a seasonal and regional workforce to address these labour shortages from the restrictions on foreign workers?

The Hon. D.G. PISONI: I am not sure that is a matter for this line, is it?

The Hon. Z.L. BETTISON: You are the minister for skilled migration.

The CHAIR: Members, I do not need commentary. The minister has paused in his response. The member is well aware how this works. The minister does not ask questions; he provides answers. For my benefit, member for Ramsay, what is the budget reference?

The Hon. Z.L. BETTISON: Budget Paper 5, Budget Measures Statement, chapter 1, budget context, an overview,

The CHAIR: Do you have a page number?

The Hon. Z.L. BETTISON: Page 7.

The CHAIR: I am not necessarily sure that is accurate.

The Hon. D.G. PISONI: I am advised that we manage the incentive program and we also allocated some funding for the program.

The Hon. Z.L. BETTISON: You provided incentives and some money; is that what you said? I am sorry, I could not hear you.

The Hon. D.G. PISONI: There is a Regional Jobs Support and Incentive Program for students as part of a support package. We manage that. There were payments of up to \$2,000 per worker for positions located over 90 minutes from the Adelaide CBD and up to \$500 per worker for positions located within 90 minutes of the Adelaide CBD.

This program was established to help boost and fill seasonal regional workforce vacancies in South Australia. Obviously, the backpackers not being here was the biggest reason for that program. My understanding is that we help manage that fund. We also allocated \$1.5 million to help establish the quarantine facility for the seasonal workers.

The CHAIR: With that answer, the time allocated to examination of proposed payments in regard to the portfolio of migration has expired; therefore, there are no further questions and I declare the examination of the portfolio of migration completed.

Sitting suspended from 15:01 to 15:15.

Membership:

Mr Brown substituted for Hon. Z.L. Bettison.

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.

Mr. C. Markwick, Director, Skills and Workforce Projects, Department for Innovation and Skills.

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

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

The CHAIR: The next session of Estimates Committee B will run from 3.15pm to 5.15pm. The portfolio to be examined is skills and workforce development. The minister appearing is the Minister for Innovation and Skills. The estimates of payments relate to the Department for Innovation and Skills and Administered Items for the Department for Innovation and Skills. I advise that the proposed payments remain open for examination. I call on the minister to make an opening statement in relation to this portfolio, should he wish, and to introduce his advisers, if there have been any changes.

The Hon. D.G. PISONI: Despite the challenges of the last year, South Australia has weathered the health and economic impacts of COVID-19 well. The South Australian economy has been performing strongly, with business and consumer confidence at near record highs. There are also thousands of job opportunities for South Australians looking for work across emerging and traditional industries including:

- defence and shipbuilding;
- social care and health care;
- hi-tech jobs, such as ICT and cybersecurity;
- mining and energy; and
- building and construction.

The Marshall government's record \$17.9 billion investment in infrastructure is driving a wave of job creation felt right across metropolitan and regional Adelaide. The number of job vacancies in South Australia hit an all-time high in the May quarter, with 21,300 positions available according to the latest data from the Australian Bureau of Statistics.

The 21,300 vacancies represent a 10 per cent increase from the previous quarter and a massive 213 per cent increase in job vacancies since the same time last year and above pre COVID-19 levels. There are also record numbers of South Australians in work. ABS figures show that in the last two months South Australia has created 22,400 jobs and now has a record number of people in work. Unemployment fell to 5.3 per cent in June. Internet job vacancies are 93 per cent higher than a year ago.

Our state's small and medium businesses are among the most confident in the nation, reporting a significant rise in trading conditions, including profitability, sales, forward orders and employment. There has also been an increase in the number of interstate residents choosing to live in South Australia. ABS data is showing positive net interstate migration for the third consecutive quarter, the highest level in almost 30 years and a significant reversal of the brain drain of our best and brightest to the eastern seaboard.

The Marshall government is supporting South Australians to get skills and qualifications to build careers and meet the workforce needs of industry now and into the future, driving growth in apprenticeships and developing a sustainable training system. The success of the Marshall government's Skilling South Australia program since September 2018 continues to deliver reform and nation-leading outcomes, changing lives through targeted training, support and jobs for more South Australians.

Our work started immediately to address Labor's unacceptable decline of 66 per cent in training commencements from 2012 to 2018. The decline was the worst in the nation—a rate of almost 19 per cent per year. This is appalling when it is well published that South Australia has a population with one of the lowest levels of education and training in the nation.

Labor presided over a failing system for 16 years. We worked on fixing this immediately. Today, our results are the evidence of this work. Labor did not take training policy to the election and they still have made no announcements of training policy now.

We were the first state to sign a national partnership agreement with the federal government. We have achieved full payment from the commonwealth every year for the last three years in our Skilling South Australia achievements. Since the introduction of the \$200 million Skilling South Australia program, a range of activities have ensured that training opportunities are attractive to jobseekers, businesses and industry. We have turned our training system around, demonstrating year on year growth and outperforming all the other states and territories.

South Australia is leading the nation in the growth of people taking up apprenticeships and traineeships and those in training, according to recent figures from the National Centre for Vocational Education Research, with the highest percentage increase in commencements in the country at the end of the year, up 21.5 per cent compared with the previous year.

The national average was just 10.6 per cent, and states like Victoria were at just 1.1 per cent. We led the nation in the percentage increase in South Australians in training for the same period, at 20,895 or a 22.5 per cent increase as of the end of December. This is the first time in nearly six years that South Australia has had more than 20,000 people in training.

We also had the largest increases in training for those aged 45 years and over, an increase of 65.8 per cent; for those attached to group training organisations, an increase of 7.5 per cent—and we know that is important because group training organisations achieve very good completion outcomes—for Aboriginal apprentices and trainees, an increase of 12.6 per cent; and for regional and remote apprentices and trainees, an increase of 25.3 per cent. We achieved more than 43,000 new apprenticeship and traineeships commencements, and more than 2,300 businesses have employed an apprentice or trainee for the first time.

These are outstanding results, providing the opportunity for young people and jobseekers to earn while they learn—into exciting careers. There has simply never been a better time to take on an apprentice or trainee or to be an apprentice or trainee yourself.

The Boosting Apprenticeship Commencements program is now extended until 31 March next year, and the Marshall government supported group training through the South Australian Group Training Boost program has reduced the cost for host employers to take on apprentices and trainees in the early stages of training. We extended the Subsidised Training List to more than 800 courses, a significant change. Under the previous government, only about 300 courses were on the Subsidised Training List.

We have funded more than 190 Skilling South Australia projects, codesigned with industry, to boost apprenticeships and traineeships across a range of industries. The JobTrainer program, a partnership with the Australian government, is also supporting school leavers, jobseekers and young people, offering low fee options, short courses and qualifications in areas of skills demand in new and emerging sectors.

Since October 2020, we have seen more than 8,000 enrolments in JobTrainer, particularly in critical health and social care areas. The recent federal budget committed to an extension of JobTrainer, with matched funding from the South Australian government bringing an additional \$69 million to the program for a total of \$138 million in shared investment. We are partnering with businesses and industry to codesign JobTrainer projects to prepare participants for further training and jobs in high-demand industries.

As changes to industry structures and ways of working rapidly transform the way businesses operate, it is vital that our skills system is able to adapt. We are working to reform South Australia's skills system to make it easier to navigate and better geared towards these changing needs. The South Australian Skills Act took effect from 1 July, introducing significant reforms for the state's skills system, establishing a new entity, the South Australian Skills Commission, which brings together the work of the former Training and Skills Commission and the Office of the Training Advocate.

Renee Hindmarsh has been appointed as the state's first South Australian Skills Commissioner to lead the state through these reforms. Collectively, these reforms aim to fairly balance apprenticeship and traineeship obligations for all parties. The changes mean a streamlined employer registration process; a new power to declare an employer a prohibited employer; new requirements for supervising trainees and apprentices; broader scope for recognising other training, including higher education; greater powers for the commission with regard to dispute resolution; and a fee for employers to discourage poaching of apprentices and trainees.

As we emerge from COVID-19, the Marshall government continues to focus and work towards full economic recovery. Only through training and skills development can the industries crying out for qualified workers grow. We are doing all we can to create a skills system that is capable of supplying highly skilled South Australians for the jobs of the future. I thank my department for their continued efforts. They have been outstanding in implementing reforms and partnering with industry and employers to deliver such nation-leading results.

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

Mr BOYER: No, Chair. Minister, my first question is in relation to your opening statement and, in particular, your comment that commencements were the lowest in the nation under the previous government. I ask: are completion rates now in South Australia the lowest in the nation?

The Hon. D.G. PISONI: I can understand how the member is a little bit confused about the reporting of completion rates. Completion rates in South Australia are generally higher than the

average. Every quarter, when the commencements are reported, the completions are always reported, but the completions reflect commencements from three and four years earlier. What was happening three and four years earlier is that we saw that commencements were continually declining.

Consequently, there were fewer completions in the forward years because there were fewer commencements previously. The bottom line is you cannot finish more apprentices than you start. When you are just looking at raw numbers, it is easy to assume that the completion rates that have been reported with the NCVER figures reflect the—

There being a disturbance:

Mr BOYER: I am happy to ask questions of Siri. Siri probably knows a great deal more than you do. At least someone is here to answer questions today.

The Hon. D.G. PISONI: I have it on silent. The commencement rates are current. The completion rates refer to commencements from several years previously, and there was a 19 per cent decrease in commencements year on year for a six-year period under the previous government. The completion rates that you are referring to there are based on commencement rates under the previous government. The report that came out a couple of weeks ago showed that South Australia did have some improvements in completion rates. We had the lowest decline in completion rates for commencements for 2016-17, so that was encouraging.

Obviously, we are expecting to see South Australia's completion rates continue to improve. Because we are investing significantly in supporting apprentices and their employers with their on-the-job training, we are having a lot of success getting higher qualified apprentices starting on day one in their apprenticeships with our pre-apprenticeship programs, with our school-based apprentices.

You would be aware that South Australia is leading the nation in the growth of apprentices in the school-based environment, with a 20 per cent increase in the last NCVER figures compared with about a 9.2 per cent decrease nationally. School-based apprenticeships lead to better completion rates. Commencements that are supported with RTOs or programs, such as the Skilling South Australia program, are also developing more qualified and more dedicated people to start those apprenticeships, which we believe will lead to stronger completion rates in the future.

Mr BOYER: Supplementary to that answer, minister, I take you back to the question I asked initially. You said in your answer that South Australia's completion rate, as reported most recently in the NCVER data, needed some work. Is it the worst completion rate in the nation?

The Hon. D.G. PISONI: These are completion rates of apprenticeships and traineeships that started in 2016-17—

Mr BOYER: You have already said that in your previous answers—we know. They are supposed to be—

The CHAIR: Member for Wright!

The Hon. D.G. PISONI: If you actually read those papers, they will tell you that we have the second highest completion rates in the nation when it comes to apprentices and trainees. The completion rates in South Australia are 55.3 per cent, and these are based on commencements of 2016—second highest in the nation, and seven percentage points above the national figure of 48.3 per cent. Did you not read that?

Mr BOYER: On my reading of the data you just referred to, in 2016, according to NCVER data, there were 6,245 completions in South Australia, but the most recent data from NCVER shows that in 2020 there were 4,155 completions. Given your opening statement, when you said there are more people in training in South Australia than there have ever been, why has there been such a momentous drop in completions under your watch as minister?

The Hon. D.G. PISONI: I am not sure I am going to accept those figures.

Mr BOYER: Perhaps you could ask some of your staff to dig them out.

The CHAIR: Member for Wright!

The Hon. D.G. PISONI: The answer is quite simple: basically, the completions for 2020 are based on the commencements of 2016, which were fewer than the commencements of 2015, which were fewer than the commencements of 2014. The commencements you are talking about—the completions of 2016 reported here—are based on the peak of apprenticeship and traineeship numbers in South Australia in 2012. That is how the figures work.

Mr BOYER: Supplementary to that answer, does the NCVET, and indeed the budget in different places, not report completions as a percentage? Has the number of commencements represented as a percentage of those completing their course also dropped significantly under your watch as minister, separate to the raw data you just used in your previous answer?

The Hon. D.G. PISONI: The latest data we have is that the completion rate for apprentices and trainees—and these are those who commenced in 2016—is 55.3 per cent, which is the second highest completion rate in the nation and seven percentage points above the national figure of 48.3 per cent.

Mr BOYER: Supplementary again: how does 55 per cent compare to the previous reporting period in terms of completion rate, and the year before that as well, and indeed each year you have been the minister responsible for this area?

The Hon. D.G. PISONI: I think it is fair to say that we are reasonably consistent. The commencement rate for apprentices and trainees who commenced in 2013 was 56.1 per cent; we ranked second in the country then. The rate for those who commenced in 2014 was 53.7 per cent, ranked second in the country. For those who started an apprenticeship in 2015, the commencement rate was 55.7 per cent, and the 2016 commencement rate was 55.3 per cent, again second ranked in the country. It has been fairly consistent. Generally, the apprenticeship and traineeship system in South Australia works well. It is just a matter of making sure that the settings are adjusted to ensure we get more of them and we get more of them completing.

Mr BOYER: I have a supplementary on the same budget line and the same topic, and I am referring to your answer. Is the completions figure of 4,155, as reported in the most recent NCVET data for December 2020 reporting period, the lowest number of completions in South Australia since this data has been kept?

The Hon. D.G. PISONI: Those numbers are off the back of the second lowest number of commencements that we had in South Australia back in 2016.

Mr BOYER: I refer to the same budget line. I will ask the question again: is it the lowest figure we have had since this data has been kept?

