

HOUSE OF ASSEMBLY**Friday, 17 June 2022****ESTIMATES COMMITTEE B****Chair:**

Mr E.J. Hughes

Members:

Hon. J.A.W. Gardner

Hon. D.G. Pisoni

Mr M.J. Cowdrey

Mr J.P. Fulbrook

Ms L.P. Hood

Ms C.L. Hutchesson

*The committee met at 09:00**Estimates Vote***DEPARTMENT OF TREASURY AND FINANCE \$170,231,000****ADMINISTERED ITEMS FOR THE DEPARTMENT OF TREASURY AND FINANCE
\$2,365,934,000****Minister:**

Hon. S.C. Mullighan, Treasurer.

Departmental Advisers:

Mr R. Persse, Under Treasurer, Department of Treasury and Finance.

Ms T. Pribanic, Deputy Under Treasurer, Department of Treasury and Finance.

Ms T. Blight, Executive Director, Budget and Performance, Department of Treasury and Finance.

Ms J. Burgess, Executive Director, Organisation and Governance, Department of Treasury and Finance.

Ms T. Scott, Executive Director, Financial Management, Reporting and Policy, Department of Treasury and Finance.

Mr G. Raymond, Director, Revenue and Intergovernmental Relations, Department of Treasury and Finance.

Mr L. Jones, Director, Financial Services, Department of Treasury and Finance.

Mr A. Cadd, Director, Commercial Projects, Commercial and Economics, Department of Treasury and Finance.

The CHAIR: Welcome, everyone. The estimates committees are relatively informal and, as such, there is no need to stand to ask or answer questions. I understand the minister and the lead speaker for the opposition have agreed an approximate time for the consideration of proposed payments, which will facilitate a change of departmental advisers. Can the minister and lead speaker for the opposition confirm that the timetable for today's proceeding previously distributed is accurate?

Mr COWDREY: Could I just ask one point of clarification. The Valuer-General, which session do you have for that?

The Hon. S.C. MULLIGHAN: I think she is appearing in Planning.

Mr COWDREY: And ESCOSA is the first session?

The Hon. S.C. MULLIGHAN: Yes, or I am happy to be flexible if you want to ask those in a different session.

Mr COWDREY: Yes, we might do that in the final one, if that is okay.

The Hon. S.C. MULLIGHAN: Sure.

The CHAIR: Changes to committee membership will be notified as they occur. Members should ensure the Chair is provided with a completed request to be discharged form. If the minister undertakes to supply information at a later date, it must be submitted to the Clerk Assistant via the answer to questions mailbox no later than Friday 2 September 2022.

I propose to allow both the minister and the lead speaker for the opposition to make opening statements of about 10 minutes each, if they so wish. There will be a flexible approach to giving the call for asking questions. A member who is not on the committee may ask a question at the discretion of the Chair.

Members unable to complete their questions during the proceedings may submit them as questions on notice for inclusion in the assembly *Notice Paper*. I remind members that the rules of debate in the house apply in the committee. Consistent with the rules of the house, photography by members from the chamber floor is not permitted while the committee is sitting.

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

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

I declare the proposed payments open for examination. I call on the minister to make a statement, if he so wishes, and to introduce advisers. I call on the lead speaker for the opposition to make a statement, if he so wishes. I call on members for questions.

The Hon. S.C. MULLIGHAN: I have no opening statement, but I can introduce Tricia Blight, who is the Executive Director of Budget and Performance in the Department of Treasury and Finance; Tammie Pribanic, Deputy Under Treasurer; and Rick Persse, Under Treasurer, with me at the front table.

Mr COWDREY: Treasurer, can I take you to Budget Paper 5, page 110, the table that lists budget initiatives. Can you confirm that your department is being tasked to find over the forward estimates nearly \$21 million of efficiency savings?

The Hon. S.C. MULLIGHAN: I have not added those four years up, but I can confirm that the operating efficiencies required of the department are \$4.2 million in the next financial year, \$4.5 million in the financial year after that, \$4.7 million the year after that, and \$7.5 million. I would point out though that the scale of operating savings we are tasking the department with are substantially less than the task that was required of both this department and other similar departments in the previous government's first budget in 2018-19. The scale of the task was significantly larger than this.

What we have done in this budget is made sure that our task is not any lighter than the previous government's task, but unlike the previous government as well we have also excised frontline service delivery agencies. So in the previous government's first budget there were savings required of departments like the Department for Education, health, child protection, courts and so on.

We have made a decision that, in order to part-fund some of our record investment in health and in other election commitments which were made in the lead-up to the recent March state election, we have put a savings task on what you would perhaps consider as non-frontline service delivery agencies. With regard to the Department of Treasury and Finance, that is what is reflected there in that line.

Mr COWDREY: Treasurer, how are those saving tasks going to be achieved over the forward estimates?

The Hon. S.C. MULLIGHAN: As we have said both in the lead-up to the election, since the election and on delivery of the budget, it will be up to the chief executive in consultation with his agency heads and also me as minister as to how we seek to achieve those savings. Overall, for all agencies, including the Department of Treasury and Finance, we have made it absolutely clear to the agencies that there is no expectation that there is a separation of staff or a separation of a set number of FTEs.

Elsewhere, I cannot recall if it is in the Budget Measures Statement or in Budget Paper 3—I think it is in the Budget Measures Statement—there is an estimate that Treasury has provided that I think is if 50 per cent of the departmental efficiencies were achieved by separating staff what the full-time equivalent impact would be, and that is a number of roughly 400-odd staff per year growing commensurately across the forward estimates in line with the incremental growth in the savings task across those departments.

It is certainly not the expectation and by virtue, I think, of the fact that the estimate is only 50 per cent rather than 100 per cent or any other majority percentage, we recognise that there are opportunities to make efficiencies. Some of those areas that we foreshadowed, for example, included changing how agencies spend some of their more discretionary funds. We have all changed our habits in the last couple of years. There is perhaps less incentive to be travelling interstate for business meetings, etc., or intergovernmental meetings.

There is likely to be a continuation of the consolidation of office accommodation, which has been ongoing over the last seven to eight years under both Labor and Liberal governments. To my mind, we fortunately now have a consolidation of the expectation that people should have flexible working arrangements. We have also made it clear that some of the expenditures that have occurred—not just under the previous Liberal government but under previous governments—on contractors, consultants, short-term contract staff, labour hire staff and so on, are all opportunities to reduce expenditure without necessarily affecting the roles of public servants who have ongoing employment.

Mr COWDREY: Can you provide for the committee a breakdown of efficiency savings by branch?

The Hon. S.C. MULLIGHAN: I think that once the chief executive arrives at that we will be in a position to understand how we are going to achieve those savings. These are savings that need to be delivered from 2022-23 onwards. We have made it clear, both at a cabinet level and at the Chief Executive Council, that the task of agencies between now and the Mid-Year Budget Review will be to do the work to identify how each of them is going to deliver their savings, to make sure that they are locked in for the first financial year, which starts on 1 July, and also on an ongoing basis.

I would also point out that we have continued, for a short period of time—I think it is to the end of January next year—the availability of a TVSP scheme, if agencies do choose to make some positions no longer required in their agencies. Of course, we have also made it clear, in order to deliver our election commitment in this regard, that there will be a reduction of 50 full-time equivalent executive positions across government as well. They will need to be locked in in the period between now and the Mid-Year Budget Review.

Mr COWDREY: So for FY 2022-23, you are asking departments and CEs to find a full financial year's worth of savings, but you are not deciding what those savings are going to be until the Mid-Year Budget Review in November.

The Hon. S.C. MULLIGHAN: No, they have between now and the Mid-Year Budget Review to spell out to Treasury what those are and also to lock those savings in so that they are being

delivered for 2022-23. It may be that some chief executives, including ours, hit the ground running and they are all locked in from 1 July, or it might be that in the first financial year there is perhaps a reduction in some costs that are not carried through to future years. So there might be a larger reduction in some of the more discretionary expenditures that I went through before—the use of temporary or contract staff, for example—before other measures are locked in for the remainder of the forward estimates, but that will be up to the chief executives.

Mr COWDREY: How far progressed is your chief executive in identifying the savings for this financial year? What percentage of savings has he already managed to quarantine?

The Hon. S.C. MULLIGHAN: My advice is the work is well progressed. The chief executive and agency branch heads are already working through that task so that we can meet our requirement for the 2022-23 financial year.

Mr COWDREY: What impacts does the Treasurer see these cuts having on service delivery for the department?

The Hon. S.C. MULLIGHAN: Generally speaking, the overall task will be to lock these savings in and minimise any risk to service delivery. Obviously, there are core functions that are encapsulated within the portfolio where it would be more difficult to make expenditure reductions without impacting on service delivery. For example, we have to put a budget together every year, so we would be cutting off our own noses to spite our face, so to speak, by launching into the budget branch. It is difficult to get bills out, for example, if we are not sufficiently resourced in RevenueSA and so on, so the focus for our agency and I guess for the other agencies is to lock these savings in and minimise the risk to service delivery, particularly as it impacts the community.

Mr COWDREY: Will the savings target have any impact on government apprenticeship and trainee commencements across the forward estimates?

The Hon. S.C. MULLIGHAN: Generally speaking, no, but I should point out that there has been an ending of a temporary scheme that the previous government funded, that they had badged as part of their response to COVID, their stimulus programs of a temporary increase in the number of traineeships across governments. What this budget does is it ends that temporary program and returns government agencies to where they were pre-COVID with the level of traineeships and, perhaps even in some areas, apprenticeships that were existing pre-COVID. So that is what we were aiming to do—get it back to what that regular level of intake was pre-COVID.

Mr COWDREY: Budget Paper 3, page 5, under the headline Cost of Living: what capacity does the Treasurer have in the budget to deliver a greater cost-of-living relief to South Australians impacted by unprecedented inflationary shocks?

The Hon. S.C. MULLIGHAN: I was interested to hear a member of the opposition claim on a TV news report that there is no cost-of-living relief in this budget. To be fair on them, they are a member of the Legislative Council, so we do not necessarily expect the same level of assiduousness as we do of members of the other place in the House of Assembly. Nonetheless, this budget did include more than \$80 million of cost-of-living relief over a four-year period, including meeting our election commitment to double the Cost of Living Concession, which is providing an additional more than \$220 for Cost of Living Concession recipients who live in their own properties, and for self-funded retirees and those who rent, they will be receiving an additional \$112.30 for them.

For South Australians who hold a Seniors Card, which is a very large number of South Australians—I think you have to be over the age of 60 to receive a Seniors Card—in South Australia we have expanded free public transport to be free at all times that public transport is running rather than just at non-peak periods, which is how it has been in existence ever since a former Labor government introduced that measure. That will give people more viable opportunities to make the choice to leave the car at home and not incur what I saw not just on the weekend but also during the week, of petrol prices skyrocketing to \$2.24 for unleaded, and save some money there.

We have also reintroduced the out of areas registration concession to people who register vehicles in areas including Kangaroo Island, Roxby Downs, Coober Pedy and some of—I will not get the terminology right—what are referred to as out of areas parts of South Australia, not in

incorporated council areas. That provides a 50 per cent discount on the motor vehicle registration charge for light vehicles up to 4,500 kilos and a 40 per cent discount for the registration cost of vehicles heavier than that.

Something that got a bit of coverage yesterday during question time is we have also committed to a \$100 rebate for the schools materials charge. I know I will not get the description of that right in front of a former education minister, let alone a former chief executive of the Department for Education during—

The Hon. J.A.W. GARDNER: Materials and services charge.

The Hon. S.C. MULLIGHAN: Materials and services charge—both for this financial year and next. Generally speaking, I think the question from the member was about what further capacity is there. It was important for me in handing down the budget to firstly get the budget back into surplus, to have a decent-sized surplus in this financial year but also have a growing surplus across the forward estimates, because we know, even when things are going well, that new spending pressures emerge in government. There may be revisions to revenues, for example.

Also, we have to be honest that in the last six to eight weeks in particular there are new economic challenges confronting South Australia, as there are the nation and the world, and making sure that we have some capacity across the forward estimates in the state's finances to meet those challenges was a feature of the budget too.

Mr COWDREY: In FY 2022-23, the budget provides \$39.3 million as a once-off doubling of the Cost of Living Concession. Is the Treasurer going to extend that measure beyond this financial year?

The Hon. S.C. MULLIGHAN: That will be something we will consider closer to the point of the end of the coming financial year. My recollection is that the money in the 2022-23 financial year will start flowing to recipients from roughly September onwards, give or take, over a period of several weeks, and hopefully that will provide some welcome relief as people might be getting their winter quarter electricity bills, or maybe even provide them with a bit of a buffer coming up to the summer period.

If there is a pressing need for it and it is something that we arrive at a judgement that the state's finances can afford in the context of whatever other spending pressures or other issues emerge that place pressure on the state's finances, then that will be something we will give some further consideration to.

Mr COWDREY: How would the Treasurer quantify the pressing need in which he would trigger doubling the concession for the next financial year?

The Hon. S.C. MULLIGHAN: I think we would continue exercising the judgement which has served us well to date. In the lead-up to the March election, for example, we on our side of politics engaged with the community to the extent that we realised that there were cost-of-living pressures and that there was a role for a South Australian government to do more to assist South Australians with those cost-of-living pressures. That informed our commitment in the election campaign to provide additional cost-of-living relief, and those measures which I just walked you through were all features of our election campaign.

Now, that was not the view of everyone and the then government arrived at a different conclusion, that they did not need to provide any further cost-of-living relief other than the schools materials and services charge measure, which was announced as an election commitment by them and which we immediately matched. I think we had a greater appreciation and understanding of what was confronting the community, which was why we made those commitments. How will we assess whether the community might need some further support? We would start by using the judgement that we have demonstrated to date has served us better than our political opponents.

Mr COWDREY: Did the Treasurer explore any broad-based cost-of-living relief measures in compiling the budget? For instance, the former Liberal government provided cost-of-living relief via ESL reductions, water pricing and the proposed school materials cost concession that the Labor government matched.

The Hon. S.C. MULLIGHAN: In terms of broad-based cost-of-living relief, I think there are something in the order of 140,000 or 160,000 parents, families or caregivers who will receive the benefit of the materials charge. There are approximately 180,000 to 185,000 recipients of the Cost of Living Concession.

When it comes to the comment that the previous government provided relief for the emergency services levy and so on, you will note that not only have we continued on the \$90 million of remissions that were put in place by the previous government, hitting the majority of households as well as other commercial and industrial premises, but we also did not do what was left to us by the previous Liberal government and that was rapidly escalate the emergency services levy on households and businesses for the 2022-23 rate-setting process.

The previous government had paid out of the Jobs and Economic Growth Fund, I think it was, over \$4 million into the Community Emergency Services Fund, so that the percentage increase on households was temporarily lower than what the level of emergency services expenditure would have otherwise been.

Had they not made that commitment that more than \$4 million—I am sorry, it was not; it was the COVID support fund, I think—that would have meant that the 2021-22 ESL rate would have been much higher. Obviously, that was a one-off temporary hit whereas the amount of expenditure on emergency services was continuing to increase at the very least by the annual indexation.

What we did was we made sure that all of our emergency services election commitments were funded by the budget rather than funded by the ESL and we made sure that we limited the ESL increases to 2 per cent for the average metro house price, or medium metro house price I think the term is, and we actually saw a reduction of over 2 per cent in the average ESL bill for regional properties.

Mr COWDREY: Is the Treasurer saying that it was inappropriate for the then government to respond to the Keelty review?

The Hon. S.C. MULLIGHAN: No.

Mr COWDREY: Can the Treasurer provide, perhaps on notice, the exact number of families that will have access to the materials charge remission and also the number of concession holders who are able to access the Cost of Living Concession, but also on completion of the program the number that actually were provided with the doubling?

The Hon. S.C. MULLIGHAN: It is \$100. The cost of the materials charge is \$12 million a year. I am merely a Bachelor of Arts graduate but my maths would indicate that that is somewhere in the order of 120,000 recipients for the materials charge but perhaps we will go back to Education and see what information is available.

I probably cannot quantify the actual number of recipients between dual caregiver or individual caregiver families and the gross number of recipients in that respect, but in terms of the number of rebates, we can provide that detail. The Cost of Living Concession we would need to provide after the fact, because it does fluctuate each year.

The estimate is 180,000 to 185,000 and while we might have reasonably steady numbers of pensioners and DVA gold card recipients, commonwealth low income healthcare card recipients, what does tend to fluctuate each year are the recipients of various Centrelink payments and that can fluctuate from year on year. Whatever further and better particulars we can provide, we will.

Mr COWDREY: Treasurer, during a radio interview on the ABC on 20 May, soon after the election, the Treasurer, when pressed, made a statement that if inflation wages continue to escalate, that it was up to the government of the day to not pass on the full extent of that increase and to adjust policy and provide some additional relief to households in relation to rates and charges. Does the Treasurer stand by this comment?

The Hon. S.C. MULLIGHAN: As I explained, I cannot remember if that was in the context of the radio debate that the member for Colton and I had where it was erroneously claimed in a press release from him that fees and charges rates were set to soar because of high inflation rates when

of course I think the member had to eventually concede on ABC radio that that is not how the fees and charges are set annually.

In fact, it is a shandy rate, which is both the average public sector wage indexation as well as the Adelaide CPI rate. Given that average public sector wages are running and will for a period of time continue to run behind inflation because they are subject to ongoing enterprise agreements, many of which were struck well before recent inflationary periods, then we can expect that to continue onwards.

To give you a demonstration, we could have merely reflected the numbers left to us for the emergency services rate-setting process, which would have seen a percentage increase significantly higher than where we arrived at, but we chose not to do that; we chose to hold it at a lower rate, and we did that by adjusting some of the rates which are used to determine the overall emergency services levy. Also, as I said before, we chose not to roll our election commitments into the funding base by which the ESL rate is calculated, and we provided some relief there.

Where we can we will, but none of us know how long this inflation spike will go for. We do not know how long it will last and what impact that will have on public sector wages. As we have already seen from the Fair Work Commission, if they are setting a standard that wage outcomes across the economy need to be higher, then it is not likely that the public sector will be able to completely resist that, and if wages increase in the medium term, then that is likely to find its voice in the annual fees and charges setting process.

That will be one of the things we will have to consider, as well as other impacts on households and businesses, about how we set government fees and charges and overall state taxation burdens on an ongoing basis.

The CHAIR: We are drifting into some more general questions. If you can at least loosely tie back to some of the budget lines.

Mr COWDREY: Yes, but the Treasurer is responsible for the Budget Statement, Budget Paper 3, as well, from my understanding.

The Hon. S.C. MULLIGHAN: I think you were directing my attention to chapter 3, revenue and fees and charges, is my recollection.

Mr COWDREY: We will run with that. Can I take you to Budget Paper 3, page 9, table 1.4, general government grants. On 5 March, the Deputy Premier and other local Labor members and candidates announced that the government would fund a trial for electric planes at Parafield Airport. Has this trial been funded through a grant or any other mechanism in the budget and, if so, what is the quantum of the grant and to whom was it awarded?

The Hon. S.C. MULLIGHAN: Not with me in it—I make that commitment to you right here. I will have to come back to you on that, I do not have that detail in front of me, but I will provide what information I can get.

Mr COWDREY: Same budget reference: what existing grant programs are being cut through this budget process?

The Hon. S.C. MULLIGHAN: None that spring to mind. I should point out that the way in which we have made our commitments for the support to community and sporting clubs, etc., is to provide additional funding. It is not so much cutting grant programs, but there have been reductions to some of the measures from the previous government, some of which have been publicly ventilated. So we have not continued the scheme that required pensioners to give up their energy and Cost of Living Concessions in return for solar panels for a couple of reasons: one is that we do not agree with the policy outright; and, secondly, it had an extraordinarily low take-up rate, I think.

I think the level of registrations of interest in the scheme were about 6 per cent of the overall eligible beneficiaries, and the number of people who took it up were only a fraction of that 6 per cent. So not only did we not think it was a good idea but also the community has responded in kind.

We have also reduced the grant program for the Grid Scale Storage Fund. I think we are going through the process of honouring commitments and arrangements that were in train and being

put in place up to the time when that decision was made, so we are not sort of ripping the rug out from people who are pretty far down the process. We recognise that, in the scheme of things, it was a more modest level of expenditure than what our grid-scale storage solution is, and that is a \$593 million Hydrogen Jobs Plan, including storing hydrogen, which can be used either for export or for use in dispatching electricity through combined cycle gas-fired turbines which can run on hydrogen.

We have got rid of the grants to the Adelaide City Council. I think it was called Greening Adelaide's Heart. Rather than pay the city council to plant trees, we are instead providing \$4 million to improve the streetscape of Hutt Street and Melbourne Street, something that the now member for Adelaide was very quick to identify in her engagement with the community in the lead-up to the election. We are also making sure that we are fully funding a more than \$80 million redevelopment and operation of the Adelaide Aquatic Centre.

We have reduced the Greener Neighbourhoods program, and that reflects I think the fact that, as you alluded to earlier with specific reference to electric planes, there was much larger expenditure in this budget on community programs that councils would otherwise be expected to deliver. We have also discontinued, which I was surprised was still in the budget, a \$20 million grant for the Glenelg jetty redevelopment, which I think was proposed to have a hotel on it.

I speak somewhat facetiously now, but I know the member for Morphett was a mayor in that area, but I did not think it was reasonable that we try to turn him into the Lucky Thompson of Glenelg and establish a boardwalk empire down there, so we have ended that grant. As for other grant programs that I cannot put my fingers on at the moment, I can see what other detail I can provide and perhaps take that on notice.

Mr COWDREY: Treasurer, what role has the Department of Treasury and Finance played in administering the local sporting club facility grants totalling \$84 million, given the Premier's statement in the house on Tuesday that the Treasurer, along with the Premier's Delivery Unit, has been working diligently to make sure that each and every one of those commitments that was made is being delivered upon?

The Hon. S.C. MULLIGHAN: Your reference was to the sporting club grants. Our role primarily is making sure we are allocating in total the right amount so that the government can meet all of its election commitments. That appropriation is then being made, I think almost exclusively, if not exclusively then largely to the Office for Rec and Sport, and then it is up to the Office for Rec and Sport to, as we discussed in question time during the course of the week, contact those clubs and do the work to get in place grant agreements.

In terms of the Department of Treasury and Finance, it is making sure that we are getting the right amount of money allocated so that we can meet those commitments and then providing both the appropriation and the expenditure authority to the Office for Rec and Sport so that they can give effect to those grants.

Mr COWDREY: How many local sporting club facility grants has the government approved to date?

The Hon. S.C. MULLIGHAN: I do not have that figure. That would be something that Rec and Sport would have an up-to-date number on because, as I said, they are the ones who are doing the actual detailed discussion with the clubs, putting the grant agreements together and getting those effected. Our job was for the budget process to make sure that we had the overall amount of money correctly provisioned for and then providing both the appropriation and expenditure authority for Rec and Sport.

Mr COWDREY: Treasurer, can you explain why Treasury has changed the presentation of election commitments relating to sports infrastructure? In the 2018-19 budget, each project was listed individually, with a grant amount associated to each. Are you able to explain why in this budget it was presented as a single line item?

The Hon. S.C. MULLIGHAN: I do not have the 2018-19 budget reference before me, but suffice to say what we are doing is something entirely different from—

Mr COWDREY: I can show you a copy, if you would like.

The Hon. S.C. MULLIGHAN: I am sure you can. I am sure I could find one on my mobile phone because, like the ABS, the Treasury website is easily referable for the purposes of information finding. What we are doing is entirely separate to what the previous Liberal government did in 2018-19 and also what happens each year for the Office for Rec and Sport, and that is, in the lead-up to the most recent March state election, Labor members and Labor candidates engaged closely with their communities, sometimes over a period of years, to better understand what their priorities were.

When we understood those priorities, we made a series of commitments to local sporting clubs, as well as, you referenced separately elsewhere, to other community endeavours, and we made election commitments. We did not hide those; we were very public about them. They were if not released to the traditional media, then certainly plastered all over social media forums and communities were able to make their choice accordingly at the election.

As we committed, both in the lead-up to the election and immediately after our election, we want to deliver all of our election commitments. While there is certainly reporting that has been done previously and separately for other programs that have been run, either by the previous Liberal government or by the Office for Rec and Sport, that might explain why there is a different presentation, but I do not think there can be any reasonable assertion that we are seeking to hide those because I know that pretty much everyone who has been a recipient for one of these amounts of funds has been shouting it from the rooftops to let them know that, unlike the previous Liberal government, this Labor government is committed to its election promises.

Mr COWDREY: Treasurer, you referenced that Treasury's role in this process was to check the costings. On what basis was this done? I understand that councils in some instances had not costed or planned for some of these projects. Was Treasury's role to check the number that was provided to them in the Labor Party election costings, or was there a greater role for Treasury to interrogate the project being proposed and the actual costs of its construction?

The Hon. S.C. MULLIGHAN: No, not the latter, but more the former, if by what you mean in the former is: how much was committed by the then Labor opposition in the lead-up to the election for a particular amount and is that the amount that we are providing funding for in the budget? That was Treasury's role and then going through the process of providing the appropriation, providing money, and also the expenditure authority to the Office for Rec and Sport so that they can give effect to that.

You are right to say that there were some councils that were not expecting this. We have committed in these sporting grants, I think, a similar quantum as to what the Office for Rec and Sport would have provided to agencies across a four-year period in their regular grants. I do not have the figure in front of me and it is not my portfolio, but my recollection is that they provide something like \$15 million or maybe \$20 million per year across their different grant funding schemes.

This is something completely separate and different to that, but there is such a significant injection of support from this government into those community sporting clubs that councils, in some cases, cannot believe their luck that projects which they thought they might have only had the capacity to get to in five or 10 or 15 years' time they can now do much more quickly. That means that the task for councils, both in setting their current budgets for the coming financial year and presumably their next year's budget, is making sure that they can—where the councils are the property owners, I should say, or the owners of the facilities—accommodate those, and they can deliver those.

Then you have, as I mentioned before, the commitment that we made to the Adelaide City Council that we would take the Aquatic Centre off their hands, that we would rebuild it, and that we would run it, because I think we have now established well over the last 30 years that managing that facility, maintaining it and providing it at a high standard has just got beyond the capacity of the council. I do not mean in a competence sense; I mean just in a financial sense.

That is why we are committed to taking it over and fully funding its rebuild because the alternative was that it was probably going to be closed or may be sold by the council. Even if the Liberals were returned after the election, the commitment was only for a \$25 million bandaid, for that proposal. Whether it is the Adelaide City Council, whether it is other councils, I think many of them

are surprised and delighted that the government is funding what would otherwise have fallen to them in future years.

Mr COWDREY: Given the fact that there has been little rigour in terms of the costings that have been provided—you have just said that ORS has not provided any scrutiny of those costings, that Treasury has not provided any scrutiny in terms of those costings, and that in some circumstances council have not given any scrutiny in terms of those costings—have you been provided with or received any advice that projects could cost more than what has been promised by the Labor Party during the campaign; or that the clubs or councils in question have been promised more money than the amount requested or required to build facilities?

The Hon. S.C. MULLIGHAN: I am very sure that some councils will come back and say, Oliver Twist-like, 'Please sir, I'd like some more.' That is certainly the councils that I have come to get used to in my time as a member of parliament. That is not meant as a disparaging comment, but if councils think that there is money on offer they will ask for it, and if they think that there is the opportunity to squeeze more out of a state government they will do their best to get it. I do not think there are any surprises there.

I think these are largely—I will not say exclusively, but largely—council facilities which are being upgraded here or facilities that fall under the council's control. As I said in my previous answer, the councils are the ones that usually deliver these projects, usually deliver these upgrades, and they are the ones that are skilled and capable to do that.

As we have discussed on a number of occasions, we are in a high inflation environment. There have been cost escalations not just in residential construction but also in commercial construction, which would cover off on most of these facility upgrades. I am sure that what was envisaged by clubs, or maybe even envisaged by councils, as what can be delivered for the amount that is being provided is going to have to be reviewed.

There is no expectation that there is an open chequebook from the state government on this. A project which is X million dollars, the council comes back and says, 'Oh no, sorry, it's actually X plus Y now. We would like the balance.' That has certainly not been the nature of our commitments to date, and Rec and Sport, who are actually dealing with the councils, and dealing with the grant recipients on this, would probably have a further and better understanding of this, but certainly no-one has come back to me and said, 'You're going to have to dial this up,' or, 'All of them or some of the are asking for a lot more.' But I just reiterate the point that I would be flabbergasted if we do not have a council coming back and at the very least trying it on.

Mr COWDREY: I think that is the first time, Treasurer, that I have heard you admit that inflation is going to affect your \$3.1 billion worth of election commitments. Have all of the projects that require a local government contribution committed to that contribution being made?

The Hon. S.C. MULLIGHAN: I am not quite sure what the passing jibe was about our election commitments, where they are funded, as they are in the state budget. As I said in my previous answer, inflation is running high and the costs of these projects are likely to go up, particularly if they are delivered in subsequent financial years. But there is no commitment from us that we will continue to dial-up the level of funding for each of these grants commensurate with that. That will be something for the clubs and the councils to consider and possibly review the scope of what they want to deliver. There is no open chequebook for all of this.

Mr COWDREY: If a commitment was for a specific project, as opposed to a commitment of money, and the cost blows out, does the government bear no responsibility for supplementing that?

The Hon. S.C. MULLIGHAN: The government does not bear any inherent responsibility for that. We have made commitments for particular amounts of money; that is what the commitment was for. The commitment was not a dollar figure that we provided with an asterisk at the end of the last digit, with a footnote stating 'Or any other such amount that the council might think is reasonable to ask for'.

Clearly, if we have made a commitment to an amount of money, perhaps the council says to the community group or the sporting club, 'We need a bit of time to scope this up and to engage some professional services to design the verandah or the shed or the change room or the facility.

Understandably, that's going to take some time, and this is not something we are going to get to budget for to construct in the next financial year. It might be the one after that.'

Even if inflation were not running at 4.7 per cent in Adelaide in the last quarter and if it were running at 2 per cent, and even if construction costs were not running at 20 to 30 per cent increases for construction materials and so on, year to year, even if they were just running at 2 or 3 per cent, as you might expect in a lower inflation environment, obviously the costs of those projects are going to go up. But I would make the point that that does not entitle a council to come straight back to government with a hand out in the expectation that we are going to fund any increase in cost. There has to be a consideration of scope here.

I do not think all the sporting clubs and the councils have an understanding that they will determine what scope they want to deliver for their organisation and that that will immediately be financed and granted by the state government. At least, that is certainly not the understanding that I have had from my colleagues in considering these commitments.

Mr COWDREY: To be clear, the state government has committed to a dollar figure for each of these projects. Some councils were not aware or had not budgeted for some of these facilities coming online, and it is the council who will bear all the responsibility for any difference in terms of inflation, and it will be their responsibility in terms of de-scoping that project and perhaps delivering a project that is not what was expected by that sporting club.

The Hon. S.C. MULLIGHAN: Let me give you an example. Let's say, for argument's sake, we want to deliver the upgrade to the Brighton Oval facilities, which I think was about \$9 million—was it \$3 million from the state and local governments and maybe dollar matching from the federal government? That is an extraordinary—extraordinary—upgrade delivered in the electorate of Gibson, which is coincidentally the former sports minister's electorate, but I make no comment about that. That was an upgrade delivered in a construction sense over the last three financial years, I understand.

Let's say there was the appetite to replicate such an extraordinary commitment in one facility elsewhere in metropolitan Adelaide or regional South Australia. I do not think there would be any expectation that you would be able to deliver the scope of something like that for \$9 million, given the increases we are seeing in construction materials and so on. To answer your question, I think in the first instance, yes, the first discussion has to be around scope: what does the club actually need versus what does the club want?

Mr COWDREY: You did not have these conversations with the clubs when you made commitments?

The Hon. S.C. MULLIGHAN: We certainly had a discussion about the increase in the activity levels of these clubs. In fact, member for Colton, I can remember you had one of these discussions in your electorate at the Grange Recreation Reserve. I think you said to the sporting organisations down there that you would match the commitment that was made by Labor to that community group.

Mr COWDREY: I did not say that.

The Hon. S.C. MULLIGHAN: You did not say that, for the record. It is good to have that on *Hansard*. That will come in useful. I made a commitment in 2018 for the upgrade of those facilities, if Labor was returned to government after that election. We were not. So I reiterated a commitment. It is not even in my electorate; it is in your electorate. I reiterated that commitment and realised that, over the course of time, the council had done an extraordinary amount of master planning work, which meant that that commitment was not going to be sufficient. As an opposition, we made the judgement that we would increase our commitment.

I have not seen it, but apparently one version of the council's master plan was going to cost \$20 million. That has been pared back to less than a third of that. That is my understanding. That is a good indication that councils have to be pretty careful about how they are scoping these projects. We all want the Brighton-type facility across all of the facilities in metropolitan and regional South Australia, but that is not achievable.

So in the first instance I think the pressure has to be placed back on the council. They have, by virtue of Labor being elected at the last election, an extraordinary opportunity to achieve a step change in the number and quality of facilities across the communities that they are responsible for. They have to make sure they do it prudently because without these commitments we would be talking about upgrades that would have to be delivered over decades.

We think it is more important to deliver these improvements now, for a whole range of reasons. We are seeing youth participation in sport increase almost exponentially year-on-year. It is now the councils' responsibility, now that they have this really terrific opportunity for improving facilities, that they scope them so that they do not suffer further impacts on their own finances. What might have been delivered four or five years ago for \$500,000 is not going to be \$500,000. Now the councils are just going to have to be careful about what they deliver.

Mr COWDREY: The local sporting club facility grants program totalling \$84 million has been included in the 2021-22 financial year. May I add it is a big contribution to the increased deficit this year. Does this require all of the grants to be paid to the approved recipients by 30 June 2022?

The Hon. S.C. MULLIGHAN: Certainly, the intention is that we will get most of them paid in the current financial year but, honestly, the reason we had the capacity to do that of course is because we had an absolutely huge unexpected increase in some of our revenue lines. The Mid-Year Budget Review did not think that we were going to get a couple hundred million dollars in a six-month period from conveyance duty receipts because of the strength of the housing market. So why would we not take the opportunity of getting these grants paid to communities as quickly as possible?

My understanding is that in many cases these projects have been well developed, have been well advanced and are ready to go. If we can get the money out to those councils so that they can deliver them, that is great. In the instances where they are not as progressed as what they would like, there is nothing wrong with the community knowing and the clubs in question knowing that the council has the readies to be able to start delivering these projects so that there is a bit of an imperative on the council to get cracking with it as quickly as possible.

Mr COWDREY: Are the grants being paid as a whole, as an up-front payment, or are they going to be paid in segments based on deliverables?

The Hon. S.C. MULLIGHAN: That would be up to the terms of the grant agreement. As I have outlined before, that is something that is being managed by the Office for Rec and Sport, so I cannot give you fulsome and accurate advice on that, but I am sure that is something that perhaps the Office for Rec and Sport can provide further detail on.

Mr COWDREY: The Treasurer advised the house on Tuesday that all the grants were taken to cabinet. Will he provide the date when this was done?

The Hon. S.C. MULLIGHAN: No.

Mr COWDREY: Treasurer, which agency prepared the cabinet submission?

The Hon. S.C. MULLIGHAN: I cannot recall off the top of my head. I will see if I am obliged to provide you with that information. If I am, I will bring it back.

Mr COWDREY: I have not asked you anything that is cabinet in confidence. I have merely asked you for the details of who took the submission.

The Hon. S.C. MULLIGHAN: Except about the preparation of the cabinet submission.

Mr COWDREY: Who took the submission to the cabinet?

The Hon. S.C. MULLIGHAN: You might—

Mr COWDREY: You sit in cabinet, Treasurer.

The Hon. S.C. MULLIGHAN: I do sit in cabinet and given that you have read the Ministerial Code of Conduct, you would realise the obligation on ministers not to reveal the content or the context of cabinet deliberations. What you are asking me goes exactly to that.

Mr COWDREY: Was it not the Department of Treasury and Finance?

The Hon. S.C. MULLIGHAN: Do you want to do the process of elimination now, do you? That is not going to work either.

Mr COWDREY: So no response, minister? You are not going to tell us which—

The Hon. S.C. MULLIGHAN: No, I have responded. I am just not giving you the information.

Mr COWDREY: It is your prerogative, Treasurer. Transparency around this process is something that—

The Hon. S.C. MULLIGHAN: No, it is my obligation as a minister of the Crown.

Mr COWDREY: In preparing the grants for cabinet's consideration, what was done to identify whether any conflicts of interest may need to be declared by ministers having an association with proposed grant recipients?

The Hon. S.C. MULLIGHAN: If there is an assertion that there has been a conflict, then you can furnish the details of that to the committee and we will consider it.

Mr COWDREY: Does the Treasurer have an association with any grant recipient and, if so, did he declare the interest before a grant payment was approved to this recipient?

The Hon. S.C. MULLIGHAN: For some of them, yes. I am a lower house member of parliament and I represent electorates within which some of those grant recipients fall.

Mr COWDREY: Your relationship with those clubs goes no further?

The Hon. S.C. MULLIGHAN: If there is an assertion that I have some interest which creates a conflict for me as a minister, then spell it out and we will consider it.

Mr COWDREY: To be clear, Treasurer, you did not declare a conflict?

The Hon. S.C. MULLIGHAN: Again, if there is an assertion that I have a conflict of interest and/or that I did not manage that conflict of interest—

Mr COWDREY: There is no assertion, Treasurer. There are just questions.

The Hon. S.C. MULLIGHAN: It is. That is the entire line of questioning and I am aware of the line of questioning because it has been ventilated well before you via media outlets.

Mr COWDREY: Your response is an assertion, Treasurer. These are simply questions for you to answer.

The Hon. S.C. MULLIGHAN: Thank you.

Mr COWDREY: Did any ministers declare conflicts of interest during the process of administering these grants?

The Hon. S.C. MULLIGHAN: I am not going to go into what ministers did or did not do in cabinet. As you can imagine, I am not responsible for that.

The CHAIR: Can we get back to direct budget lines? I would suggest that these questions are more appropriate for question time.

Mr COWDREY: We are on a budget paper line. These questions have been answered by the Treasurer up to this point. Treasurer, which chief executive has been responsible for ensuring compliance with Treasurer's Instruction 15 that requires certification that the local sporting club facility grants are justified by the particular circumstances and are in the public interest?

The Hon. S.C. MULLIGHAN: As I said, Treasurer's Instruction 15 talks about grant payments and these grant payments are being superintended by the Office for Rec and Sport.

Mr COWDREY: When did the certification process begin and was it completed prior to cabinet's approval of these grants?

The Hon. S.C. MULLIGHAN: I am the Treasurer; I am not the Minister for Recreation, Sport and Racing.

Mr COWDREY: You outlined the process that the grants were approved and then the Office for Recreation and Sport was tasked with seeking grant agreements. Were grant agreements in place with all grant recipients and are they in place?

The Hon. S.C. MULLIGHAN: I wish you all the best in asking the minister and agency responsible for this, as we have just countenanced in several of these questions.

Mr COWDREY: Will the government make public a list outlining each grant recipient, attaching completed grant agreements and amounts in line with Treasurer's Instruction 15?

The Hon. S.C. MULLIGHAN: I mean, you could just read all the questions in and I can hand them to the minister responsible.

Mr COWDREY: Are you not responsible for Treasurer's Instruction 15, Treasurer?

The Hon. S.C. MULLIGHAN: In an overall context I am, but the obligations within the different Treasurer's Instructions fall on different people around government and I think, as we have already established, almost ad nauseam, this is a process that has been conducted by the Office for Recreation and Sport, which has a separate minister responsible for that agency which is not me.

Mr COWDREY: Which agency is responsible for monitoring the use of the grants to ensure that they are only applied for the intended purposes and an assessment can be maintained about the overall effectiveness of the grant throughout the term of the grant and that the infrastructure is delivered?

The Hon. S.C. MULLIGHAN: My understanding is that it is the Office for Recreation and Sport but if I am advised anything else subsequently, I will come back and let you know.

Mr COWDREY: Treasurer have you received, or your department received, any advice on the local government contributions to these projects and the ongoing maintenance and running costs, the impact that this will have on council rates?

The Hon. S.C. MULLIGHAN: No, but as you could imagine, if these projects have been funded by the state rather than by councils, that would alleviate pressure on councils' budgets and balance sheets going forward, so it probably has the inverse impact than the one that you are inferring.

Mr COWDREY: I take you to Budget Paper 3, page 46, GST settings reference. Prior to the election, the now Treasurer went to great lengths to conflate the no-worse-off guarantee negotiated by the former Treasurer in the GST HFE changes that passed the federal parliament with support from both federal Labor and Liberal. In the days leading up to the state budget, the Treasurer admitted that he had not written to the new federal Labor Treasurer to push South Australia's want to see the no-worse-off guarantee either extended or made permanent. Can the Treasurer confirm that he has now done this?

The Hon. S.C. MULLIGHAN: Made comment before the budget?

Mr COWDREY: Have you written to the federal Treasurer?

The Hon. S.C. MULLIGHAN: No, but both the Premier and I have continued to raise this with the federal government.

Mr COWDREY: Has the Treasurer been given an indication, either formally or informally, as to whether the federal Labor government will at a minimum make the no-worse-off guarantee permanent?

The Hon. S.C. MULLIGHAN: No.

Mr COWDREY: Has the Treasurer been given an indication, either formally or informally, as to whether the federal Labor government will return to full HFE?

The Hon. S.C. MULLIGHAN: We have had a new federal government for less than a month now. We have not yet met as the Board of Treasurers, which is the meeting that state and territory treasurers have amongst themselves, and that is not anticipated to happen, my understanding is,

until July. It will not be until after that that we actually have a formal meeting with the federal Treasurer, Jim Chalmers.

So while states and territories continue to make their own representations and while agencies across state and territory borders continue to discuss this, I do not think it is unreasonable to expect that we have not gone through the process yet to secure or be told that we have not secured a certain set of arrangements about this going forward.

In fact, as we speak right now, there is a national cabinet meeting that all state and territory premiers and first ministers are engaged in with the Prime Minister and my understanding is that this is one of the various matters that is being ventilated there. That is really the first in-person opportunity that states and territories have had to raise this with the federal government and federal officers.

Mr COWDREY: Prior to the election, PwC was commissioned by the former government to undertake a review of GST distribution to model a range of scenarios. Will the Treasurer update the PwC report, or commission a new report to argue the need for reform?

The Hon. S.C. MULLIGHAN: I do not work for PwC, so I will not be updating their report, but we all understand or at least some of us understand exactly what the challenge is. Remember that it was not until the previous Labor opposition, the previous Leader of the Opposition and me as shadow treasurer, started raising the fact that we were blithely heading towards a massive diminution in our financial resources as a state by not raising any concerns or issues with the change to the GST distribution arrangements that finally the former treasurer started making some representations.

The sum total of his representations, as we are lead to believe by the former Premier and also by himself, amounted to writing to federal MPs less than 48 hours before they were asked to vote on this legislation in the federal parliament. Then we subsequently were told by the member for Dunstan, the former Premier, that Mr Lucas had met with, first, Scott Morrison, when he was Treasurer (I am not quite sure of the relevance of that, given that it preceded this process by many months), but then with the former federal Treasurer, Josh Frydenberg, to negotiate this deal.

That, of course, was not true. It was the pressure put on by Domenic Perrottet and Tim Pallas that saw the federal government relent and provide a no-worse-off guarantee on a temporary basis until 2027. When I asked the former state Treasurer about this in estimates, again after the deal had been done, and what action was being taken about this, the first response was an airy, 'Oh, well, I've asked for the Productivity Commission review to be brought forward', which of course would be the worst outcome South Australia and other small states and territories could possibly have.

Remember, it was the Productivity Commission in its first report on this that came up with two options. One, is that the GST distributions are changed to a per capita basis, which would mean, I think, that we would lose something in the order of \$2 billion a year in our GST grants, or that there be a change to the CGC's assessment, which would have meant a \$500 million a year impact to South Australia's GST revenues. What we ended up with was something which is estimated now by both PwC and by Treasury to cost South Australia \$289 million next financial year if it was not temporarily masked by a no-worse-off guarantee.

That was described by the former Premier as 'a massive win for South Australia'. A massive win for South Australia would be—

Mr COWDREY: The no-worse-off guarantee.

The Hon. S.C. MULLIGHAN: No. A massive win for South Australia would be no change to the GST arrangements at all, and if a federal government thought it was necessary to provide temporary financial assistance to Western Australia, then my view was and remains that the federal government is free to do that from its own budget. In the current arrangement we have at the moment, with or without a temporary no-worse-off guarantee, money is being taken from South Australia and from every other state and territory and being handed over to Western Australia and, even worse, it is happening while they are in the middle of a mining boom.

So they are getting—I think the number this year is approximately \$4 billion in additional GST revenue and on top of that they are getting billions of dollars in higher royalties. It is just outrageous. The whole reason we signed up to a federation 121 years ago, and the whole reason we went through

the GST reforms, is so that every state and territory had the same fiscal capacity to provide the same level of services as every other place around the country.

Now what we have with these current arrangements is one state that has the happy coincidence of having a dotted line drawn on a map with a lot of the iron ore resources on their side and not so much on anyone else's side, and a massive influx of national GST revenues collected right across the nation, which is being handed to them.

No-one in their right mind thinks that is a good outcome, and no-one expects that any state or territory is going to have anywhere near the same capacity to run health services or their schools or their police force or their roads or child protection services or anything else to anything like the standard that Western Australia has by virtue of having this completely unreasonable coincidence of capturing these record royalty revenues and being handed billions of dollars of GST revenue from the other states for the effort.

I do not support any of the activities that the previous Liberal government took in standing up for South Australia on this, because just like they did for the automotive manufacturing industry, just like they did for the submarines, just like they did in the funds that were cut by Tony Abbott and Joe Hockey for pensioner assistance funds in their 2014 budget, we constantly see South Australian Liberals failing to stand up for South Australia and now we are bearing the burden of it.

Debt has increased from \$12.95 billion to \$25-odd billion this financial year and is now estimated to increase to \$33.8 billion. We have rising interest costs and now we are going to get a couple hundred million dollars less in GST. This is a catastrophic act of fiscal vandalism to smaller states and territories, including South Australia.

Mr COWDREY: Supported by the federal Labor Party. Budget Paper 3, page 96, economic forecasts: when were the economic forecasts contained in the budget papers—specifically volume 3, page 96, table 7.1—prepared and by whom?

The Hon. S.C. MULLIGHAN: They were prepared by the Department of Treasury and Finance. They were included in the budget that went to cabinet and they were tabled by me yesterday fortnight ago in the House of Assembly.

Mr COWDREY: Does the Treasurer believe these forecasts to still be accurate today?

The Hon. S.C. MULLIGHAN: I do not think anyone expects economic forecasts slated for two, three or four years' time to be completely accurate, no. That has never been the nature of an economic forecast. I do not think anyone—any government or any economist—has ever made an economic forecast that spans out over four years that has ever been completely accurate.

What we do is make a judgement in our economic forecasts based on the best advice that we have available to us. The sources that have informed these economic forecasts are principally the commonwealth Treasury, as referred in their commonwealth budget released in March, and also the Reserve Bank inflation advice that we had at the time the budget was prepared. Both of those have since moved and they will continue to move, if not on a quarterly basis then on a monthly basis, and that is why they get periodically updated in the state budget papers.

Mr COWDREY: Budget Paper 3, page 88, increases in wages and salaries: across the public sector, what is the average wage increase assumption as a percentage each year across the forward estimates?

The Hon. S.C. MULLIGHAN: I am not providing that evidence to the committee.

Mr COWDREY: Budget Paper 3, page 24, table 2.8: the risk statement notes that for every 1 per cent increase in wages and salaries above the estimates contained in the forward estimates, that would result in a \$251 million impact on the budget. Nominal employee expenses are projected to increase by an average of 1.9 per cent over the forward estimates, well below inflation. Does this mean that the Treasurer is going to be offering lower than inflation wage increases, or will you be significantly cutting FTE numbers across the Public Service?

The Hon. S.C. MULLIGHAN: That is a question that is in part answered elsewhere in the budget papers. Our FTE-funded levels are contained in the same chapter in Budget Paper 3, so you can see what our estimates are of FTE numbers. In particular, you can see a few things happening.

You can see that there is a very high level of FTEs in the current financial year, which is largely to do with the additional money that is being poured into some frontline services in order to deal with COVID. Then, touch wood, hopefully, as that level of expenditure on frontline services is not required to the same extent next financial year on an ongoing basis, that very high level of FTEs drops back to, perhaps I can very generally say, where we would have otherwise been pre-COVID.

Then, those FTEs going forward are adjusted for different initiatives in both the previous government's budgets and also in this government's budget. For example, where we were talking at the beginning of this discussion about what the impact would be if 50 per cent of the savings requirement was taken in that 400-odd staff, that is offset by I think more than 1,400 staff, which are the estimates for the increased number of workers required in different agencies in order to deliver our election commitments. To answer part of your question, that figure is in there.

In terms of what we will be offering public sector wage groups, we will be putting an offer to them according to what we think is a fair and reasonable outcome for those workers. I note that, for example, the previous government adopted a policy where it refused to provide wage increases backdated to the expiration of enterprise bargaining agreements, which is, in my understanding, not what has always been the practice in the public sector.

For example, if you are a government that chooses to go to war with ambulance drivers and staff in the middle of a global pandemic and you have not given them a pay rise since December 2017, by the time you might settle an enterprise bargaining agreement and a wage outcome going forward, you have to bear in mind that they would not have had a pay rise for more than four years and they would not have had a pay rise in more than four years in an environment where, as we have been discussing in various different contexts, we are in a high inflation environment.

How we provide our negotiating parameters to these enterprise bargaining groups will very much depend on the circumstances of those individual groups. It is also something which is settled not necessarily by me but by cabinet and, in particular, in consultation with the Minister for Industrial Relations and the Premier. I cannot really provide any specific detail about whether it is going to be below, at or above inflation.

Mr COWDREY: Has Treasury provided any direction or advice to Health through reduced COVID-related expenditure, and by when?

The Hon. S.C. MULLIGHAN: In fact, what we have done in the budget is the opposite. You would have seen in the budget that we provided an extra \$648 million in this budget to further increase expenditure by SA Health. That is \$448 million in the current financial year through to 30 June, and that reflects additional expenses, both in the months leading up to the March state election and also since the March state election, and we have provided them an extra \$200 million to continue a level of effort in the months beyond 30 June, when otherwise the funding would have ended, according to the previous government's budget.

We are providing more capacity for SA Health to continue responding to COVID. We do not know how long that is going to last, but we think we have provided Health enough money to get through to a period that, if we still are combating the pandemic in a similar vein to as we are now, if we need to provide any supplementation we can make that consideration during the MYBR.

I should also point out, in addition to the \$648 million, we have provided an additional \$400 million of expenditure authority to SA Health, which effectively backs out \$80 million a year of savings, which the previous government required of SA Health. We have recognised that not only in the current environment are they going to be unable to provide any savings to the budget, which were previously provided of them by the Liberals in the current financial year, next financial year we do not expect them to make the remnants savings task either, so we have provided a level of savings relief. That is a thousand and forty-eight million or \$1.05 billion in additional resourcing to SA Health in recognition of the challenges they are facing in responding to COVID.

Mr COWDREY: Treasurer, which EBs are expiring within the next two years?

The Hon. S.C. MULLIGHAN: I am not sure I have that detail in front of me. If I can get it for you I will, but the person who would have it to hand would be Minister Kyam Maher, who is the Minister for Industrial Relations.

Mr COWDREY: Would you be happy to take it and provide it on notice?

The Hon. S.C. MULLIGHAN: If I can, but again Treasury and Finance does not have responsibility for industrial relations anymore. After the change of government, the industrial relations portfolio has been moved over to the Attorney-General's Department with Minister Maher, and I will not get this right but whatever the group within the industrial relations portfolio that does the industrial relations advice—IRAAP.

Mr COWDREY: I think they are just called that, yes.

The Hon. S.C. MULLIGHAN: Industrial Relations Advice—

Mr COWDREY: Advisory.

The Hon. S.C. MULLIGHAN: —and Policy. That is over there, so that is not something we—I mean, we obviously have involvement in terms of providing costing comments and input into wage negotiation parameters and cabinet submissions and final approvals, and then of course having to provide the appropriation expenditure authority for wage outcomes, but in terms of the grotty detail of who is up when I am not sure we have that to hand. To the extent that we can get it for you or we can hand this over to Minister Maher so that he has that for his estimates committee we are happy to do that.

Mr COWDREY: Treasurer, are you able to advise why this Labor government has stepped away from previous orthodoxy to allow portfolio ministers to negotiate EBs?

The Hon. S.C. MULLIGHAN: Because that would be bonkers. All governments—

Mr COWDREY: You did it for a long time.

The Hon. S.C. MULLIGHAN: No, all governments have always had a centralised industrial relations minister who is primarily responsible with his public servants—his or her public servants I should say—to negotiate wage outcomes. Can you imagine the inconsistency of approach if you had a health minister or a police minister or another minister responsible for the administrative services streams of government or corrections all going off and doing their own thing. We are trying to provide not only wage outcomes which are fair and balanced for the needs of those particular workers in those particular areas but we are also trying to make sure we have consistent policies outside of just wage outcomes as well.

What we would not want to see is some agencies negotiating some particular policy outcomes within enterprise agreements, for example, perhaps related to various types of leave or other entitlements, which are completely different from other parts of the public sector. We have an industrial relations minister. The previous Liberal government had a single industrial relations minister, the previous Labor government before that had an industrial relations minister, suffice to say the negotiating parameters and the final outcomes both have to be considered by all of government, which is through cabinet.

Mr COWDREY: Are you aware of the status of the ambulance officers' EB?

The Hon. S.C. MULLIGHAN: I understand that—I am not sure whether an agreement has been struck, but if it has then Minister Maher would be aware of that—negotiations are ongoing. I do not know whether the ambulance employee representatives are at the stage that they have taken an offer to their members yet, but that is hopefully—touch wood—in the final stages of negotiation.

Mr COWDREY: Budget Paper 4, Volume 4, page 144, ministerial office resources. What policies are in place to ensure that ministers and ministerial staff cannot incur costs on office manager credit cards?

The Hon. S.C. MULLIGHAN: My understanding is that we have continued the same policy as the previous government where the office manager and the minister have credit cards and they are proactively disclosed. In terms of who incurs the expenditure, like any credit card, the person in whose name it is is responsible for the expenditure. If the assertion is that ministerial staff are saying, 'Can you go out and get this one for me?' I am not quite sure that is the way it works.

The Hon. D.G. PISONI: Just for clarity on that, minister, are you saying that if a minister is entertaining or going overseas or going to regional South Australia that all the expenses they incur will be on the minister's credit card?

The Hon. S.C. MULLIGHAN: No, that is not what I am saying.

The Hon. D.G. PISONI: What credit cards will be used in order to manage that?

The Hon. S.C. MULLIGHAN: I do not know. I have not undertaken one of these trips yet. I think the expectation is that we use, for example—what was the bloke's name? He used to be the Liberal federal treasurer (of the party, I mean, not of the parliament). He ran the travel company that you guys awarded the contract to. QBT services, I think. We used to have Carlson Wagonlit, and that was not renewed. It was Helloworld and QBT travel. They got the contract, so we are obliged to use them as the across-government provider.

The Hon. D.G. PISONI: There are other expenses.

The Hon. S.C. MULLIGHAN: Yes, that is right.

The Hon. D.G. PISONI: There are hotel expenses and there are expenses that you incur with meals or entertaining members. What is the expectation of whose credit card will be used for paying for those expenses?

The Hon. S.C. MULLIGHAN: The people who are on the trip, I would assume.

The Hon. D.G. PISONI: So if the minister is entertaining relevant stakeholders, for example, and a member of the department is there with them, or somebody from their ministerial office, say an MLO, what is the expectation of whose card will be used to pay for that?

The Hon. S.C. MULLIGHAN: That is a hypothetical.

The Hon. D.G. PISONI: No, it is not. It happens often when ministers and CEOs, for example, might be at the same event.

The Hon. S.C. MULLIGHAN: Well, no. You framed your question in the future and the standing orders preclude the consideration of a—

The Hon. D.G. PISONI: What is the expectation of which credit cards are used for expenditure for things the minister attends?

The Hon. S.C. MULLIGHAN: There are some expenses that are pre-booked and prepaid. There are some expenses that are incurred—

The Hon. D.G. PISONI: Okay, let's start with that one. Whose credit card will be used for those, if it is something for the minister?

The Hon. S.C. MULLIGHAN: I do not know because I have not gone on one of these trips yet.

The Hon. D.G. PISONI: What is the expectation?

The Hon. S.C. MULLIGHAN: The expectation is that we have to use the firm that your government awarded an exclusive travel contract to.

The Hon. D.G. PISONI: No, this is about paying for—

The Hon. S.C. MULLIGHAN: Yes, I understand the question and I am trying to answer it.

The Hon. D.G. PISONI: No, you do not.

The Hon. S.C. MULLIGHAN: You do not need to talk over the top of me.

The Hon. D.G. PISONI: Either you do not understand the question or you are deliberately—

The Hon. S.C. MULLIGHAN: No, I understand the question.

The Hon. D.G. PISONI: —not answering the question.

The Hon. S.C. MULLIGHAN: I am compos mentis to answer the question.

The CHAIR: Can an opportunity be given to answer the question?

The Hon. S.C. MULLIGHAN: I am going to provide an answer, and I am going to do it without you interrupting me. If that is not to your satisfaction I will not answer at all. So can I have the opportunity to answer the question? Silence. Okay, well, next question.

The Hon. D.G. PISONI: You do not ask me questions, I ask you questions. We ask you questions, you do not ask us questions

The Hon. S.C. MULLIGHAN: You ask me a question and then you talk over the top of me, so you clearly do not want the answer. I asked if you would refrain from talking over the top of me and I was met with a stony, Tony Abbott-like Channel 7 interview silence that was awkward for a long period of time, so I asked whether we could move on to the next question.

The CHAIR: Today, we have had a lot of questions and the Treasurer has been given an opportunity to answer those questions. I think it is just a matter of courtesy, if a question is asked, to give the Treasurer the opportunity to answer, and then feel free to follow up. It is not hard, it is not complicated; it is just basic courtesy.

The Hon. D.G. PISONI: Thank you for your advice, Chair.

The CHAIR: You are welcome.

The Hon. D.G. PISONI: Would you like me to repeat the question?

The Hon. S.C. MULLIGHAN: Repeat away.

The Hon. D.G. PISONI: The question is: if an event, whether that be an event where you might be taking stakeholders out for a lunch meeting or a breakfast meeting or a dinner meeting, for example, or whether it be entertaining stakeholders or people who have hosted you overseas, for example, or whether it be meeting with other relevant stakeholders, unions or businesspeople, and that booking was made in advance, what is your expectation, as the Treasurer, as to whose credit card should be used for making that payment?

The Hon. S.C. MULLIGHAN: It could be one of a number of different circumstances. You use the term 'pre-booked', so if you pre-book your flight, we have spoken about using the government's exclusive travel services contract. If we are pre-booking accommodation, for example, at a hotel, that may or may not be paid for in advance. It might be billed back to the office. It might be paid for by the office manager, for example, or it might not be. It might be pre-booked, but it might be paid on check-in or after check-out.

If you have pre-booked a hotel and that is the venue by which you might be holding one of these breakfast meetings or other functions or so on, it may be paid for at the time or it may be paid for after the fact as part of the total hotel bill, which is either paid at the time—on check-out, for example—by the minister or by another attendee of the travelling party, or it might be billed back to the office and it might be paid for by the office manager. Any of those scenarios or indeed a variation that I cannot think of off the top of my head could well occur.

Mr COWDREY: What is the expenditure on office manager credit cards? Are these consistent across government?

The Hon. S.C. MULLIGHAN: They will not be consistent across government because each office has its own office manager. They have their own level of staffing and resourcing and requirements and tasks, and so the level of expenditure probably will not be the same. I can easily imagine, for example, that Minister Brock might incur more intrastate travel than I might because he is the Minister for Regional Roads, so he might incur more expenditure on his own or office credit cards than I would. He is spending lots of nights out of the city or out of his electorate because he is spending time in regional communities. My understanding is that it is all proactively disclosed. Once it goes up on the relevant website, you will be able to interrogate it and make of it what you will.

Mr COWDREY: Have changes been made to the policy regarding purchasing alcohol and credit cards that was introduced by the former government?

The Hon. S.C. MULLIGHAN: I remember there was some, pardon the pun, song and dance made by the previous Premier about banning the use of taxpayers' money for the purchase of

alcohol, which certainly was not consistent with what some of us witnessed over the last four years. Nonetheless, I am not aware that there have been any changes to any policies regarding—

Mr COWDREY: How many public servants are employed in your office on an FTE basis?

The Hon. S.C. MULLIGHAN: Is that not disclosed in the Agency Statement?

Mr COWDREY: It is. I would like your confirmation.

The Hon. S.C. MULLIGHAN: In Budget Paper 4, volume 4, page 144, there is \$2.4 million allocated next financial year and 14 FTEs. It seems the lucky number is four.

Mr COWDREY: How many of those 14 are political staffers, Treasurer?

The Hon. S.C. MULLIGHAN: I will come back to you with that detail.

Mr COWDREY: How many public servants are seconded to your office, Treasurer?

The Hon. S.C. MULLIGHAN: I think we have two MLOs (ministerial liaison officers), but if there are any others, I will include that in the response as well.

The Hon. D.G. PISONI: Are you able to provide how many of the political staff are paid at senior adviser level?

The Hon. S.C. MULLIGHAN: Their remuneration is disclosed—in fact, I think it already has been, has it not—in the *Government Gazette*, so that information is in there.

Mr COWDREY: Treasurer, Budget Paper 3, page 51, dividend to government: can you please explain further detail behind the sharp increase in the dividend to the government for financial year 2022-23, rising from 57.7 in the past financial year to \$139.1 million this financial year? This is regarding SA Water. The footnote states that the increases from 2022-23 mainly reflect revenue received by SA Water for third-party works for the Department for Infrastructure and Transport for the Victor Harbor Road and Main South Road projects.