The Hon. D.G. PISONI: As I said, those figures are based on the commencements for 2016.

Mr BOYER: Sorry, Chair, my question was—

The CHAIR: Sorry, minister—

The Hon. D.G. PISONI: You simply cannot have more commencements. We have just established that the completion ratio in South Australia has been about the second best in the country for an extended period of time. We have also established that, from 2012 to 2018, the number of commencements in South Australia reduced by an average of 19 per cent per year. Of course, if you have fewer commencements, four years later you will have equally fewer completions.

What the 4,155 figure tells you is that those figures are off the lower commencement base of 2016, as compared to the year earlier and the year before that. The worst year we had was the 2016-17 year. We may see even lower completion figures when those are released, based on the last year of the decline in commencements in South Australia.

Mr BOYER: Supplementary in relation to that answer, and in particular your comment about the 2017 year being the worst: the NCVET data reports 2018, the first year that you were minister and the first year of the Marshall Liberal government, as 7,980 commencements down from the previous year, 2017. So in relation to your last answer, how do you explain that drop?

The Hon. D.G. PISONI: Before we get you some more detail on that, I think the important thing to remind the committee is what was happening in 2018. In 2018, we saw a significantly diminished non-government sector training system in South Australia on the back of a TAFE system in utter crisis. Sixteen randomly audited TAFE courses had failed—

Mr BOYER: Point of order: the minister is not responsible for TAFE. That estimates session was last week.

The CHAIR: That is correct. He is not asking the questions though, member; he is providing an answer that provides relevance and background information.

Mr BOYER: He is talking to areas that he is not responsible for.

The CHAIR: He is not limited to providing his answers from his areas of responsibility. He is well within his rights to provide background information that covers other portfolios. Questions are simply limited to the scope of the budget papers and the lines. I thank you for making that point. I am sure it may be one we reference later in today's proceedings.

The Hon. D.G. PISONI: TAFE is a client of mine, just like the Motor Trade Association is a client of mine and PEER is a client of mine. I pay them to deliver training outcomes for South Australians. If a specific client of mine is incapacitated because of the poor management of the previous government, that is very relevant when it comes to training outcomes in South Australia, particularly how much of the budget the TAFE system consumes.

The fact is that the 2018 year was the very first year the Marshall government came to government and the Skilling South Australia program was not signed until September, when it was the first one that was signed in the country, and reforms had only just started. We cannot snap our fingers and say, 'There is a new government. Everyone must employ more apprentices and trainees.'

The reason why businesses were not employing apprentices and trainees is that they had lost faith in the system and the system was broken. We cannot fix that overnight, but we started the work immediately. Just to show you how quickly the repairs came in, in the 2019 year we actually saw an increase of nearly 1,100 apprentices, a 13.5 per cent increase in a single year.

I think it was March 2019 before we saw the first quarter, which saw increasing commencements rather than declining commencements, and that was the first full quarter of the implementation of the Skilling South Australia program. Yes, it was only a small number—I think, from memory, it was 114 extra compared to the previous quarter—but it was growth.

We said at the time that it would be a ramp-up and the ramp-up had begun. We spent the first nine months filling in the hole before the ladder of opportunity could be leant against the wall and people could start climbing it through signing up to apprenticeships and traineeships. I am very proud of the achievements that we have had so far and how quickly we have achieved those numbers. If the member for Wright spent as much time trying to destroy what are the best training outcomes in the country and developed some policy of his own, he may very well be much more productive.

Mr BOYER: Point of order: I ask that the minister withdraw that comment.

The CHAIR: Minister, I believe the member has taken offense to the comment that you have provided to the committee. Are you happy to withdraw?

The Hon. D.G. PISONI: Which comment was that, sorry?

Mr BOYER: The comment was, 'If the member for Wright spent less time trying to destroy these training outcomes', I think. You said it, you should remember it—ask Siri.

The Hon. D.G. PISONI: That is what you found offensive?

The CHAIR: Minister, it is up to the individual member. The test is whether that member takes offence.

The Hon. D.G. PISONI: I will withdraw, sir.

The CHAIR: The comment has been withdrawn.

Mr BOYER: Minister, in relation to your last answer, in particular your comment that TAFE is a customer of yours, what has been the drop in students studying at TAFE since 2018 and 2020?

The CHAIR: Member for Wright, the minister—

Mr BOYER: Sorry, Chair, the minister gave you an answer.

The CHAIR: —simply referenced TAFE.

Mr BOYER: No, that is not right.

The CHAIR: He was not providing an answer that was directly related to the operational responsibilities of TAFE or the funding issues associated with TAFE. That is what you would see as an answer of a minister responsible. He was simply referencing TAFE within his answer. We are able to—

Mr SZAKACS: What, for cheap political points? You are happy to let him make cheap political points on subject matters but not be ministerially responsible?

The CHAIR: Member for Cheltenham, I have been entirely consistent with my judgements throughout.

Mr BOYER: That is true; you have been consistent, Chair.

The CHAIR: As you are well aware, questions relating to operational and funding matters relating to TAFE are questions that should be directed to the Minister for Education. You were here and I was here, sitting in that session last week. The minister was simply referencing TAFE, as he is entitled to do—

Mr BOYER: I am sorry to interrupt, Chair, but the minister was not referencing TAFE. The minister's quote—I will get it from the rush—was 'TAFE is a client of mine'. That is not referencing TAFE.

The CHAIR: He did not reference that he had operational responsibility for TAFE.

Mr BOYER: I think that might be implicit in the answer: TAFE is a client of the minister.

The CHAIR: I am finding it very difficult to follow your logic. If the minister had—

Mr BOYER: We can all see that.

The CHAIR: Pardon me. Let me make my point. If the minister had operational responsibility for TAFE, he would be the one procuring the service, as opposed to being the one providing—

Mr BROWN: If I might assist, the minister has indicated to the committee that his department has a relationship with TAFE at a ministerial level. He described TAFE as 'a client of mine'.

The Hon. D.G. PISONI: I can clear it up straightaway. I was saying I am a customer of TAFE. That is what I should have said.

The CHAIR: That is exactly where we were going.

Mr BROWN: Okay, no problem, Chair. The minister has indicated that he procures services from TAFE—

The CHAIR: Members, it is very clear that, in terms of the language that was provided, there was a misuse or a misstep in language. I think that is very clear.

Mr BROWN: Chair, now that the minister has decided what reality he wants to live in—

The CHAIR: No, member for Playford, you are not allowed to make comments. You are entitled to raise a point of order.

Mr BROWN: Chair, I am attempting to assist.

The CHAIR: My understanding of the statement that was made by the minister and my interpretation of that was exactly as was clearly fixed up, rearranged, or whatever sort of language we want to use—

Mr BROWN: Chair, if I might assist. Now that the minister has indicated to us the truth that he perceives, he has indicated to us—

The CHAIR: No, I do not need clarity from you, member for Playford. If you wish to raise a point of order, you are entitled to.

Mr BROWN: I raise a point of order: the minister has indicated to the committee that he procures services from TAFE—that he expends his budget to procure services from TAFE. The member wishes to ask him questions about the services that he procures and the organisation that he procures them from.

The CHAIR: That was not the question that the member for Wright asked. The member for Wright was asking an operational issue that would be better directed to the Minister for Education.

Mr BROWN: I am sure he is capable of asking a question in accordance with the standing orders, sir.

The CHAIR: Member for Wright.

Mr BOYER: Minister, a supplementary question: which minister is responsible for purchasing services from TAFE; is that you or is that Minister Gardner?

The Hon. D.G. PISONI: I purchase services from training providers.

Mr BOYER: Including TAFE, minister?

The Hon. D.G. PISONI: Yes.

Mr McBRIDE: I refer to Agency Statements, Budget Paper 4, Volume 3, page 174. Minister, how is the Marshall government supporting industry and achieving apprenticeship growth targets through the Skilling South Australia projects program?

The Hon. D.G. PISONI: Thank you very much, member for MacKillop. Skilling South Australia has been so successful due to the partnership between industry and government. Our priority remains on the direct engagement with business to understand their workforce needs, assisting and responding to workforce and skills challenges to support growth and development.

Skilling South Australia projects provide support for proponents to codesign, and a tailored skills solution for their business to build capacity and create skilled careers. In 2020-21, over 55 projects have been codesigned with industry, valued at around \$6.7 million. Since 2018-19, over 190 projects have been supported valued at over \$31.8 million.

These projects span a wide range of established and emerging industries and reflect what industry is telling us is most needed. Examples of these include mining, construction and manufacturing, as well as age and disability care, child care, cyber, ICT and defence. Skilling South Australia projects also support different workforce development needs—for example, the upskilling of staff to enable future growth and taking on new workers, pre-apprenticeship pathways that provide important skills to prepare for an apprenticeship, and the development and deployment of new and niche skill sets required by businesses to improve productivity.

In the defence industry, my department has partnered with the Naval Shipbuilding College, ASC Shipbuilding and Naval Group Australia to support the growth of a new workforce of detailed designers through higher apprenticeship training in the Diploma of Engineering—Technical. The pilot project will initially support 20 participants and address an identified skills gap for shipbuilding design to deliver tailored education and training products.

In support of the social care industry in regional South Australia, my department partnered with Aged and Community Services Australia to codesign the Universal Aged Care Worker Project. Around 80 new and existing workers, including those displaced due to the impacts of COVID, will commence traineeships within the aged and disability care sector across Eyre Peninsula and the Far North regions. This project will develop a pipeline of skilled workers to boost the workforce capability through a dual aged-care and disability care traineeship pathway to create skilled workers to be employed in either or both sectors.

In the construction industry, my department supported a pilot project that is offering around 15 formerly incarcerated South Australian Aboriginal people the opportunity to enter the construction industry through a pre-apprenticeship. Through the partnership between my department, Carey Training and the Department for Correctional Services, this project offers participants hands-on, intensive training in skills across steel framing, civil construction, concreting and general construction. This innovative project will help remove roadblocks to ongoing rehabilitation while guiding participants on a pathway to a career in the construction industry. On completion, participants will go on to take up a traineeship or apprenticeship in some of Australia's largest construction industries.

In the wine industry, we have invested in the development of Australia's world famous wine industry by supporting 40 current and emerging leaders through the Wine Industry Leadership Project in regional South Australia. Team Solutions Training consulted with the South Australian wine industry employers to develop this project which will support participants through tailored wine industry apprenticeships and higher apprenticeships in leadership and management. The wine industry has faced significant impacts from COVID-19 and funding for this project will enable businesses to access high-quality training, providing their leaders with critical skills to manage an increasingly diverse workforce.

In the hospitality sector, in collaboration with Quality Training and the Hospitality College, my department has developed the Apprentice Today, Chef for Life project to support around 50 participants to transition into apprenticeships in commercial cookery or traineeships in hospitality. The hospitality industry continues to need qualified chefs and this project provides participants with a foot in the door with employers and the required skills, together with the necessary workwear and tools to be confident and work ready to complete an apprenticeship.

The project includes training in COVID-19 infection control to help businesses meet their requirements for the hospitality sector. This funding builds on the success of the previous Apprentice Today, Chef for Life project supporting 120 apprentice and new traineeship positions across hospitality businesses in South Australia.

In August 2020, my department partnered with MEGT and TAFE SA to launch the Empowering Career Options SA pre-apprenticeship program targeting around 30 women recovering from domestic violence into steady employment and economic participation through traineeships in a Certificate III in Business Administration. The project has been designed to break down barriers for affected women, empowering them through education and employment and providing them with skills and confidence through counselling. The project also aims to help women overcome challenges and take a positive step forward towards financial independence.

In the creative industries, given the impacts of the COVID-19 pandemic, Skilling South Australia projects have expanded to include a focus on supporting retention, continuity and transition into employment options. My department invested in a project codesigned with the South Australian Film Corporation to support South Australia as a prime location for film and television production. As the location for the state's biggest ever film production of *Mortal Kombat*, South Australia's screen industry is in a strong position to secure more local and international projects. This project will allow the South Australian film Corporation to retain 25 skilled workers from adjacent industries to forge new career paths in the screen industry and to also upskill a further 25 existing crew members into key specialised areas to meet demand in the film industry.

In the construction industry, in collaboration with the Master Builders Association, my department supported 20 young people participating in a pre-apprenticeship project, with 17 of them progressing into trade apprenticeships in a Certificate III in Carpentry. The intensive pre-apprenticeship project comprised accredited training, work readiness skills and work, health and safety. Successful apprentices have been employed through the MBA's group training arm and placed with host employers.

In the high-tech sector, my department partnered with Microsoft Australia, MEGT Australia and TAFE SA to support this vibrant, dynamic and rapidly advancing sector. The MEGT Microsoft Traineeship project has supported over 50 participants to gain two-year traineeships that combine on-the-job paid work and Certificate IV in Information Technology and Microsoft Azure certification.

MEGT has employed trainees through group training arrangements and hosted them to businesses within the Microsoft Partner Network in metropolitan and regional South Australia.

In the social care sector, the Individual Support Trainees Project has supported 10 participants through pre-employment training, with nine commencing traineeships in Certificate III in Individual Support. There was a partnership with the Career Employment Group and Matthew Flinders Homes in Port Lincoln. This project aimed to address the skills shortages of aged-care support workers in regional South Australia. The project also included job trainer employability skills pre-employment training to further support participants to ensure that they were ready for work. I am really pleased you asked, member for MacKillop, thank you.

Mr BOYER: If I could take you to Budget Paper 4, Volume 3, page 174, highlights, have you ever been to Tauondi college?

The Hon. D.G. PISONI: I did have a visit scheduled for Tauondi. I cannot remember if that was when the pandemic hit, but it needed to be rescheduled, and that has not happened yet.