The Hon. S.C. MULLIGHAN: I might have to see what further information I can provide you there. This may not be right, but my vague recollection is that when we do these road projects, both SAPN and SA Water are utility providers that we obviously have to provide money to to relocate services and it may be reflective of that. We undertake the works and pay for them and then we donate them to SA Water as contributed works and that is reflected in that manner in that line, as I understand it.

Mr COWDREY: Can the minister confirm whether or not he will be making changes to the regulatory asset base via a pricing order as part of the SA Water 2024-28 regulatory period process?

The Hon. S.C. MULLIGHAN: Firstly, that would be a hypothetical question because it is in the future, and secondly, it would be something that falls within the responsibilities of, in the first instance, the Minister for Water, the Deputy Premier, but I do not think I have received any advice about the next pricing period other than we are likely to have to do what the previous Liberal government did and that is somehow make some provision for the remainder of the cost of works for the CWMS upgrade in the north-eastern suburbs.

Mr COWDREY: I refer to Budget Paper 4, Volume 4, page 147. What is the government's plan for replacing the Masterpiece accounting software?

The Hon. S.C. MULLIGHAN: Like all government ICT projects, I am confident it will go swimmingly.

Mr COWDREY: I did not pick up the sarcasm.

The Hon. S.C. MULLIGHAN: I think our expectation is that we have to put a project team together and go out to market and replace this system in the coming years. That line that you make reference to anticipates that we estimate completion in June 2025. Like the total project cost, I am sure that will be delivered to the letter.

Mr COWDREY: Do you have a time line at all for the project?

The Hon. S.C. MULLIGHAN: I think, based on the department getting its project team together, scoping the work and going out to market with an understanding of what is currently available on the market for this sort of system, that is the estimate at June 2025. My facetious comments aside, these projects are inherently complex and difficult and subject to really significant amounts of risk, not just in terms of the procurement but also in the implementation, because even after you have procured a product you are effectively trying to install it at the same time that you are running the legacy system side by side.

My experience—and it is not as extensive as that of other people in this room—is that that rarely goes to plan. There have been successful ICT projects that Treasury has managed before, for example, the e-Conveyancing system, but they are not the majority of the experience across government over the last 30 years of ICT replacement projects.

Mr COWDREY: What is the estimated cost for the project at this point in time?

The Hon. S.C. MULLIGHAN: It gets better. This is the cost of the existing licensing arrangement. This is not the estimated total cost of what a replacement system would be. I think once we go out to market and we have a better sense of that, that might find its representation in perhaps a subsequent year's budget papers.

Mr COWDREY: Has there been an allocation made over forward years in anticipation of this project being delivered?

The Hon. S.C. MULLIGHAN: My understanding is that we are holding some funds centrally for that purpose, but that is being held in contingencies, and for obvious reasons of market sensitivity we are not disclosing how much that is.

Mr COWDREY: Can I move to Budget Paper 4, Volume 4, page 183, administered items. Would the Treasurer support a review of the local government disaster recovery assistance arrangements to more equitably support councils in claiming disaster relief funding?

The Hon. S.C. MULLIGHAN: I am not going to say yes or no to that without having a better understanding of what the complaint is with the current system. If local governments have a concern about them having insurance arrangements or underwriting arrangements from the state government, then of course we welcome that engagement with local government to get to the bottom of what their concerns are.

Mr COWDREY: Budget Paper 4, Volume 4, page 179, again administered items: will the government support the introduction of EVs in the community by expanding the application of the EV subsidy scheme to local government fleet purchases?

The Hon. S.C. MULLIGHAN: Sorry, are you looking at the top line, electric vehicle subsidies?

Mr COWDREY: Yes.

The Hon. S.C. MULLIGHAN: We have committed to continuing all of the electric vehicle support arrangements, if I can put it like that, that were in place by the previous government except for the program which provided \$2,000 grants for—and this is not the right term, but smart chargers for people who got EVs in their private homes. We are not continuing with that element of it, but we are continuing with all of the other provisions of support from the previous government for the fast-tracking/better rollout of EVs or greater penetration of EVs into the private vehicles fleet.

Certainly, we would like to do far more than what was achieved previously in the last four years in terms of EV penetration into the state government fleet, but current market conditions are making that pretty challenging at the moment. I think whatever that Wheels Car Of The Year was, the Hyundai EV6 or something—

Mr COWDREY: It is not a question best directed to me, unfortunately.

The Hon. S.C. MULLIGHAN: There is a two or three-year waiting list for that vehicle at the moment, and electric vehicles are impacted like every other class of vehicle that is currently on the market, but in some cases disproportionately more so. Anyway, once market conditions settle down, we would hope to do far more when it comes to EV penetration of the state government fleet.

Mr COWDREY: In Budget Paper 3, page 35, table 3.3, taxation, land tax revenue for public land increases by 4 per cent year on year between 2021-22 and 2022-23. Land revenue relating to private land increases by 4 per cent year on year between 2021-22 and 2022-23? Why does the revenue relating to public land increase by almost three times that for private land between 2022-23 and 2023-24?

The Hon. S.C. MULLIGHAN: There are a couple of things happening here. As part of the previous government's land tax changes, the extraordinary impact of the aggregation changes in getting more land tax revenue in the end had to be counterbalanced with very aggressive cuts to the land tax rate at the very top end, in order to assuage the Property Council. The value of those cuts at the very top end, for people who own more than \$1 million worth of taxable land, has on my understanding been more generous than what was originally anticipated.

As for the gradual increase going forward for private land, particularly at the end of the forward estimates, I am guessing that that would reflect what a longer term estimate of growth in land values would be. In terms of the intervening fluctuations between 2022-23 and 2023-24, where it drops from \$391 million to \$387 million, I am not sure if we have a particular view about—there is an explanation at the bottom of page 37 on what is driving these changes. In terms of the public land tax, I am not sure whether that is because of a revaluation that occurs between one financial year to the next.

Mr COWDREY: It is a fairly significant increase.

The Hon. S.C. MULLIGHAN: It is a significant increase. Perhaps I can leave my answer as: at this point in time we understand it to be something to do with how the agencies are valuing their land holdings. If it is something different from that, I will bring back the particulars in an answer, unless you have further questions you want to ask on it.

Mr COWDREY: I move to Budget Paper 4, Volume 4, page 145, workforce summary. What new positions are being created within your department during 2022-23?

The Hon. S.C. MULLIGHAN: We can certainly provide that at the end of the financial year comprehensively. In terms of whether we have plans to create new positions in the coming financial year—

Mr COWDREY: There is a budget for 35 FTEs as a net increase.

The Hon. S.C. MULLIGHAN: From 1,471 to 1,506 you mean? I will come back to you with an answer on that.

Mr COWDREY: Is this net number counteracted by any cuts as well?

The Hon. S.C. MULLIGHAN: That would be reflective of our FTE cap, including that reduction of \$4 million-odd a year in 2022-23, but as for the actual positions and the need for the increase, I will come back to you on that. You can see the reconciliation underneath the machinery of government changes, but that does not provide an answer to the specific question you are asking, so I will come back to you with some detail on that.

Mr COWDREY: How many TVSPs were accepted last financial year, and how many have you forecast to be taken up this financial year?

The Hon. S.C. MULLIGHAN: Just to come back to your previous question—and again I will provide you with more detail on this—part of that 35 includes an increase in the number of FTEs in Super SA. They have been expanding their workforce over the last two years and intend to do it again next financial year because of some of the changes in operations that they are undertaking at the moment relating to the, for want of a better term, limited public offer of superannuation services that were subject to legislation in the last parliament. As for the final reconciliation of that, I will come back to you with the details.

Mr COWDREY: Can you provide those details by branch?

The Hon. S.C. MULLIGHAN: By branch if I can, yes. Also, I think your question was about TVSPs. I do not know that we have a year-to-date brief on it. We are trying to find those details. In terms of how many we plan, I do not know that we can give you a number on that, because it is highly

reliant on people being interested in taking them up. In terms of year to date, depending on when we need to get the questions back—

Mr COWDREY: I appreciate that you probably have a forecast for budgeting purposes or a target.

The Hon. S.C. MULLIGHAN: We have four in the current financial year, 2021-22. I guess, concurrent with our earlier answer on agency savings and how they are going to be achieved, I am told there is no specific target or number of TVSPs that we are seeking for the 2022-23 financial year, but that would be something we would have at the end over the course of the year or at the end of the next financial year.

Mr COWDREY: Moving to Budget Paper 4, Volume 4, page 147, investing expenditure summary: what is involved in this year's minor capital works and equipment program?

The Hon. S.C. MULLIGHAN: I assume it would be those regular office-type expenditures: accommodation costs, lighting upgrades, chairs, refurbishments, IT improvements and upgrades, as I understand it.

Mr COWDREY: Does the government have any plans to replace the RevenueSA Rio system?

The Hon. S.C. MULLIGHAN: At this point in time I do not think so, but if that is not correct I will come back with a corrected answer.

Mr COWDREY: What is the annual cost of running that program?

The Hon. S.C. MULLIGHAN: Do you mean in terms of an operating cost rather than just the capital spend that is represented here?

Mr COWDREY: Yes.

The Hon. S.C. MULLIGHAN: I am not sure we would have that detail with us, unless someone has it to hand quickly. Perhaps I can take that on notice, if you like.

Mr COWDREY: Yes. I have a few more on that line, so perhaps getting a brief would be helpful.

The Hon. S.C. MULLIGHAN: If you want to ask them, if I can answer them, I will. If I need to keep taking them on notice, I will indicate that.

Mr COWDREY: Sure. How many people are employed to support the system?

The Hon. S.C. MULLIGHAN: I do not have the operating spend. I only have the investing spend, which is what is represented in Budget Paper 4. Did you ask how many people are supporting that?

Mr COWDREY: Yes.

The Hon. S.C. MULLIGHAN: I do not have that with me, but I will come back to you with that as well.

Mr COWDREY: Perhaps I will put a few more that you can take on notice in that regard.

The Hon. S.C. MULLIGHAN: Sure.

Mr COWDREY: How much is spent on Fujitsu to maintain the system? Has Fujitsu identified any risks to the system? Can you explain the 70 per cent decrease in the 2022-23 budget for the Rio system? What is the potential impact on services as a result of this?

The Hon. S.C. MULLIGHAN: I will come back to you with all of that.

Mr COWDREY: I will shift to Budget Paper 4, Volume 4, page 148, Port Bonython land and market process. Can you provide the committee further information regarding the status of the project?

The Hon. S.C. MULLIGHAN: Yes. As you are probably aware, the previous government went out to market for an EOI process and then there has been a further process of shortlisting of

some proponents. There has been quite a bit of work undertaken, as I understand it, with the team managing that procurement—the commercial and economics branch—in order to try to accommodate those different proponents so that as many of them can achieve success as part of that tender as possible.

It is quite a significant parcel of land and the various proponents have not necessarily sought all of the land. They have sought a portion of the land for what it is that they want to do. In total it is 2,000 hectares, so there is a bit of master planning might be a more fulsome description of it, but it is basically a planning process to try to accommodate as many of these respondents as possible, as long as they meet the terms of the procurement, so that as many of them as possible can have the opportunity to do what they propose to do on that site in conjunction with other participants.

There is then the commitment that both parties gave at the last federal election to provide \$70 million of funding to the location there for, I guess, common infrastructure, you could call it. The previous state Liberal government had \$30 million set aside to provide some matching funds for that and we have retained that. The \$70 million has been committed to and we expect that there will be a further up to \$40 million of private investment so that it becomes a \$140 million tripartite co-investment there.

With that money in mind, there is some work going on about identifying the right common infrastructure so that all the proponents have what they need for the various proposals in a form that means they can all take advantage of it as they need to. For example, it includes roads, electricity transmission, infrastructure and potentially also some upgrades to wharfage infrastructure.

Mr COWDREY: Who is the project lead?

The Hon. S.C. MULLIGHAN: The project lead?

Mr COWDREY: Agency.

The Hon. S.C. MULLIGHAN: Treasury is managing the approach to market and interface with the bidders and then there is also a cross-agency working group for the government's Hydrogen Jobs Plan to make sure that the two processes are coordinated.

The CHAIR: The allotted time is up. There being no further questions, I declare the examination of the portfolio of the Department of Treasury and Finance to be completed. Thank you for your contributions.

Sitting suspended from 11:00 to 11:16.

Departmental Advisers:

Mr R. Persse, Under Treasurer, Department of Treasury and Finance.

Ms T. Pribanic, Deputy Under Treasurer, Department of Treasury and Finance.

Ms J. White, Acting Chief Executive Officer, South Australian Finance Authority.

Mr A. Kennedy, Director, Treasury Services, South Australian Finance Authority.

Ms D. Bennett, Chief Executive, Super SA.

Mr A. Mills, Chief Executive, HomeStart.

Ms J. Townsend, Chief Executive, Funds SA.

Ms J. Holmes, Commissioner of State Taxation, RevenueSA.

Mr B. Naylor, Chief Financial Officer, HomeStart.

The CHAIR: Welcome back. The portfolios to be examined are the South Australian Finance Authority, Funds SA, RevenueSA, Super SA and HomeStart. The minister appearing is the Treasurer. I advise that the proposed payments remain open for examination and call on the minister

to make a statement, if he so desires, and to introduce the advisers. I call on the lead speaker for the opposition to make a statement, if he so desires. I call on members for questions.

The Hon. S.C. MULLIGHAN: There has just been a change of personnel. With me here at the front table, I have Andrew Kennedy, a director at SAFA, and also Jenny White, Acting Chief Executive of SAFA, and Rick Persse continues. I have no opening statement.

The CHAIR: There is no statement sought from either, so we can commence.

Mr COWDREY: Treasurer, what strategies is SAFA implementing to reduce the impact of interest rate rises?

The Hon. S.C. MULLIGHAN: Generally speaking, there has been a change, as I understand it, of debt management policies, particularly in the last two years, to ensure that our borrowing program in each financial year is being done in a way to balance the increasing costs of government borrowing in each financial year but over the next four years as much as possible. There is a need in this year, for example, to—essentially, the debt that we raise is a mix of short-term and long-term debt and the average duration of the debt, there has been a change of policy now so that we can have periods longer than the previous maximum, which I think was five years.

Since the 2019-20 financial year, the weighted duration of the debt has been increased commensurately. Rather than having a maximum total position going out to 15 years, that has been extended to 20 years and SAFA is considering extending that out even further, making sure that we are able to take advantage of lower cost debt, if I could put it like that, where possible, while making sure we can still meet the short-term financing needs of government through ongoing raises during the course of each financial year.

Mr COWDREY: When was that policy changed?

The Hon. S.C. MULLIGHAN: I will check. It was either 2019-20 or 2020-21, but leave it with me. I will see if I can get that.

Mr COWDREY: Is there a projection as to when SAFA will readdress that policy again?

The Hon. S.C. MULLIGHAN: My understanding is that the SAFA Advisory Board approved a change in policy in 2020, and that was endorsed by my predecessor in January 2021. As for whether it may be changed again in the future, perhaps I will seek some further advice and come back to you. Generally speaking, SAFA's policies and procedures are under constant review, but as to whether any formal change is made to a policy there has not been any further change since that date.

Mr COWDREY: Are you able to outline in more detail SAFA's current borrowing profile?

The Hon. S.C. MULLIGHAN: I think in excruciating detail. As of 7 June, a week or so ago, SAFA had \$27.8 billion of long-term debt on issue in fixed and floating rate format with maturities from September this year out to May 2040. The current duration of SAFA's long-term debt on issue is 5.23 years. SAFA targets the maintenance of approximately \$2.5 billion in short-term debt to manage day-to-day liquidity. SAFA's current short-term debt profile is \$2.42 billion of commercial paper at 7 June, half a billion dollars of AONIA RFNs, for a total of \$2.92 billion.

Mr COWDREY: What is the proposed program for 2022-23?

The Hon. S.C. MULLIGHAN: I can tell you that whereas we forecast our long-term debt to be \$27.8 billion, my first answer, at 30 June 2022, that is forecast to be \$30.7 billion at the end of 2022-23, so at 30 June 2023. We anticipate raising \$6.6 billion during the course of 2022-23 and then of course some of that is offset through maturities that occur during the course of the year.

Mr COWDREY: What is the total cost to service funds?

The Hon. S.C. MULLIGHAN: You mean the net interest cost?

Mr COWDREY: Yes.

The Hon. S.C. MULLIGHAN: The net interest expense for—which year were you after?

Mr COWDREY: Both 2022 and 2023.

The Hon. S.C. MULLIGHAN: For the current financial year (2021-22) the net interest expense for the non-financial public sector—both the general government sector as well as the government trading enterprises—is \$720 million. On the same basis, the net interest expense grows to \$997 million.

Mr COWDREY: What is the average interest rate on both the FY 2022 program—the \$6.6 billion worth of funds that are being sought this financial year—and the net impact, as an average interest, across the 2023 program?

The Hon. S.C. MULLIGHAN: I am not sure I can give you the figure going forward, because of course it will depend on what the markets are offering when we actually go to market. But I can tell you what it has been in the most recent past, if you like. For the 2019-20 financial year the average rate was 1.21 per cent, for the 2020-21 financial year it was 1.48 per cent and for the 2021-22 year-to-date it is 1.58 per cent. We estimate that it will continue increasing commensurately.

Mr COWDREY: How much of the \$6.6 billion for 2022-23—has none of that been negotiated yet?

The Hon. S.C. MULLIGHAN: I understand that so far we have raised \$200 million of the \$6.6 billion. That was done in floating rate format.

Mr COWDREY: What is the size of the largest and the longest debt held by SAFA, and at what interest rate?

The Hon. S.C. MULLIGHAN: The largest one matures in July 2026, which is \$3.54 billion, and the longest is out to May 2040, which is \$1.003 billion.

Mr COWDREY: What is the cost to service the \$3.5 billion debt at the moment, and what does SAFA estimate the cost to be when that is put back out to market?

The Hon. S.C. MULLIGHAN: The July 2026 amount that I advised you of previously, I am advised that was put to market in 2016—a 10-year bond at a fixed rate of 3 per cent. We cannot anticipate, when we go back out to market for that, what the rate will be. It will be what is offered by the market conditions at the time.

Mr COWDREY: What is SAFA's financial performance for 2022-23?

The Hon. S.C. MULLIGHAN: I think they are expecting a total profit of \$41.2 million.

Mr COWDREY: What is the expected dividend payment?

The Hon. S.C. MULLIGHAN: I understand the dividend payment is \$51.3 million, which represents both the total profit figure that I outlined plus an additional payment reflecting a prior year obligation as well. It is \$15.6 million for 2020-21.

Mr COWDREY: Treasurer, who are the main recipients of funding from the SA Venture Capital Fund?

The Hon. S.C. MULLIGHAN: I will have to take that on notice. I do not think I have a briefing on that in front of me today.

Mr COWDREY: Do you know how many businesses the fund has assisted to date?

The Hon. S.C. MULLIGHAN: I do recall seeing something in my incoming government briefs on this. There have been several recipients. I am sorry; I just do not have that detail in front of me, but I am happy to take it on notice and provide that detail.

Mr COWDREY: Would you like me to read into *Hansard*—

The Hon. S.C. MULLIGHAN: Yes, if you have further questions, absolutely.

Mr COWDREY: How many businesses have been investigated for funding? How many businesses have actually been funded? How much has been paid in medical malpractice payouts for 2021-22 and what is it projected for 2020-23?

The Hon. S.C. MULLIGHAN: The last one we might be able to answer. I have a figure from 1 July 2019 to 30 April 2022: SAFA paid medical malpractice settlements totalling \$106.6 million.

That is net of the deductible that SA Health pays on 21 significant claims. I do not have a specific financial-year-to-date figure for the current financial year, but I can get that for you.

Mr COWDREY: Can you provide that on notice by financial year, as opposed to the three-year aggregate?

The Hon. S.C. MULLIGHAN: Yes.

Mr COWDREY: Do you have a projection for 2022-23?

The Hon. S.C. MULLIGHAN: There are certainly claims that are in and being assessed and being managed, and we will see what information we can provide you about the number of those. I am not sure we would be able to provide you a dollar figure related to those, because obviously most of those are negotiated outcomes, but what information we have we will try to provide. We will have a 30 June assessment of our position, and we will have some level of forecasting or modelling, and we will see what of that we can provide. I think we have 30 days or six weeks after today to provide the response, so hopefully we can incorporate that into our response on this.

Mr COWDREY: Just for completeness in terms of taking questions on notice, can you provide us also with the actual number of claims for those years that we have discussed as well?

The Hon. S.C. MULLIGHAN: For the claims that are currently in, yes. We might not have an accurate projection of how many might come in in future years, obviously, depending on what happens. Here we go; I have located something. We currently have 58 claims under management for medical malpractice.

Mr COWDREY: Are you able to outline in any further detail the major claims over the last 12 months?

The Hon. S.C. MULLIGHAN: In fact, I think I read about one in the paper the other day. Specifically for medical malpractice?

Mr COWDREY: Yes.

The Hon. S.C. MULLIGHAN: I am advised that the number of claims is largely consistent with what we have had in previous years for the current financial year, largely but not exclusively related to the sorts of claims that we have traditionally had—so for problems with birthing process or misdiagnoses of people who have been in the public health system, for example—but we will see what further information we can provide you.

Mr COWDREY: Who is the scheme actuary?

The Hon. S.C. MULLIGHAN: Finity.

Mr COWDREY: When was the last time that Finity was consulted by SAFA?

The Hon. S.C. MULLIGHAN: They do a valuation of the claims on an annual basis and also provide advice on an annual basis for premium setting purposes.

Mr COWDREY: When is that done on a yearly basis?

The Hon. S.C. MULLIGHAN: The valuation occurs post 30 June and the pricing is done at the beginning of the calendar year, so roughly six months afterwards.

Mr COWDREY: November, December?

The Hon. S.C. MULLIGHAN: February.

Mr COWDREY: What is the average premium for builders under the builders indemnity insurance fund in FY 2021-22 and what is it projected to be in 2022-23?

Mr FULBROOK: Can I interrupt? I am just trying to find what budget line you are referring to here.

Mr COWDREY: Budget Paper 4, Volume 4, page 154.

The Hon. S.C. MULLIGHAN: There is a different premium depending on the size of the project. My recollection is that the premium has increased by 4 per cent. I am not sure I have the premium amount in there, but I will provide that to you on notice.

Mr COWDREY: You will take that on notice, providing a breakdown by business size?

The Hon. S.C. MULLIGHAN: Yes, it is done on the size of the building job, I think. Yes, we will provide that.

Mr COWDREY: How many premiums have been written in the financial year 2021-22 and what is the forecast for 2022-23?

The Hon. S.C. MULLIGHAN: We have had year to date \$8.7 million of premium revenue from building indemnity insurance. Did you want to know the number of policies it covers?

Mr COWDREY: Yes.

The Hon. S.C. MULLIGHAN: I might have to come back to you on that.

Mr COWDREY: Are you able to provide a projection for the next financial year?

The Hon. S.C. MULLIGHAN: We might be able to. If we can, we will.

Mr COWDREY: When does the contract for QBE as insurance provider expire and are there any details regarding renewal of the contract?

The Hon. S.C. MULLIGHAN: I understand that the current arrangement with QBE finishes at the end of this financial year, and we are in the final stages of a contract extension for a further two years.

Mr COWDREY: Is there any risk to the fund should that contract not be settled in the coming—

The Hon. S.C. MULLIGHAN: There would certainly be a risk to taxpayers, because we underwrite it, but I do not think we have any expectation that there will be any issue. I understand the agreement is in preparation for execution, so the parties have largely agreed the continuation of it.

Mr COWDREY: It will be executed prior to end of financial year?

The Hon. S.C. MULLIGHAN: Yes.

Mr COWDREY: And does that contract continue the same broad arrangement that has been in place previously, in terms of conditions and payments?

The Hon. S.C. MULLIGHAN: Other than the change in premium, yes.

Mr COWDREY: Has the Treasurer been advised of any risk to premium increases due to potential insolvencies in the building industry?

The Hon. S.C. MULLIGHAN: Only anecdotally. I think it is a concern. We are not the only state that has some sort of involvement in this provision of insurance and given the extraordinary pressure that the industry is under for various reasons, it remains something that we are concerned about.

Mr COWDREY: Has any consultation been undertaken by SAicorp with the housing industry regarding the building indemnity fund and its sustainability?

The Hon. S.C. MULLIGHAN: SAicorp meets with the building industry associations on a quarterly basis and this is one of the matters which is discussed. I also have regular ongoing contact with them and it has certainly been a point of discussion in my discussions as well since coming to government.

Mr COWDREY: Has the housing industry expressed any concerns either with you or SAicorp about the level of premiums?

The Hon. S.C. MULLIGHAN: Not with SAFA and not with me. I think there is a general understanding of the pressures that the industry is under, the fact that we are in an unusual

circumstance and we have been for quite a number of years now where the government is having to play an active role underwriting the insurance. I think there is a general understanding of the pressures that the industry is under.

The Hon. J.A.W. GARDNER: Can I ask if we can have a list of the current SAFA loans to non-government schools?

The Hon. S.C. MULLIGHAN: We should be able to provide that, yes.

The Hon. J.A.W. GARDNER: Sorry, just while on that: obviously the schools, the amounts and when they are due to be finished paying them off.

The Hon. S.C. MULLIGHAN: I think I have had to execute a few, as in give effect to a few, that were agreed by the previous government since coming in but I am pretty confident that we will be able to provide a list.

The Hon. J.A.W. GARDNER: Just one last question, when is the next round of those loans due to be identified or when will schools be able to apply for the next round of those?

The Hon. S.C. MULLIGHAN: I will have to take that on notice, and you would know this better than me, but my recollection was that the previous Labor government had a scheme in place, and there was a round or maybe even more than one round of that, which was undersubscribed. The previous Liberal government announced a scheme—I cannot remember which budget it was in, maybe the 2020-21 budget a couple of years ago, or 2020—and there has been one, maybe two rounds, but the pool of funding which the previous Liberal government set aside has not been fully subscribed. I have to say, other than giving effect to the grants that were in the process of being negotiated at the time of the election, I have not given any thought to issuing further rounds, but I am happy to come back with further advice on that.

The Hon. J.A.W. GARDNER: Maybe I can just clarify the question further, or add one more question then. When the program was announced both by the original Labor government and then extended again by the subsequent Liberal government, to be clear, it was always identified that there would be a number of rounds. It was not expected that all of the funding would be subscribed in one amount, so can I confirm that the remaining amount in that fund under the current settings, once the loans executed by the minister have been completed, remain for the purposes of future rounds for non-government schools to apply for?

The Hon. S.C. MULLIGHAN: I will be honest, I have not given it any consideration. My recollection is that there were one or two rounds under the previous Labor government and one or two rounds under the previous Liberal government, both undersubscribed. I do not think it has a material impact on our general government outcomes in providing those loans.

If there is a need for it, if it is identified by independent schools, if they would like to see more of this, or there are people who have changed circumstances now where they feel like they can apply for a loan whereas perhaps previously they were not progressed enough in their own plans, or they did not have their finances in a shape where they wanted to take on this arrangement, if they would like to do that, I am happy to consider that.

Again, the two of you would know this better than me, but there has been an intrinsic barrier to some of this and that is with the Catholic schools feeling like they are not as able to take them up as some of the other independent schools have, because of the unique arrangements that some of those schools have, which is regrettable because it is a large part of the school system, but we are happy to keep an open mind to doing more on this.

Mr COWDREY: Have there been any instances over the current financial year of builders not taking out cover notes?

The Hon. S.C. MULLIGHAN: My understanding is that there has been one incident, which is being investigated by Consumer and Business Services. That is the advice I have.

Mr COWDREY: Has SAicorp been forced to fund the shortfall in the event of a builder being declared bankrupt?

The Hon. S.C. MULLIGHAN: The policies provided for builders indemnity insurance have fixed maximum amounts, so to the extent that a policy is successfully claimed on they can claim up to that maximum fixed amount.

Mr COWDREY: To rephrase the question: how many claims over the previous financial year?

The Hon. S.C. MULLIGHAN: I understand we have had 39 in the current financial year, and I am further told that that is a relatively consistent number with the previous year.

Mr COWDREY: Has the government undertaken any work to determine exposure, should there be an increase in building companies going bankrupt?

The Hon. S.C. MULLIGHAN: I am advised that that forms part of the annual premium setting process, where they consider not just the state of play of the industry but also some of the broader economic prevailing conditions as well. That informs, I guess, the valuation of future liability and then the premium that is set in order to reflect that. In addition to that, there is the quarterly catch-up SAFA has with the housing industry bodies and then the ongoing dialogue we maintain at a political level as ministers with the industry.

Mr COWDREY: Has SAFA got a view as to whether that exposure has increased or decreased?

The Hon. S.C. MULLIGHAN: Generally speaking, increased because of the rise in premiums that I mentioned earlier, but beyond that not to any extent further than has been reflected in the premium pricing. So 4 per cent is a higher than normal average increase in premium. It was 2.7 per cent the previous year. If nothing else that increase in premium demonstrates, I guess, a growing concern.

Mr COWDREY: One final question for SAFA: what is the current status of the renewal of the government's reinsurance program?

The Hon. S.C. MULLIGHAN: My understanding is that the reinsurance has to be settled by 31 October this year, and that process is largely in train.

Mr COWDREY: Have there been any cost increases on previous years?

The Hon. S.C. MULLIGHAN: I am advised that there was a notable increase in the previous year's renewal, and in particular what was driving that was the prevalence of natural disasters. But it is the feeling of SAFA, I am advised, at the moment that the market has stabilised, and we do not anticipate any significant problem in renewing that on 31 October. If that changes, I will update the advice in a further response. The advice to date is—

Mr COWDREY: So 22 October?

The Hon. S.C. MULLIGHAN: On 31 October this year.

Mr COWDREY: Thank you.

The Hon. S.C. MULLIGHAN: I am joined by Dascia Bennett at the front table.

Mr COWDREY: The budget papers set out a roughly 43 FTE increase in terms of Super SA this year. Are you able to advise what these FTE will be tasked to achieve? This is in Budget Paper 4, Volume 4, page 155.

The Hon. S.C. MULLIGHAN: I understand this is part of an ongoing strategy that has been rolled out principally in the last two years to prepare for what was considered by the parliament in its last session before the new choice of fund arrangements. I am also advised that this reflects some additional resources for ICT and cybersecurity system upgrades, which is not unusual in the current context, but there has also been a strategy undertaken by the leadership and by the board to reduce the use of temporary staff and try to maintain permanent staff so that there is a high level of overall engagement and consistency in the services that are provided to members.

Mr COWDREY: Are you able to outline how many FTE are associated with each of those functions that you have mentioned—how many are dedicated to choice of fund, how many are dedicated to ICT, how many are dedicated to cyber?

The Hon. S.C. MULLIGHAN: Across those different functions—these are approximate numbers—I am advised that there are approximately 10 involved in the ICT cybersecurity efforts, there are 10 approximately in insurance services, there are approximately eight involved in the efforts for the choice of fund preparation and approximately five to 10 result from the change from use of fewer temporary staff and more ongoing staff. That does not add up to the 42 or 43 number you gave me before, but approximately that is basically the bulk of it.

Mr COWDREY: Who bears the cost for the additional staff? Is that borne by the members—

The Hon. S.C. MULLIGHAN: Everyone in this room and another 204,000 members.

Mr COWDREY: Yes, that I was suspicious of. Are fees going to need to increase to support this additional function?

The Hon. S.C. MULLIGHAN: My advice is that there is no strategy to increase fees in order to recover the higher cost of these staff.

Mr COWDREY: Can you confirm, as I think you have, that there is no general government revenue involved in offsetting any of the costs associated with the FTE increase?

The Hon. S.C. MULLIGHAN: You mean making a contribution from the general budget to Super SA for this?

Mr COWDREY: Yes.

The Hon. S.C. MULLIGHAN: No.

Mr COWDREY: This is linked to a question in the previous session, but the uptake in FTE for the whole of DTF was 35; obviously, this is the net 43—is the remainder of that difference being borne by DTF across other branches?

The Hon. S.C. MULLIGHAN: Yes, there is likely to be some swings and roundabouts across the different branches where some are increasing, like Super SA, and some are decreasing as well.

Mr COWDREY: What is the level of the membership reserve for this financial year and what is it projected to be in FY 2022-23?

The Hon. S.C. MULLIGHAN: Do you mean funds under management?

Mr COWDREY: Yes.

The Hon. S.C. MULLIGHAN: As of April 2022, funds under management is \$35.56 billion.

Mr COWDREY: How is the increase in FTE—where are the savings being offset, or where is the funding for the FTE coming from if the result is not fees increasing for members?

The Hon. S.C. MULLIGHAN: I am advised that part of the cost is being met by a reduction in the use of temporary staff. Member for Colton, you were chairing last year's proceedings and you might remember I raised exactly the same issue and made the observation that the \$10 million in additional employee expenses equates to something like \$50 per member.

Mr COWDREY: Has there been a savings task attributed to Super SA this financial year?

The Hon. S.C. MULLIGHAN: I am advised the answer is no, or perhaps I should say not at this stage.

Mr COWDREY: Has there been any impact on the membership reserve fund, which I understand to be kept as fees paid by members as opposed to funds under management?

The Hon. S.C. MULLIGHAN: Is the question relating to those preserved members, so not active contributors in a sort of base accumulation scheme?

Mr COWDREY: Perhaps I will get some more information and come back. Is the Super SA ICAC investigation drawing to a close anytime soon?

The Hon. S.C. MULLIGHAN: My understanding is that the evaluation being undertaken by ICAC is drawing to a close. I have not received what that is. I am not sure that Super SA has.

Mr COWDREY: So you have no information in regard to a time line?

The Hon. S.C. MULLIGHAN: No, I do not know if imminent is too strong a word, but we are expecting it in the near future.

Mr COWDREY: Treasurer, do you have any idea how much the evaluation will cost taxpayers?

The Hon. S.C. MULLIGHAN: I have not been game to ask. No, I have not been provided with a figure. I think part of the cost is paid for in a similar way to the Auditor-General's activities where there is a charge to the agency that is in receipt of the attention. Part of it will be covered, I think, and if I have any further particulars I will come back to the committee, but my understanding is that part of it is paid for by the operating budget of the ICAC and part of it will be recouped from the agency that is being evaluated.

Mr COWDREY: Will the outcome be made public after it is received?

The Hon. S.C. MULLIGHAN: That will be, I think, up to the ICAC commissioner, but I do not have anything to suggest that it will not at this stage. I think, in the first instance, that lies in the hands of the commissioner.

Mr COWDREY: If I move now to the choice of fund rollout; is that on schedule?

The Hon. S.C. MULLIGHAN: My understanding is the current time line is for 30 November, and Super SA is on track to hit that target. I understand there was a previous earlier target for it to be given effect, but that was delayed for reasons relating to COVID and staffing availability in their capacity of getting systems up and running, etc.

Mr COWDREY: What is the time line or plan for the year ahead? What is looking to be achieved in the rollout?

The Hon. S.C. MULLIGHAN: From 30 November, I think, is the go-live date, and so for members who are seeking to take advantage of this new capacity then I am advised after that date is when they will be able to do it, so from 1 December I assume.

Mr COWDREY: Do you have a cost associated with what was required to be undertaken in terms of IT or other changes necessary within the organisation to deliver the choice of fund?

The Hon. S.C. MULLIGHAN: I do not think I have a singular number. I can get one for you. My understanding is that it has been significant. There has been a substantial increase in the last two or three years of expenditure of consultants and contractors, as well as additional staff that have come on board, for the purposes of this.

Mr COWDREY: Have all necessary IT changes been put in place?

The Hon. S.C. MULLIGHAN: My understanding is that there was a go-live system process which was undertaken at the most recent weekend and that the functionality so far has been effective, but it is really to make sure that the systems are in train for the capacity for it to be a service that people can take advantage of from 30 November.

Mr COWDREY: Is there anything else required to be undertaken by the organisation to be ready for 30 November?

The Hon. S.C. MULLIGHAN: I understand there is a new payment capability, which is required between Super SA and the ATO, which will go through some testing and demonstration to make sure that that can work appropriately, between now and 30 November. Then there is all of the client readiness communications efforts and promotions and that sort of thing which is being developed at the moment, so that everything is ready to go from 30 November.

Mr COWDREY: Has Super SA conducted any work to understand the impact on the organisation in terms of turnover from these changes?

The Hon. S.C. MULLIGHAN: I understand that some work was undertaken prior to approving this strategy, which anticipated a loss of membership of somewhere between 10,000 and 15,000 members. To put that into context, before these changes came into effect—I think it is in Budget Paper 4—there were about 214,000 members. So it is a reduction of that order.

Mr COWDREY: That is an impact in terms of members, but is there an impact in terms of a financial hit to the organisation, and what has that been quantified to be?

The Hon. S.C. MULLIGHAN: Do you mean in terms of both funds under management and available fee revenue in order to fund the organisation?

Mr COWDREY: Yes.

The Hon. S.C. MULLIGHAN: In a gross sense, yes, but it is anticipated that that will largely be offset by what is being called a limited public offer; that is, allowing people with dormant Super SA accounts—for example, people who might have worked in one of the public agencies who have since left but not done anything about their super—to opt back in and have their super managed by Super SA, even though they might not have active employment in the Public Service. As one cohort leaves, there is the anticipation of running a marketing campaign to attract old Super SA members to bring their other super back into their Super SA account and have it actively managed.

Mr COWDREY: Do you have any view on the reasonableness of that assumption?

The Hon. S.C. MULLIGHAN: I have ventilated it very well, in multiple *Hansard* excerpts, that I am not the biggest fan of this measure. My personal view is that there is a lot more risk to the organisation than there is reward. Notwithstanding that, Super SA has expended so much money, is so far down the path and has developed so much of its systems and operations, and legislation has been passed to give effect to this, in particular regarding choice of fund, that it is virtually too late to pull back on it now.

My problem with it is not so much that people have choice of fund, because I recognise that is where the community is at the moment, but my base concern, both personal and general as a minister and a member of parliament, is that we are the last jurisdiction around the country that enjoys tax-free status for our public sector superannuation scheme. We are lucky that we have not had a federal Treasurer, of either political persuasion, who, in a simple regulation change at the national level, has not removed our tax-exempt status. I remain concerned that us moving to a quasi-public/private superannuation model will raise the eyebrows and the interest of a future federal government, Labor or Liberal, and we may lose that tax-exempt status.

To give you an idea of what that means, the budget papers disclose that we spend \$9 billion-odd in employee entitlements, and the superannuation guarantee amount is 10½ per cent of that. That is nearly \$1 billion a year in superannuation payments that are not attracting a 15 per cent contributions tax at the moment. If we do get a 15 per cent contributions tax on that \$900 million to \$1 billion amount, that is a \$100 million to \$150 million per year hit to 200,000 South Australian superannuants. That is why I remained concerned about it and raised my issues with the legislation as it went through. Regardless, we are where we are.

Mr COWDREY: How is the government going to manage the Triple S scheme fund insurance?

The Hon. S.C. MULLIGHAN: I can tell you it will not be privatised on my watch.

Mr COWDREY: Has there been a revision of fees for the coming financial year in regard to the insurance related to the Triple S scheme?

The Hon. S.C. MULLIGHAN: I understand that this matter is currently being considered by the board—the pricing of the insurance products.

Mr COWDREY: Are the insurance fees subsidised by all members?

The Hon. S.C. MULLIGHAN: Currently across the scheme, yes, it is. That is my understanding.

Mr COWDREY: I am happy to move to HomeStart, if that is okay. Budget Paper 5, Budget Measures Statement, page 117, HomeStart Finance, Budget Initiatives, Low Deposit Home Loans:

how many of the new homebuyer loans with a 3 per cent deposit does the government project will be written in 2022-23 and over the forward estimates?

The Hon. S.C. MULLIGHAN: I do not think we have a fixed projection on that. The election commitment we made was to provide an increase or a change to the product offering that is already being offered by HomeStart whereby some first homebuyers can receive a very low deposit home loan without incurring lenders mortgage insurance. There is an alternative loan product available, again a low deposit loan for people who are looking at building a new home or perhaps even purchasing a newly built home.

Our election commitment was to basically bring those two together. So similar to the eligibility criteria for the first-home buyer grant, if you are a first-home buyer and you are building a new home or purchasing a newly built home, you could get a 3 per cent low deposit loan with HomeStart, again, that does not attract mortgage lenders insurance. On my meetings with the chief executive and the chair, we reiterated our commitment to rolling that product out, but we have also asked HomeStart to look more broadly at what other opportunities there are to provide low deposit home loans particularly to first-home buyers so that they have better capacity to enter the market in what are very challenging conditions at the moment.

Mr COWDREY: Does the government project there to be an increase based on the change in product in terms of the total number of loans written next financial year and then moving forward?

The Hon. S.C. MULLIGHAN: What we had considered when we made the election commitment was that HomeStart, give or take, was approximately about \$200 million below the lending cap at any one time and that there was enough capacity within HomeStart's lending cap, and the churn that HomeStart achieves with existing clients leaving the system and more clients coming in, that they would be able to write a number of loans, which effectively was that \$200 million of capital available by the average of a first-home buyer home loan, which I think is about \$350,000 to \$400,000. If you divide that into \$200 million, that would give you the capacity of what HomeStart could write without a change to its borrowing cap.

If we end up with a suite of products that are beyond what HomeStart currently offers and beyond what the Labor Party's election commitment was and there is appetite from HomeStart to change their lending cap, then we are happy to look at that to try to increase that number further.

Mr COWDREY: Does the product allow for shared equity as an option?

The Hon. S.C. MULLIGHAN: That would continue to be offered as a loan product, the current shared equity.

Mr COWDREY: But not in the 3 per cent product?

The Hon. S.C. MULLIGHAN: HomeStart has not got back to me yet, as minister, with what different products they want to offer. That is still being worked through by the staff and the board, and once that is done we will know whether that is going to be a feature of it as well. Our intention is to not change or undermine or remove any of the existing HomeStart products. It was to expand the range of products on top of what is already there.

Mr COWDREY: When does the minister anticipate receiving the advice from HomeStart and having the products be available to the market?

The Hon. S.C. MULLIGHAN: Hopefully in the coming weeks, so that we have something to publicly announce and start rolling out towards the beginning of the financial year.

Mr COWDREY: I refer to Budget Paper 4, Volume 4, page 175, still relating to HomeStart. How many staff are currently employed on an FTE basis at HomeStart?

The Hon. S.C. MULLIGHAN: There are about 116 FTEs at HomeStart as at May this year.

Mr COWDREY: What is the total remuneration package currently provided to the chief executive?

The Hon. S.C. MULLIGHAN: I am advised it is insufficient. Could I take that on notice and provide it subsequently?

Mr COWDREY: How many executive positions exist within HomeStart?

The Hon. S.C. MULLIGHAN: There are five executive contracts.

Mr COWDREY: What are the KPIs that HomeStart sets itself to achieve?

The Hon. S.C. MULLIGHAN: My understanding is that they are outlined in the annual report.

Mr COWDREY: I will rephrase: what are you anticipating the KPIs to be for the coming financial year?

The Hon. S.C. MULLIGHAN: Number of new loans, return on equity and cost to income ratio are the three main ones.

Mr COWDREY: You outlined churn in terms of how quickly products move through. Are you able to give us an understanding of the average length of loan through HomeStart and how this compares to the rest of the market?

The Hon. S.C. MULLIGHAN: Three to five years, depending on customer type, is the average duration of a loan, roughly similar to the general lending market. People will come into HomeStart, they will have three to five years and then they will go off to usually a more traditional lender, one of the big four, etc.

Mr COWDREY: But the average length of loan for one of the big four would be?

The Hon. S.C. MULLIGHAN: They anticipate it being similar, three to five years. We do not have access to their data.

Mr COWDREY: Who has been selected to provide marketing services to HomeStart?

The Hon. S.C. MULLIGHAN: We are out to market at the moment. I think the current agency is called Showpony, which is an Adelaide company, I am told. They are out to a market process for that at the moment.

Mr COWDREY: Is that tender available nationally or just to the South Australian market? What procurement process has been—

The Hon. S.C. MULLIGHAN: It is an open tender process. The tender documents, I am advised, are on the SA Tenders and Contracts website.

Mr COWDREY: What is the high-level budget for the marketing costs anticipated for the coming financial year?

The Hon. S.C. MULLIGHAN: I understand the media placement budget is approximately \$1.15 million for the next financial year.

Mr COWDREY: How does that compare to the previous financial year?

The Hon. S.C. MULLIGHAN: It is an increase of approximately \$150,000.

Mr COWDREY: What is the average turnaround time from loan application to execution?

The Hon. S.C. MULLIGHAN: I will take that on notice.

Mr COWDREY: Does HomeStart have any view as to the impact on their business that may be seen from interest rate increases?

The Hon. S.C. MULLIGHAN: HomeStart customers are largely protected from interest rate increases. Once the loan is struck the repayments are only ever calibrated to an annual change in CPI. HomeStart this year or most recently rather than applying the prevailing CPI rate, which of course has been quite high, has struck a lower rate in order to further protect borrowers. That is applicable from 1 July.

Mr COWDREY: Does HomeStart anticipate any increase—we have kind of addressed this in a roundabout way already—to the number of loans written based on changes in the broader market?

The Hon. S.C. MULLIGHAN: As in more people coming to HomeStart because they cannot get finance elsewhere?

Mr COWDREY: Yes.

The Hon. S.C. MULLIGHAN: Yes, we are expecting an increase next financial year on the current year for reasons including those you pointed out, that people will find the increasing interest rates and challenging housing market conditions harder to find finance with traditional banks and they will come to HomeStart.

Mr COWDREY: Have you quantified that number?

The Hon. S.C. MULLIGHAN: Next year, we are forecasting writing about 1,600 loans. The current financial year it was 1,450, so just about a 10 per cent increase.

Mr COWDREY: How do interest rate increases impact the average length of a loan by a HomeStart customer?

The Hon. S.C. MULLIGHAN: In terms of the repayments, in an immediate sense they are inoculated from the effect of interest rates affecting their repayments because of the annual change process which I outlined before, but otherwise—of course, then there is the impact of the appetite of other lenders who would usually come and grab a HomeStart loan recipient and refinance them into their organisation. Rising interest rates might change their appetite to take people from HomeStart into their own lending book, but that will be a 'by loan recipient' consideration.

The Hon. D.G. PISONI: Just on that point, are you able to clarify then whether, because of interest rate increases, if it does not affect the payment does that mean that the size of the loan will increase because of interest rates going up and the return through the payments that were renegotiated not changing?

The Hon. S.C. MULLIGHAN: It is the loan term which changes according to changes in interest rates. In recent years, loan terms have been reduced because there have been aggressive cuts to interest rates by the RBA. Now that interest rates are going the other way, loan terms will be increased. The idea is to make sure that the day-to-day cashflow impact on the person who has the loan is absolutely minimised and protects their position over the long term in being able to take ownership of that property.

They are not obliged to leave after three to five years, for example, they can simply continue on and then there is that nexus between the annual adjustment to their repayment based on CPI or calibrated to CPI and what is going on with interest rates, and that will determine the duration of their loan.

The Hon. D.G. PISONI: Does that mean that HomeStart clients could expect to see CPI increases in their payments of 5.2 per cent?

The Hon. S.C. MULLIGHAN: Unless the discretion has been exercised otherwise and, as we just discussed, the board has made a decision that, rather than pass on the most recent CPI increase, they have chosen to do a lower increase in order to protect their borrowers. So rather than Adelaide's CPI of 4.7 per cent, or a national one of 5 per cent, they have chosen not to increase people's repayments by that much, again to try to protect the impact on borrowers.

The Hon. D.G. PISONI: Does that have an impact on the length of the loan also?

The Hon. S.C. MULLIGHAN: It can, yes, on both how the repayments are struck through that annual indexation change, for example, and also what the prevailing interest rate is. Both those things will impact the duration of the loan. When those things are favourable to the borrower it will decrease the duration of the loan; when interest rates are increasing rapidly they will have the opposite effect and will increase the duration of the loan. HomeStart has always operated on the basis of seeking to protect borrowers, once they have a loan and they are locked into repayments, of trying to minimise the impact on their repayments of fluctuations in interest rates.

The Hon. D.G. PISONI: Whenever there has been an adjustment to their term because of interest rate or CPI increases that may have been deferred, are HomeStart clients immediately notified, and how?

The Hon. S.C. MULLIGHAN: They are written to annually, but not periodically, because those things may change more than just once a year, so HomeStart writes to them on an annual basis.

Mr COWDREY: I have a couple of questions for RevenueSA.

The Hon. S.C. MULLIGHAN: I have Julie Holmes from State Taxation with me.

Mr COWDREY: Treasurer, can you explain the \$292 million decrease in the 2022-23 budget for grants and administered payments managed by RevenueSA? I refer to Budget Paper 4, Volume 4, page 153, grants, administered payments by RevenueSA.

The Hon. S.C. MULLIGHAN: This is largely due to the HomeBuilder grant program finding most of its effort in the 2021-22 financial year.

Mr COWDREY: Will the government continue providing the First Home Owner Grant?

The Hon. S.C. MULLIGHAN: Yes.

Mr COWDREY: Will the government continue providing the HomeBuilder grant?

The Hon. S.C. MULLIGHAN: No. It is a federal scheme; we will continue administering the federal scheme until it is exhausted and then we will not continue providing it.

The CHAIR: The allotted time is up. There being no further questions, I declare the examination of the portfolios of the South Australian Finance Authority, Funds SA, RevenueSA, Super SA and HomeStart completed.

Departmental Advisers:

Mr R. Persse, Under Treasurer, Department of Treasury and Finance.

Mr A. Wilson, Chief Executive Officer, Essential Services Commission of South Australia.

Ms K. Birch, Chief Executive Officer, CTP Regulator.

Ms T. Pribanic, Deputy Under Treasurer, Department of Treasury and Finance.

Mr M. Carey, Executive Director, Government Services, Shared Services.

Ms J. White, Acting Chief Executive Officer, South Australian Government Financing Authority.

Mr J. King, Deputy Director, Procurement Strategy, Department of Treasury and Finance.

Mr R. Howe, Chief Executive Officer, Lifetime Support Authority of South Australia.

The CHAIR: Welcome to the portfolio of the CTP Regulator, South Australian Government Insurance and Fleet, Strategic Procurement, Industry Advocate and Shared Services. I advise that the proposed payments remain open for examination. I know the minister does not want to make a statement and I know the member does not want to make a statement, so I call on the member for questions.

Mr COWDREY: I refer to Budget Paper 4, Volume 4, page 182, Administered Items for the Department of Treasury and Finance. Sales of goods and services for the Essential Services Commission of SA (ESCOSA) are budgeted to increase from \$270,000 in 2021-22 to \$1.045 million in 2022-23. Does this increase reflect the new statutory requirement for ESCOSA to review council long-term financial plans and infrastructure asset management plans pursuant to the amendment to section 122 of the Local Government Act 1999, or in some part?

The Hon. S.C. MULLIGHAN: My understanding is largely yes, there are some commencement costs or startup costs in order to allow ESCOSA to get its systems up to date and prepared and then we can expect to see in later years a return to a lower level of expenditure.

Mr COWDREY: Are you able to provide more detail? To what level do you expect costs to return?

The Hon. S.C. MULLIGHAN: I will have to take it on notice, but I am happy to.

Mr COWDREY: ESCOSA are currently considering submissions about their proposed review and a large number of interested bodies, including the LGA, are calling for ESCOSA to confine the scope of their review from what they had proposed in their draft framework and approach and instead only review the matters required by section 122 and so reduce the costs subsequently payable to ESCOSA by local councils. Does the publication of these figures in the state budget prevent ESCOSA from reducing its scope of review, therefore reducing the costs incurred by councils?

The Hon. S.C. MULLIGHAN: These costs do not reflect, I am advised, how much money is coming from councils for the new regime of ESCOSA running its eye over councils. This instead reflects money which is coming from Treasury to assist ESCOSA in gearing up for this new role. Going forward, what ESCOSA will be seeking from councils will be on a cost-recovery basis. This line that we are looking at here, the change from the current financial year estimated result from \$270,000 to \$1.045 million in the next year is not what is coming from councils, it is what is coming from Treasury.

Mr COWDREY: In what part of the budget paper, or have no estimates been provided in the budget papers in terms of cost recovery for councils?

The Hon. S.C. MULLIGHAN: My understanding is that ESCOSA has published some information on this which may have enlivened the interest of councils. They estimate that at this point in time it is about \$760,000 a year to look at this scheme, but that will be subject to change once ESCOSA has gone through the process, for example for the first time, and has a better handle on what costs are actually required.

Mr COWDREY: Has ESCOSA sought in the order of a half a million from the consolidated revenue to establish systems and processes to undertake the section 122 review? Does ESCOSA foresee repaying this amount?

The Hon. S.C. MULLIGHAN: Yes, there was a provision of funding. Again, \$760,000, consistent with ESCOSA's forecasts going forward, for them to get geared up for this, and then the expectation is that that will be recovered from councils and paid back to Treasury over a three-year period.

Mr COWDREY: I think that should do.

The Hon. S.C. MULLIGHAN: Do you want to move on to Funds SA?

Mr COWDREY: I am okay with Funds SA. Perhaps we will go with either Industry Advocate or Shared Services?

Departmental Advisers:

Mr R. Persse, Under Treasurer, Department of Treasury and Finance.

Mr I. Nightingale, Industry Advocate, Office of the Industry Advocate.

Mr A. Wilson, Chief Executive Officer, Essential Services Commission of South Australia.

Ms K. Birch, Chief Executive Officer, CTP Regulator.

Ms T. Pribanic, Deputy Under Treasurer, Department of Treasury and Finance.

Mr M. Carey, Executive Director, Government Services, Shared Services.

Ms J. White, Acting Chief Executive Officer, South Australian Government Financing Authority.

Mr J. King, Deputy Director, Procurement Strategy, Department of Treasury and Finance.

Mr R. Howe, Chief Executive Officer, Lifetime Support Authority of South Australia.

The Hon. S.C. MULLIGHAN: I introduce Ian Nightingale, the Industry Advocate.

Mr COWDREY: Treasurer, what is the total cost of the office for the last financial year 2021-22 and the forecast for 2022-23?

The Hon. S.C. MULLIGHAN: The actual for the office in 2021 was \$1.699 million. The estimated result for the current financial year is \$1.517 million, and the budget for next financial year is \$1.829 million.

Mr COWDREY: How many staff are employed by the Office of the Industry Advocate, and how many FTE does that represent?

The Hon. S.C. MULLIGHAN: There are 10.6 FTEs. It will go up by one, and I will have to come back to you on the actual headcount.

Mr COWDREY: The next question may be predictable because you have heard it before. Are you able to confirm what the total remuneration package is for the chief executive?

The Hon. S.C. MULLIGHAN: I will provide that on notice.

Mr COWDREY: How many executive positions exist within the Office of the Industry Advocate?

The Hon. S.C. MULLIGHAN: One.

Mr COWDREY: I did suspect that to be the case. What are the KPIs for the Office of the Industry Advocate for this financial year, and are they changing in the coming financial year?

The Hon. S.C. MULLIGHAN: Largely, to date, it is monitoring the industry participation plans, which are struck as part of government procurements. Our election commitments have provided some additional targeted funding to the office to both better monitor the amount spent on local companies (goods and services providers), but also to continue working on their government workshops, industry briefings and one-on-one support. What I was struggling to recall was the name of the meet the buyer events.

Mr COWDREY: How many businesses does the office engage with on a yearly basis, and how do they record or monitor that number?

The Hon. S.C. MULLIGHAN: That figure that I raised before, that 650 Industry Participation Plan, so that involves engagement with businesses that are subject to those plans, that occurs on a six-monthly basis, and due to the last two years has largely been conducted online, but that will increase with the additional tasks that we have required of the advocate.

Mr COWDREY: Is an evaluation of the effectiveness of the Office of the Industry Advocate planned for the coming financial year, and how frequently are these conducted?

The Hon. S.C. MULLIGHAN: The reporting requirement for the businesses that the Industry Advocate deals with is on a six-monthly basis, but was your question more on the evaluation of the function of the Industry Advocate?

Mr COWDREY: Yes.

The Hon. S.C. MULLIGHAN: That will largely be driven by a couple of things. One is how many of the procurements in the industry participation plans they are able to get to in a financial year, and I guess our overall target, which is not the sole responsibility of course of the Industry Advocate, but our overall target of increasing the proportion of state government goods and services expenditure on local suppliers. That is ostensibly a requirement that is across all agencies that procure goods and services, but the advocate's role is to assist as far as possible with the successful delivery of that.

Mr COWDREY: How frequently do you imagine this being reviewed, and who by?

The Hon. S.C. MULLIGHAN: We made a commitment at the election that we will require the Auditor-General to take on an additional reporting role to provide advice to the parliament about how much money is being spent by government and government agencies out of their annual spends on goods and services; how much is spent locally versus how much is spent on interstate and overseas suppliers.

The Auditor-General has expressed his preference that he has that requirement established in legislation, so I will be bringing some changes to the Public Finance and Audit Act to make that responsibility clear. That will give the Auditor-General some time to refine his metrics about, for example, what constitutes a South Australian business as well as how he can interact with agencies in order to capture data as efficiently and painlessly as possible.

Mr COWDREY: Does the Industry Advocate report on the compliance of agencies to local procurement policies?

The Hon. S.C. MULLIGHAN: The Industry Advocate's role is more about educating and assisting the agencies in the successful implementation of the industry participation plans. In terms of compliance with the state's procurement policies, there is a relatively new procurement branch within the Department of Treasury and Finance that oversees that. This is a change that was made when the former state procurement board was disbanded and this new unit was set up. It is subject to what will need to be drafted as a new Treasurer's Instruction 18—or a revision, I should say, to Treasurer's Instruction 18.

Mr COWDREY: Can we go to Shared Services?

The Hon. S.C. MULLIGHAN: For Shared Services, I have Mark Carey with me.

Mr COWDREY: I think Mark is anticipating the yearly name and shame; we will get there. Treasurer, what agencies have recorded the worst performance in terms of late payment of invoices?

The Hon. S.C. MULLIGHAN: Generally speaking, it is Health, but specifically speaking, it is the metropolitan local health networks.

Mr COWDREY: Are you able to provide the percentage of late payments associated with each department and unit, in the case of health networks?

The Hon. S.C. MULLIGHAN: They are available. They are published monthly on the Shared Services website. I do not have a breakdown by agency, but I can give you the headlines. In the 2020-21 financial year it was 97.84 per cent, and to date, this financial year to the end of April, it is 98.56 per cent, so an increase of 0.72 of a percentage point, an improvement.

Mr COWDREY: Let's go to fleet services.

The Hon. S.C. MULLIGHAN: Once again, I have Jenny White from SAFA here.

Mr COWDREY: Can I make an admission that, for some reason, I do not have a budget line allocated to this, but I can safely assume it is Budget Paper 4, Volume 4, page 158, give or take. Why has there been a 60 per cent increase in the budget line for fleet leases?

The Hon. S.C. MULLIGHAN: I might need a budget reference for that.

Mr COWDREY: Yes, I will try to pull it out for you. Perhaps I will ask some further questions and then come back to it. How many electric vehicles does the government currently have in the fleet, both as a total number and as a percentage?

The Hon. S.C. MULLIGHAN: I think for hybrid vehicles it is approximately 57 per cent, but for fully electric or battery electric vehicles I think it is 60, roughly.

Mr COWDREY: As a total number?

The Hon. S.C. MULLIGHAN: Yes; it is 60 out of a fleet of about 6,700, so 0.9 per cent are fully electric. As I have mentioned, there is a much higher proportion of Camry hybrid-type vehicles.

The Hon. D.G. PISONI: Are you able to provide the average fuel bill for this current financial year for fleet services, the total?

The Hon. S.C. MULLIGHAN: We could take it on notice.

The Hon. D.G. PISONI: So the total amount and the average per vehicle.

The Hon. S.C. MULLIGHAN: We have a cross-government fuel card contract, so we should be able to dig out some data on that.

Mr COWDREY: How many electric vehicles and hybrid vehicles is Fleet SA—may I still continue to call them that—planning on purchasing over the next financial year and the forward estimates?

The Hon. S.C. MULLIGHAN: I think, as at April 2022, the order bank contains 673 hybrid vehicles, 18 battery electric vehicles and 24 plug-in hybrid electric vehicles. The difficulty with all of the vehicles is stock availability, and so we are heavily restricted in terms of what we can conceivably purchase of any type of vehicle at the moment, but should we be able to get stock I think that is the plan.

Mr COWDREY: I am getting closer with the reference. What is the government's policy on misuse of vehicles with regard to defacing or damage?

The Hon. S.C. MULLIGHAN: I think the same as it has been for many years, and that is motor vehicles are provided to specific groups of employees with varying requirements on them, including who can use them and appropriate use of those vehicles. My understanding is that each recipient of a publicly provided vehicle is given some terms and conditions about the use of that vehicle, which regulates what they can be used for and how and when and so on.

Mr COWDREY: I have the budget reference: page 147, Budget Paper 4, Volume 4, the table 'Investing expenditure summary', Leases, Fleet, Total leases 2022-23, budget \$1.387 million, then a significant drop down to \$733 million as an estimated result and then budget moving forward.

The Hon. S.C. MULLIGHAN: Yes.

The Hon. D.G. PISONI: Are you able to provide the number of notices for traffic offences that have been identified to drivers of fleet vehicles?

The Hon. S.C. MULLIGHAN: I do not think I have that with me, but the answer is, yes, we can provide that.

Mr COWDREY: Does Fleet SA have statistics in regard to the number of accidents?

The Hon. S.C. MULLIGHAN: I am pretty sure we do have those statistics and we can provide them, yes

Mr COWDREY: Do you have them on hand?

The Hon. S.C. MULLIGHAN: We do not have them here, but we will provide them.