Mr BOYER: On the same budget line, how many times have you been invited to attend Tauondi?

The Hon. D.G. PISONI: I do not have recollection of an invitation to Tauondi college. I suspect I was invited for my first intended visit.

Mr BOYER: Minister, is it correct that you have been invited as many as four times but have not been able to visit the college in your time as minister?

The Hon. D.G. PISONI: I do know that my office has been trying to coordinate a time for me to visit.

Mr BOYER: On the same budget line again, minister, in response to your question from the member for MacKillop you spoke about the film and television work around *Mortal Kombat* and other productions and movies that the state has tried to attract. Have you attended the set of any of these movies or gone to location to see where the filming was?

The Hon. D.G. PISONI: Yes, I attended the set at Glenside.

Mr BOYER: A supplementary: am I right then in saying, minister, that you have been the minister responsible for training and skills in South Australia for more than three years now and you have not been able to attend Tauondi college once but you have been able to get out to movie sets; is that correct?

The Hon. D.G. PISONI: I will take that as a comment. It is quite extraordinary. I did explain that my office has been attempting to reschedule a visit, but I do know that Tauondi has a much broader relationship with the government than just me. I know that the department has been heavily involved in discussions with Tauondi college. I know that the Premier takes a personal interest in the outcomes at Tauondi. I know that a lot of work is being done to work with them to develop outcomes for their students and I think that they would be very keen for that to happen. I know that a lot of resources and a lot of time across many departments have gone into Tauondi college to help them with their aspirations.

Mr SZAKACS: I note that you referred to the Premier's involvement and interest in this space, particularly as the minister responsible for Aboriginal affairs, but he certainly and well and truly threw you under the bus in Estimates Committee A last week when he referred to all pursuits of the funding agreement being in your portfolio and being your responsibility. My question is in relation to a previous answer that you gave in respect of the member for Wright's questioning. You mentioned that a meeting or an attendance that you had at Tauondi was cancelled. What was the date that you were due to attend there?

The Hon. D.G. PISONI: I am sorry, I do not know. I do not have that.

Mr SZAKACS: Will you take that on notice?

The Hon. D.G. PISONI: I will take it on notice. If I can provide an answer, I will.

Mr SZAKACS: What would be the factors that would prevent you from being able to provide an answer?

The Hon. D.G. PISONI: I do not know.

Mr SZAKACS: You just told me that if you can provide an answer, you will. I asked you what factors would lead to you not being able to extract a date from a diary and you said that you do not know.

The Hon. D.G. PISONI: I refer you to my previous answer.

Mr SZAKACS: You mentioned that your meeting at Tauondi was cancelled because of the pandemic. Are we talking about the March—

The Hon. D.G. PISONI: I do not know. I cannot recall.

Mr SZAKACS: You are not in the witness box.

The CHAIR: Members!

Mr BOYER: Not yet.

Mr SZAKACS: Not yet, that is right. You dodged it with Handley.

The CHAIR: Member for Cheltenham, you do not have the call, nor should you be interjecting while the minister is providing an answer.

Mr SZAKACS: Minister, you gave quite a fulsome answer about the reasons why you had not been to Tauondi. You have given a fulsome answer that the meeting was cancelled as a result of the pandemic. Now you are saying to this committee that you do not recall.

The Hon. D.G. PISONI: It seems to me that you are asking a question about the—

The CHAIR: Minister, I will provide the same courtesy as I have done to you to the member. The member was midway through completing his question, so I will allow him to finish his question.

Mr SZAKACS: I had finished, as far as to say that I am looking forward to the minister now asking a question back of me.

The Hon. D.G. PISONI: Asking you a question? The government's position in relation to Tauondi's future is this. The government is committed to supporting quality training pathways—

Mr SZAKACS: Point of order: I in no way, shape or form asked the minister a question regarding any matter relating to funding, relating to the renegotiation of agreements with Tauondi. What I specifically asked was what was the date that the minister was due to attend, as a supplementary to his previous answer that he was due to attend but it was unfortunately cancelled. There is a series of questions that we will ask about the lack of commitment that this government has to Tauondi. What I am asking specifically now, though, is—

The Hon. D.G. PISONI: I am offended by that claim and I ask that it be withdrawn.

The CHAIR: The minister has taken offence. The wording, I assume, was 'the lack of commitment'. Irrelevant of whether it is a point of order, if a comment is made that a member takes offence to, that can still occur. The minister has taken offence to the statement made midway through the point of order being made. Are you happy to withdraw, member for Cheltenham?

Mr SZAKACS: I am happy to withdraw. I will continue my point of order, sir. My question particularly was about the sudden amnesia that the minister is having now around dates.

The Hon. D.G. PISONI: I object. I am offended by that and I ask that it be withdrawn.

The CHAIR: Member for Cheltenham, are you happy to withdraw your previous comment?

Mr SZAKACS: I am happy to withdraw.

The CHAIR: The comment has been withdrawn.

Mr SZAKACS: I will continue. My question was specifically regarding the evasive answers that the minister has now engaged in. We would like to get some detail to establish the reasonableness of the time—

The CHAIR: Okay.

Mr SZAKACS: Excuse me, I am going directly to relevance here.

The CHAIR: No, I am sorry, but you do not make that point to me. I am the Chair. In terms of raising a point of—

Mr SZAKACS: Who do I make the point to?

The CHAIR: Sorry?

Mr SZAKACS: If I am speaking to a point of order regarding relevance, who do I make the point to, if not you?

The CHAIR: You raised the point of order, what that is. You do not need to make the case for it. I am the one who judges if there is a case or there is not.

Mr SZAKACS: But surely it would assist you in your adjudication if I was to—

The CHAIR: I am well and truly able to make the deliberation of my own accord, thank you, member for Cheltenham. In terms of the answer provided, I am very happy if we move to another question. The minister will have an opportunity to respond to the next question. He is able to respond as he wishes. Again, this is not question time. There is more scope in terms of relevance of responses.

Mr SZAKACS: Minister, regarding your fulsome answers a moment ago regarding the fact that you had had a meeting at Tauondi, that it was unfortunately cancelled and that it was cancelled because of the pandemic, how is it now that your answers divert to the fact that you are not able to recall detail of the event that was cancelled? What I am asking for is a year. Was it last year or was it 2021? Was it 2020 or was it 2021? Are you able to recall that?

The Hon. D.G. PISONI: The government's position in relation to Tauondi's future is this. The government is committed to supporting quality training pathways—

Mr SZAKACS: Point of order: short of relitigating with you any of the reasons why this is simply irrelevant, I raise the point that this goes directly to relevance. My question was—

The CHAIR: I understand the question, member for Cheltenham. The minister has quite literally gone less than 15 seconds into providing his answer, and he is able to provide a level of background before getting to—

Mr SZAKACS: What is the background to a year?

The CHAIR: Pardon?

Mr SZAKACS: What is the background that could be necessary when answering whether it was 2020 or 2021?

Members interjecting:

The CHAIR: Members! I will provide the minister at least the opportunity to provide a level of detail prior to getting to his answer. You are well and truly within your rights to raise a point of order subsequent to that.

Ms LUETHEN: Point of order: can I just clarify what estimate line the member for Cheltenham is referring to?

The CHAIR: Member for Cheltenham, would you please clarify for members the budget reference that you have used?

Mr SZAKACS: Budget Paper 4, Volume 3, page 174, highlights.

The CHAIR: Is there a particular dot point that you are referencing?

Mr SZAKACS: No, sir.

The CHAIR: If there is no particular dot point, it makes it very difficult for me to deduce that it is relevant to a budget line or a budget reference.

Mr SZAKACS: It is your prerogative to rule.

The CHAIR: Very good. I rule it out of order. You have given me no other opportunity.

Mr BOYER: I refer to Budget Paper 4, Volume 3, page 174. Whose decision was it to cut funding to Tauondi college, which, in reference to what the Chair just said, I note is a provider of training in South Australia?

The Hon. D.G. PISONI: The government's position in relation to Tauondi's future is that the government is committed to supporting quality training pathways and opportunities for Aboriginal South Australians. We want Tauondi to have a sustainable future, delivering high-demand, quality training linked to jobs. There is scope and opportunity for Tauondi to grow and diversify. Currently, they are not the leading provider to Aboriginal students. I am pleased to acknowledge that Tauondi has recently finished a strategic business plan, which outlines their goals and aspirations for the future.

I have been briefed by my department about engagement with Tauondi regarding its training delivery, the status of various training-related projects underway and considerations for the lease of the Port Adelaide site. Tauondi is one of the nearly 70 other training providers, including TAFE SA, providing vocational education training courses for Aboriginal students in South Australia.

In June this year, the government's payment to Tauondi for training delivery for Aboriginal students is in the bottom half of all providers. Other Aboriginal-owned providers such as Carey Training are earning significantly more public funds. They are delivering nearly 10 times more training hours than Tauondi across many more courses that they have on scope compared with Tauondi.

Tauondi has received some form of state government funding support for over 20 years and is also accessing commonwealth funding. Since at least 1997, the government has supported Tauondi with peppercorn lease arrangements valued at around and \$830,000 per annum and asset maintenance support valued at \$150,000 per annum for the Lipson Street site at Port Adelaide.

Between 2015 and 2020, Tauondi received block funding of between \$2 million and \$2.5 million per annum by the state government to train students to provide related support services. In 2018, Tauondi was advised of the need to transition from these block arrangements to a more sustainable business model that responded to market need.

The PricewaterhouseCoopers Indigenous Consulting review was also commissioned and funded by my department to enable the development of a phased approach towards reducing Tauondi's reliance on state government funding. To support further this transition, my department funded a \$200,000 grant agreement with Tauondi in October 2024 for business development support. The commonwealth government has approved a once-off support for Tauondi foundation skills delivery in the order of \$800,000.

Most recently, in 2021 my department is contracting around \$318,000 to Tauondi through five projects to help build its delivery capacity and develop and deliver new and customised training projects to provide learner support services for Aboriginal students being trained by other training providers in South Australia. These projects are outcomes focused and are the types of activities the government will support. They also build Tauondi's capacity and capability to broaden their scope.

You also would have heard in my opening remarks that South Australia is leading the nation in the increase in apprenticeships and traineeships of Aboriginal and Torres Strait Islanders, with 12.6 per cent growth to December last year. We are working with all providers, Aboriginal companies and others, who are working with the Aboriginal community for vocational pathways. We are getting more Aboriginal kids into paid training opportunities more so than in many years previously, with a 12.6 per cent increase.

The CHAIR: We have gone well over the half-hour between going to my right, so the member for Davenport.

Mr SZAKACS: I have a supplementary before we move on. Minister, of those 70 training providers you referred to, how many are Aboriginal controlled?

The Hon. D.G. PISONI: I know Carey Training is. We will take that on notice.

Mr SZAKACS: Just to clarify, your answer is that Carey Training is Aboriginal controlled?

The Hon. D.G. PISONI: That is my understanding, but we will take it on notice to confirm it.

Mr MURRAY: My question to the minister relates to the new South Australian Skills Commission, which is referenced in Budget Paper 4, Volume 3, the final dot point on page 174. To what extent or how will the South Australian Skills Commission support industry to develop higher apprenticeship pathways where the off-the-job training will include university education?

The Hon. D.G. PISONI: Thank you very much, member for Davenport. I know his interest in the diversity sector and the tech sector, where a lot of these higher apprenticeships are developing.

Mr Murray interjecting:

The CHAIR: Member for Davenport, there is no need to interject.

Mr MURRAY: A bit of boosterism does not go astray.

The CHAIR: Member for Davenport!

The Hon. D.G. PISONI: The Marshall government has reformed the training system, implementing significant changes to rebuild and strengthen the system. Our success to date is a result of our direct work with industry and employers to deliver the skilled workforce they need. We have already introduced higher apprenticeship pathways, such as the Diploma of Applied Technologies, Certificate IV in Cyber Security and Diploma of Digital Technologies, supporting the defence industry, which include blended learning, both VET and university training.

An excellent example of this approach is where the department has partnered with the Naval Shipbuilding College, ASC Shipbuilding, and Naval Group Australia to support and establish new workforce detailed designers through a higher apprenticeship program in the Diploma of Engineering—Technical. The pilot project was initially supported by nearly 20 participants and addressed and identified skills gaps for shipbuilding design to deliver tailored education and training products.

The potential expansion of the apprenticeships and traineeships to include higher education qualifications allows industries like defence to build the skills and workforce base they need for their future in South Australia. We are skilling people into high-tech jobs, lifting the prestige and status of vocational education and learning, and supporting the job skills.

Importantly, through the new Skills Commissioner, established by legislative changes passed last year and opposed by the Labor Party, we are delivering a more flexible and responsible training system in South Australia and improving job opportunities for young South Australians. With the changing nature of work and the adoption of new technologies, our legislative reforms further support industry-led training and the reskilling of South Australians to take advantage of the huge opportunities in existing and emerging industries. Several industries have expressed interest in higher apprenticeships, where the underpinning qualifications would be accredited and delivered by higher education providers.

Prior to the amendments the government made to the Training and Skills Development Act, there was no clear power to approve an apprenticeship aligned to a higher education qualification, so this is a new and innovative approach to support the workforce needs of the state. The Department for Innovation and Skills, together with the newly established South Australian Skills Commission, is collectively working with industry to aid development of these programs to meet current and emerging workforce training and development gaps.

Since 2018, 13 new apprenticeship and traineeship pathways have been approved. A dual trade in the occupation of electrician and refrigeration/air conditioning technician was approved last year and, additionally, two new civil construction apprenticeships were also approved. These new apprenticeship pathways were established following applications and consultation with industry.