Mr COWDREY: Yes, on notice for prior financial year.

The Hon. S.C. MULLIGHAN: Yes.

Mr COWDREY: What is the average term for a lease vehicle and does it differ by segment?

The Hon. S.C. MULLIGHAN: My understanding is that the general term is three years or 60,000 kilometres. There may be some slight differences with more operational type vehicles, but by and large it is the three years/60,000 kilometres, whichever comes first.

The Hon. D.G. PISONI: First, just on that same point, how many vehicles in the fleet are older than three years or have more than 60,000 kilometres because of delays that COVID has caused for vehicle replacements?

The Hon. S.C. MULLIGHAN: Out of that cohort that relates to the three years/60,000 kilometres, I do not have the number, but I am sure it would be a reasonable number of vehicles. I am advised that it might actually be now most that are due. My advice is the vast majority of the fleet is subject to the three years or 60,000 kilometres. There are 6,700-odd vehicles. So the path would be a third of that you might turn over in a year, give or take, in order to comply with that policy.

I am aware of instances where vehicles are being kept for longer because they have not been able to get replacement vehicles. Four-wheel drives are a good example of ones which are heavily behind, where automotive manufacturers and dealers simply have not been able to secure the stock into Australia and hence distribute to clients like Fleet SA on a timely basis.

Mr COWDREY: Has there been an impact on the residual value of the fleet caused by these delays?

The Hon. S.C. MULLIGHAN: Yes and no. Ordinarily, you would think that hanging on to it for longer, maybe hanging onto it for four years or 80,000 kilometres, would mean that there is a diminished resale value, but we are in the middle of a really remarkable vehicle market at the moment. You only need to jump on Carsales or Facebook Marketplace to see that people are selling four-wheel drives and dual-cab utes particularly, often used, even a number of years old, for more than what they paid new for them. Residual values overall have been quite robust, I think is the advice that we have, so we have not suffered a net reduction in resale values as a result.

Mr COWDREY: Very good. I did notice that I had an outstanding one for Shared Services.

The Hon. S.C. MULLIGHAN: That is okay. You can ask it.

Mr COWDREY: What is the government's program for replacing the Chris21 payroll software system?

The Hon. S.C. MULLIGHAN: My understanding is that the current arrangements for Chris21 expire in about two years' time and so Shared Services is at the very early stages of considering what options there are for either the continuation or augmentation of that system or the replacement of that system at that time. I think the two-year process between now and then should mean that Shared Services has sufficient time to work up those plans and get to market, if that is the desired strategy.

Mr COWDREY: Has there been an allocation for a business case provided in this budget?

The Hon. S.C. MULLIGHAN: No.

Mr COWDREY: Does Shared Services intend to bring a business case for the next budget?

The Hon. S.C. MULLIGHAN: Most of the preparatory work, I am advised, can be undertaken internally. If there is a need to do further work beyond the resources of what Shared Services has, the cost of that can probably be managed internally, so in terms of putting forward a bid for additional resources for that purpose, not at this stage.

Mr COWDREY: Does Shared Services have a view in terms of the likely cost implications for either of the two options of a complete new system or modifying the existing system?

The Hon. S.C. MULLIGHAN: A continuation or augmentation of the existing system would be far less than the alternative, which is the procurement of a new system, which could be very expensive, into the tens of millions. As I was referencing earlier with respect to Masterpiece, of course government ICT procurement projects go swimmingly and ahead of time and under budget.

Mr COWDREY: What is the current cost to Shared Services from an operational perspective in terms of maintaining the software?

The Hon. S.C. MULLIGHAN: It is about \$6 million to \$7 million a year.

Mr COWDREY: That is including FTE support as well as licensing fees?

The Hon. S.C. MULLIGHAN: That is the licensing cost to the vendor or the payment to the vendors, not so much the staffing.

Mr COWDREY: Do you have an idea of what the staffing cost is?

The Hon. S.C. MULLIGHAN: I will have to come back to you with further detail on that.

Mr COWDREY: Has Shared Services been tasked with the savings task this financial year?

The Hon. S.C. MULLIGHAN: The Under Treasurer advises not yet—which is an ominous remark! I was referencing earlier in a sort of in globo sense for Treasury that consideration is going

on between the Under Treasurer and branch heads about the allocation of the savings task and, to the extent that there is a requirement on Shared Services, that will be borne out in those discussions.

Mr COWDREY: I anticipate that you will not be willing to add any further detail around FTE and service delivery impact in that.

The Hon. S.C. MULLIGHAN: I think we took on notice that, once we have a division of that, we will provide what information we can.

Mr COWDREY: Thank you. I might just read in the omnibus questions, and then procurement.

The Hon. S.C. MULLIGHAN: Yes, sure.

Mr COWDREY: The omnibus questions are:

1. For each department and agency reporting to the minister, what is the total cost of machinery of government changes incurred between 22 March 2022 and 30 June 2022?

2. For each department and agency reporting to the minister, which administrative units were created, abolished or transferred to another department or agency between 22 March 2022 and 30 June 2022 and what was the cost or saving in each case?

3. For each department and agency reporting to the minister, how many executive appointments have been made since 22 March 2022 and what is the annual salary and total employment cost for each position?

4. For each department and agency reporting to the minister, how many executive positions have been abolished since 22 March 2022 and what was the annual salary and total employment cost for each position?

5. For each department and agency reporting to the minister, what has been the total cost of executive position terminations since 22 March 2022?

6. For each department and agency reporting to the minister, will the minister provide a breakdown of expenditure on consultants and contractors with a total estimated cost above \$10,000 engaged between 22 March 2022 and 30 June 2022, listing the name of the consultant, contractor or service supplier, the method of appointment, the reason for the engagement and the estimated total cost of the work?

7. For each department and agency reporting to the minister, will the minister provide an estimate of the total cost to be incurred in 2022-23 for consultants and contractors, and for each case in which a consultant or contractor has already been engaged at a total estimated cost above \$10,000, the name of the consultant or contractor, the method of appointment, the reason for the engagement and the total estimated cost?

8. For each department and agency reporting to the minister, will the minister advise whether it will be subject to the 1.7 per cent efficiency dividend for 2022-23 to which the government has committed and, if so, the budgeted dollar amount to be contributed in each case and how the saving will be achieved?

9. For each department or agency reporting to the minister, how many surplus employees were there at 30 June 2022, and for each surplus employee, what is the title or classification of the position and the total annual employment cost?

10. For each department and agency reporting to the minister, what is the number of executive staff to be cut to meet the government's commitment to reduce spending on the employment of executive staff by \$41.5 million over four years and, for each position to be cut, its classification, total remuneration cost and the date by which the position will be cut?

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

- What savings targets have been set for the 2022-23 financial year and each year of the forward estimates;
- What is the estimated FTE impact of these measures?

12. For each department and agency reporting to the minister, will the minister advise what share it will receive of the \$1.5 billion the government proposes to use over four years of uncommitted capital reserves held in the budget at the time it took office and the purpose for which this funding will be used in each case?

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

- What was the actual FTE count at 30 June 2022 and what is the projected actual FTE account for the end of each year of the forward estimates;
- What is the budgeted total employment cost for each year of the forward estimates; and
- How many targeted voluntary separation packages are estimated to be required to meet budget targets over the forward estimates and what is their estimated cost ?

14. For each department and agency reporting to the minister, how much is budgeted to be spent on goods and services for 2022-23 and for each year of the forward estimates?

15. For each department and agency reporting to the minister, how many FTEs are budgeted to provide communication and promotion activities in 2022-23 and each year of the forward estimates and what is their estimated employment cost?

16. For each department and agency reporting to the minister, what is the total budgeted cost of government-paid advertising, including campaigns, across all mediums in 2022-23?

17. For each department and agency reporting to the minister, please provide for each individual investing expenditure project administered, the name, total estimated expenditure, actual expenditure incurred to 30 June 2022 and budgeted expenditure for 2022-23, 2023-24, 2024-25 and 2025-26.

18. For each grant program or fund the minister is responsible for, please provide the following information for the 2022-23, 2023-24, 2024-25 and 2025-26 financial years:

- Name of the program or fund;
- The purpose of the program or fund;
- Budgeted payments into the program or fund;
- Budgeted expenditure from the program or fund; and
- Details, including the value and beneficiary, or any commitments already made to be funded from the program or fund.

The Hon. S.C. MULLIGHAN: I introduce Jody King from procurement.

Mr COWDREY: Very good. Treasurer, could you give us information relating the current status of key across-government contracts, including stationery and electricity provision?

The Hon. S.C. MULLIGHAN: I understand the across-government stationery contract only came into effect earlier this year, and that is with COS and Winc. The across-government electricity contract is currently being renegotiated with the selected supplier. You may be familiar with the announcement that was made, I think a couple of years ago, by the previous government that they had reached agreement with ZEN Energy for an across-government electricity contract on terms that included not just a price for electricity, etc., but on the basis that ZEN would partner with SIMEC, a subsidiary of GFG, to build some renewable energy projects in South Australia's north.

SIMEC has not been able to deliver those renewable energy projects and meet those contractual obligations to ZEN, and hence ZEN has not been able to provide those obligations to the government, so the government is hopefully in the final throes of negotiating a revised contract with ZEN Energy for the across-government electricity contract. Did you mention another one—I mentioned stationery and electricity, but was there a third one.

Mr COWDREY: I did not propose reading them all out, but if you want to focus on the maintenance and all of the larger contracts—

The Hon. S.C. MULLIGHAN: If you want to read them out, and if I do not have the detail I can come back to you with the details.

Mr COWDREY: Maintenance would be the next.

The Hon. S.C. MULLIGHAN: Maintenance—like the facilities management?

Mr COWDREY: Yes.

The Hon. S.C. MULLIGHAN: I think the Department for Infrastructure and Transport manages the across-government facilities management contract, and there are other agencies that have their own discrete arrangements, but none of those are managed by Treasury, but whatever details we have we can provide to you subsequently.

Mr COWDREY: In total value, what are the three highest across-government contracts?

The Hon. S.C. MULLIGHAN: I will take it on notice. It may well be that the facilities management, for example, is one of them, but because we do not manage it directly I cannot be firm on that detail, but I will come back with a response.

Mr COWDREY: What are the planned major procurements for 2022-23?

The Hon. S.C. MULLIGHAN: They are:

- Microsoft Enterprise enrolment: an across-government contract for the provision of desktop Microsoft licences and services;
- Microsoft support services: an across-government contract for the provision of proactive and reactive support services for Microsoft software and products;
- network devices: the establishment of an across-government panel contract for the provision of network devices and related support services;
- network management services: an across-government contract for the provision of services to monitor and maintain the operation of the state's central data network and agency local area networks;
- telecommunications services: the establishment of an across-government panel contract for the supply of fixed voice mobility data and internet services;
- temporary staff services;
- fuel cards or card fuels;
- audit and financial advisory services;
- natural gas; and
- postal services.

I am not sure if there is a competitive market out there for postal services, but we will see how that procurement goes.

Mr COWDREY: What is the current status of the credit card or retail banking?

The Hon. S.C. MULLIGHAN: We do have that information; I will just have one last look for it. If I cannot find it quickly, I will take it on notice and provide it to you. I have found it. Two invitations to supply for transactional banking services, including merchant facilities and purchase cards, were released on 16 July 2021 and closed on 13 September 2021. It is expected that the procurement will be finalised prior to the end of the current contract terms. Those contract terms respectively finish on 11 November this year and 1 January 2023.

Mr COWDREY: Who is the current supplier of those services?

The Hon. S.C. MULLIGHAN: The transactional banking contract is with the Commonwealth Bank, the merchant facilities contract is with the Commonwealth Bank and the purchase card contract is with the ANZ.

Mr COWDREY: How do the government's procurement policies in regard to local contribution interact with the procurement opportunities that the Treasurer has just—

The Hon. S.C. MULLIGHAN: For banking?

Mr COWDREY: No, the broader list of the major planned procurements for 2022-23.

The Hon. S.C. MULLIGHAN: I guess, generally speaking, we will be going through a process of dealing with both chief executives and agencies about the scope and nature of our election commitments and what they were hoping to achieve, but we are also conscious that there will need to be some redrafting of procurement policies and Treasurer's Instructions to give effect to those. That will be work that continues to occur over the coming weeks, so it will not neatly come into effect from the beginning of this coming financial year, 1 July.

Mr COWDREY: When does the government anticipate those election commitments being fully implemented?

The Hon. S.C. MULLIGHAN: We would hope to have the policy documents and TIs established and promulgated in the coming months, and then we would obviously expect the agency behaviour to be conducted in compliance with those from thereon in.

The Hon. D.G. PISONI: Just on the procurement, you took a policy to the election that required that apprentices, trainees, Aboriginal workers and the long-term unemployed must deliver 20 per cent of all labour hours on major projects. When will that start and how will it be measured, and will there be regularly reporting?

The Hon. S.C. MULLIGHAN: The good news is it has already started. The previous Northern Connector contract, which was won by Lendlease, had that same provision in it. It led them to establish the north hub, which you may be familiar with, which was basically the project base for the Northern Connector project on Port Wakefield Road, sort of towards the upper end of where that project was eventually delivered.

Lendlease, effectively, for the duration of that project, basically also had to become a quasi-employment agency to ensure that not only were we meeting the apprentices and trainees side of things but also, for long-term unemployed and so on, that we were meeting the cohort. The state has, firstly, starting under the previous Labor government but continued on that project under the previous Liberal government, already successfully executed that requirement. Now it will be promulgating that requirement to a broader range of infrastructure projects going forward.

The Hon. D.G. PISONI: So is it only refined to infrastructure projects?

The Hon. S.C. MULLIGHAN: No, but just as an example. We have said major projects and it escapes my memory, there is a definition for a major project, a dollar value of major project, and so in line with what I said earlier to your colleague, we will be promulgating those requirements in the necessary policy documents, etc., getting that out to chief executives and agencies so that when they subsequently go to market they are aware of those obligations and they can put in place the requirements, not only to award contracts on that basis but to monitor the compliance for those contracts.

The Hon. D.G. PISONI: Does it include service contracts?

The Hon. S.C. MULLIGHAN: Like what?

The Hon. D.G. PISONI: Security services or services for delivery of—catering services at the Royal Adelaide Hospital, for example.

The Hon. S.C. MULLIGHAN: They are a little easier to deliver, those sorts of services contracts, because that is the physical provision of a service in a facility which is in South Australia. It becomes more challenging, for example, with some of the contracts that I mentioned earlier, like Microsoft, for example, where a lot of the product and support provided by that firm may not be

located in South Australia. It is a new policy that this new government is bringing to the public sector and we will need to work through the detail of how we are going to make sure it is promulgated through the provision of those services as well.

The Hon. D.G. PISONI: Are there minimum requirements then for particular cohorts?

The CHAIR: Last question.

The Hon. D.G. PISONI: Is there a minimum requirement with net 20 per cent for lower socio-economic or Aboriginal and Torres Strait Islanders or apprentices and—

The Hon. S.C. MULLIGHAN: So you understand how the 20 per cent works, that is for all of those cohorts in there.

The Hon. D.G. PISONI: Twenty per cent for every cohort? So 20 per cent of apprentices, 20 per cent of trainees? Twenty per cent of them will be Aboriginal, 20 per cent will—

The Hon. S.C. MULLIGHAN: No, the sum of Aboriginal employees, long-term unemployed, apprentices and trainees together must add up to 20 per cent. As you can imagine, it would not be feasible to have, for example, 20 per cent each of apprentices and trainees and then a further 20 per cent of long-term unemployed because you would probably be in a position where you may not have the skilled workforce to deliver a particular project. That is why that 20 per cent is an in globo figure, rather than a per cohort figure.

The Hon. D.G. PISONI: I am not quite sure you answered the question about how often it will be reported and when it will be available.

The Hon. S.C. MULLIGHAN: We might make that part of the Industry Advocate's task, or we might make that part of the Auditor-General's task.

The CHAIR: Thank you, Treasurer. The agreed allotted time is up. There being no further questions, I declare the examination of the portfolios of the CTP Regulator, South Australian Government Insurance and Fleet, Strategic Procurement, Industry Advocate and Shared Services completed. The examination of the proposed payments for the Department of Treasury and Finance are now complete. The examination of the proposed payments for the Administered Items for Department of Treasury and Finance is adjourned until Thursday 23 June.

I would just like to acknowledge all of the work by the public servants leading up to estimates. I know that it can be an onerous body of work, never knowing what questions you are going to be facing, so it is a sincere thank you for all the effort that is put in. I also thank the members for their contribution.

Sitting suspended from 13:19 to 14:15.

DEPARTMENT FOR HEALTH AND WELLBEING, \$4,814,787,000

WELLBEING SA, \$20,952,000

COMMISSION ON EXCELLENCE AND INNOVATION IN HEALTH, \$6,049,000

Membership:

Ms Stinson substituted for Mr Fulbrook.

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

Ms Pratt substituted for Mr Pisoni.

Mrs Hurn substituted for Mr Cowdrey.

Minister:

Hon. C.J. Picton, Minister for Health and Wellbeing.

Departmental Advisers:

Ms L. Cowan, Acting Chief Executive, SA Health.

Ms J. Tepohe, Deputy Chief Executive, SA Health.

Mr J. Woolcock, Chief Finance Officer, SA Health.

Mr B. Hewitt, Executive Director, Infrastructure, SA Health.

Ms K. Swaffer, Executive Office Manager, SA Health.

The CHAIR: The estimates committees are a relatively informal procedure and, as such, there is no need to stand to ask or answer questions. I understand the minister and the lead speaker for the opposition have agreed an approximate time for the consideration of proposed payments, which will facilitate a change of departmental advisers. Can the minister and the lead speaker for the opposition confirm that the timetable for today's proceedings previously distributed is accurate?

The Hon. C.J. PICTON: Yes.

Mrs HURN: Yes.

The CHAIR: Changes to committee membership will be notified as they occur. Members should ensure the Chair is provided with a completed request to be discharged form. If the minister undertakes to supply information at a later date, it must be submitted to the Clerk Assistant via the answer to questions mailbox no later than Friday 2 September 2022.

I propose to allow both the minister and the lead speaker for the opposition to make an opening statement of about 10 minutes, if they so wish. There will be a flexible approach to giving the call for asking questions. A member who is not on the committee may ask a question at the discretion of the Chair. All questions are to be directed to the minister not the minister's advisers. The minister may refer questions to advisers for a response.

Questions must be based on the 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 link to the internet and the Parliament of South Australia video-on-demand broadcast system.

I declare the proposed payments open for examination. I call on the minister to make a statement, if the minister wishes, and to introduce advisers. I call on the lead speaker for the opposition to make a statement, if the member wishes. I call on members for questions.

The Hon. C.J. PICTON: Thank you very much, Chair. It is great to be here today. Happy estimates day; it is a very exciting day on the parliamentary calendar. I would first like to introduce my advisers, the departmental staff who are here: firstly, there is Lynne Cowan to my immediate right, who is the Acting Chief Executive of SA Health, Department for Health and Wellbeing. To my left is Julianne TePohe, who is the Deputy Chief Executive of SA Health. To my further right is Jamin Woolcock, who is the Chief Finance Officer of SA Health. Behind me is Brendan Hewitt, who is the

Executive Director of Infrastructure at SA Health, and also Kris Swaffer, who is the Manager of Executive Services in the Department for Health and Wellbeing.

To the committee this is exciting because this is fundamentally a health budget. This is a budget that delivers on our election promises to invest in the health system to deliver more beds, more doctors, more nurses, more paramedics and more ambulances, and to fix the ramping crisis that South Australians have been bearing the brunt of. The new state government has been elected on a strong platform of investing in health, with a clear agenda to fix the ramping crisis and reduce the access block within our hospital system.

The central theme is care: care for patients and care for a strong public healthcare system. This will be achieved by investing more in staffing and more in beds to support our healthcare system to care for patients. There is a significant investment in doctors: 101 doctors; 300 nurses; 350 paramedics and ambulance officers, 151 of whom will be based in regional South Australia; and well over 300 new beds across our hospitals to help our hospitals flow better, which will allow ambulances to get off the ramp and back into the community and will allow 000 calls to get ambulances responding on time again.

Too often, governments are insisting upon efficiency within our existing resource base rather than recognising that the resource base needs to be expanded. Our government is committed to that, recognising that we do not currently have the capacity to deal with the crisis in our healthcare system.

A critical part of that is improving mental health care. I am proud that this government will deliver the largest boost to mental health care beds in South Australia in a generation. Off the back of the exceptional work of our public health team during the pandemic, we will leverage the learnings now to take action in preventative health and help people stay out of hospital.

This budget represents our commitment to deliver a healthcare system for today, for the next generation and for a healthy future for all South Australians. As Minister for Health and Wellbeing, I look forward to delivering these commitments and to working with our hardworking frontline healthcare professionals—our doctors, nurses, allied health professionals, paramedics and other staff—who have been working so hard over the past few years under very difficult circumstances. Some of the key election commitments this health budget delivers funding for over the forward estimates include:

- \$120 million over four years to build a brand-new SA Ambulance headquarters, which will include the State Emergency Operations Centre for SA Ambulance, the State Health Control Centre to coordinate the system and a new CBD ambulance station;
- \$13.6 million in 2022-23, increasing to \$49 million in 2025-26, to employ 350 paramedics and ambulance officers;
- \$66 million of investing expenditure over four years, in addition to the SA Ambulance headquarters, for new, expanded or upgraded ambulance stations and ambulance vehicles;
- \$222 million across four years in relation to 136 additional beds at the Flinders Medical Centre, Lyell McEwin Hospital, Modbury Hospital and Gawler hospital;
- \$169 million to build and operate 78 additional mental health rehabilitation beds; these include Mount Gambier hospital, The Queen Elizabeth Hospital, Modbury Hospital and Noarlunga Hospital;
- \$12 million towards 20 community mental health care beds;
- \$220 million, of which \$127 million is in the forward estimates, to build a new hospital for the people of Mount Barker, with triple the number of beds;
- \$100 million, of which \$25 million is over the forward estimates, for 50 more paediatric beds to be built as part of the new Women's and Children's Hospital;
- \$28 million across the forward estimates towards drug and alcohol rehabilitation beds;

- \$28 million to establish a new Modbury Hospital cancer centre;
- \$6 million per annum in relation to 76 additional nurses across our hospital system, which will rise to \$8.9 million per annum, indexed from 2024-25;
- \$5.2 million for Nganampa Health to better support remote nurses and implement Gayle's Law;
- upgrades to Naracoorte hospital, Port Pirie hospital, Port Augusta hospital, Kangaroo Island hospital and Mount Gambier hospital; and
- \$900,000 over three years to establish three 24-hour community pharmacies in central, northern and southern metropolitan Adelaide, and \$1.75 million in separate initiatives in the pharmacy space to help people stay healthy and out of hospital.

Ultimately, these commitments are all about making sure our health system has the resources that it needs and that we can help care for people, ultimately addressing that access block, which on a day-to-day basis is the reason why we are seeing ramping at such outrageous levels that we do in the system at the moment, where people cannot get out of the emergency department because there are other resources for people to go to.

I would like to again thank all of our hardworking staff: doctors, nurses, midwives, paramedics, allied health professionals and other SA Health staff across the system. They have made significant sacrifices over the past few years. We are now delighted to make these investments to help assist them care for the patients who need their support across South Australia.

The CHAIR: Thank you, minister. Member for Schubert.

Mrs HURN: I am happy to get straight into questions.

The CHAIR: Go for it.

Mrs HURN: I refer to Budget Paper 4, Volume 3, page 13, workforce summary. How many doctors, nurses, paramedics, ambulance officers and allied health staff will be needed to activate the beds foreshadowed in the budget?

The Hon. C.J. PICTON: We have made a clear commitment in terms of 300 additional nurses across the system. We have also made a commitment in terms of 101 additional doctors across the system. These have been timed in terms of when the beds come online and, in particular, the beds that will be opening within the forward estimates period.

In relation to nurses, we have arrangements in place for nursing, which, while it is not a strict ratio at the moment, we will be transferring to that over time. It is at the moment a calculation of nursing hours per patient day. For each new bed that opens, there are a certain number of nurses that will be required in the system.

We will be, as part of the construction of new wards, undertaking clinical consultation across each of those sites in terms of the exact make-up and calculation for those nursing hours per patient day. We believe we have put the resources in place to enable that to occur at the moment. It reflects work done through the Independent Hospital Pricing Authority that we looked at, looking at the efficient cost of services in those areas to make sure that we have in place the resources to open those beds.

Particularly, when you are looking at health, the vast majority of those resources are in relation to staff—doctors, nurses but also, importantly, allied health professionals as well. We have been asked: what are the specific numbers of allied health professionals that will be in place in relation to bed numbers? That is something that needs to be worked through once we do that detailed model-of-care work for each of those beds, but we have an allocation of funding based on the additional activity that will be there.

In addition, there is a process that is undertaken every year through the department, working with the local hospital networks on a commissioning basis. So we commission the local health networks in terms of the services that they operate, in terms of the activity that they will see, and then those flow through to funding that will be commissioned for those services. As each one of those

services is commissioned, there will be a resultant amount of funding that will be provided to local health networks. The vast majority of that funding goes to the doctors and nurses who provide those services.

While we have said very clearly that 300 nurses in the system is our commitment and funded in this budget, it may be in excess of that, based on activity growth funding that will be there in the future to make sure that we can provide services over time. There is obviously also going to have to be additional staff, whether they be allied health staff or administrative staff, to go along with additional services that we are going to be opening.

Mrs HURN: I have a series of questions on the same budget line, so I do not propose that I will read that out.

The Hon. C.J. PICTON: Could you remind me what the budget line was again?

Mrs HURN: It is Budget Paper 4, Volume 3, page 3, workforce summary. What does the government say to ANMF claims that 3,000 nurses will be needed?

The Hon. C.J. PICTON: I certainly have had discussions with the Australian Nursing and Midwifery Federation and its CEO, Associate Professor Elizabeth Dabars, and also their Executive Director, Mr Rob Bonner, about what I think are their real concerns about how we are going to make sure that we are doing appropriate workforce planning. This is something where we certainly are seeing the crunch right around the country in terms of insufficient workforce planning that has taken place over a number of years.

What we have seen previously is that we have not been doing the detailed workforce planning at a state level, I think largely because there was a view, probably about a decade ago, that the commonwealth was taking that role over through Health Workforce Australia. Health Workforce Australia was then abolished under the Abbott federal government and so there has not been sufficient planning in place of workforce planning.

This is something where we made a clear commitment that we need to get back into this space of properly planning our workforce, working with universities and working with training providers to make sure that we have the sufficient pipeline of nurses coming through the system to fill those vacancies that will be there over coming years.

Clearly, it is not just about nursing; it is about medical professionals and it is about allied health professionals, as well as paramedics. We have been very clear that we think there are some areas in terms of recruitment, such as paramedics, that will be easier because we know that there is a strong pipeline of paramedics coming through our university system at the moment whom we are not offering employment to.

In relation to nurses, there are certainly more we can hire from our current pipeline. One of the issues that we have is in relation to specialist nurses. This has been something that the ANMF has been very keen to raise with me, particularly around mental health nursing and intensive care nursing, these really specialised areas. We are seeing people reach the end of their career and retirement without the necessary flow-through of people coming through the system.

I think their chief concern that they have raised with me is about making sure that we get that planning right, because over the coming years clearly when you factor in retirements within the system there is a need for thousands more nurses, because we are going to have to recruit more to replace people, not only for additional capacity in the system but also for retirements that will happen and people leaving the system.

The other factor, very clearly, which I have raised in my first discussions with the new federal health minister is that workforce is a key concern at a whole federal level. We know that there is an issue in terms of lack of nursing workforce within aged care. That is a factor that impacts upon our hospital system as well. We want to see more nurses in aged care.

The new federal government has commitments in that regard as well, but clearly that is going to place additional demands on workforce overall in our system, across the broader health system, if you like, and so we need to plan working between the states and the commonwealth—and this is something the other states are very keen on as well—to make sure that we can fill those demands

in our hospitals, in primary care, and in aged care as well, because all those factors are going to be very important.

Mrs HURN: Back onto that question, would you agree with Elizabeth Dabars that between 3,000 and 4,000 nurses are going to be needed over the next four years to staff your beds?

The Hon. C.J. PICTON: I would agree with her in the concerns that she has raised with me, specifically where she has said that—

Mrs HURN: But the publicly stated concerns that she has? She has said—

The Hon. C.J. PICTON: I cannot comment on comments that you are raising with me. I can comment on what she has said to me, which is clearly that there is a concern in terms of our future workforce planning, that we do need to make sure that we are properly planning for nurses in the future. I certainly agree with that and we need to do that.

Mrs HURN: I presume on the basis of those questions that the government does have a workforce plan for each of the health professions?

The Hon. C.J. PICTON: This is an unfortunate factor where we are coming in and we do not have those things in place, to be honest. This is something where we need to do a lot more work, and I am very delighted that the Department for Health and Wellbeing has recently brought on a senior person, put in charge of workforce issues, who is now working on these issues and preparing workforce plans across the whole system but also looking at specific areas.

This is something where a whole lot of work needs to happen and we also not just need to look at it ourselves, we need to work with universities and other training providers. We need to work across the federal-state divide as well, but we also need to look at specific areas where there are concerns, mental health being a primary one, but in any discussion of workforce we absolutely need to make clear the issues that we have in terms of regional workforce.

Those issues are very real. I was only just down in Mount Gambier last week, visiting the hospital, meeting the board and it is very clear that, with the workforce shortages they already have and the vacancies that they are trying to fill at that hospital, we need to do more at a regional level, not just across the state.

Mrs HURN: Who is the person in the department who is looking at these workforce plans and, if there is no name, can you either take it on notice or read out the title, and also could you outline or take on notice what are the health profession workforce plans that they are specifically working on currently? Statewide was mentioned, but I just wonder what specific work is being done, just across the health professions with streams in particular.

The Hon. C.J. PICTON: The person that I was mentioning earlier is the Executive Director of Workforce Services in the Department for Health and Wellbeing. They are working on a statewide workforce strategy, which obviously needs to look at each of those components in terms of all of those professions as part of that.

Mrs HURN: And they are doing that, they have already started doing that work, so we can expect to see a workforce plan released publicly for each of the health professions?

The Hon. C.J. PICTON: We can expect to see a statewide health workforce plan prepared and released—

Mrs HURN: For each profession?

The Hon. C.J. PICTON: I think it needs to cover all of the professions and it needs to make sure that it is action oriented to make sure that we are working on this across not just ourselves, in SA Health, but also with universities, with other training providers, with the private sector, with the commonwealth, to tackle what is a very significant issue.

Mrs HURN: Does the government intend to make bonus payments to health professionals, as has been announced in New South Wales and Victoria, and if not, do you think that that will undermine the prospects of recruiting from those jurisdictions?

The Hon. C.J. PICTON: We have been very clear in this budget that we are investing in frontline healthcare services. That is our number one priority and that is why we have invested an additional \$2.4 billion in frontline healthcare services. We have not announced any plans to take action on those sorts of matters as you are raising. What we have announced plans to do is to hire more doctors, nurses, paramedics and other staff to make sure that we can provide improved services, to make sure that we can provide improved care to patients.

Mrs HURN: In the same budget line, why is the government cutting the health workforce from 36,683 to 34,745?

The Hon. C.J. PICTON: Thank you for the question. In Budget Paper 3, on page 23, there is a clear table in relation to the operating expenditure and then page 26 is in relation to the FTEs in SA Health. I am sure it will not surprise you or anyone to know that clearly there has been a very significant issue that SA Health has been dealing with in COVID that has resulted in a significant number of additional public health functions.

What this breaks down is in terms of the underlying health FTEs, excluding COVID-19 and time-limited programs. You can see from this table that in 2022 the estimate is 33,857, and that increases in 2023 to 34,288, so I do not accept the characterisation you have made, and I think this table in Budget Paper 3, page 26, very clearly outlines what the underlying health FTEs are, and a significant increase.

Mrs HURN: Just quickly back on to the workforce plans, I am keen to know when that will be complete. Do you have a time line on when the workforce plans will be complete?

The Hon. C.J. PICTON: I think the short answer is as soon as possible, but I do not want to rush to an artificial time line. I want to get this right, and I want to make sure that all the work is done that is appropriate to making sure that this is going to be effective. There is a bit of a history of plans that have been done that are rushed out for the sake of saying, 'Oh, we've got a plan.' They do not really say a lot, they sit on the shelf and nothing really happens with them. This is one we need to get right. I am happy to take on notice any estimate in terms of the time frame, but my focus is to make sure this is going to be done properly.

The CHAIR: I believe the member for Kavel has a question.

The Hon. D.R. CREGAN: Chair, I have four questions that I hope to be able to develop speedily so that other members can continue to make a contribution. Minister, a question was asked, as you are aware, in the house as to whether a decision had been made to build on the existing site at Mount Barker for a new hospital or to find a greenfields site.

I understand you also intimated in that answer the assistance from the member for Frome, and I appreciate her guidance to me that some discussions might occur this week in relation to that matter. Taking you to Budget Paper 4, Volume 3, page 15, which contemplates in a line item the new Mount Barker hospital: are you able to update the committee in relation to that planning process, the scope of works and likely timing?

The Hon. C.J. PICTON: I thank the member for Kavel for his question. I note his very strong interest in the development of the new Mount Barker hospital. I can give some news to the house that we have now gone out to a whole range of key architectural and other planning firms in relation to a request for proposal to get on board the planning initial team to start work on planning for the new Mount Barker hospital.

This will be a process where we will be putting in place an architectural firm that will be the lead professional services contractor. It will involve health planners, cost consultants, building services consultants and traffic consultants. We want them to start work in terms of planning for the new hospital and also to undertake a rapid assessment in terms of building on the existing site versus a greenfields development.

As we said before the election, our preference is to rebuild the hospital on the existing site, if we can; however, we are open-minded as to whether that could be done on a greenfields site. However, I think a greater advantage could be that if we build on the existing site that may well mean that we can open components of that hospital earlier than would otherwise be the case. Therefore,

this new team we will be engaging will be undertaking a rapid assessment on that, as well as starting initial planning works.

This will be a very exciting development for the Mount Barker community, involving 102 beds, which is a tripling of the number of beds at the current hospital, involving a 12-bed mental health unit, rehabilitation beds, maternity beds, additional medical and surgical beds and palliative care beds. We have also in this budget brought forward funding; we had initially said we would provide \$95 million within the forward estimates—we are now providing \$127 million within the forward estimates because we would like to see the program of works accelerated as much as possible.

The Hon. D.R. CREGAN: My remaining questions are in relation to this budget line item. Will the planning work also consider a future aerial retrieval site?

The Hon. C.J. PICTON: That is part of the work that will be considered as we get into the planning stage of this project in relation to talking with SA Ambulance and MedSTAR in relation to needs for aeromedical transport at the site, considering whether a helipad is necessary and what the arrangements would be in relation to that. That will be part of the detailed planning work that will happen either within the initial stage of this planning or in relation to subsequent, more detailed planning.

The Hon. D.R. CREGAN: I have two further questions in relation to the same budget line item. Has any planning work been undertaken, or will be performed, to meet the demand for paediatric care in Mount Barker and the Adelaide Hills overall?

The Hon. C.J. PICTON: Yes. This is a key issue for the community. When I was recently at Mount Barker hospital, along with the member, after the budget, speaking to the clinicians, both doctors and nurses there, paediatric services were raised with us as a very key concern for the community there. It is a growing population. I am familiar from my own electorate with what new housing developments look like. A couple will buy a house and inevitably have some kids pretty shortly afterwards, so there are a lot of kids about to be growing up in the Mount Barker region.

We currently provide a very low self-sufficiency of paediatric services in Mount Barker. That means a lot of people have to travel to the Women's and Children's Hospital to get the care that they need. That puts more pressure on the Women's and Children's Hospital, so if we can provide more services for paediatric care at Mount Barker, that will be of great benefit to the community, and that will be a key part of the planning that we do in this next stage.

The Hon. D.R. CREGAN: On the same budget line item, if a greenfield site is to be considered, how will the existing Mount Barker hospital, including the emergency department, funded in large part through federal funds, which is under construction, and the community gardens be retained for an appropriate community use?

The Hon. C.J. PICTON: This will have to be a key part of the consideration of that rapid assessment of a greenfield site. As I said, I think there is a preference that we have stated from the beginning. If we can rebuild on the existing site, that is certainly our preference. I think there are a number of benefits from that: one is the ability to open elements of it sooner, the other is to utilise the existing new emergency department that is under construction. I think if we were to go down the path of a greenfield site, which is less likely, then we would absolutely have to consider, in terms of the emergency department, what the use of that building will be and also the community gardens and any other assets.

Ms PRATT: Picking up the workforce theme, minister, on the same line that we referenced—Budget Paper 4, Volume 3, page 13—my question is: how many paramedics and ambulance officers are expected to be recruited over the forward estimates and, in particular, can you provide a breakdown of vacancies by SAAS regions, and would you consider taking on notice a similar question in relation to specialist nurses and allied health professionals? It is a workforce question but specifically paramedics and breakdown by SAAS regions.

The Hon. C.J. PICTON: We have certainly made very clear 350 paramedics and ambulance officers across the forward estimates, and I can run you through some of that detail. This is broken down into both paramedics and ambulance officers. The paramedic FTE will increase—and I will run through the four years of the forward estimates—by 77, 136, 202 and 278. Ambulance officers will

increase by 22, 40, 66 and 72. That involves emergency services staff, ambulance officers and also emergency medical dispatchers who work in the headquarters. The end of that program is where we get to the 350 staff.

Of those staff, 151 will be involved in providing care in regional South Australia, which we are very proud of and excited about. The breakdown of those, of the paramedics, firstly, is 18 will be in the Limestone Coast, 27 in the Adelaide Hills, 24 in the Fleurieu Peninsula, 24 in Gawler and Mallala, 21 in Upper Spencer Gulf and 13 in Wallaroo.

Then, for the ambulance officers, there will be six in the Limestone Coast region, three in the Adelaide Hills region, three in the Gawler and Mallala region, and nine in the Upper Spencer Gulf region. I am happy to take on notice what detail we can provide, secondly, in relation to the nursing, but, as I said previously, the vast majority of those nurses are allocated to where additional beds will be opening, which we have set out very clearly in the budget papers.

Also, there are an additional 76 specialist nurses that are set out in the budget papers and they align with a number of priorities that we have set out before the election but also a number of nurses will help us in terms of getting to the point where we can properly implement nursing hours ratios across our system in a similar way to what Victoria and Queensland have done.

Mrs HURN: I refer you to Budget Paper 4, Volume 3, page 13, workforce summary, again. Which enterprise bargaining agreements in relation to health workers have expired and what progress is being done in relation to each of them?

The Hon. C.J. PICTON: The first one I can tell you about is in relation to the SA Ambulance staff, which is an agreement where the last pay rise for ambulance officers was back in 2017. Just think about how long ago that is and think about all of what our ambulance officers have had to go through over the past five years without a pay rise. I think that is an absolutely disgraceful delay that our ambulance officers and paramedics have faced over that period of time in not having a resolved enterprise bargaining agreement.

While these matters are under the purview of the Minister for Industrial Relations and Public Sector, as they were under the previous government, this is something that obviously he and I talk about regularly. We do want to make sure that we resolve that issue as soon as possible in an appropriate way to make sure that people can get appropriate pay. Also, as the member herself alluded to earlier, having appropriate pay will make sure that it is easier for us to recruit people from interstate as well, whereas if you have not given your workers a pay rise in five years and other states have done so, then that clearly is an issue.

In relation to other agreements, the other one I am aware of is the SA Health Clinical Academics Enterprise Agreement. That expired as of 31 March this year. I understand that negotiations are soon to commence in relation to that. I understand that there is a limited number of staff who are covered by the Clinical Academics Enterprise Agreement—off the top of my head, I would say 68, but let's say between 60 and 70 clinical academics in our system—and there is clearly a connection historically between the Salaried Medical Officers Enterprise Agreement that was resolved earlier this year and the Clinical Academics Enterprise Agreement; one usually follows the other.

Mrs HURN: What was the total number of redundancies offered and accepted via voluntary separation packages across the department and all LHNs this financial year? How many of those were nurses or midwifery staff? Can you also advise if there will be any further voluntary separation packages offered?

The Hon. C.J. PICTON: I can provide a very detailed breakdown in relation to voluntary separations. What I can outline is if we look at 2018-19, 19 separation packages were accepted and of those there were four nurses, two allied health professionals, 10 administrative services staff and three other portfolio staff. In 2019-20, 321 separation packages were accepted. The vast majority of those were in the Central Adelaide Local Health Network. Of those, 114 were nurses, including midwives; four doctors; seven allied health professionals; 46 scientists; 90 administrative services staff; and 60 other health portfolio staff. These led into that 321 across that 2019-20 financial year.

In 2020-21, 177 separation packages were accepted, of which again Central Adelaide Local Health Network had the largest number of 107. That breakdown of those 177 was 98 nurses, seven allied health professionals, 65 administrative services staff, and seven other health portfolio staff, bringing it to a total of 177 in that financial year.

In the 2021-22 financial year there have only been 31, of which I understand the vast majority—if not the entirety—were prior to the election. Certainly, this government has a policy of no longer offering voluntary separations to frontline health staff, of which in this financial year just ending there were 12 nurses, six allied health professionals, nine administrative services staff and four other health portfolio staff.

If you add up the 12 nurses this financial year, the 98 nurses last financial year, the 114 nurses the previous financial year to that, and the four nurses in the previous financial year to that, you have well over 200 nurses. I have to say, it would be great to have those nurses working in the system right now as we battle very significant issues within our hospital system. That is why we will not be proceeding with further voluntary separation packages for frontline staff.

Mrs HURN: I move now to Budget Paper 4, Volume 3, page 60. How frequently does SAAS provide transfer of care data to the minister or his office?

The Hon. C.J. PICTON: Thank you for your question. As we have traversed a number of times in the house, there is clearly minute-by-minute information in relation to transfer of care data that is collected. There is a consolidation of that data on a monthly basis, and that information that was previously put out by the previous government on a three-monthly basis we have agreed—I will take one step back. We called on the previous government to release that information monthly, we committed ourselves to releasing that information monthly, and we are releasing that information monthly.

There is, of course, operational data that the department, SA Ambulance Service, will go through on not just a daily basis but sometimes on a much more frequent basis than that. I am advised that that data does need to be consolidated to make sure that it is accurate to publish at the end of each month. That is the process that happened under the previous government, albeit a three-monthly reporting process, and it is now happening under our government on a one-monthly reporting process.

Mrs HURN: Is it yourself or your office that receives the operational information from SAAS or the department? Do you have access to that daily as well?

The Hon. C.J. PICTON: There is a whole range of information that the chief executive will discuss with me, whether it is the number of people within emergency departments, whether it is the delays within our emergency departments, whether it is the ramping delays data. We discuss that on a frequent basis. It is very important that the minister is abreast of the situation, and I can inform the chamber that, unfortunately, the situation is very serious at the moment. There is no getting around that situation. In terms of statistical publishing of that information, that is happening on a monthly basis, as we committed to do.

Mrs HURN: I am just trying to get clarity. The operational information that you referred to, is that something that you are provided daily or weekly? I understand the point that you are making in relation to what is published but, when it comes to the operational information, is that something that you or your office get daily or weekly?

The Hon. C.J. PICTON: There is operational information we are provided in a number of different forms, some on an as-needs basis—

Mrs HURN: Specifically, to the transfer of care data.

The Hon. C.J. PICTON: —some in relation to particular issues that have occurred, some on a more frequent basis, where particular issues are occurring, and some where there will be issues that have been reported up, where there have been particular issues that have occurred that need to be informed to the minister, and that is absolutely appropriate.

It is also worth repeating that everybody has access to information involving what the delays of ambulances are in hospitals in real time under the Ambulance Service dashboard, which is

available freely on the SA Health website, where everybody can get a live picture of what has been happening in the past few hours at our emergency departments for the delays of ambulances clearing those emergency departments.

Mrs HURN: Again on the operational information, is this something you have asked to see on a daily basis, given that obviously we have experienced the worst ramping in history for the month of May? Is it something that you have asked SAAS to provide to your office as minister, because presumably you would like to be aware of the operational information and, if you have not asked for it, why not?

The Hon. C.J. PICTON: I have asked the department to keep me abreast of important issues in relation to the operation of our health services.

Mrs HURN: Again, I am just trying to get to the bottom of the operational information specifically. Have you asked your department or your office, or anyone from SAAS, to get daily information? If not, why have you not asked for that? I understand that it is the health portfolio, that you get a lot of information, but specifically have you asked for the operational information in relation to the transfer of care data? If you have not, why not? Therefore, what I can draw out from that is that you only are aware of ramping data on a holistic basis per month.

The Hon. C.J. PICTON: The problem with what you are stating and accusing in your question is that there is only holistic ramping transfer of care data available every month. As I said at the beginning, this information does need to be collated and this information does need to be checked so that there is not a—

Mrs HURN: I accept that, but I am just trying to get to the bottom of—

The Hon. C.J. PICTON: —smaller level of that data which goes through that process to make sure that it is qualified. What I absolutely expect, as I am sure the previous minister expected, is to be provided information as appropriate in terms of the issues in the health system. We know, clearly, that the health system has significant issues.

One of the things that I have been very clear about, though—one of the issues that I think we face in the health system at the moment—is that there is no control centre, there is no statewide minute-by-minute response centre in the same way that, for instance, we have had on COVID for the past few years, where people are working together across the LHNs and SA Ambulance to resolve these issues on a minute-by-minute basis. That is what we are looking to achieve.

We have certainly committed to doing that as part of the new SA Ambulance headquarters, but we are looking at how we can bring that forward and put that in place much sooner. That operational level of coordination across the system, despite the best efforts of a number of people, is not in place at the moment.

Ultimately, that is what I want to see, as the minister with policy control and within the role of minister, to make sure that we put in place systems that can manage that on a day-by-day and night-by-night basis and that we can appropriately coordinate services between our hospital system and our SA Ambulance Service and other services, such as the Virtual Care Service, to make sure that we can manage demand, we can address issues when they arise and we can address issues that are very predictable that are going to happen.

For instance, we always know that Mondays are bad ramping days, so we need to be able to coordinate the system to respond to that, I think, better than has happened previously. There are fantastic people who are all doing their jobs, but I think additional coordination will help that.

Mrs HURN: I suppose from those answers the only insinuation that I really get from that is that you do not get operational information from SAAS on a daily basis despite the fact that it is available and you have not asked for it, so that is certainly interesting. Can you provide a breakdown of transfer of care delays for the last 12 months, per month, for each of the hospitals?

The Hon. C.J. PICTON: We will take that on notice.

Mrs HURN: Just on the dashboards, can you explain the reason that real transfer of care data is not available on the SA Health dashboard? I am expecting you to have similar answers, minister, but it does appear that it is simply the clearance of ambulance times. There is no indication

on the dashboard as to how long an ambulance has been waiting on the ramp; it is from when they are cleared, which does not of course take into account meal breaks or, for instance, if they are cleaning their vehicle there. If you could just explain, for the benefit of everyone, because I do think there is some confusion as to why transfer of care is the only missing link on the dashboard.

The Hon. C.J. PICTON: There is a measure, which is clearance time, which is, as you say, what the Ambulance Service dashboard refers to, and there is a measure, which is transfer of care time. I would argue very strongly that both those measure ramping because there is a third criteria, which is just looking at between the transfer of care and when the ambulance leaves, which is purely when just that clearance time is looked at without the transfer of care time. What is on the dashboard, as I understand—and someone will correct me if I am wrong—covers both times.

What has been very clear over a long period of time is that the purely clearance time—the time that an ambulance officer, a paramedic takes between transferring the patient and being off to the next job—has had very little change in that time. What has dramatically increased over the past four years is the transfer of care time, which has increased. What you can see very clearly on the Ambulance Service dashboard when it looks at the clearance times is that whole picture of the time from when an ambulance arrives at the hospital and when it leaves the hospital. The time between the patient being transferred and leaving the hospital is not where we see the issues.

Ambulance officers cleaning their vehicles, as you say, is not where we are seeing the delays. When you very clearly see delays on Monday afternoons on the Ambulance Service dashboard, then there is a very clear correlation to ramping occurring at that particular hospital at that particular time because it is showing that there are delays for ambulances at those times. I think it is accurate to be able to describe that by looking at that dashboard you can get a live picture, unfortunately, of what the delays are for ambulances across the network in the previous three hours.

Mrs HURN: In the previous three hours. Is there any scope then for SA Health and the minister to consider making public a daily wrap-up of the transfer of care data, and if not daily is there scope or is it possible to release data on a weekly basis?

The Hon. C.J. PICTON: We are committed and delivering on our commitments in relation to monthly release of that data.

Mrs HURN: Would you concede that it is possible, given there is operational data available daily? Indeed, you have said that minute by minute there is data available. Is there capacity or is it possible to be able to wrap that up on a weekly basis?

The Hon. C.J. PICTON: I have not asked that question because the questions that I ask and my emphasis and focus are on trying to fix the problem and trying to make sure that we can invest the resources in our healthcare system to make sure that we do not see these extreme waits that we are unfortunately seeing at the moment.

Mrs HURN: Do you think it would be possible to ask whether they can release it weekly?

The Hon. C.J. PICTON: Again, I would state that we have made our commitment. We are delivering on our commitment, and our focus is on investing in these services in this budget, the \$2.4 billion of health services, to make sure that we fix this problem.

Mrs HURN: I have one other question on this.

Ms STINSON: Can we clarify what budget line we are on.

Mrs HURN: It is Budget Paper 4, Volume 3, page 60. It is the SAAS budget. Where can members of the public find the monthly transfer of care reports that the government has committed to releasing publicly, because all I can see is a couple of lines from a media release. Is there more of a holistic piece of information that is made public for people to be able to see?

The Hon. C.J. PICTON: I will take that on notice, but it certainly is available in the media releases that we have released.

Mrs HURN: How many additional 000 emergency dispatch officers are to be recruited? How many will be recruited in each of the next four financial years?

The Hon. C.J. PICTON: As part of our additional investment commitment, we have committed to 10 additional emergency dispatchers in the 2022-23 financial year, then that increases to 15 in the 2024-25 financial year.

Mrs HURN: I refer to Budget Paper 5, page 52. Can you explain why the budget allocation for 350 more paramedics and ambulance officers is \$16 million more than Labor's election commitment?

The Hon. C.J. PICTON: The reason is that there were 51 paramedics and ambulance officers that the previous government committed to. The previous minister told the parliament that they were in the Mid-Year Budget Review, but it turned out that that was not the case so they have been included in this package as well.

Mrs HURN: On that, would you concede that over the next four years it is actually 475 paramedics and ambulance officers that need to be recruited, taking into account the 125 paramedics and ambulance officers that the former government committed to, that is, there were 47 in the budget and the 51 that were announced, plus the 350 that the new government has promised—that is 475. Is that still the target? I suppose the question is: is the 125 of the former government taken into account?

The Hon. C.J. PICTON: No, I cannot confirm that. Essentially, you are combining a few different things there. You are combining 74, off the top of my head, that previously occurred or is in the very late stages of occurring now.

Mrs HURN: Was budgeted for.

The Hon. C.J. PICTON: The 51 was never budgeted and now we are delivering 350.

Mrs HURN: Would you therefore say that actually this new government is only committed to delivering 276?

The Hon. C.J. PICTON: Is 276 the number of paramedics? So 278 paramedics we are committed to and then 72 ambulance officers, adding up to 350.

Mrs HURN: So that is on top of what was already budgeted for by the former government, which is 74 paramedics and ambulance officers?

The Hon. C.J. PICTON: Yes.

Mrs HURN: So that is on top of.

The Hon. C.J. PICTON: That is on top of the 74, correct.

Mrs HURN: And on top of the 51?

The Hon. C.J. PICTON: No, because the 51 was not in the budget.

Mrs HURN: Budget Paper 5, page 52: has the SAAS Code of Conduct been updated or reviewed following the state election in March? Is it underway or is there expected to be a review?

Ms STINSON: Sorry, just a point of clarification about which budget line we are up to at the moment.

Mrs HURN: Yes, Budget Paper 5, page 52, in relation to SAAS.

The Hon. C.J. PICTON: I am not sure how this question relates to 350 more paramedics and ambulance officers.

Ms PRATT: SAAS new stations, Budget Paper 4, Volume 3, page 15, ambulance station boost: what is the expected cost for each new ambulance station? For the sake of the record, I will list them: Norwood, Edwardstown, Golden Grove and Woodville. What FTEs are expected to be created from each project?

The Hon. C.J. PICTON: The exact project planning work is starting now in relation to those stations, or has already started, I should say. It will inform the exact breakdown between those different sites. However, I can outline broadly, in terms of the different categories of station, the allocation of funding that has been provided:

- \$29.6 million has been allocated to build new ambulance stations across the four priority areas of Edwardstown, Golden Grove, Norwood and Woodville;
- \$20.4 million is allocated to rebuild four ambulance stations in Campbelltown, Gawler, Mount Barker and Victor Harbor;
- \$7 million has been allocated to upgrade 10 ambulance stations in Aldinga, Elizabeth, Goolwa, Keith, Mallala, Marion, Mount Barker, Peterborough, Wallaroo and Whyalla; and
- \$9 million has been allocated to purchase an additional 36 ambulances.

In addition, there is some recurrent funding of \$400,000 in 2024-25, increasing to \$800,000 per annum from 2025-26, in relation to the operation of the four additional new stations in the high-priority areas.

Ms PRATT: I have a supplementary on that: could the minister provide a breakdown of the works, specifically the completion dates for the 10 upgrades that you mentioned? What are the completion dates for those stations, please?

The Hon. C.J. PICTON: I am happy to take that on notice. Essentially, we are undertaking the detailed planning works now that will inform the exact completion dates. We are also trying to align this work with where we would have priorities for additional crews to go; hence, there may be some areas in which we would want to start sooner rather than later. Particularly, some of the metro sites would be high-priority issues for us to provide additional capacity to. That work is being done at the moment to try to align where we are seeing additional crews with the work that needs to take place in terms of the planning for those sites. We want to make sure that we get them as soon as possible, basically, but in a way that aligns with those ambulances.

I should say, while we are in the process of constructing some of the additional capacity, that that is not necessarily delaying us from bringing additional crews on. In the next month or so, we will be starting, for instance, the nominal new crew for the Norwood area. Obviously, we have not yet built a new Norwood ambulance station, so that crew will be starting out of the Parkside Ambulance Station and will ultimately transfer to the new Norwood ambulance station when it is completed.

Ms PRATT: I note—with the member for Chaffey sitting alongside me—that the Riverland is poorly represented in the three sets. Just a final question: does the minister anticipate that any of those stations that are existing would have to temporarily close or have their facilities impacted during the works?

The Hon. C.J. PICTON: I am happy to take that on notice.

Mrs HURN: I have my budget line now in relation to the SAAS Code of Conduct and whether it has been updated or is in the process. Thank you for so diligently following the process, minister.

The Hon. C.J. PICTON: Happy to assist.

Mrs HURN: On Budget Paper 4, Volume 3, page 60, has the SAAS Code of Conduct been updated or reviewed following the state election in March?

The Hon. C.J. PICTON: I will take that question on notice.

Mrs HURN: I would appreciate if you could also take on notice if it is expected to be reviewed, if it is not currently underway already.

The Hon. C.J. PICTON: I will also take that question on notice.

The Hon. D.R. CREGAN: I take the committee to Budget Paper 4, Volume 3, page 15, the same line item as referenced by the member for Frome, ambulance station boost. The budget statement proposes a rebuild of the Mount Barker Ambulance Station. Will this occur on the existing site or on a greenfield site?

The Hon. C.J. PICTON: As the member will be aware, the Mount Barker Ambulance Station is on a very cramped site as it is and so I think the likelihood of that happening on the existing site is near zero. We are doing some work urgently with Renewal SA, also talking to the city of Mount Barker in relation to potential site options. I am aware that the local council has had a desire for an

emergency services precinct in the area. That is certainly one of the options that we will be considering. We have started some discussions, I understand, between officers and the council already in relation to whether that could be a site.

This is a high-priority site for us but it is also one where we know there will be growth in the future. Having a site with sufficient space is going to be important if they might need to expand in the future. We also know that, when planning ambulance sites, it is important to consider a range of factors, including accessibility to major transport routes and the like.

One of the issues that the paramedics and ambulance officers in Mount Barker have raised with me is that the current site located sort of in the middle of town sounds ideal but actually can be problematic in terms of their access in and out when they need to rush to a job that is not within the township or the city of Mount Barker because you are rushing through the inner city area, which probably is not ideal.

The Hon. D.R. CREGAN: That was a very comprehensive answer and in fact has absorbed the subject that I was going to develop further. I hope it will not offend the member for Schubert if in consequence of that very substantial answer I move to the Gumeracha hospital—

Mrs Hurn interjecting:

The Hon. D.R. CREGAN: Thank you, member for Schubert. I acknowledge her graciousness in including me in an invitation to participate in a community forum on 26 July. Minister, you will know that this is a significant issue for both myself and the member for Schubert. Our communities depend on the hospital. Are there any plans to reopen the Gumeracha emergency department?

The Hon. C.J. PICTON: Thank you very much for your question on this. I can inform the member and the committee that it has now been over 650 days that the Gumeracha emergency department has been closed, which is obviously of concern to that community. This was closed a few years ago under the previous government. It is unfortunate for that community that the previous government did close that facility.

I have been repeatedly raising this issue, as well as other emergency departments, with the Barossa Hills Fleurieu Local Health Network CEO and only again in the last week. This is clearly an issue where the now limiting factor is in relation to the medical workforce. This is, I am sure everyone would agree, a small emergency department that was provided support for its life by local general practitioners.

Local general practitioners are in an unfortunate situation where, under the commonwealth rules for payments and support for regional general practitioners, they are just outside the line in which additional support would be provided. This has meant that it is harder for them to recruit additional staff. I understand from discussions that they have had with the local health network that this is one of the key limitations on them providing continual services to support the reopening after its closure of the Gumeracha emergency department.

This is something where I am keen to work with members. I know you have raised this with me, and I am looking forward to further discussions with you and also community campaigners around this issue. I spoke recently in the last few days with Joel Taggart, who has been somebody who has been campaigning on this issue. I believe we are meeting soon also with local doctors, who I have met with just prior to the election, on what options are available in terms of: could this closed emergency department under the previous government be reopened and services provided to that local community?

There are also a number of other emergency departments that are in this category as well. One of the other significant ones that we are looking at is Strathalbyn, where we are clearly making a commitment from our election commitments in additional paramedics into the Strathalbyn region, where there are only volunteer services provided, which is fantastic. The volunteers do a great job, but given the busyness of services we are now going to provide additional crewing into that area as well.

Ms STINSON: Budget Paper 4, Volume 3, page 30: South Australian public hospitals are obviously facing a difficult winter with pressure from COVID and also flu cases, plus the usual winter

demand, as well as the impact of being under-resourced over the past four years. How are commonwealth funding arrangements impacting on South Australian public hospitals?

The Hon. C.J. PICTON: Thank you very much to the member for the question. This is a really important issue, because we know that there are issues in terms of the funding that we receive from the federal government. This is an area where there were arrangements in place under reforms a decade ago that have since been abandoned, and that has a real impact in terms of the funding that we receive as a state government and therefore how many additional services we can provide.

If we had additional funding—and we have made this commitment very clear publicly, that we would provide any additional funding that we get from the commonwealth government straight into additional health services on top of our already additional health budget that we are putting in place. Across Australia, funding for public hospitals is a shared responsibility. Unfortunately, we have had previously a blunt funding instrument that was in place. It did not recognise growth for demand for services.

The previous Rudd-Gillard governments implemented a reform process that made sure that the commonwealth was an equal partner in terms of funding hospital services. That national health reform funding agreement, which was struck by the Gillard government and states and territories, introduced activity-based funding for hospitals to set the commonwealth contribution at 45 per cent of efficient growth by 1 July 2014 and up to 50 per cent from 1 July 2017. This reform meant that hospitals would be funded by the commonwealth based on their activity.

Unfortunately, what we saw was that the Abbott Coalition government, upon election, subsequently scrapped the increase to 50 per cent and capped the commonwealth contribution at 45 per cent. This has had a profound impact on public hospitals. In addition, they put in place a funding cap, that only 6½ per cent growth in funding could happen in a particular year.

That change to the funding arrangements has meant that South Australian hospitals have lost out. This was something that I was very keen on upon forming office, that we get the report, as part of the incoming government brief, on what exactly has that meant for our public hospital system. The answer is pretty shocking, I think.

I am happy to reveal this to the committee for the first time, which is that between 2017-18 and 2019-20 that change in funding arrangements meant that South Australian hospitals missed out on \$426.1 million of funding that would have otherwise gone to our healthcare system if we had increased that funding to 50 per cent. That is the equivalent of 68,286 admitted acute separations or 540,208 emergency department presentations.

Additionally, as I said, the Turnbull government introduced a cap on commonwealth hospital funding, meaning that the states and territories were solely responsible for funding beyond 6.5 per cent growth in hospital costs. In 2018-19, hospital costs in SA increased by 9.1 per cent, meaning that South Australian hospitals missed out again on \$34 million in commonwealth funding that financial year. Therefore, we were missing out on \$426 million plus missing out on \$34 million. That is a lot of extra hospital beds, doctors and nurses that we could otherwise be providing.

I am very delighted that, as we are meeting here today, national cabinet has been meeting and health has been a top priority at that meeting. I am very excited that there has now been agreement in terms of a new process of health reform between the states and the commonwealth. It is looking at not just funding arrangements but also the other issues that impact upon our hospitals that are impacted by the commonwealth, particularly workforce, as we have talked about extensively this afternoon, but also aged care, NDIS and primary health care. They are key contributors to pressure on our hospital system.