Mr BOYER: I refer to Budget Paper 4, Volume 3, page 174, highlights. Which minister is responsible for the purchase of training for Aboriginal people in South Australia?

The Hon. D.G. PISONI: When a registered training provider is involved, I am the purchasing minister. The process is that a registered training organisation must register to have access to the Subsidised Training List and there is a process which they go through with the department in order to do that.

I mentioned earlier that we had expanded the Subsidised Training List to over 800 skill sets but, for many of those skill sets, the subsidies are not released unless there is contractor training in place. In other words, the employer has made the investment to pay somebody to learn that skill, so it is a mechanism that is making sure that we are meeting industry demand and that we are not going to end up in a situation like the previous government's Skills for All student-led model that was not industry based or industry guided that led to skills being delivered in areas that were not of interest to industry and did not lead to jobs.

The system we have in place now is a system that enables registered training organisations to have access to subsidised skills training, which is reviewed every six months I think it is. Again, it comes from feedback from industry as to what skills are required.

Mr BOYER: A supplementary, minister, in relation to that answer, and I accept that you are the purchasing minister for training for Aboriginal people: in light of that, why do the words 'Aboriginal', 'Indigenous' or 'First Nations' not actually appear anywhere in your budget papers?

The Hon. D.G. PISONI: That is something I will need to take on notice. I think there is a very strong commitment by the government to support Aboriginal South Australians, Indigenous South Australians. I think the important thing is that we really are just getting on with the job. I mentioned earlier nation-leading growth in Aboriginal apprentices and trainees here in South Australia.

We know that vocational education and training plays a key role in supporting Aboriginal South Australians and, while we have seen steady levels of Indigenous participation in training, we are also focusing on training linked with employment outcomes, and that goes back to the programs that we have been delivering with many of the training organisations here in South Australia. Traineeships and apprenticeships are also providing an important connection to industry for new entrants because apprentices are learning on the job.

Skilling South Australia and JobTrainer are also in place to support all South Australians' pursuit of undertaking a skilled career. I guess this is the beauty of the Skilling South Australia funding model: it enables bespoke training models, bespoke support models, to be developed for different cohorts, different industries, different groups.

In 2020-21, Indigenous participation levels in South Australian government-subsidised activity remained relatively steady in a challenging year for students and training providers. Seventy-seven non-government training providers and TAFE SA delivered nearly 300,000 hours of public subsidised VET to Aboriginal students. This is a total investment of just over \$4.3 million across TAFE and non-TAFE providers. These figures build on a 2019-20 investment of \$4 million, which delivered nearly 300,000 training hours.

According to the latest figures released by the NCVET in 2020, there were 3,185 Aboriginal VET students in South Australia participating in government-funded training. While the state's investment in delivery hours remained steady, there is more to do to increase overall training participation and continue to develop clear pathways that support higher level training outcomes and training linked to a demand for skilled jobs.

We are doing this through increasing higher level traineeship pathways: opportunities for Aboriginal people such as those for health practitioners by including Certificate IV in Aboriginal and/or Torres Strait Islander Primary Health Care Practice as a dedicated vocation to enable it to be delivered as a paid traineeship for the first time. We are also supporting enrolled and registered nursing pathways for Aboriginal people.

Civil Train, South Australia's civil construction traineeship-ready project, is offering a live training site at Zoos SA's Monarto Safari Park, providing a hands-on training Certificate II in Civil

Construction. We are creating a pathway to traineeships, working with Aboriginal communities to develop skills pathways for Aboriginal people connected to developing industries where Aboriginal land and enterprise ownership are significant—for example, Narungga community activities needing specific skill sets to support seaweed harvesting and oyster farming across Yorke Peninsula.

There are mentoring and supports for Aboriginal students, and there is an increased success in training and pathways to higher levels training through learner support services. We are continuing to support skills development outcomes for Aboriginal and Torres Strait Islander people through Skilling South Australia projects and access to sustained training through the Subsidised Training List. There has been active engagement with Taoundi on a range of projects, as I mentioned earlier, providing support for around \$420,000 to Taoundi through two Building Capability Projects to support Aboriginal development courses, products for delivery in the training market.

Mr BOYER: On the same budget paper, Budget Paper 4, Volume 3, page 174, and still in relation to Taoundi: in the period before their funding was cut did Taoundi meet all their funding conditions?

The Hon. D.G. PISONI: We will take that on notice.

Mr BOYER: On the same budget line again, minister, have you been advised by anyone that Taoundi college could face closure on the basis of the cut to their funding that has been handed down?

The Hon. D.G. PISONI: I refer to previous answers. We are working with Taoundi for them to stay in the business of delivering. We are working with them for their model to be sustainable so they can deliver outcomes for Aboriginal students.

Mr BOYER: I accept you may need to take this question on notice, but can you tell us how much money, post that cut of \$2.5 million per year, your department provides to Taoundi?

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

Mr BOYER: Moving on to Budget Paper 4, Volume 3, page 174, highlights. Are the criteria by which you count the 33,000 commencements that you say have been created under the Skilling South Australia program the same as the criteria you use to count commencements towards the additional 20,800 apprentices and trainees you committed in 2018 to creating?

The Hon. D.G. PISONI: So I have this right, the question is: do we use the same data for our election commitment as we do for the national partnerships? Is that the question?

Mr BOYER: To clarify, the figure that you have been using publicly is that there have been 33,000 commencements under the Skilling South Australia—

The Hon. D.G. PISONI: Forty-three.

Mr BOYER: It is 43?

The Hon. D.G. PISONI: Forty-three.

Mr BOYER: Forty-three thousand commencements under the Skilling South Australia program. Are the criteria for what is counted in that 43,000 figure that you have been using publicly the same as the criteria that you use to work out how many of the 20,800 new traineeships and apprenticeships have been created?

The Hon. D.G. PISONI: Basically, there are two targets. There are the targets that we meet for the national partnership and we have put an extra push on that to get our election commitment, and they are the same measurement.

Mr BOYER: Am I right in saying then that you have met the election commitment and you have created more than the 20,800 new apprenticeships and traineeships that you committed to?

The Hon. D.G. PISONI: No, they are additional. Since June 2018, there are 43,000 new commencements, and that of course includes the baseline. I think the total we need to get to by June 2022 is about 60,000 commencements.

Mr BOYER: I refer to the same budget line. To clarify, I understand that the 20,800 was on top of the baseline figure, so separate to the 43,000 figure. How many of the 20,800 new apprenticeships and traineeships have been created at this point? What can you tell us about where we are at in terms of that?

The Hon. D.G. PISONI: They are all in there. It is not rocket science. We said it was going to be a ramp-up. I said earlier that our first win was 114 extra trainees and apprenticeship figures purely from the measure that came out of the NCVET figures in March 2019. Basically, since announcing Skilling South Australia in 2018, the state government has built a solid foundation to turn the system around year on year.

After the highest in the nation, and a percentage decline of 68.9 per cent between 2012 and 2018, South Australia has now outperformed all other states and territories with our number of commencements. Between 2018 and 2020, commencement numbers increased in South Australia by 38 per cent, the largest percentage increase in the nation. Nationally, commencement numbers fell by 52.7 per cent between 2012 and 2018, and have risen by just 6.8 per cent between 2018 and 2020.

In the 12 months to 31 December 2020, the number of apprentices and trainee commencements in South Australia increased by 21.5 per cent when compared with the previous 12-month period. This was the first time in six years that South Australia's year end 31 December commencement number was over 11,000. Nationally, commencements increased by 10.6 per cent. All states recorded increases, with South Australia's percentage increase the largest in the nation.

In the year to 31 December 2020, there were the highest percentage increases in the nation for apprentice and trainee commencements in South Australia for 45 year olds at 60 and over, 65.8 per cent; school-based apprentices, 20.1 per cent; retraining apprentices, 7.5 per cent; Aboriginal apprentices and trainees, 12.6 per cent; and regional and remote apprentices and trainees, 25.3 per cent.

For annual apprentice and trainee commencement numbers for the last five quarters—December 2019, March 2020, June 2020, September 2020 and December 2020—South Australia has ranked highest in the nation in the percentage of growth compared with the corresponding previous quarters. We have also achieved over 43,000 commencements of apprenticeships and traineeships and pre-apprenticeship courses in South Australia.

More than 2,300 employers have taken on an apprentice or trainee for the first time, and over 190 Skilling South Australia projects are codesigned with industry, creating new apprenticeship and trainee opportunities across all industries and developing 15 new apprenticeship pathways with industry and training and Skills Commission endorsement. These achievements have led to a steady progress against the election commitment.

The achievement of 43,000 commencements is inclusive of pre-apprenticeships, higher apprenticeships and apprenticeships and traineeships, and progress is monitored with a reference to an historic baseline of 2016-17 of 9,995. This is a baseline based on the numbers of apprentices in those traineeships and pre-apprentices in those categories as listed. Total additionality of 20,800 is required over four years, so this means 60,700 commencements over the four-year period.

Over the 2018-19, 2019-20 and 2020-21 years, we have realised over 43,000 commencements, of which 13,000 are additional. This places around 63 per cent of the way through the total additionality total of 20,800.

Mr BOYER: Sorry, minister, I missed that last bit.

The Hon. D.G. PISONI: Over 2018-19, 2019-20 and 2020-21, we have realised over 43,000 commencements, which is more than 13,000 additional. This places around 63 per cent of the way towards the total additionality target of 20,800. COVID-19 has kept employment low for most of the past year despite South Australia's solid recovery. Uncertainty remains around further COVID-19 cases and the vaccine rollout, the easing of border restrictions and structural impacts. However, the foundations have been built and are strong, and our investments are backing a skills-led economic recovery. This means that South Australians can access the skills they need, whether

this is to upskill, transition or take on an apprenticeship, and businesses can have access to talent when they need it.

We will continue in our efforts to partner with industry and respond to challenging needs and support skills development through a wide range of courses, qualifications and apprenticeships and traineeships, and continue to build the capacity and capability of the VET sector to meet long-term skills needs for the state.

Following the federal budget, on 11 May this year, the Australian government announced a further extension to the Boosting Apprenticeship Commencements program to continue to provide a 50 per cent wage subsidy for businesses to take on new apprentices and trainees until the end of March next year.

The SA Boosting Apprenticeships commenced in October 2020. It is estimated that more than 9,900 training contract commencements in South Australia could attract a wage subsidy, and, of these, more than 83 per cent are new worker commencements—an extraordinary story. This welcome news for South Australia complements our significant investments in skills development and training and will support our efforts in realising our target. Further welcome news was the extension of JobTrainer, providing access to low fee training, with a combined investment of \$138 million between the state and the federal governments.

Apprenticeships and traineeships remain the key focus to support business and individuals. However, regular feedback from industry confirms that businesses are requiring shorter forms of training to rapidly skill or upskill the workforce, the development of pipeline skilled workers for complex job roles, micro-credentials to respond to new and emerging skill sets, and new models of apprenticeships and traineeships.

An expanded skills offer has been developed through JobTrainer, complementing the outcomes and achievements to date through Skilling South Australia. These increase the flexibility and modernisation of training apprenticeships and also reflect the recent changes to the South Australian Skills Act. It will make it even easier for industry to engage in the training system and expand the scope of trades and declared vocations. This means more apprenticeships and traineeships on offer to South Australians and a greater alignment of these pathways to jobs of the future.

It also means building capability projects: over 800 courses through the Subsidised Training List and collaborating through Skilling South Australia and JobTrainer projects to design and develop tailored responses to help businesses stabilise, grow and support skill careers, and changing perceptions and awareness through marketing campaigns. We want South Australians to have the opportunity to gain the skills they need and to access training that may unlock advancing to further study, job opportunities and earning and learning an apprenticeship.

Mr BOYER: Supplementary, minister, and thank you for that detailed answer: in reference to the 43,000 figure, the most recent media release that you issued on 10 March this year talked about 33,000 commencements, apprenticeships and traineeships. Time has elapsed since that media release was issued, so I am just confirming it is now 43,000.

The Hon. D.G. PISONI: Yes, it is in the budget papers, I think.

Mr BOYER: It is definitely 43,000? So you have had growth of 10,000 since March?

The Hon. D.G. PISONI: Yes, and there have been media releases. But I think you will also find it in the budget papers.

Mr BOYER: I refer to the same budget line. Are you able to provide a breakdown of that 43,000 figure, by month ideally, of how many were created since the start of your commitment to create the 20,800 new places over and above the baseline figure?

The Hon. D.G. PISONI: I am not sure that we would be prepared to do it by month. We always said it was a ramp-up process because, as I explained earlier, there was a hell of a mess that we inherited that we needed to fix and we knew that was going to take time. There was culture change that was also required, there were new industries that needed apprenticeship systems built

and traditional industries that did not have paid traineeship or apprenticeship pathways that required significant cultural change at the point of demand or, if you like, the employers.

We will see what we can do when it comes to giving you some specifics, perhaps year on year, about the growth. The NCVET figures are obviously a very good indicator. There is a significant lag in those, but the NCVET figures report a different number. Although all the numbers that we report in our 43,000 are reported in the NCVET, they are not reported under a single capture point.

Mr BOYER: Minister, a supplementary on that: how often are reports given to you by your agency on how the target of the 20,800 or the 43,000 figure is tracking?

The Hon. D.G. PISONI: The sorts of details you are after are really on request, I suppose. Obviously, as far as how we are meeting our commitments to the federal government's national partnership and our election commitment, I have monthly reports on total numbers.

Mr BOYER: Can you take on notice to provide the data from those monthly reports insofar as how many?