Ms PRATT: Minister, returning to the rural general practitioner fee-for-service agreements, I refer to Budget Paper 4, Volume 3, page 58 in reference to the Yorke and Northern LHN, close to my heart. Given that the minister has referenced Gumeracha and Strathalbyn in a previous answer, what rural GP fee-for-service agreement contracts are outstanding and, where LHNs and hospitals cannot finalise an agreement, what steps can you as the minister take to resolve this critical issue for communities?

The Hon. C.J. PICTON: I am very happy to answer this question because this is a concern to me in how stretched out this process has been over the past couple of years. This is something that regional general practitioners raised with me repeatedly before the election in terms of their concerns about how long the previous government dragged their feet on resolving a funding agreement. Sadly, we saw during that process a number of fantastic general practitioners leaving their regional health services. I am sure you would agree on how difficult a regional GP is to replace from many country locations.

As the member is also aware, the previous government put in place a network of six different regional local health networks, who all report to their own governing boards. How that process is managed is set out in the legislation. Each of those boards employs a CE, and each of those CEs negotiates with those hospitals. To be honest, we see some local health networks who have been making great strides in working with their local general practitioners. My role is encouraging all the local health networks to make sure that their relationships with their local GPs are as good as possible, making sure that we connect with them and value their role in the system.

The contractual relationship is one important factor but it is not the only factor. We need to make sure that they are key allies, key contributors and key partners in our work across our hospital system. Certainly, the message that I will have for our boards and CEs across these six local hospital networks is to work much more closely with our general practitioners.

Ms PRATT: If I can just repeat, the question I am seeking an answer to is: what contracts are you aware of that are outstanding to be resolved? I understand that you are going to continue working with them, but you will appreciate that, in my role as shadow regional minister, I am keen to see a statewide overview beyond Frome. That is my question: how many?

The Hon. C.J. PICTON: I will take it on notice to get the exact answer of which ones are outstanding, but I know that there has been a lot of activity to make sure that these agreements get finalised. Certainly, I have been encouraging to make sure that they get finalised as soon as possible, because, as I said, it is one component, not the only component, of our relationship between GPs and our hospital network, but it is a very important one. It is not something that the department controls centrally, because it has now, under the previous government's reforms, devolved to the six different networks in terms of their local decision-making and local contractual arrangements. We will seek that information and reply to you.

Mrs HURN: With respect, minister, you are saying as soon as possible a bit today. I do say that with respect, but in this instance does as soon as possible mean by the end of this year, in the next few months? Can you guide local communities who will be very interested in your answer? What does that mean for them?

The Hon. C.J. PICTON: As I said, I will get an answer in terms of the exact breakdown of each different hospital network where there are outstanding agreements in place. I would expect these to be resolved definitely this year, if not much sooner, to make sure that we have those agreements in place. However, there may be complicating factors outside of our control in a particular local area that we will have to look into.

I, from my perspective, want them to happen. I would have much preferred, to be honest, this happened a year ago, or two years ago. That has not been the case. These negotiations dragged on for a significantly long period of time. This was something that was heavily criticised by the Rural Doctors Association and the Australian Medical Association. They put out some scathing statements in relation to how this process was managed and in relation to the delays that happened for resolving these agreements. There is now a central agreement across the board, which I am thankful for. It now needs to be operationalised at each local level, and I will seek that update that the member has requested.

Mrs HURN: I am certainly pleased to hear that you have been in touch with Joel Taggart in relation to Gumeracha, so thank you for doing that off the back of the *Courier* article. I will be very pleased to make myself available at any stage for a meeting as well, because this is an issue that does concern my local community.

I refer to Budget Paper 4, Volume 3, page 60. I would like to ask a question in relation to the Premier's ride in the ambulance on 4 June. Can you confirm whether that media appearance was booked in before or after learning about the worst ramping stats on record for the month of May?

The Hon. C.J. PICTON: I will have to take that on notice in terms of when exactly the Premier's experience of seeing how our frontline healthcare workers operate and the pressure that they are under was booked in by the Premier's office. I suspect that it was much earlier than we received any particular information in relation to that month's transfer of care data.

Mrs HURN: Thank you for taking that on notice. What steps were taken to protect the privacy of sick patients during the Premier's ride with the SAAS crews recently?

Ms HUTCHESSON: Which budget line is this?

Mrs HURN: Budget Paper 4, Volume 3, page 60, relevant to South Australian Ambulance Service.

The Hon. C.J. PICTON: I am not sure that the—

The CHAIR: Is this a budgetary issue?

Mrs HURN: It is related to SAAS, which is funded out of South Australian Ambulance Service, so I would argue that it is.

The CHAIR: It sounds like—

Mrs HURN: Thank you for your indulgence, Mr Chair.

The Hon. C.J. PICTON: I think it is a bit of a stretch to connect that with the budget. However, I can assure the member and the committee that the Premier was at pains to make sure that he followed any and all requirements placed by SAAS to make sure that patient confidentiality was protected and to make sure that all appropriate operational procedures were in place, and certainly made sure that he followed all appropriate instructions from SA Ambulance. I think it is really important that leaders of the government are not just receiving paper briefings and not just receiving minutes and letters about what is going on but actually see what is going on themselves. That is something that the Premier and I share an opinion on.

The CHAIR: There is plenty of scope in question time for questions of this nature, so if we bring it back to something more specific in relation to the budget that would be good.

Mrs HURN: I will move on. I feel as though I have my answer out of that little media appearance, so I will move on now to Budget Paper 4, Volume 3, page 16. The completion of the new Women's and Children's Hospital has been delayed by 15 months. Can the minister outline the reasons for the significant delay on this program?

The Hon. C.J. PICTON: I would be very happy to outline the delays that we have seen, unfortunately, on this program over a long period of time.

Mrs HURN: Specifically to the 15 months that has been outlined in this one.

The Hon. C.J. PICTON: The member says 15 months, but unfortunately this has been delayed many more years than that because the original time frame announced by the previous government for this project was that this project was going to be completely open—

Mrs HURN: We can have the history lesson all the way back to 2010, minister, but the specific question is just about the 15-month delay.

The Hon. C.J. PICTON: As I said—

The CHAIR: We have provided you with latitude as well, so I will give the minister some latitude.

The Hon. C.J. PICTON: Thank you, Chair. As I said, the previous government committed to this project being complete in 2024. For a project of this scale to be open in 2024, there would be cranes in the sky, there would be concrete settling and you would have to be getting pretty close to

the finish of major construction works. That is obviously not occurring. There are no construction works happening on the site, and we have seen delay after delay in terms of this project.

When you look back, there were significant delays that occurred after the task force report was presented to the government. It was basically a year, in 2019, when not very much happened, when that was being considered before the next steps occurred. As we know from briefings that have been released publicly, back when that task force report happened the estimates were that the hospital would cost \$1.4 billion. That clearly is not the case now: it is going to be in excess of \$2 billion and it is subject to continual delays in terms of time frames for the project.

Upon forming government, we were informed of the escalation of the project in terms of its price increasing. There had been briefings to the executive steering committee prior to the election in February that there had been at least \$100 million of additional cost in the program, and we were advised that there had been more delays in the program. At that stage, as an incoming government, we made an appropriate decision that we needed to take stock of where this project was up to and if there were other options that should be considered, particularly in terms of the site.

The site is very constrained, and the constrained site leads to a lot of the complexities that have no doubt led to the cost escalation and the delay in the project. The team that has been working on this are fantastic people and they are doing a great job, but they are working with a very difficult set of circumstances in being able to manage this project.

We made the decision that it was appropriate to have a good look at where this project was up to, to bring in some external expertise to look at whether there could be other sites in the precinct that could be considered, to look at what the real scale was, in terms of the cost and the delay of the project, and to consider the project site, the cost and the time frames all in terms of each other.

That work has now been led by Jim Hallion, who is one of the foremost former public servants in the state, a former chief executive of transport, a former chief executive of Premier and Cabinet and a former State Coordinator-General. He has been doing a great piece of work with our team looking at those sites. We will be considering what the best option is for taking this project forward to make sure that not only do we get the best outcome in the short term but that we get the best outcome in the long term for the state. One of those key factors is making sure that there is expansion capacity available at both the Royal Adelaide Hospital and the Women's and Children's Hospital into the future.

Ms HUTCHESSON: I refer to Budget Paper 4, Volume 3, page 134, provision of management across government services. How has the new Across Government Facilities Management Arrangements contract, signed by the former government, impacted South Australian public hospitals and patients?

The Hon. C.J. PICTON: Thank you very much to the member. Unfortunately, there have been significant issues in relation to the privatisation through the facilities management arrangement to Ventia, as we saw happen under the previous government. During July 2021, the former government awarded a contract for Across Government Facilities Management Arrangements to Ventia as a single service provider that commenced on 1 December 2021.

They are responsible for providing key facilities management across South Australian public hospitals, in both metropolitan and regional areas, as part of this contract. Unfortunately, I have been briefed in relation to the number of issues in relation to how this is being delivered. I was advised that, since December last year, there has been widespread and continued dissatisfaction across SA Health about this new contract and service provider and the impact that it is having on critical hospital facilities, assets and staffing.

I am advised that there has been poor performance in responding to urgent and priority breakdown maintenance at hospitals. Unfortunately, only 52 per cent of priority 1 maintenance requests, which are the most urgent, are completed within the agreed time frame established under the contract. I have been advised that on some occasions, clinical staff have been forced to deal with maintenance issues on weekends and out of hours, where breakdowns have occurred on hospital sites because of delays in Ventia responding to urgent priority 1 and 2 emergency calls seeking assistance.

Clearly, this distracts clinical staff from focusing on their core role of providing patient care. There have been examples provided to me by local hospital networks where critical assets requiring urgent maintenance and repairs have not been attended to within the specified contract time frames, including blocked sewer pipes within the ward, blocked drains, automatic door faults within an emergency department, combi oven breakdown in a hospital kitchen, fire door hardware repairs, toilet blockages, hot water service faults and air conditioner outages.

As well, I have been advised that routine and preventative maintenance servicing on critical assets is not being appropriately scheduled, performed or validated to ensure that legislative compliance requirements are being met. This includes work on hospital passenger lifts, fire systems, and electrical and mechanical infrastructure.

Local hospital networks have advised a number of further incidents where the facilities management service provision, including critical and often urgent breakdowns of equipment and assets, is not attended to within the contract time frames: preventative maintenance on infrastructure and assets not being undertaken within the month it was due, and often claimed as completed, with limited supporting information or financial reporting; trade contractors having non-qualified staff and subcontractors undertake preventative maintenance on fire prevention systems; delayed provision of the proposed 2022-23 service delivery maintenance plans; minor works projects being delayed, not within the allocated budget and not within the required time frames, which presents risks of deferred or lost funding or important projects not being completed in alignment with the service need; provision of trade quotes taking excessive time; and local health network staff undertaking additional activities and responsibilities that should be undertaken by Ventia.

Under the previous facility management arrangements Flinders Medical Centre, which had ageing infrastructure and significant maintenance needs, was provided with a dedicated service, with 24/7 responses to facilities management issues by the Department for Infrastructure and Transport. This service ceased being provided by DIT and was not included in the new contract. I am advised that the Southern Adelaide Local Health Network has negotiated an interim solution with Ventia for a service that will support FMC's ageing infrastructure.

The department has advised that, across our hospitals, this contract poses a risk of adverse events, increased infrastructure and asset failure, increased financial impacts and, more importantly, impacts to risk to staff retention and wellbeing. SA Health is regularly communicating with the Department for Infrastructure and Transport on concerns, and ongoing meetings are occurring with Ventia to seek improved facilities management outcomes across our hospitals.

Unfortunately, this is yet another example of an issue that we have inherited from the previous government that is causing significant concerns within our hospital system and yet another example of privatisation not being the answer to addressing the service functions that should be provided within our own Public Service.

Mrs HURN: I refer to Budget Paper 4, Volume 3, page 17 and the line item of small projects. Can you outline the details of these projects? What are the projects and what are the projected time lines for those projects?

The Hon. C.J. PICTON: I think we will take that on notice.

Mrs HURN: That would be excellent, thank you. As the local member, it would be remiss of me not to ask whether one of those is indeed the Barossa hospital?

The Hon. C.J. PICTON: The member will be glad to know that the Barossa hospital is not included in the small projects.

Mrs HURN: It is a big project.

The Hon. C.J. PICTON: We see it as much bigger than fitting in the budget in small projects.

Mrs HURN: I am so pleased that you confirmed that. Thank you very much, minister. I would like to move on to Budget Paper 4, Volume 3, page 16, so not too far to move. Is the minister committed to building a single, integrated Women's and Children's Hospital to replace the current Women's and Children's Hospital?

The Hon. C.J. PICTON: Yes, that certainly is the government's policy objective. Obviously, we are going to be considering work from Jim Hallion's team, in terms of looking at all the options, but that certainly is our objective in terms of a consolidated service.

Mrs HURN: Can the minister confirm that patients needing transfer, retrieval or an adult ICU from or to any clinical part of the new Women's and Children's Hospital will not need to use ambulance transfer to get access?

The Hon. C.J. PICTON: Looking at the transfer between the Women's and Children's Hospital and the Royal Adelaide Hospital, in whatever form, whether the current proposed site or any other site, the means in which that would happen is certainly a key criteria, in terms of assessing that project, as well as considering all other clinical elements of the project.

Mrs HURN: Can the minister confirm that it is the government's position that the Parklands north-west of the railway line are available to be used as part of the new Women's and Children's Hospital build, as proposed by the Marshall government?

The Hon. C.J. PICTON: Do you mean where the car park was proposed to be?

Mrs HURN: Yes.

The Hon. C.J. PICTON: Certainly, we are not proposing that that would not be considered as part of where the site will be, if that is what you mean.

Mrs HURN: If you could also please advise: are there any services or units that the former government proposed to have on the railway yard site that are now being considered to be located elsewhere? I am referring to things like admin or outpatient clinics or gynaecology, for instance.

The Hon. C.J. PICTON: I am not entirely sure that the question was correct in that my advice is that that was not necessarily what was planned to be on that site under the previous government, but I think it is fair to say that we are looking at every possible reasonable option in terms of a site in that precinct and the pluses and minuses of it in terms of what services could be provided.

One of the key issues that leads us to the point where we are doing this piece of work is in terms of, as I said, that site and its restrictions, which has meant that, with a number of factors, there have needed to be compromises, including that, upon forming government, the plan was to include at least 160 staff who are currently on the Women's and Children's Hospital site involved in the SAHMRI 2 building, the Bragg building, which will be quite disconnected from the Women's and Children's Hospital. So all of these factors in terms of the staffing across the board in terms of where they will be located and the pressure on that site clearly need to be considered.

Mrs HURN: The crux of the question was whether the government is exploring alternative sites for part of the Women's and Children's Hospital, so whether there would be other services, for instance, that were to go, say, at the Lyell McEwin Hospital, whether it would be a hub and spoke model of the new Women's and Children's Hospital—that was the crux of the question.

The Hon. C.J. PICTON: A hub and spoke model is not under active consideration. The previous government's clinical planning was very clear in terms of saying that growth in terms of hospital services would be provided at other hospitals, whereas we have been clear that we need to provide for growth in the new Women's and Children's Hospital site, not just in other hospital sites, bearing in mind that those other hospital sites, such as the Lyell McEwin Hospital, were not funded in terms of any projects happening there either.

Mrs HURN: Since the beginning of this year has the steering committee of the new Women's and Children's Hospital sought an increase to the project cost and sought increased funding?

The Hon. C.J. PICTON: I will take that question on notice, but clearly we have been doing this work with Jim Hallion, as I have said, which is looking at the cost of the current project. Clearly, we have come in with a lack of confidence that what was in place was necessarily the full picture in terms of what the costs would be.

I think the Treasurer outlined this very clearly on budget day as well, that we need to do a proper assessment of what is the cost of this project and then consider that versus other options that

may be available within that site, within that broader precinct, in terms of where the location of the hospital could be and whether that may lead to any additional benefit from an alternative proposal within the broader precinct once we get a proper picture of what the exact likely cost of it is on that site.

Mrs HURN: I refer to the review being undertaken by Jim Hallion. What is the time frame of completion for that review?

The Hon. C.J. PICTON: This is something where we are wanting to make a decision quickly, but we also want to make sure we get this work right. This is something where cabinet is involved, through a subcommittee of cabinet, in terms of assessing the work. We have had a number of briefings already and we will have more briefings in the future, but we have pretty rapidly started this work.

We need to pretty rapidly work out the approach to make sure that we can resolve what has been a project that has not landed in terms of its final plan for a number of years and to make sure that we not only land what is going to be a good outcome for now but what will be a good outcome in 10, 20, 30 or 40 years' time, ultimately, in terms of not only the services at that hospital site but also future expansion capacity that may be necessary.

Mrs HURN: Just following on from that, on 3 June on the ABC you did report that the review would provide advice in the next few weeks. I am wondering whether we can expect that next week. It is in relation to Budget Paper 4, Volume 3, page 16. Given that the question was answered in relation to the review, I imagine there is no problem answering a question in relation to the time frame.

The Hon. C.J. PICTON: I will take on notice the exact time frame.

Ms PRATT: I refer to Budget Paper 5, page 55, public health functions. Is Tom's Court still operating as a medi-hotel?

The Hon. C.J. PICTON: Tom's Court is the last premises we have in relation to the quarantine program. We recently exited the Pullman hotel in Hindmarsh Square, and we have retained Tom's Court, which is one of the smaller facilities we had, but it is also one that was dedicated to higher level needs in terms of COVID-positive patients being accommodated there.

We have a contract with Tom's Court that runs for a little while to come. We do not currently require people to be in that facility, but we have a number of months to go on the contract. With all these public health functions, we are obviously considering not only what the need is right now but also what the need might be in the future if there were to be changes in the unpredictable face of this pandemic.

One piece of work that is underway is by the police commissioner, Grant Stevens. He is looking at our various COVID functions and how we can make sure that we will be able to stand things up in the future, should there be the requirement from particular variants or particular waves that would need further quarantine facilities to be in place. Another thing to mention in terms of quarantine facilities is that we have had regional quarantine facilities in place. This has been an arrangement that has been in place with Humanihut, which have been providing services. They have had a facility in Port Augusta and a facility in Ceduna, and I can give you some information on that.

The Emu Farm and Press Road centres have been provided through a consortium with Humanihut. The model has been supported by SA Health staff. The Press Road site accommodated 269 guests. The Emu Farm site accommodated 222 guests. Demand for the site has now reduced following the cessation of the declaration of a major emergency. The site is being decommissioned following the departure of the last guests on 25 May 2022. In relation to the Press Road site, that has significantly decreased in line with in-community management of COVID-19 and that site is now decommissioned.

Ms PRATT: Minister, when does the contract with Tom's Court expire? Are you saying that there are currently no patients, guests, clients in the hotel?

The Hon. C.J. PICTON: We will take on notice the exact month. I think it is still a few months to go. Correct, there are no requirements for people to be in that facility at the moment.

Ms PRATT: Finally, can you detail how many staff would be employed in maintaining the building while it is under contract to the government—hotel staff, SA Health staff, police?

The Hon. C.J. PICTON: When there are no people being accommodated there, there is no need for SA Health or other SAPOL, etc., personnel to be there, so they have been returned to other duties. Obviously, the people who work in the hotel will still be employed by the hotel but, in relation to our staff, they are not actively at that site. If we needed to have them there, then obviously we would.

Ms PRATT: My question is: how many staff are employed to service an empty building with no SAPOL, no SA Health staff present? It is contracted to the government, but the hotel would still be providing property managers, cleaners, repair people as part of the contract.

The Hon. C.J. PICTON: I will take that on notice, but certainly we do not have any people there and we do not have any staff there. We are not providing staff from our SA Health operations for zero people. If we need to use that site, then we will bring back staff to manage it and make sure appropriate quarantine facilities are in place. We have gone from eight different hotels down to one, so that has been a very significant change, and including two different regional facilities that were in operation.

We are down to the last hotel for the last few months of the contract, and we are now putting in place arrangements in terms of how we can stand things back up if we need to in the future. I think that is the appropriate course for us to take in relation to a relatively unpredictable course of the pandemic.

Ms PRATT: Finally, would it be the government's intention to extend that contract?

The Hon. C.J. PICTON: I do not believe so, no.

Mrs HURN: I move to Budget Paper 5, page 56. In relation to the Flinders Medical Centre upgrade and expansion, I was interested to note that this budget lists the FMC and the Repat projects jointly. Why was that done?

The Hon. C.J. PICTON: Yes, this is a very exciting development in that we will be partnering with the commonwealth government for a major rebuilding operation of Flinders Medical Centre. There is an associated element of that, which is an upgrade of the Repatriation site as well. A key part of making sure that you can upgrade the Flinders Medical Centre on its existing site is making sure we have some additional other capacity in the system as well, and so to decant some space from Flinders Medical Centre we will need an additional 24 beds at the Repat to do that. That is why that is part of that project.

The whole project in entirety is 160 beds, of which there are 136 at the Flinders Medical Centre site and 24 at the Repat site. They will involve the recommissioning, or essentially the gutting and refurbishment, of a number of disused wards—I believe where there used to be ICU and other facilities—at the Repat to make sure we can provide modern accommodation. This is something that we are looking to get cracking on immediately. It is not without difficulty in terms of a heritage site, as all the works at the Repat have had to encounter so far, but we are excited that this will be a component of those works.

Then at the Flinders Medical Centre, the key components will be a new clinical building to be constructed, as well as additional facilities to be built on top of one of the more modern facilities that is built at Flinders Medical Centre, as well as some refurbishment within the hospital itself. Importantly, this is really stage 1 of what needs to be a whole series of works at Flinders Medical Centre, which is now overall one of our oldest pieces of kit in terms of the metropolitan hospital system.

It has not necessarily seen as much refurbishment as other hospitals in the metro area have. It is celebrating 50 years of operation next year. What has been apparent in the last few years at Flinders is (a) the lack of capacity that it has and (b) the facilities in terms of things like single rooms. The Royal Adelaide Hospital and Lyell McEwin Hospital, with more up-to-date modern facilities, have been much better geared up to manage COVID-19 patients rather than what we have seen at Flinders, where there unfortunately has been spread of people contracting COVID-19 within the facility.

I know that has been something of great concern to the local hospital network board. Mr Mark Butcher has raised this with me as a key concern, and it was certainly one of the drivers that we looked at as part of why we would prioritise getting this redevelopment underway.

Mrs HURN: A quick question on Budget Paper 4, Volume 3, page 30: what portion of income at CALHN is hospital car parking for staff and what is the actual cost? If you could provide a monthly breakdown—I understand you may need to take that on notice—that would be helpful.

The Hon. C.J. PICTON: Our chief financial officer knows most things but was not able to remember this exact figure off the top of his head—

Mrs HURN: He is forgiven.

The Hon. C.J. PICTON: —so I will take on notice to get an answer for you.

Mrs HURN: That would be helpful, thank you.

Ms PRATT: I refer to Budget Paper 4, Volume 3, page 21, a target of commencing demobilising in regard to vaccination programs. My question is: where the budget declares your government will commence demobilising the vaccination program and transitioning services back to LHNs, what does this mean for the vaccination and testing of clinics around South Australia; and could you please provide a breakdown of the staged demobilising statewide? For example, we note one in Berri will be closing.

The Hon. C.J. PICTON: There are a couple of different things wrapped up in that question. Firstly, I think the budget line you are talking about is about vaccination rather than testing. Certainly, I can say in relation to vaccination that all these clinics were scheduled to be demobilised as of now. When we came to government, plans were in place for them to close within a matter of a couple of months. We made a decision to extend them for a period to try to increase our vaccination rate even higher.

Obviously, it is fair to say that the vast majority of people in South Australia have been vaccinated. The vast majority have one, two and now three doses of the vaccine and a significant number of people have now come forward, fantastically, to get their fourth dose of the vaccine, so we are seeing a reduction in demand for vaccination clinics. At the same time, we are seeing an increase in availability of vaccinations through general practice and pharmacies as well. While that was an element of the program that was slower probably to stand up originally than some of the mass vaccination sites, we are seeing demand where people are finding it easy to go to their pharmacist to get a vaccine rather than having to go to a mass vaccination site.

Clearly, there needs to be a phased process of how we reduce capacity and our staffing allocated to it to meet what actually the demand is for people coming forward, bearing in mind that the vast majority of people have done so already and that those who have not may not necessarily do so. Therefore, we are doing a lot of work between the department and the local hospital networks around what facilities and what mobile clinics we may need to have in place into the future. It clearly will not be to the extent of huge vaccination hubs where hundreds of people are getting vaccinated at the same time because, simply, the vast majority of people have already done that.

Similar to what I said previously, there may well be an additional need for vaccinations into the future. Part of this work that you are referring to and the budget refers to is connected to that work being led by the police commissioner on how do we make sure that we learn all those procedures and lessons that we have had in place for the past couple of years on how we can stand these things up if we need to. If there is a new vaccine that comes out for a particular new variant, for example, or additional requirements for vaccinations, how could we stand things up to meet the demand if they could not be met through general practice and pharmacies? That is the work that is underway at the moment.

Mrs HURN: I refer to Budget Paper 5, page 56. Is the government committed to honouring the partnership with Nexus to deliver elective surgery at the Repat?

The Hon. C.J. PICTON: I understand that there was a contract or an agreement with a contractual legal basis that was signed by the previous minister either the day before caretaker or a couple of days before caretaker was entered into, and so that is clearly binding on the Crown. I have

not sought to change that arrangement. I think this is something that we will look into in time as to whether we are getting the best deal out of that arrangement that was put in place by the previous government, but we are not necessarily looking to tear up that arrangement and that contract that was signed by the previous minister just before caretaker was entered into.

Mrs HURN: Budget Paper 5, page 55, which is just COVID public health functions. What impact has the COVID booster advertising campaign had on the uptake of COVID booster shots?

The Hon. C.J. PICTON: Absolutely right, we have run a very important campaign to try to encourage people to come forward—and we are not calling it a booster dose, we are calling it their third dose, because it is important to make sure that people know that it is not an optional thing, that particularly for Omicron double-vaxxed is not fully vaxxed is the key message. We are clearly targeting a very hard-to-reach group in terms of these people. These are the people who have not come forward in the first few months of this being available to do so.

We are encouraged that we have seen, I think, off the top of my head, some 27,000 people since the campaign was launched come forward to get vaccinated. We have also seen, off the top of my head, I think 91,000 people coming forward for their fourth dose since the campaign was launched as well, and encouraged by that, but it is something where it is clearly more difficult to get people in that last percentage of people to come forward and get vaccinated rather than people who were much more eager at the beginning of the program to do so.

Any time that we can spend money to help protect somebody to invest in that clear prevention activity of the vaccination program ultimately helps to prevent more people contracting, more people getting serious illness because of COVID, more pressure on our hospitals and, sadly, more mortality, and therefore it is absolutely worth it.

The CHAIR: Thank you, Minister. Our allotted time is up. There being no further questions, I declare—

Mrs HURN: There are plenty.

The CHAIR: I am sure there are. I declare the examination of the portfolio of SA Health completed.

Sitting suspended from 16:17 to 16:30.

Membership:

Mrs Pearce substituted for Ms Hood.

Departmental Advisers:

Ms L. Cowan, Acting Chief Executive, SA Health.

Mr J. Woolcock, Chief Finance Officer, SA Health.

Dr J. Brayley, Chief Psychiatrist, SA Health.

Ms M. Bowshall, State Director, Drug and Alcohol Services South Australia, SA Health.

Ms K. Swaffer, Executive Office Manager, SA Health.

The CHAIR: Welcome to this session. The portfolio is mental health and substance abuse and the minister appearing is the Minister for Health and Wellbeing. I advise that the proposed payments remain open for examination. I call on the minister to make a statement, if the minister so wishes, and to introduce his advisers. I call on the lead speaker for the opposition to make a statement, if the member wishes. I call on members for questions.

The Hon. C.J. PICTON: I will not make an opening statement, other than to introduce the team that we have for this next session. Again, Lynne Cowan, the Acting Chief Executive of SA Health, is now joined by Dr John Brayley, Chief Psychiatrist, and Ms Marina Bowshall, the

State Director of Drug and Alcohol Services SA. We have also kept on board Jamin Woolcock, the Chief Finance Officer of SA Health, and Kris Swaffer, the Manager of Executive Services, SA Health.

Mr WHETSTONE: I refer to budget Paper 5, page 58. With mental health beds, given that none of the additional 78 mental health beds foreshadowed in the budget come onstream in the first three years of the government, why is the government taking a slow-lane approach to delivering key promises?

The Hon. C.J. PICTON: I do not think a generational investment in mental health services is slow at all. We are very committed to making sure that we build these additional beds. We have 78 additional mental health beds, as you have said, but also 20 additional community mental health bed services. In relation to these additional beds, we need to build them. They do not exist at the moment.

This is something that I have been very clear about: while we have opened over 180 beds in addition to what was in place since we came to government, we are tapping out our ability to open up extra beds, but we do not have additional mental health beds, so this is something where we need to build additional capacity. That is why the budget delivers exactly that.

Mr WHETSTONE: On Budget Paper 4, Volume 3, page 13, workforce, how many unfilled positions are there in SA Health mental health services?

The Hon. C.J. PICTON: Given that covers a significant number of local hospital networks, we will need to take the question on notice, but there are clearly a number of vacancies that have been in place under the previous government. This is an issue that refers to our discussion earlier in the day around workforce planning. As I said earlier in the day, one of the key challenges we have is in relation to mental health nursing, in particular, in addition to psychiatry positions and other allied health professionals in mental health, particularly psychologists, etc.

We do see that we need train up and get into our system a lot more mental health professionals to provide this care. That is why this is something that is a key part of the workforce planning that is underway. It is also a key focus of Dr Brayley and his team in SA Health in terms of how we can utilise resourcing to improve our training and to improve the number of people we can get into mental health training and ultimately providing services to people.

Mr WHETSTONE: On the same budget line, which currently funded mental health services are not operating or are operating in curtailed form because of the lack of staff?

The Hon. C.J. PICTON: The one that I am aware of is the Southern Intermediate Care Centre. This was a service that closed under the previous government, and it was a service I am familiar with because it is in my electorate. Unfortunately, it closed under the previous government in relation to staffing issues there. I have been very keen that we take action to reopen those services, because it is a relatively new facility, and to make sure that we utilise it to provide care for mental health patients.

We did reopen that centre and provide services from that facility recently. Unfortunately, there have now been some plumbing problems there, so we have had to vacate it and undertake an urgent plumbing fix. We will then be using that service and that centre to make sure that we utilise every capacity we can in the system.

Mr WHETSTONE: Considering the current level of vacancies in the workforce, the oncoming beds and that you have said that there will be a pipeline of newly trained mental health nurses and staff, is the government confident it can deliver its mental health commitments?

The Hon. C.J. PICTON: We absolutely are committed to delivering our commitments. That is why we are treating workforce with such urgency in the mental health area—because we are going to need more nurses, more allied health professionals and more psychiatrists in mental health. Some of the commitments we made at the time were very difficult, in that we made additional commitments, in particular in child and adolescent mental health services, which is an area under significant strain.

Child psychiatrists do not grow on trees; we do not have an overabundance of them in South Australia, and that is why at the same time we announced our program for additional investments in CAMHS. We also announced \$400,000 to go into workforce planning, specifically into

that area, for child psychiatrists and child psychologists, to make sure that we can do the workforce planning and also do the proper searching, because we may well need to attract from interstate or overseas to try to increase our staffing into that service.