The Hon. D.G. PISONI: No, they are cabinet-in-confidence documents.

Mr BOYER: Can you explain how they are cabinet-in-confidence?

The Hon. D.G. PISONI: They are reported to cabinet.

Mr BOYER: I do not think that automatically makes things cabinet-in-confidence. You have been around long enough to know that.

The Hon. D.G. PISONI: No, they are produced for cabinet. I review them before they go to cabinet.

Mr BOYER: So where does the data that is in those reports come from? Who produces that?

The Hon. D.G. PISONI: The data is produced by the same people who produce the data for the NCVET—the department.

Mr BOYER: But you are saying, minister, that the data is not the same as what NCVET reports; is that right?

The Hon. D.G. PISONI: No, what I am saying is that the NCVET report on the same data but they do not use a single measure to do that. Pre-apprenticeships are reported, certificate IIs are reported, higher apprenticeships are reported, but they are not collectively reported under a single report.

Mr BOYER: Same budget line, minister. I wonder if you can give us a bit of information about the type and nature of some of the courses or training courses that are counted towards your 43,000 figure. Are there courses in there—in terms of commencements I mean, which is the data that you are most fond of using—that run for a matter of days as opposed to weeks?

The Hon. D.G. PISONI: The criteria for the reporting is that the training is reportable to the NCVET—that is the criteria.

Mr BOYER: I will ask the question again, minister: are there courses counted towards your 43,000 which are a matter of days and weeks, or do you not know which courses are counted towards your own figure?

The Hon. D.G. PISONI: I have explained to you that we use the same data that is reported to the NCVET and it is reportable and counted by the NCVET for it to be counted in our national partnership and our election target data.

Mr BOYER: Supplementary, minister: could that data that you just referred to include courses that run for a matter of days?

The Hon. D.G. PISONI: I do not know what the specifics are of the length of courses. With these sorts of things, the accreditation body is ASQA for an accredited course. There is no pea and thimble trick here; these are courses that are reported in the quarterly reports that come out through

the federal Department of Education, Skills and Employment. They are the same figures that are reported to the national partnership program and they are the same figures that go to Treasury in Canberra to sign off on to send South Australia the money for meeting the targets that had to be achieved in that process. They are published, I believe, on the federal government website.

Mr BOYER: Minister, Budget Paper 4, Volume 3, page 174: does the three-hour long SAPOL-approved TAFE course on gel blaster safety count towards the commencements in your 43,000 figure?

The Hon. D.G. PISONI: It would need to—

Mr BOYER: Can you take it on notice if you do not have an answer?

The Hon. D.G. PISONI: No, hang on. We will try to clarify that for you now.

The CHAIR: Member, as you are well aware, the minister will make the decision on what he takes on notice. If you could please let him provide an answer to—

Mr SZAKACS: We can ask him to. The member is simply asking if he would.

The CHAIR: I know—while he was providing an answer.

The Hon. D.G. PISONI: The sorts of factors that determine the duration of pre-apprenticeships and skill sets vary based on the delivery model and directions under the purchasing guidelines. The purchasing guidelines produced by the Victorian government are accessible at education.vic.gov.au and set out nominal hours of competency and minimum hours of qualifications. Factors such as full-time or part-time study, face-to-face or online delivery, work placements in the industry and all the needs of placements and employers will also influence the duration of a pre-apprenticeship or traineeship.

The important thing here, though, is that we do not deliver pre-apprenticeships or traineeships unless there are employers ready to sign apprentices up on completion of those pre-apprenticeships and traineeships. I know it is a new concept for some in politics but we figure if the government is spending that sort of money on giving some people some skill sets, you want to make sure some employers actually have an idea that these people are available to go on to develop those skill sets and sign up to apprenticeships and traineeships so they could end up with full qualifications in certificate III or beyond.

Usually, a typical pre-apprenticeship might start with 20 participants. We know that—law of averages—maybe 15 or 16 will get through and decide they want to continue. We know that we need to have commitments from 15 or 16 employers in order to progress with that pre-apprenticeship program, so we do not put people through pre-apprenticeships where there is no pathway to an apprenticeship or a traineeship, which is a job, which is an employed pathway. It is important to understand that the bulk of the 43,000 being reported are the apprenticeships and traineeships that are reported in that quarterly report from the NCVET.

Ms LUETHEN: I would like to refer to Agency Statements, Volume 3, page 174. How is the Marshall government supporting young people and jobseekers to gain access to training and employment opportunities and supporting local industry needs through the JobTrainer program in South Australia?

The Hon. D.G. PISONI: JobTrainer is a partnership between the South Australian and commonwealth governments. It provides school leavers, young people and jobseekers with access to low-fee training places in areas of skill demand. JobTrainer funding totals \$138 million over two years to support low-fee training places in qualifications and short courses. Since October last year, South Australia has recorded nearly 10,000 low-fee JobTrainer enrolments, with strong uptake in health and social care courses, including the Certificate III in Individual Support, infection control, and community services.

Following the commonwealth's announcement in the May federal budget, JobTrainer is set to be extended until December 2022, with expanded training places focused on aged care to support a stronger and more highly skilled workforce in response to the recommendations of the Royal Commission into Aged Care Quality and Safety and digital skills to help grow the nation's digital

capabilities across all sectors. JobTrainer is opening up access to low-fee training in industries where there is demand for skilled workers, including aged and disability care, early childhood education and care and in new emerging sectors, such as cybersecurity, ICT, defence and the creative industries.

Through JobTrainer, the state government has partnered with KIK Innovation's 42 Adelaide to create 140 jobs and a further 120 training pathways for young people in ICT. The program is already supporting students to develop technical skills as well as soft skills to ensure they are work ready and prepared to enter employment in software engineering or coding pathways. In addition, Regional Development Australia—Yorke and Mid North's Youth Care Connect JobTrainer project is supporting the aged and disability care sector by providing entry-level skills to participants who will transition to traineeships and employment opportunities with care providers in regional South Australia.

The Amazon Web Services re/Start program will support 24 displaced, unemployed young people who are seeking to enter the ICT workforce in an entry-level web cloud role. This project will deliver employment outcomes, including traineeships with employers, including Comunet, OZ Minerals, Blue Crystal Solutions, Accenture and Lockheed Martin. Through the JobTrainer Fund national partnership agreement, South Australia is investing in building the capacity of our VET marketplace, ensuring training providers are ready to respond to the increased training available and ready to deliver new short courses in demand qualifications.

Our vocational training sector continues to play a crucial role in supporting South Australia's future growth and prosperity. JobTrainer complements our Skilling South Australia program, which is delivering nation-leading growth in skills training through apprenticeships and traineeships, backed by employers and industry. We continue to raise awareness about the importance of vocational education and training, and the significant opportunities to train and work in skilled areas achieved through vocational pathways, including through new low-fee short courses, qualifications, apprenticeships and traineeships.

Mr BOYER: Minister, I refer you to Budget Paper 4, Volume 3, page 166, ministerial responsibilities and ministerial office resources. Can you explain why you are not complying with Premier and Cabinet Circular 34 and have not published your credit card or other expenditure for the last three months?

The Hon. D.G. PISONI: That is something that I will need to take on notice.

Mr SZAKACS: Regarding Budget Paper 4, Volume 3, page 174, highlights, specifically Skilling South Australia, are you the minister responsible for overseeing Skilling South Australia within the public sector?

The Hon. D.G. PISONI: No, I think it is fair to say that the person in charge of that project is the Commissioner for Public Sector Employment. It is a project that was designed with the Department for Innovation and Skills, and it is a very innovative program. The apprentices and trainees in that program are obviously part of our target for more apprentices and trainees in South Australia. It is the first time there have been significant numbers of apprentices and trainees working in the public sector for quite some time.

Mr SZAKACS: Can I confirm that you are the minister responsible for overseeing it, because you did refer to the commissioner. I do understand that that is the advice she gave to a committee as well, but are you the minister responsible?

The Hon. D.G. PISONI: I do not employ the apprentices or trainees in the public sector, they are employed by group training organisations.

Mr SZAKACS: Do you procure the training?

The Hon. D.G. PISONI: Are you talking about the RTO or the GTO?

Mr SZAKACS: I am asking about your ministerial responsibility because—

The Hon. D.G. PISONI: You have asked me do I procure the trainee; what does that mean?

Mr BOYER: Chair, could the minister please let the member for Cheltenham ask his question?

The CHAIR: I was not going to let that go, member for Wright. I have been consistent all day. The member will be heard in silence when asking a question. The minister will provide the member with a chance to finish his question.

Mr SZAKACS: My question was specifically: insofar as your ministerial and portfolio responsibilities are concerned, does Skilling South Australia fit within your ministerial responsibilities and oversight?

The Hon. D.G. PISONI: Skilling South Australia is a Department for Innovation and Skills program.

Mr SZAKACS: Great, thank you. That was like drawing teeth. In the same budget line, minister, you would no doubt be aware, as a member of the House of Assembly as well, that each electorate office is given a trainee on a rolling 12-month basis. What has TAFE done wrong and why was TAFE no longer able to deliver the training portion of the trainee program?

The Hon. D.G. PISONI: That was a decision of TAFE. TAFE responded to the government's request to expand into regional South Australia, and that is a matter that you would need to address to the minister responsible for TAFE.

Mr SZAKACS: Just to clarify your answer: TAFE, and I quote, 'responded to the government's request to expand into regional South Australia'—does that mean that as a result of a request to expand into regional South Australia they have dropped courses?

The Hon. D.G. PISONI: My understanding is that TAFE is delivering courses in regional South Australia in individual support, in Certificate III in Business and other areas that they are no longer delivering in metropolitan Adelaide.

The CHAIR: Members, I will go back to what we addressed earlier with regard to TAFE. While the minister referenced in one of his answers the procurement of services, that being no different from Shared Services being used by a department or a department using services from Crown law or the Department for Environment procuring services from the CFS, the procurement of service does not mean that the department is providing the service. That would therefore provide the minister with ministerial responsibility for the operations policy and financial decisions of that department.

So, again, if we can try to refrain from discussing issues that pertain to services or policy decisions of TAFE. There was the opportunity—members were here and I was in the chair last week—to ask those questions. I bring that to members' attention.

Mr BOYER: Can I make a small suggestion? Perhaps if the minister does not want to answer questions about TAFE he should stop referring to TAFE in his answers. We tried to fit all our TAFE questions into the 15 minutes that we had. We could not fit them all in.

The CHAIR: Member for Wright, I do not need your advice in regard to that.

Mr SZAKACS: I think we received one of the more cogent and helpful responses from the minister all day, so I am somewhat perplexed that you would rule that that line of questioning was somehow irrelevant when the minister has explicitly stated that he carries ministerial responsibility for Skilling South Australia within the public sector. My question is—

The CHAIR: Member for Cheltenham, I was simply providing some background information to you. I was not ruling that question itself out of order. I was just putting in place—

Mr SZAKACS: Perhaps we can move on with our limited time.

The CHAIR: I was just putting in place some guidance for members.

Mr SZAKACS: More filibustering. It is incredible.

Mr BOYER: I might do the omnibus questions now, Chair.

The CHAIR: Member for Wright.

Mr SZAKACS: You know you are in trouble when the Chair has to filibuster.

Mr BOYER: Yes, just refer things to Siri; that is the way to go. The questions are:

1. For each department and agency reporting to the minister:
 - What is the actual FTE count at 30 June 2021 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; and
 - 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 2021-22, and for each of the years of the forward estimates period;
 - The top 10 providers of goods and services by value to each agency reporting to the minister for 2020-21;
 - A description of the goods and/or services provided by each of these top 10 providers, and the cost to the agency for these goods and/or services; and
 - The value of the goods and services that was supplied to the agency by South Australian suppliers?
3. Between 1 July 2020 and 30 June 2021, 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 (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 2020 and 30 June 2021 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 2020-21 and what was their employment expense;
 - How many FTEs are budgeted to provide communication and promotion activities in 2021-22, 2022-23, 2023-24, 2024-25 and what is their estimated employment expense; and
 - The total cost of government-paid advertising, including campaigns, across all mediums in 2020-21 and budgeted cost for 2021-22?
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 contractors between 1 July 2020 and 30 June 2021.

7. What is the title and total employment cost of each individual staff member in the minister's office as at 30 June 2021, including all departmental employees seconded to ministerial offices?

8. For each department and agency reporting to the minister, could you detail:

- How much was spent on targeted voluntary separation packages in 2020-21;
- What department funded these TVSPs (except for DTF estimates);
- What number of TVSPs were funded;
- 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; and
- 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 2020 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 2020, 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 since 1 July 2020?

12. In the 2020-21 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 2021-22?

13. In the 2020-21 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 2021-22? How was much sought and how much was approved?

14. For each grant program or fund the minister is responsible for please provide the following information for 2020-21, 2021-22, 2022-23, 2023-24 and 2024-25 financial years:

- Name of the program or fund;
- The purpose of the program or fund;
- Balance of the grant program or fund;
- Budgeted (or actual) expenditure from the program or fund;
- Budgeted (or actual) payments into the program or fund;
- Carryovers into or from the program or fund; and
- 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 2020 to 30 June 2021, 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 2021-22, 2022-23, 2023-24 and 2024-25 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 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?

19. For each department and agency reporting to the minister, what initiatives or programs have been approved and funded as at 1 July 2021 but not publicly announced or disclosed in the budget papers?

Mr McBRIDE: My question refers to Agency Statements, Volume 3, page 174. How is the Marshall government delivering a skills-led jobs recovery through increasing apprenticeship and traineeship opportunities in South Australia?

The Hon. D.G. PISONI: When the Marshall government announced Skilling South Australia in September 2018, we had a clear objective: to increase the uptake of apprenticeship and traineeship commencements in South Australia over four years. It was necessary to address the unacceptable decline of 66 per cent between 2012 and 2018. It was imperative that the state's public sector led by example and played a key role in contributing to that achievement.

As the largest employer in South Australia, the public sector has a key role in supporting and developing a broader skilled workforce and contributing to increased commencements of apprenticeships and traineeships. The Skilling South Australia public sector project has a target of 2,685 apprenticeships and traineeships over four years and supports increased apprenticeship and traineeship commencements in the South Australian government across a broad range of frontline services and key industry sectors such as health, education, ICT and cybersecurity.

The project also creates links to support a highly skilled public sector workforce and create a pipeline of talent with transferable skills across both the public and private sectors. The establishment of the group training organisation's panel enables greater flexibility of public sector agencies when employing apprentices and trainees, as well as supporting the pipeline of skilled workers for the private sector.

Networks with organisations such as the Local Government Association and Business SA have been established to provide graduating apprentices and trainees opportunities to connect with private sector industries and secure sustainable employment. Since the project began in 2018-19, there have been almost 1,700 training contract commencements across the public sector, reflecting a range of pathways available to state government agencies to support their workforce, in addition to providing skilled career opportunities for individuals. This is a significant increase when compared to an average of just 350 commencements in state government per year for the past five years preceding.

This project was supported by key industries within the public sector to both strengthen the public sector workforce and expand the private sector's access to a skilled workforce. Some of those industries include information and communications technology. The MEGT Microsoft Traineeship Program has placed new ICT trainees in agencies, including the Department for Education and the South Australian Housing Authority. These trainees will exit the program with a Certificate IV in Information Technology, having gained experience working on complex ICT networks and infrastructure.

Seven ICT trainees have completed their apprenticeship with the public sector. Five of the seven trainees have gained employment within the public sector, one is continuing to study and one has left the public sector. In addition, the project has supported more than 20 individuals into Certificate IV in Cyber Security. This will support the public sector's ability to combat cybercrime and espionage in agencies such as SA Police, the Department for Child Protection and the Department of Human Services, as well as provide individuals with relevant skills in a growth sector.

The project has provided support for the health and social care sectors, particularly during the COVID-19 pandemic, with traineeships commencing in sterilisation services, allied health, health administration and community services.

The CHAIR: Minister, pardon me. The time for examination of payments has expired, so we will cut you off there. There being no further questions, I declare the examination of the portfolio of skills and workforce development completed.

Sitting suspended from 17:15 to 17:30.

Membership:

Mr Malinauskas substituted for Mr Szakacs.

Departmental Advisers:

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

Mr M. McKay, Principal Economic Analyst, 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, Strategic Policy and Projects, Department for Innovation and Skills.

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

The CHAIR: Welcome back to our final session of Estimates Committee B. The portfolios to be examined during this session that will run from 5.30pm to 6.30pm are the portfolios of skills and employment. The minister appearing is the Minister for Innovation and Skills. I advise that the proposed payments remain open for examination. I invite the minister to make an opening statement regarding this portfolio, if he wishes, and to introduce his advisers.

The Hon. D.G. PISONI: On my left is Adam Reid, Chief Executive of the Department for Innovation and Skills; Louisa Newstead, Director, Strategic Policy and Projects; Michael McKay, Principal Economic Analyst; Phuong Chau, Executive Director, Performance and Business Operations; Madeline Richardson, Executive Director, Skills and Workforce Capability; and Martin Smith, Director, Financial and Business Services.

The past few weeks have made it clear to everyone that the changes COVID-19 presents will continue to be unpredictable and ongoing. While South Australia has rebounded strongly from the shock of the pandemic, the outbreaks of the Delta variant across multiple states are a reminder that we must continue to keep our state safe and strong. As South Australians entered a seven-day lockdown last month, the Marshall government responded quickly with a \$100 million Business Support Package, activating emergency cash grants of up to \$3,000 to help businesses across the state. Despite the concerns around the latest COVID-19 cluster, the South Australian government's strong and decisive response right from the start has stood us in good stead.

Our state continues to respond to the impacts of the pandemic as well as if not better than anywhere in the world. Our economy has been performing strongly for months now, with business confidence at a record high. There are thousands of job opportunities for South Australians looking for work across both emerging and traditional industries, including defence and shipbuilding, social care and health, high-tech jobs such as ICT and cybersecurity, mining and energy, and building and construction. The Marshall government's record \$17.9 billion investment in infrastructure is driving a wave of job creation that is being felt right across metropolitan and regional South Australia.

South Australia is experiencing record high levels of spending, the value of goods exported overseas and demand for workers. Following this strong growth, we have recorded the highest levels of employment in the state's history for the past two months since the COVID-19 shock. Since March 2018, we have seen stronger growth in full-time employment, lower unemployment, a decline in the number of unemployed people and higher labour force participation rates.

According to the Labour Force Survey results released by the Australian Bureau of Statistics, labour market statistics in South Australia have strengthened significantly, with 55,800 more people employed since May 2020, 30,000 more people in full-time work since April 2020 and a 2.2 per cent increase in the labour force participation rate since May 2020, to be above the 10-year average.

We are also experiencing a record surge in business confidence. According to the latest Bank SA State Monitor for July, business confidence in South Australia was at its highest level ever recorded in the 24-year history of the survey. This is an outstanding result. Further to this, in June the National Australia Bank found that South Australians had the strongest business confidence of all the states.

The ABS data also shows that South Australia is experiencing a record level of demand for workers. The number of job vacancies in South Australia hit an all-time high in May, with 21,300 positions available, an 82.1 per cent increase compared with pre-COVID levels in February 2020. This was the strongest growth rate in the mainland states and significantly higher than the national growth rate of 54.9 per cent. The 21,300 vacancies represents a 10 per cent increase from three months earlier and a massive 214 per cent increase in job vacancies since the same time last year.

We also have a record number of Australians in work. The ABS figures show that the highest level of employment in the state's history has been recorded in the last two months, with 22,200 more South Australians in work since the beginning of the year, with a total workforce of 866,600 people. This strong demand for workers has also resulted in South Australia recording its lowest unemployment rate in almost a decade at 5.3 per cent, the lowest youth unemployment rate in a decade at 9.4 per cent—below the national average of 9.8 per cent—and the lowest number of underemployed people in seven years.

Payroll jobs data released by the Australian Bureau of Statistics shows that South Australia has recorded the strongest jobs recovery of the states. In July, the number of payroll jobs in South Australia was 15.1 per cent higher than the low point from the COVID shock in April 2020. This was the strongest growth rate of all the states and stronger than the national increase of 12.7 per cent.

Our state's small and medium businesses have reported a significant rise in trading conditions, including profitability, sales, forward orders and employment. There has also been an increase in the number of interstate residents choosing to live in South Australia, with ABS data showing positive net interstate migration for the third consecutive quarter, the highest level in almost 30 years, and a significant reversal of the brain drain of our best and brightest to the eastern seaboard.

This government acknowledges that the latest outbreak and resulting lockdown will result in challenging times for our state, its people and its businesses. We remain committed to leading South Australia into economic recovery. These figures that I have shared with you today are evidence of the strong position our state is in and I am confident they will help bolster our economy as we once again recover and rebound. We are determined to keep our state safe and strong and we will continue to have a bright future ahead of us.

The CHAIR: Leader, did you wish to make an opening statement?

Mr MALINAUSKAS: Yes, very quickly. I thank the minister and all the staff who put in so much effort in preparing for estimates. I know it takes a lot of time, so I want to acknowledge that up-front. I think it is worth noting, given the minister's opening statement, that there is absolute acknowledgement on behalf of those within the parliamentary Labor Party of the outstanding position that South Australia finds itself in in regard to the COVID-19 pandemic.

I think every South Australian collectively is very grateful for the fact that we do live in a relatively safe jurisdiction in South Australia, in no small part because of the extraordinary hard work

of those responsible for making decisions during the pandemic, namely, Commissioner Grant Stevens and Professor Nicola Spurrier.

We would like to acknowledge in the context of this estimates proceeding the fact that, although quite rightly those leaders making decisions get a lot of the accolades for our relatively safe position, it is also true that it is on behalf of the sacrifices of many that we are able to enjoy our relatively safe existence, not least of which are all those people who have given up their labour and closed their businesses in the name of everybody's safety.

I think we have been reminded in recent days—and I think the minister touched on this—of that sacrifice during the course of the seven-day lockdown and the restrictions that remain in place today that I, and my party, support. Those restrictions do have a particularly substantial impact on a few businesses and workers who seem to be suffering the brunt of the greatest impositions through COVID. So I would just like to put on the record our thanks to those leaders making decisions and also to those businesses and workers who are making pretty substantial sacrifices in the name of our collective safety.

The CHAIR: With opening statements out of the way, I call for questions.

Mr MALINAUSKAS: I thank the minister for his opening statement, which not unreasonably points to some positive metrics in respect of the state's economic performance. I refer to Budget Paper 3, page 98, economic forecasts table, 7.1. Does the minister acknowledge that South Australia, despite the glowing success that the minister refers to, has the worst unemployment rate in the nation, and does the minister believe that it is satisfactory? Does the minister need advice as to whether or not the worst unemployment rate in the country is satisfactory?

The CHAIR: Leader, please! You have been very good all day with providing the minister an opportunity to respond in silence.

Mr MALINAUSKAS: While the minister contemplates his answer—

The CHAIR: Leader, you have provided your question. The minister is able to provide his answer.

The Hon. D.G. PISONI: I think the problem here, Chair, is that the Leader of the Opposition just cannot handle good news. The fact is that the 5.3 per cent unemployment rate is the lowest unemployment rate in South Australia in nine years. Do you know what the average unemployment rate was for the last four years of the Labor government? It was 6.8 per cent. In June 2015, the unemployment rate in South Australia, with no COVID, was 8.3 per cent. Today in South Australia, post COVID, the unemployment rate is at a nine-year low at 5.3 per cent. We are very pleased with—

Mr MALINAUSKAS: My question, minister, was—

The CHAIR: Leader!

The Hon. D.G. PISONI: —our performance with the economy in South Australia. We knew that we needed to ensure that South Australians were ready—

Mr MALINAUSKAS: Thank you, minister. My next question—

The CHAIR: Leader, the minister is able to answer as he wishes.

Mr MALINAUSKAS: But he answered that he is satisfied and thinks that the worst unemployment rate in the country is fantastic.

The CHAIR: The member is—

Mr MALINAUSKAS: He has answered the question.

The CHAIR: Leader! The minister is well and truly within his rights to answer the question as he wishes.

The Hon. D.G. PISONI: You are not the private school bully now, mate.

Mr MALINAUSKAS: Sorry? What was that?

The Hon. D.G. PISONI: You are not the private school bully now.

The CHAIR: Minister!

Mr MALINAUSKAS: Private school bully now. I am sorry, what does that mean?

The Hon. D.G. PISONI: That is what you are: a private school bully, the faux working-class man.

The CHAIR: Committee members!

The Hon. D.G. PISONI: The faux working-class man.

The CHAIR: Members of the committee! I remind members we have 45—

Mr Boyer interjecting:

The CHAIR: Member for Wright! We have 45 minutes remaining in estimates for this year.

Mr MALINAUSKAS: Point of order: the minister has decided to descend into name-calling, but I am asking an elementary question of him that I think South Australians would expect the opposition to—

The CHAIR: Leader, this is not—

Mr MALINAUSKAS: Sorry, I am asking the minister—

The CHAIR: A point of order? What point of order would you like to raise?

Mr MALINAUSKAS: I am asking him to withdraw his remarks.

The CHAIR: You have taken offence to the comments made by the minister?

Mr MALINAUSKAS: Yes, I have, actually.

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

The CHAIR: Very good. Minister.

The Hon. D.G. PISONI: South Australia has the lowest unemployment rate in nine years, at 5.3 per cent; the lowest number of underemployed people in seven years; and the lowest youth unemployment rate in a decade. According to the Labour Force Survey results released by the Australian Bureau of Statistics, labour market conditions in South Australia have strengthened significantly since the COVID-19 shock, with 55,800 more people employed since May 2020; 30,000 more people employed full-time since April 2020; 65,600 fewer underemployed people since April 2020; an additional 14.2 million monthly hours worked since April 2020; a 3.4 percentage point decline in the unemployment rate since June 2020; a 2.2 percentage point increase in the labour force participation rate since May 2020, to be above the 10-year average; and a 10 percentage point decline in the youth unemployment rate since January 2021.

In June, the majority of South Australia's labour market indicators surpassed their pre-COVID performance. When compared to March 2020, South Australia recorded 8,300 more people in work, 14,600 more people in full-time work, an additional 2.9 million hours worked, an unemployment rate that is 1 percentage point lower and 24,000 fewer unemployed people. The Labour Force Survey data in South Australia has shown that females were disproportionately impacted—

Mr MALINAUSKAS: Point of order: standing order 98, debate. My question was really quite specific. I just want to know: does the minister for employment believe that having the worst unemployment rate in the country is satisfactory or unsatisfactory?

The CHAIR: Leader, you have asked the member a question that asked his view. He is well within his rights to provide the reason why he holds his view.

Mr MALINAUSKAS: But he has not answered what his view is yet, sir.

The CHAIR: As you are well aware, this is an estimates committee. While the answers need to be to some degree relevant, the minister is able to answer as he wishes.

Mr MALINAUSKAS: But the minister also has a duty to the people of this state to answer the question, sir.

The CHAIR: Leader, if you wish to raise a point of order, you can raise one. I do not need your commentary.

The Hon. D.G. PISONI: The Labour Force Survey data in South Australia has shown that females were disproportionately impacted by COVID-19 and were slower to recover. However, females in South Australia have recorded a much stronger labour market performance in recent months to even surpass their pre-COVID performance in many ways, including the unemployment rate. That is now 1.3 per cent lower, with 16,000 fewer unemployed females and 4,300 more females working full time.

With the youth unemployment rate declining by 10 percentage points since the beginning of the year, there is now 90 per cent of the state's youth that are either employed or engaged in full-time study, the highest proportion in two years. Payroll jobs data released by the Australian Bureau of Statistics show that South Australia has recorded the strongest jobs growth of the states. In July, the number of payroll jobs in South Australia was 15.1 per cent higher than that of the low point of the COVID shock, the strongest growth rate of the—

Mr MALINAUSKAS: Point of order: standing order 98. The minister is now repeating statistics that he raised in his opening statement. My question goes to things that were not raised in the opening statement. I appreciate the minister's appetite for repetition, whether it be in terms of bullying people or—

The CHAIR: Leader, I will uphold your point of order.

The Hon. D.G. PISONI: So, Mr Speaker—

The CHAIR: Minister, I am giving the leader the call.

Mr MALINAUSKAS: You upheld the point of order. Does that not mean the minister now has to answer the question?

The CHAIR: The minister is able to provide his answer as he wishes. I am giving you the call, leader, to ask a question.

Mr MALINAUSKAS: I note that the minister found time in his answer to make accusations and to descend into crass name-calling but did not answer the question. So in light of the fact that it is reasonable to assume that the minister will not answer the question, I will move on to a different one. Same budget line I referred to earlier: how did the government arrive at the employment forecast contained in table 7.1?

The Hon. D.G. PISONI: I am advised that the employment forecast is determined by Treasury.

Mr MALINAUSKAS: I understand that, but my question is how was that arrived at?

The Hon. D.G. PISONI: It is determined by Treasury. You missed your opportunity if you did not ask that of Mr Lucas.

Mr MALINAUSKAS: Given the minister has espoused the virtue of job creation and the government's plans to do so, why is it that the government is forecasting for employment growth to decline over the course of the next couple of years?

The Hon. D.G. PISONI: Again, this is a matter that should have been addressed to the Treasurer.

Mr MALINAUSKAS: No, my question is to you as the minister for employment. Does it not worry the minister for employment that employment growth is forecast to decline?

The Hon. D.G. PISONI: I am very pleased with the employment record of this government—

Mr MALINAUSKAS: The worst unemployment rate in the country.

The CHAIR: Leader!

The Hon. D.G. PISONI: —particularly compared to what we inherited. For three of the last four years of the previous government, every month South Australia had the worst unemployment rate or the second-worst unemployment rate in the country.

Mr MALINAUSKAS: That has not changed.

The CHAIR: Members!

The Hon. D.G. PISONI: In South Australia now we have the lowest unemployment rate in nearly 10 years.

The CHAIR: Minister! Through this chamber so far, through all of estimates, we have had respectful dialogue where questions have been asked in silence and answers have been given in silence. That will remain for the last 38 minutes of estimates.

The Hon. D.G. PISONI: Forecast predictions for South Australia from 2021-22 onwards take into consideration the expected performance of international, national and state economies over the short and medium term. Of course, uncertainty remains around the timing and pace of recovery from the COVID-19 pandemic both in Australia and globally, particularly in light of new variants.

Mr MALINAUSKAS: Does the minister believe that South Australia has had a better response to COVID than Victoria?

The Hon. D.G. PISONI: I think the Premier has made it pretty clear that he is not in the business of comparing the way different states are managing COVID. I know that he very much sees his responsibilities as a member of the federal cabinet to work as a team. Consequently, if I did have thoughts on that, that is a matter that I would not raise in a formal forum like this.

Mr MURRAY: I refer to the Agency Statements, Volume 3, page 174. Can the minister provide some detail on what the state government has implemented to support apprentices, trainees and employers in the VET sector in response to the impacts of COVID-19?

The Hon. D.G. PISONI: When COVID-19 first hit early last year, the Australian government moved quickly to ensure continuity of learning and training across the vocational education sector. Our measures were put in place to support training providers to remain responsive to changing circumstances as South Australians navigated the unknown challenges presented by COVID-19.

I have heard directly about the value of our responsiveness and take this opportunity to acknowledge the collaboration and engagement from the training sector and industry as we worked in partnership to respond to an unprecedented set of circumstances. I thank my department for their work in rolling out supports so quickly.

Multiple strategies across the VET sector were put in place to support providers, employers, apprentices and trainees. These include supporting training providers with continuity payments at a time of uncertainty; targeted incentives for employers, apprentices and trainees; flexibility to meet workforce needs and increased outreach; and increasing access to low-fee training in partnership with the commonwealth. I note that our local initiatives played a role alongside significant commonwealth support.

The key initiatives supporting students and employers to continue assessing training delivery was the \$16 million VET continuity package. This package offered the sector security of funding to ensure the market could continue to train and maintain the diversification of delivery. This certainly drove innovation and flexibility, supporting RTOs to support other businesses and new and existing students to connect with vocational education to start skilling for new opportunities and transitioning into new sectors of employment.

For some providers this means enabling new online models to reach students. For others, it was about upskilling, teaching staff and responding to changing demands and the adoption of new technology. Our training market has demonstrated resilience to the challenges represented by COVID-19, and we are now in a stronger position to encourage the uptake of new low-fee training opportunities through JobTrainer, available in around 800 courses.

Through group training organisations (GTOs) we were able to provide targeted support for employees and apprentices—for example, payments of almost \$9 million to support group training

organisations to reduce their charge-out rate, making apprentices more affordable for host employers in their early years. Through the GTO capacity boost, we invested over \$2 million to build capacity to support suspended apprentices, diversify scope to service growth and emerging sectors, and increase business development activity. Through Equipped for Work, we increased available reimbursements to employers, apprentices and trainees for costs associated with starting an apprenticeship or traineeship to \$1,500 to respond to the COVID-19 challenges.

Our Skilling South Australia workforce projects stream provided a valuable strategy for flexible and rapid responses to support the retention, transition and mobilisation of workers across industry sectors in need. Nineteen workforce projects have supported over 900 participants, including more than 440 people transitioning into new jobs and sectors, and over 460 workers to upskill and retain employment and adapt to new challenges.

Through the COVID-Clean toolkit, our partnership with the commonwealth has provided more than 5,000 training places across key industry sectors, including hospitality, retail, tourism, cleaning, security, transport and logistics, and health, to develop infection prevention and control procedures. We back this up by implementing intensive outreach and support, developing a tailored, cross-industry mentoring program, delivered through the former Office of the Training and Skills Commission.

This supported apprentices and trainees who had their training contract suspended during COVID-19 to stay connected with their employers and off-job training. My department also undertook an extensive telephone outreach initiative to support apprentices and trainees, as well as employers, and to assist with navigating the support programs available.

In partnership with the commonwealth government, we invested \$69 million through the first phase of JobTrainer, providing school leavers, young people and jobseekers with access to low-fee short courses and qualifications. Since October 2020, South Australia has recorded nearly 10,000 low-fee JobTrainer enrolments, with strong take-up in health and social care, including Certificate III in Individual Support, infection control skill set, and induction—Community Services skill set.

Following the commonwealth's announcement in its May federal budget, JobTrainer is set to be extended until December 2022. We have expanded training places focused on aged care to support a stronger and more highly skilled workforce in response to the recommendations in the Royal Commission into Aged Care Quality and Safety, and digital skills to help grow the nation's digital capabilities across all sectors.

Mr MALINAUSKAS: I thank the member for Davenport for his question and his very attentive listening to that inspirational answer. I move on to—

Mr Murray interjecting:

The CHAIR: Members, it is 6 o'clock.

Mr MALINAUSKAS: There are two budget lines I will refer to: the same one I referred to earlier, but now, in that context, I also refer to Budget Paper 3, page 26, table 2.6, operating expenses—selected agencies. Given that under the minister's leadership he has forecast that he has the ambition for SA employment growth to decline, from 2 per cent in 2021-22 to 1.25 per cent in 2022-23 and 2023-24, so given the minister's aspiration to decline employment growth and the challenge that the state has before it in terms of skills, can the minister explain why he is cutting the budget for Innovation and Skills by approximately 33 per cent, from \$518 million in 2021-22 to \$342 million in 2024-25?

The Hon. D.G. PISONI: I refer you to the *Hansard*. The member for Enfield asked a similar question earlier, which was answered.

Mr MALINAUSKAS: I thank the member for the referral to the *Hansard*. Would it be fair to assume that the minister's explanation for that is the completion of the Skilling Australians and JobTrainer national partnerships agreement?

The Hon. D.G. PISONI: As I said, that was covered in *Hansard* earlier. I refer you to the *Hansard*.

Mr MALINAUSKAS: I beg the minister's indulgence. Would it be fair to assume that, if I read the *Hansard*, the principal reason for the reduction in the budget is the completion of the Skilling Australians and JobTrainer national partnership agreement?

The Hon. D.G. PISONI: The new partnership agreement is not yet negotiated or signed; consequently, it does not appear in the budget. But, yes, there is the completion of existing programs.

Mr MALINAUSKAS: That accounts for \$143 million of the reduction. That still means there is a residual \$33 million cut to the budget. How does the minister intend on delivering that \$33 million cut, saving, or however you want to characterise it? I might just add to the second part of the question: was it the minister who decided to recommend that reduction?

The CHAIR: The minister does not have two sets of ears, unfortunately, so perhaps we will give him the opportunity to take the advice and then come to the second question.

Mr MALINAUSKAS: Sure.

The Hon. D.G. PISONI: My advice is that there are a number of time-limited programs in there that also contribute to that reduction, including the conclusion of support for the small businesses impacted by the bushfires, the completion of the national infection control training and the once-off expenditure to assist the business development and sustainable business strategy through the SME Business Advisory Services scheme. These programs were in the previous budget as a response to COVID and they were a one-off budget item.

Mr MALINAUSKAS: In the 2020-21 budget, the estimated result is a \$485 million expenditure, and then it goes up to a \$518 million expenditure, and then graduates there from \$518 million to \$413 million, \$367 million, \$342 million. Notwithstanding the one-off expenditures that the minister has referred to and the national partnership agreement coming to a conclusion, there is still a large quantum there that needs to be realised in terms of the operating expense of the department that will need to be saved. Can the minister guarantee that there will be no FTE reduction within the department in order to realise that saving? Then I would ask: if that is the case, how does the minister deliver the saving? If the minister can break down their plans to do that, that would be of use.

The Hon. D.G. PISONI: I am advised that there is no forecast of major cuts to programs or staff in the budget. However, the programs that are finishing will not all finish on the same day, they will finish over a number of years. For example, the Skilling South Australia initiative finishes in 2023-24 and JobTrainer will conclude in 2022-23. So there are staggered closures. Either existing programs will be renewed with the national partnership or other one-off programs are finishing, but they are not all finishing at the same time. I am also advised there were no savings targets requested of the department in the latest budget.

Mr MALINAUSKAS: How many jobs does the minister expect will be generated by the government's planned new basketball stadium?

The Hon. D.G. PISONI: First of all, the government is not making a basketball stadium. The government is actually—

Mr MALINAUSKAS: What? The government is not building a basketball stadium?

The CHAIR: Leader, the minister can provide his answer in silence.

Mr MALINAUSKAS: Is the minister cancelling, confirming—

The CHAIR: Leader!

Mr BOYER: They just dumped it. It is gone. They dumped it.

The CHAIR: Member for Wright!

Mr MALINAUSKAS: I know the member for MacKillop is very keen on this project.

The CHAIR: Leader!

Mr MALINAUSKAS: His constituents call out for it regularly.

The CHAIR: Leader!

The Hon. D.G. PISONI: The leader deliberately misleads the public on this issue at every opportunity.

Mr MALINAUSKAS: Mr Chairman, point of order: I would ask the minister to withdraw that statement. I do not mislead the people of South Australia. My understanding is the government does have a policy to build a basketball stadium. I ask the minister to withdraw.

The Hon. D.G. PISONI: No.

Mr BROWN: You do not have a policy now?

The Hon. D.G. PISONI: No, I am not going to withdraw.

Mr MALINAUSKAS: So does the—

The Hon. D.G. PISONI: Because you do—you deliberately mislead. It is not a basketball stadium. One of its functions is that it will be able to host basketball. It is an entertainment complex and an exhibition conference centre.

Mr MALINAUSKAS: Mr Chairman, I am sorry, the minister—

The Hon. D.G. PISONI: It is an exhibition conference centre—

The CHAIR: Minister and leader!

The Hon. D.G. PISONI: —and it is misleading to say that it is a basketball stadium.

The CHAIR: Minister and leader!

The Hon. D.G. PISONI: You deliberately do that. You know how ridiculous it is to suggest—

The CHAIR: Minister, order!

The Hon. D.G. PISONI: —a basketball stadium would cost that money.

An honourable member interjecting:

The CHAIR: Order! In terms—

Mr MALINAUSKAS: Mr Chairman, I—

The CHAIR: I do not need commentary, leader, thank you. In terms of the point of order that has been raised, the leader has taken offence at a statement made by the minister. He has asked that it be withdrawn. Is the minister happy to do that?

The Hon. D.G. PISONI: No.

The CHAIR: If the minister is not happy to withdraw—

The Hon. D.G. PISONI: Mr Chair, I will withdraw.

The CHAIR: The minister has withdrawn.

The Hon. D.G. PISONI: I am not happy to withdraw—you asked me if I was happy to withdraw.

The CHAIR: I did ask you if you were happy to.

The Hon. D.G. PISONI: No, but I will withdraw.

The CHAIR: You are not happy to, but you will withdraw?

The Hon. D.G. PISONI: Exactly.

The CHAIR: Leader.

Mr MALINAUSKAS: Thank you, Mr Chair.

Members interjecting:

The CHAIR: Leader!

Mr MALINAUSKAS: I was given the call. You gave me the call, Chair.

The CHAIR: Order! The minister has the opportunity to answer the question that was asked.

Mr MALINAUSKAS: You just gave me the call, Chair. I was about to ask the minister a question.

The CHAIR: I have not provided the minister an opportunity to answer the question that was asked prior to the point of order being raised.

Mr MALINAUSKAS: So how many jobs does the basketball stadium create?

The CHAIR: Leader! The minister will be heard in silence.

Mr MALINAUSKAS: The member for King's beloved basketball stadium.

The Hon. D.G. PISONI: There is a very exciting project happening just west of the Morphett Street Bridge. It is the extension of the exhibition centre in South Australia. We know the exhibition space in South Australia is not big enough for it to attract major exhibitions and we are losing them to Sydney and Melbourne. This is a job-generating business. This is a business that will actually make a profit for the government instrumentality that is running it.

Mr MALINAUSKAS: Why doesn't the private sector do it? I thought you were the bastion of the private sector.

The Hon. D.G. PISONI: Why doesn't the private sector run the Entertainment Centre?

The CHAIR: Leader and minister! The leader will not interject and the minister will not respond to interjections.

The Hon. D.G. PISONI: I think it is very clear that this is a stark difference between those opposite and the government.

Mr MALINAUSKAS: You had better believe it.

The Hon. D.G. PISONI: The government is about jobs for South Australians and jobs for the future and building industries that deliver jobs in South Australia. Thousands and thousands of jobs are in the hospitality and entertainment industries in South Australia. The entertainment industry and the hospitality industry were two of the hardest hit during COVID.

We are growing that sector. We are making it larger so it can offer better career pathways and opportunities for people to actually have real careers in South Australia in the tourism and hospitality sector, rather than continually working on casual salaries. The opportunities like the expansion of the exhibition centre and the arena will bring more job certainty in that sector and generate more opportunities for full-time jobs so people can stay and work in South Australia, start their families in South Australia and go to the bank with a full-time job and get a loan, which is something you cannot do on a casual salary.

This is a very exciting project for South Australia. It will generate an enormous number of jobs and it will bring foreign income into South Australia. It will not be the recirculation of money that is generated here, it will be new money coming into South Australia from interstate and overseas.

Mr MALINAUSKAS: I thank the minister for his answer. Given the minister's commitment to convert Adelaide Venue Management employees from casual status to full-time status, can the minister advise the committee what percentage of employees will enjoy full-time status, but who currently do not, as a result of the basketball stadium?

The Hon. D.G. PISONI: I did not make that commitment at all. I was using it as an example of a growing industry that offers more opportunities.

Mr MALINAUSKAS: But you said this would result—

The CHAIR: Leader!

The Hon. D.G. PISONI: It is just extraordinary. There is not a single thing that Bipartisan Pete will be bipartisan about. He is given the opportunity to back jobs here with this program and back more jobs for young South Australians in particular, giving people opportunities for careers in hospitality in the exhibition centre and bringing more foreign income into South Australia, but of course the Leader of the Opposition is much more interested in playing politics and misinforming the people of South Australia about what this project is and the economic benefit it brings to South Australia.

Mr MALINAUSKAS: Mr Chairman, the *Hansard* will show that the minister referred, in his answer prior to the most recent one, that this would result in casual workers becoming full-time workers. I am asking the minister how many people will enjoy full-time employment status as a result of this job-creation program as described by the minister.

The Hon. D.G. PISONI: We are seeing full-time jobs—

Mr MALINAUSKAS: If I can finish asking the question—

The CHAIR: The minister will provide the leader an opportunity to finish his question.

Mr MALINAUSKAS: The minister talks about how this basketball stadium is going to create jobs, how the basketball stadium is going to mean fewer casual jobs and more full-time jobs. It is a very simple question, minister, and I presume that you will be able to confidently and eloquently describe the benefits, as you just have.

You will be able to inform the committee of how many jobs we are talking about, particularly the full-time jobs you refer to, because I would have the Chairman know that Adelaide Venue Management does employ a lot of casual people—in fact, a lot more casuals and part timers than they do full timers. Given the minister's certainty that this would result in full-time conversion, I am interested in how much full-time conversion and how many full-time jobs as a result of the basketball stadium policy.

The Hon. D.G. PISONI: If the leader goes back to the *Hansard*, he will see that I was speaking generally about the industry and how a bigger industry generates more opportunities. More opportunities include full-time jobs. We are seeing that with the conversion of part-time jobs to full-time jobs in recent job figures. We have seen it happen time and time again. We have seen a growth in full-time employment in South Australia, and that is happening because the economy is growing and industries are growing. The exhibition industry, the entertainment industry, will continue to grow and we will be in a position to offer more secure work for those who work in that space.

Mr MALINAUSKAS: Minister, can you tell us what is the largest and growing employment sector in South Australia?

The Hon. D.G. PISONI: Yes, there are several that have grown very well since—

Mr MALINAUSKAS: What is the largest?

The Hon. D.G. PISONI: Certainly, health care and assistance is the largest. We have seen some big growth in the education sector. We have seen some big growth—

Mr MALINAUSKAS: Just the largest.

The Hon. D.G. PISONI: In the healthcare and social assistance sector, if we are looking at comparisons of jobs that have grown in that sector from March 2020 to July 2021, we have seen nearly 18,000 jobs in that sector. In the education training sector over that same period, we have seen a lot of investment in education training in South Australia. The Minister for Education has been taking on additional teachers for teaching grade 7 in high school in South Australia. The training sector has been growing, where we have seen a dramatic increase in training output and growth in the training sector. It is not surprising that we have seen 15,100 new jobs in that sector since then.

Administrative and support services is another fast mover in this space, with 10,700 new jobs created since March 2020. Professional, scientific and technical services, we are very excited about this one—

Mr MALINAUSKAS: Point of order, Mr Chairman.

The Hon. D.G. PISONI: —because it reflects the work that we have been doing with Lot Fourteen.

The CHAIR: Point of order, minister.

Mr MALINAUSKAS: Standing order 98: debate. The minister has answered my question, and I am grateful for that.

The CHAIR: I think the minister has provided an answer.

Ms LUETHEN: I refer to Agency Statements, Volume 3—

Members interjecting:

The CHAIR: Members on my left!

Ms LUETHEN: —page 174. How is the government supporting training that builds pathways and upskills people in the social care workforce, especially in aged and disability care?

The Hon. D.G. PISONI: Thank you very much to member for King, not only for her question but also for her interest in this area. Firstly, I acknowledge the recent findings of the Royal Commission into Aged Care Quality and Safety. It is a stark reminder of the importance of social care and supporting the industry and its workforce to professionalise and develop. The Morrison government's robust five-year reform program in response to those recommendations, which includes \$652.1 million to support the aged-care workforce, reflects our shared commitment to developing the sector. On coming to government in 2018, the Marshall government started work—

Mr Malinauskas interjecting:

The Hon. D.G. PISONI: Are you done?

The CHAIR: Minister and leader, the minister will not respond to interjections and the leader will not make interjections.

The Hon. D.G. PISONI: On coming to government in 2018, the Marshall government started work immediately on strengthening the social care workforce through targeted skills initiatives, namely, through paid training pathways. We know skills are a critical element to supporting our carers and the many staff in other roles who work with our ageing community and South Australians with disability.

Skills also help our social care providers deliver high-quality professional services to clients and drive innovative approaches to care and support to build best practice. We have been working directly with registered training providers, aged-care and disability care peaks and service providers, to ensure that high-quality vocational education is available and supporting the growth and strengthening of our social care workforce.

Our investment in building the skills of the social care sector also helps South Australia to fully realise the economic and jobs benefits from the National Disability Insurance Scheme and the ongoing growth in the aged-care sector. On top of the commonwealth investment, the South Australian government investment in the social care workforce has also been significant. Over the last two years, we have invested over \$142 million in publicly subsidised VET courses that qualify people to work in the sector. This investment created around 26,000 training places, just over 13,000 in each year, largely delivered by high-quality, non-government training providers.

I am also pleased to note that traineeship commencements in personal support courses at certificate III level and higher level certificate IV in ageing and disability have been rising since 2018, reflecting the broader year-on-year growth South Australia has seen across the vocational education sector.

Traineeships continue to be a strong option for growing and upskilling the social care workforce, offering an excellent blend of on-the-job exposure and training hand in hand so that graduates have the workplace and technical skills they need, and of course they are getting paid to learn. Through Skilling South Australia, we have supported 49 bespoke projects to date, worth nearly \$6.5 million. Codesigned with industry and enterprises, these projects support the traineeship

opportunities of over 1,500 South Australians working in social care, including the aged and disability care sectors.

For example, the Pathways to Personal Support and Nursing project, in partnership with the Australian Nursing and Midwifery Federation and SA Health, delivers traineeships, employing Aboriginal and Torres Strait Islander people to complete their Certificate III in Individual Support, which supports successful graduates to continue on to a diploma level traineeship in enrolled nursing, to offer clear higher level training pathways, a pathway that is paid.

We are also supporting innovative services in disability and aged care through skills. With providers Enhance Training and Hessel, we are supporting training for 24 new care workers across three multidisciplinary care teams to drive and deliver the Buurtzorg model of quality community care for 26 NDIS clients. This highly successful approach from the Netherlands is now being developed to broaden the delivery model to aged-care clients in South Australia.

I would also like to highlight the pathways and upskilling opportunities delivered through our COVID-19 response supported across the aged and disability care workforce. As part of the COVID-19 Support Fund, \$3.23 million was allocated to the Department for Innovation and Skills in the 2020-21 workforce mobility initiative.

In June 2021, nearly 60 projects had been supported and developed to deliver micro-credentials for new and existing workers moving across the social care sector during the COVID-19 emergency—for example, the Pharmacy Guild of Australia's entry-level skills for career transition to community pharmacy project, delivering an introduction to pharmacy skill sets for new entrants into community pharmacies supporting the social care sector.

Mr MALINAUSKAS: I am conscious of the time, Mr Chairman. There are so many questions that we would like to ask. If I could ask the minister for his indulgence in answering the next question with a degree of brevity. Given the minister's former answer that the largest employment sector and one that continues to grow at pace is health care and social assistance, can the minister explain why he has cut TAFE courses for workers specifically in these areas?

The Hon. D.G. PISONI: TAFE is not my responsibility.

The CHAIR: Leader, we have broached this topic on a number of occasions already this afternoon, in regard to operational decisions in relation to TAFE. As you are well aware, responsibility for the TAFE portfolio lies with the Minister for Education. The opportunity to ask those questions was last week. The member for Wright was a part of that committee and had that opportunity last week.

Mr MALINAUSKAS: In that case, I will move on to Budget Paper 3, page 103, table 8.2. I am referring to the table on page 103. South Australia has the worst unemployment rate of the nation, and most people would say that we should have an ambition to relinquish ourselves of that burden, but of course the unemployment rate varies throughout the state. That table outlines some examples of where the unemployment rate in South Australia is particularly high, namely, the Far North of our state, with an unemployment rate of 9 per cent, and the Murray Mallee, with an unemployment rate of 8.3 per cent, and that is notwithstanding the fact that we have the worst participation rate in the country as it currently stands. My question for the minister is—

The Hon. D.G. PISONI: That is not true, actually.

The CHAIR: Minister, you will have your opportunity to respond to the leader's question.

Mr MALINAUSKAS: My question to the minister specifically goes to those two areas: the Murray Mallee and the Far North. Can the minister advise the committee of any recent policy decisions or investments or announcements or commitments that the government is making to seek to address unemployment specifically in those two areas? While the minister is doing that, I would advise the minister that the participation rate of 62.6 per cent that the state currently has, I am advised, is the worst on the mainland.

The Hon. D.G. PISONI: You do realise that the participation rate includes every person of working age, regardless of how old they are, and that South Australia and Tasmania have the two oldest communities in the country? You do realise that?

The CHAIR: Members, I will take that as a question to the Chair. I am well aware. Continue your answer, minister.

The Hon. D.G. PISONI: He did not know that.

Mr MALINAUSKAS: I thank the minister for his indulgence in telling the house—

The CHAIR: Leader!

The Hon. D.G. PISONI: Mary-Lou Corcoran, former Labor staffer and former Labor candidate, was waxing lyrical about the government's work in employment at the new Bridgeport Hotel at Murray Bridge. It was on ABC radio on, I think, Monday this week, when she was talking about the success of the relationship that she has had with the South Australian government in training locals for the jobs that are now on offer with that new program. She goes on to say:

Not only did we work with the job providers, we worked with the State Government in relation to Skills and Innovation Department, TAFE, and with the majority of them... they weren't trained in the roles, we held a seven-week Cert II in Hospitality in a condensed form, it usually takes about seven months, and it was more suited to the business requirements that would then actually allow these people to have the confidence to come in and commence their employment... we had 40 go through all at the same time... we hired on attitude.

The CHAIR: Minister, I will stop you there. The time allocated for examination of payments in relation to the portfolios of skills and employment has expired; therefore, there are no further questions. I declare the examination of the portfolios 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 and Skills closed. I lay before the committee a draft report for Estimates Committee B.

Mr McBRIDE: I move:

That the draft report be the report of the committee.

Motion carried.

At 18:31 the committee concluded.