Mr WHETSTONE: On the same reference point, minister, are you aware of the Mental Health Nursing Workforce Strategy 2020-2030?

The Hon. C.J. PICTON: Yes, I understand that this is work that is being undertaken by the Chief Nursing and Midwifery Officer.

Mr WHETSTONE: Are you aware of what progress has been made on that strategy?

The Hon. C.J. PICTON: I am happy to take on notice the exact progress. I understand that some progress has happened in relation to that. The latest briefing I received was that some of the money has been spent, but there are still a significant number of key priorities that are yet to be delivered from what the previous government had in place under that strategy.

Mr WHETSTONE: On the same reference point, minister, what strategies will you as a minister or the government use to recruit the mental health workforce needed? Will the government rule out lowering or suspending standards for mental health qualifications required for nurses working in mental health service facilities?

The Hon. C.J. PICTON: There is certainly no desire to lower standards as the member was suggesting, but we certainly are keen to make sure that we can increase mental health training for as many nurses as possible. There are some programs, which I understand were not necessarily started under us but perhaps under the previous government as well, in which we are looking at how we can improve training for general nurses in the system with additional mental health training that would enable them to safely provide care under the supervision of other accredited mental health nurses in the system.

Another issue that has been raised with me repeatedly is how we can try to have a system where we can expose more people to what it is like to work in mental health before they have to go through the whole process of undertaking quite extensive training to become qualified, because it is a big jump to say, 'I am going to undertake a year or two-year course,' without actually knowing what it is like. We are looking at how we can concurrently provide training and opportunities for people to see if it is worthwhile and can be a very rewarding career for people. It might not necessarily be something that all the workforce has had prior experience in or awareness of that working environment. Those sorts of opportunities are definitely ones that we are looking at.

Mr WHETSTONE: Moving on to Budget Paper 4, Volume 3, page 13, nurse:patient ratios, will the government's proposed legislation to entrench nurse:patient ratios impose ratios for specialty areas such as mental health or is it only at the general level?

The Hon. C.J. PICTON: This is an important commitment that we have made to introduce this. What we are doing is really on the back of what has been introduced in Victoria and Queensland. I understand in those jurisdictions the latest advice I have is that they do not have mental health ratios in place. I think that is something that we will look at as part of the detailed implementation work before we bring a bill to parliament in relation to whether that is something that could be extended to mental health care or whether that is something that would not necessarily be part of the legislation but may well be looked at into the future.

Mr WHETSTONE: On Budget Paper 5, page 58, mental health beds, in terms of the metropolitan mental health bed commitment, can you provide a breakdown of the \$124 million of investing expenditure between The QEH, Modbury Hospital and Noarlunga Hospital? While there, can you give me a breakdown of the number of beds allocated to each hospital?

The Hon. C.J. PICTON: There are 24 beds at The Queen Elizabeth Hospital, \$53.7 million; 24 beds at Modbury Hospital, \$53.7 million; and 24 beds at Noarlunga Hospital, \$50.4 million.

Mr WHETSTONE: While we are on those particular beds, can you give me a breakdown of how many mental health beds will be operational in each site in the metropolitan area following the implementation of the additional 72 beds?

The Hon. C.J. PICTON: The short answer is it will be the current number of beds we have, plus these beds opening. We will see if, during the course of this time, we have an updated number on the number open at the moment so that we can add those two together, but, if not, I will take it on notice.

Mr WHETSTONE: What FTEs are expected to be created by this project?

The Hon. C.J. PICTON: What was the budget line again?

Mr WHETSTONE: Budget Paper 5, page 58.

The Hon. C.J. PICTON: As you can see, in Budget Paper 5, page 58, it says the 2025-26 estimate is that 153 FTEs would be created under that. Having said that, as I flagged earlier, for each project, for each one of these new wards that will be created, there is detailed model-of-care work that will need to be undertaken, not only looking at nurses and doctors but also allied health professionals and other staff who will be working in those facilities, to arrive at the exact figures. But these have clearly been estimates based on other mental health facilities, other mental health beds that are in place, as I referenced earlier, looking at efficient pricing and the staffing that goes into providing those services. The exact numbers need to follow detailed work, which will be taking place.

Mr WHETSTONE: Can you give me a time line from the start of the project to completion, so when those beds will be operational?

The Hon. C.J. PICTON: I will take that on notice to give the exact time frame of each event, but essentially concurrently with construction of the wards will be taking place work on the model of care, will be taking place work on workforce attraction and retention to make sure that when those wards are completed we will be able to staff and open them and provide those services.

Mr WHETSTONE: Can you explain if there is a process taken to ensure that the number of beds will adequately support the program, or the beds needed in the metropolitan area? So you have a number of beds; is there a strategy or is there a process that has been used to adequately cover the number needed?

The Hon. C.J. PICTON: This was work that we undertook prior to the election. These are obviously election commitments. The work that we undertook was in liaison with a number of different bodies, including the Royal Australian and New Zealand College of Psychiatrists as well as the Australasian College for Emergency Medicine, which advocated very strongly to us that there was a need for additional mental health rehabilitation beds of a less acute sector, to free up the more acute beds to make sure that people can get the care they need and reduce the access block that we see in our hospital system at the moment.

These numbers were devised with advice from those professional colleges. We were therefore very happy to make those commitments before the election, and now we are delivering them in the budget.

Ms PRATT: Minister, referring to Budget Paper 5, page 59, Mount Gambier hospital mental health beds, what factors were evaluated when considering the placement of mental health beds in Mount Gambier?

The Hon. C.J. PICTON: The number one factor was pressure on the Mount Gambier hospital. Last year, the now Premier and I visited the hospital and heard issues in terms of the number of mental health patients in the hospital there, issues within the emergency department, and we determined that we needed to take action in terms of providing additional services at that hospital site.

This is a hospital that has a six-bed mental health inpatient unit at the moment but quite often has had a history of many more patients who have been in general wards in the hospital and who have not been able to receive services appropriately. Therefore, we committed to doubling the number of mental health beds at Mount Gambier hospital. This is something which has been broadly supported by the community there, by the clinicians there. I was just in Mount Gambier last week, and they are certainly getting to work on the implementation of this, the planning of it, and making sure that we can deliver those services for the community.

Ms PRATT: Minister, can you then explain the process taken to ensure mental health services are being delivered to regional areas where they are most needed and where people are most at risk?

The Hon. C.J. PICTON: Increasing the number of mental health beds in Mount Gambier is a component of doing that, for sure, but that is not the only factor. There is clearly much more to be done. Clearly, the workforce issues that we talked about are more acute when we look at regional areas as well. Providing for the sustainability of large mental health facilities in regional areas has proved to be very difficult.

For instance, a long time ago under the previous Labor government, a mental health ward was built at Port Lincoln hospital. It is my understanding that it is still not commissioned, and that is largely because of workforce issues that have led to the unavailability of that being provided, including under the entire course of the previous government. Clearly, there are issues in terms of providing services.

One element that has worked successfully to provide services for country people is all the country local health networks working together to provide a number of services at Glenside that are dedicated to country people to make sure they can get access to services on a united basis across all those country local health networks. This is something that has recently undergone some expansion in terms of the intensive care beds that are being constructed at Glenside, which will be dedicated for regional mental health care services as well.

Ms PRATT: Minister, was a report developed to inform the election promise? I am certainly waving the flag for all regions in South Australia to receive funding for mental health. You mentioned the Port Lincoln site. Will the government consider recommissioning that site, and was a report developed to inform the decision on which regions were in most need?

The Hon. C.J. PICTON: Yes. I should mention as well that we have also made a commitment to Mount Barker hospital. There will be 12 mental health beds as part of the new hospital at Mount Barker as well, which does fit within our country health region. The other thing I would mention as well is that, as part of the government's response to the tragic death of Theo Papageorgiou a number of years ago—there is a Coroner's inquiry into that, which I tabled earlier this week—the government is implementing a review of regional mental health care services.

Full credit: I think that work started to be put in place before the election. That work is being led by an eminent mental health expert from interstate. The panel will be visiting regional areas across South Australia and providing advice in relation to how we can improve mental health care services to regional South Australians.

Ms PRATT: I would certainly welcome the panel visiting the Clare Valley, should that be possible. There is great work happening in all our regions. Can you advise when that review may be complete?

The Hon. C.J. PICTON: We are anticipating before the end of the year, but maybe it will be a few months earlier than that.

Mr WHETSTONE: Minister, there was a partnership between the former government and Atlases Australia, which published a population health profile for the regional LGAs. The report highlighted psychological distress, current long-term mental health issues and suicide rates in those regional areas. What are the government's plans to provide mental health services, beds and suicide prevention programs broadly in the regions of South Australia? You have gone to the major towns; not all of them, but some of them. Do you have any scope to go to other regional centres that are suffering the distress of mental health sickness and suicides?

The Hon. C.J. PICTON: I think you are asking a very important but slightly separate question to the previous questions, which were more about inpatient mental health care services. Obviously, there is a scale issue where we cannot provide them in every community, but what we do need to do is improve our outreach, our care for people, even if they live in small communities as well.

I think this is a key aspect in relation to our work in terms of suicide prevention, which I know you are interested in, given that you asked that the other day in the parliament. We will be very eager for the new Suicide Prevention Council to play an important role in how we can improve services,

outreach, and suicide prevention for regional communities right across the state, no matter what their size.

This is also something that is important in relation to the work that is happening in relation to suicide prevention networks, which we absolutely support the continuing role of, working at a local community level in terms of the whole community working together, because these cannot just be SA Health coming in saying, 'This is what is going to happen to stop suicide.' This is the whole community working together and all services, all providers, everybody, doing their part as a community effort. I think we have seen those suicide prevention networks doing a great job in many regional communities in that area.

Mr WHETSTONE: You have just told the committee that suicide rates are much higher in other areas. Clare, Gilbert Valleys, the Riverland, Murraylands are 13 per cent higher than the average of the Mid North and Whyalla. Mount Gambier, which you have just put significant investment in, is part of regional South Australia's average. These other centres are 13 per cent higher yet receiving no funding or no support from your government.

The Hon. C.J. PICTON: I am not sure if the member is suggesting that we should not be investing in Mount Gambier, but I certainly do not support the connection that the member is making between an investment in an acute mental health care service and that needing to be decided on the basis of the suicide rate alone in that community. I do not think that properly understands the multifactorial issues that we are dealing with in terms of suicide prevention.

I think we have a lot of work to do right across the community. I think that suicide is an absolute tragedy that affects far too many South Australians, and I think the truth of the matter is that there are many people who unfortunately take their life who never interact with our mental health care services at all. So it is not just an SA Health led program, we need to involve the whole community in that effort in terms of suicide prevention.

That is the aim, that is the drive behind the work that was started by John Dawkins that has now led to the Suicide Prevention Act, which led to the Suicide Prevention Council. That is the work that we are keen to maintain, but we do need to make sure that everybody right across the state has access to appropriate and accessible mental health care services.

There are key challenges in terms of doing that in many areas of our state and there are key opportunities for us to consider in the future how we can improve those services for many people across the state. That is why this regional review that has been started into mental health care services is going to be very important.

Mr WHETSTONE: Just on to the new mental health community beds—

Ms PRATT: Before you do, can I ask a supplementary, Mr Chair, if I may?

The CHAIR: Yes.

Ms PRATT: Thank you. It is important enough, I think, just to wrap this up from a regional perspective. Minister, you might be aware of the Broken Hill Country to Coast Lifeline Connect centre, the only one in South Australia not-for-profit, which happens to be based in Clare, but I understand they are looking to expand their model. Is the government open to or considering or in negotiation with them to support that model to expand statewide?

The Hon. C.J. PICTON: I understand that Wellbeing SA is in some discussions with that branch of Lifeline in terms of the services run out of your electorate that provide a full range of regional services. I am not sure whether there have been recent discussions or not, so we will seek an update from Wellbeing SA and provide it.

I am very happy to have discussions with them. The volunteers who work in those services provide fantastic service through Lifeline. We know that Lifeline calls have been up significantly over the past few years, with impacts from the pandemic and from bushfires and other mental health concerns and pressures in the community.

Ms PRATT: Could you at least say whether those conversations with the agency have continued since the election?

The Hon. C.J. PICTON: I will take that on notice as well, but I am very happy to talk with them. I am happy if, representing your electorate, you would like to connect them, and we can organise a time.

Ms PRATT: I think you will find the member for Narungga and the member for Stuart are quite interested too.

The Hon. C.J. PICTON: Excellent.

The CHAIR: If you can loosely tie it back to budget lines and identify them, and I know we can speak very broadly, but just a little bit of focus.

Mr WHETSTONE: I refer to Budget Paper 4, Volume 13, page 60, mental health ambulances. How many co-responding mental health ambulances are currently operating and where?

The Hon. C.J. PICTON: I understand that the arrangements that were in place under the previous government are still in place; that is, there are essentially three services that operate for approximately 12 hours a day in the north, the centre and the south.

Mr WHETSTONE: What is the cost of the service, broken down by the LHNs?

The Hon. C.J. PICTON: We will have to take that on notice.

Mr WHETSTONE: I will move on to first responders, Budget Paper 4, Volume 13, page 60. What action is the government taking to protect the mental health and wellbeing of first responders within the state government services, such as police, ambulance and the CFS?

The Hon. C.J. PICTON: There are certainly actions being undertaken by other agencies, such as SA Police, the CFS and the MFS. I can speak to them broadly as a former minister in those areas, and I know they were key concerns of the chiefs and the commissioner in those areas when I was the minister and, likewise, in relation to SA Ambulance. I know that this is a key concern for the Ambulance Service and it is a key concern for me in terms of the impact of mental health that paramedics face.

There is work underway on how we can improve services for first responders through SA Ambulance. There is also work underway in terms of how we can provide more services that will help keep what can be quite unrelenting pressure off those first responders. We are regularly told by first responders, particularly ambulance officers, about issues such as not getting breaks and not being able to return to their home station, and that does have a cumulative impact; when you are going from one difficult job to the next, that definitely has an impact. In addition, there is also work at the Jamie Larcombe Centre. People will clearly be familiar with the centre in terms of veterans, but they are also doing work in terms of first responders as well.

Mr WHETSTONE: Further to that, how is the government ensuring the mental health and wellbeing of volunteers such as volunteer ambulance officers? We have talked about professional frontline services, but particularly in regions there are a number of volunteers—ambulance officers, CFS personnel in small country towns or communities—who are turning their neighbour over after a road accident or after an accident or injury, and that does have a significant impact on one's mental health.

The Hon. C.J. PICTON: You are absolutely right and that is why volunteers are absolutely connected to the services as well that SA Ambulance provides in relation to mental health and support. In addition to that, I think one of the key issues that we are facing is the number of volunteer stations which are seeing their demand escalate quite dramatically. That is why we are so committed that a very large proportion of our investments in additional ambulance officers will be based in regional stations, to make sure that we can ease some of the pressure on those volunteers as well.

Mr WHETSTONE: Is there a program that is available or is there a support service that the government is responsible for or is there some level of training or support services that these volunteers can go to?

The Hon. C.J. PICTON: There are absolutely services SA Ambulance provides that volunteers can go to and we will get the full details from SA Ambulance of those services and provide them on notice.

Mr WHETSTONE: Thank you.

Ms PRATT: Minister, I refer to Budget Paper 5, page 53. I may have that wrong as it refers to the Women's and Children's, but my question relates to, if you will indulge me, on 5 June 2022 the *Sunday Mail* report that a 17-year-old autistic transgender child had been turned away from multiple mental health services due to the complexities of their issues. How is the government ensuring mental health units for children are equipped to deal with complex issues such as autism and sexual health and identity?

The Hon. C.J. PICTON: I have to say that the mental health services for children is something that I have been particularly concerned by. I have met a number of times with the group Parents for Change that started up specifically in relation to concerns around these issues, particularly previously in my role as the opposition spokesperson and now as the minister.

That is why there is a number of key commitments for child and adolescent mental health care services: firstly, in terms of the commitment in the education portfolio in relation to 100 additional mental health and learning support staff in our schools; secondly, in relation to a commitment we have made for additional doctors, which will include mental health doctors at the Women's and Children's Hospital.

Thirdly, we have made a commitment for additional nurses, half of whom will be in terms of mental health at the Women's and Children's Hospital. The hospital has been working and I received an update recently in terms of the allocation of those mental health staff, and I believe one was likely to be designated in relation to LGBTIQ and CALD communities as well to assist, in particular.

Fourthly, we are providing additional investments in child and adolescent mental health care services and, fifthly, we have made a commitment that your budget line refers to that is in relation to the new Women's and Children's Hospital, which will have additional mental health beds that will be opened to provide for future capacity for care in that hospital as well.

Ms PRATT: Perhaps just to expand on that, what referral process then would be in place for children who are deemed to have needs that a particular service is not equipped to meet? It is a clinical question, perhaps.

The Hon. C.J. PICTON: Can I get more clarity on your question? You are saying, what happens when somebody is turned away from a service?

Ms PRATT: Yes, so for example, this young person who had complicated needs and was turned away. I understand that a multitude of services might exist but, really, what is the referral? It is a clinical question, but what referral process is there to meet their needs?

The Hon. C.J. PICTON: I think Dr Brayley has been looking forward to an opportunity to answer, so I might pass over to Dr Brayley to talk about some referral pathways.

Dr BRAYLEY: The Child and Adolescent Mental Health Service has been dealing with significant demand and that has increased due to the impacts of COVID on young people in particular. There are clear alternative referral options, for example, to disability services and options of follow-up referral to CAMHS's own services, but I think the question that is getting raised is: are the referrals being made when they need to be? This was a particular topic I was speaking about with Parents For Change yesterday. It is about understanding that, in terms of having the latest and most modern models for CAMHS, the strategic future for CAMHS, including for responding to the needs of people who have neurodevelopmental problems or children with autism spectrum disorders.

But also there is a capacity issue, the need for the Child and Adolescent Mental Health Service to expand so there are more options for therapy and follow-up available. So it is not all capacity. We are reviewing this. In fact, since earlier this year, our office has been looking at a number of children and young persons' cases to look at the services received and essentially this question that gets raised: should the young person, the child under 12, have been referred into hospital or had a CAMHS appointment or been referred to a disability provider? These are the sorts

of things that we are looking at in this selection of individual case reviews. The summary report from that will be made public, so we will have some conclusions and recommendations.

I know that CAMHS themselves have followed up with a significant amount of improvement work, including looking at mobile models and of course looking at how to allocate new resources, both in the community—the practitioners—and in particular areas of need where follow-up and internal referral is required. So, in essence, the issue you have raised is one that is concerning families and users and is being followed up both in terms of practices and resource allocation.

Ms PRATT: Supplementary: as CAMHS expands, perhaps, is there accommodation or can there be an accommodation for a stronger working relationship with educators? It is a finite resource.

The Hon. C.J. PICTON: I think that is a very good point in that we need to make sure there is a strong connection between educators and our services. Clearly, I think there is a lack of service provision through both at the moment. We do not have enough support in schools for kids. That leads to more pressure on CAMHS, and they do not have enough resources as well, so that is why, through this budget, with investments in education and investments in CAMHS, we are looking to tackle both issues.

Mrs HURN: I refer to Budget Paper 4, Volume 3, page 13. I am keen to get an understanding as to what action has been taken to recruit additional child psychiatrists. There was a commitment to urgently recruit at least five and I am wondering where that is up to.

The Hon. C.J. PICTON: As we talked about before, over the four years we have committed to recruiting an additional five child psychiatrists and we made very clear that that is a difficult task. It is probably the most difficult workforce challenge we have set for ourselves, but it is very important, so we are committed to doing it. We have allocated \$400,000 specifically, in terms of workforce planning in relation to this task, because it is not only child psychiatrists but also 10 child psychologists that we are looking to attract and get into our healthcare services through CAMHS as well.

The other key reason I was very keen to do this and have it as part of our election policies was the advice we had from the College of Psychiatrists, which was that clearly we have shortages of psychiatrists across the board, public and private, and one of the pinch points in terms of being able to train more psychiatrists is that they all have to do work in terms of child psychiatry, but we cannot do that because we do not have enough child psychiatrists, so it is a real catch 22 in terms of being able to train more psychiatrists right across the board because of the shortage we have in this area.

So not only will there be a benefit through getting more child psychiatrists on board but also that will enable us to increase the training through the college, was their advice across the board. We will be using that \$400,000 to do specific workforce training and also in terms of what will probably be a global hunt in terms of trying to find good people to come and take up those positions.

Mrs HURN: So, to confirm, you are committed to putting on at least five over the next four years? I presume that, given the language was around the fact that it was urgent, it would be before the four years, but can you just provide some further clarity on that, and where will they be stationed?

The Hon. C.J. PICTON: These are five over the four years, and certainly we were clear that they would all work in the Child and Adolescent Mental Health Care Service team, which provides services right across the state.

Mrs HURN: Is there any guidance you could give as to how many may be brought on in which years? Given the language around the fact that it was urgent and this is an urgent matter, I do take the point that there is a global hunt on, as you described it, but I suppose, given that the minister used language that it was urgent, it does seem strange that it would only happen—really the indication you are giving is that it would be over the forwards, with no indication as to what is going to happen year by year, or at least what a goal is year by year.

The Hon. C.J. PICTON: We will provide, on notice, the breakdown over the forward estimates. I do not have the exact figures in front of me, but essentially it is not for all five that we are waiting until the last year. The funding builds up from now to the end of the forward estimates as we recruit more across the four years. I agree it is urgent; we need to start straightaway. If there was a

plentiful pool of child psychiatrists available, we would likely be able to do that sooner, but we have set what we thought was a realistic target in terms of being able to do that recruitment to get to a position where we have more capacity in the system.

Mrs HURN: I would be interested to know—and you may need to take it on notice—how many vacancies there were for child psychiatrists before 19 March 2022. That would be interesting information to know.

The Hon. C.J. PICTON: I will take that on notice.

Ms PRATT: Budget Paper 4, Volume 3, page 49, the Flinders and Upper North LHN. I understand that a report into CAMHS on the APY lands was carried out by the Office of the Chief Psychiatrist. What was the conclusion of this report, and what implementations, if any, of the findings have there been?

The Hon. C.J. PICTON: Dr Brayley is happy to answer this question.

Dr BRAYLEY: Thank you very much. The report was completed at the beginning of December last year, and it has also been publicly released—it is available on the OCP website. The report has quite some detail in it, and it would be difficult to summarise that quickly, because there were 11 recommendations relating to the model, the staffing, the numbers of staff, how the CAMHS service would operate with other services on the land, and the question about lands based versus fly-in fly-out models of delivering the services. Our office was asked to undertake that review and that has then been followed up by the Women's and Children's Health Network and also other parts of the department.

There was a period earlier this year, during COVID outbreaks on the land, where there was slow progress, and I think that is understood. I have received reports recently about the response from the Women's and Children's Health Network to the recommendations and need to have further discussions with them because I am aware that there are concerns from Anangu about the absence of services on the land still. So the problem that was initially identified and led to our review is continuing.

I am also aware, from the Women's and Children's Health Network, that they have gone through an extensive planning process and have been working with bodies on the land, but nevertheless it is an area of concern that many of the issues that were identified in November last year when we did this review continue to exist and still need further action to resolve that.

The Hon. C.J. PICTON: Thank you to Dr Brayley. I will just add some comments in relation to this. This is a factor which we are very concerned about in terms of the service provision to the APY lands. What happened under the previous government in relation to the step-down of the services on the lands is certainly something that we were very critical of.

I know the Minister for Aboriginal Affairs has taken the very strong position that, in my opinion, led to the work that Dr Brayley and others have been doing in terms of trying to address these concerns in terms of provision. The mental health impacts on the lands are very significant and we do need services in place to make sure that people are cared for. This is something that I know both myself but also the Minister for Aboriginal Affairs are committed to doing everything we can to try to get these services back and to implement the recommendations of this report.

Ms PRATT: As a result of that report, are there identified vacancies now through CAMHS on the APY lands? What efforts are there to recruit and fill any vacancies? Are more child psychiatrists required on the APY lands, and what efforts will the government go to to resource that?

The Hon. C.J. PICTON: I will take those questions on notice, but essentially we do need more staff on the APY lands than what there are at the moment.

Mrs HURN: Minister, I refer you to Budget Paper 4, Volume 3, page 29. I am just interested to know if the government is aware of any hospital that has failed to obtain their accreditation in part or in full due to issues with their mental health services or have they had to take corrective action in response to these accreditation assessments?

The Hon. C.J. PICTON: I am not aware of that, no.

Mr WHETSTONE: On Budget Paper 4, Volume 3, page 40, eating disorders, what progress is being made in the development of the Paediatric Eating Disorder Service?

The Hon. C.J. PICTON: This is something where I am very eager to see accelerated progress from where we have been. You only have to look at a number of articles and media over the past few years to see where this project has been suffering a number of significant delays, fielding criticism from very noted experts in this field. Even Professor Tracey Wade raised concerns about the previous government's actions in relation to eating disorders. We need to do more in this area.

The project in relation to the eating disorder service at the Repat site was originally looked at under the previous, previous government, the Weatherill government. It still has not been resolved. We are in active consultation and working with Breakthrough mental health in trying to get this project over the line now to make sure we can establish these services and provide better accommodation for the services that need to be there to help young people. We know that there are a number of people who are not getting the care they need in very serious circumstances.

Mr WHETSTONE: Are you giving us any indication of when a facility like this, or like you have the interest in, will be built, or when it should be operational? ASAP, I presume. Can you give us a little bit more understanding of the urgency needed?

The Hon. C.J. PICTON: Yes, well, certainly more urgency than has been in place over the past four years, I can tell you that. Our work with Breakthrough is ongoing at the moment. I understand that we are looking at work to begin either later this year or early next year. If that can be brought forward, then I am very keen to do that.

Mr WHETSTONE: Yes—good thing we did not close the Repat. What evaluation process will be put in place to ensure the goals of this program are achieved?

The Hon. C.J. PICTON: Do you mean after it is built and established?

Mr WHETSTONE: Well, obviously you have the goals in the program to be achieved, but you need to have the ability to build the facility and get it operational. We need to understand if it is going to be another four years or something that you envisage would be built within the forward estimates. There is a lot of 'ASAP' and there is a lot of 'as soon as we can', but I just cannot see the urgency. I can understand your response to my question, but are you going to fill that with a delivery?

The Hon. C.J. PICTON: Well, certainly more urgency than there has been over the previous four years, where this project has been talked about and not delivered. I will get an update and provide on notice the estimated completion date, bearing in mind that, while we are supporting it, the construction of the project will be run through Breakthrough themselves.

Mr WHETSTONE: I move on to Budget Paper 4, Volume 3, page 66, Hospital at Home. Are Hospital in the Home services available for people with mental health issues?

The Hon. C.J. PICTON: Yes.

Mr WHETSTONE: Are there any plans to expand these services?

The Hon. C.J. PICTON: Yes. In fact, we have a commitment in the budget to expand Hospital in the Home services for mental health patients by the equivalent of 20 beds. I think that this is a really important measure to make sure we are providing not just inpatient hospital services but expanding our out-of-hospital services for patients in the community.

Mr WHETSTONE: Thank you, minister. Has there been any level of evaluation process in establishing the extra beds? How do we get an assurance that the goals of the program will be reached with expanded services?

The Hon. C.J. PICTON: I am sure you will keep me on my toes in future estimates in relation to this matter but, effectively, the question was: what was the driver behind doing this? It was our view that we put prior to the election that we needed more investment in mental health care, and that there were people who were missing out on mental health care, and that is why we decided to make this investment in additional out-of-hospital services. They will be run through local hospital networks, which will provide, as part of their quality and assurance framework, oversight of those services to

make sure that they are safe and provide appropriate care, as well as have the oversight for all mental health services that are provided through the Office of the Chief Psychiatrist.

Mr WHETSTONE: Moving on to Mental Health Services Plan, Budget Paper 4, Volume 3, page 65. In the most recent Budget and Finance Committee hearing, the Chief Psychiatrist indicated that the Mental Health Services Plan is to be reviewed. What are the key issues necessitating that review?

The Hon. C.J. PICTON: I think it might be slightly putting words in the Chief Psychiatrist's mouth from reading the transcript of that. I stand to be corrected, but I thought he said it might need to be updated over time. Certainly, I would be working with him and with the department in terms of if there were updates that needed to happen, in terms of the Mental Health Services Plan, then we would do so.

I would again remind the committee that this is a plan that the previous government did not actually accept all the recommendations of. This was an unusual situation where you have a plan and a government response to a plan, so not all the initiatives in there were necessarily supported or funded. It was a very good initiative, it was a very good piece of work undertaken by Dr Brayley, then Commissioner Burns—and Jennifer Williams, Dr Brayley reminds me. I think I support what Dr Brayley said to the Budget and Finance Committee, that we may well look at updating that plan as time goes on.

Mr WHETSTONE: Who will undertake the review, and is there a time frame?

The Hon. C.J. PICTON: I am not sure I characterise it as a review, but this is under the purview of Dr Brayley, so this would be looked at by Dr Brayley and his team.

Mr WHETSTONE: Will there be any public consultation?

The Hon. C.J. PICTON: It depends on the level of work that is required in terms of what Dr Brayley and his team determine how significant the updates would need to be. What is very clear is that Dr Brayley and his team do a lot of work in terms of consultation with people with lived experience. We are very committed to doing that as a government. That is why we have invested in the lived experience leadership and action network for the first time to give a voice—a permanent body to fund a voice—for people with lived experience in mental health care. If we need to do significant updates to the mental health care plan, which I do not anticipate would need to be significant, we would certainly be working with people with lived experience as part of those discussions.

Mr WHETSTONE: I refer to Budget Paper 4, Volume 3, page 13, Mental Health Commissioners. Will the government be legislating to make Mental Health Commissioners a statutory role?

The Hon. C.J. PICTON: That is not something that we have formed a view on at this stage one way or the other. I have to say, it is something where the previous government have left this program a bit problematic in that we have Mental Health Commissioners who are part time who do not have associated resources attached to them, and certainly something they have raised with me is that they are concerned about definition and clarity in relation to their role.

However, I would make clear that this is something where we have underway at the moment a review of the Mental Health Act, which is being led by the South Australian Law Reform Institute. As part of the terms of reference for that review, we have asked that question in terms of what the role should be of the Mental Health Commissioners under the act and whether they should be legislated under the act, and I think it would be appropriate to see what the outcome of that review is.

Mrs HURN: I refer to Budget Paper 4, Volume 3, page 43. It is just an LHN question for the Barossa Hills Fleurieu. Can you outline what ongoing support is being provided for victims of bushfires in South Australia? Obviously, there was a lot in recent years, but what ongoing support is there for the ongoing trauma?

The Hon. C.J. PICTON: Yes, there has been support in terms of bushfire support, as the member says, and this I understand was a program funded under the previous government that has

worked with the local health network, with the Office of the Chief Psychiatrist and with Wellbeing SA in terms of providing support for affected communities. Obviously, we need to now as well make sure that we provide ongoing long-term support for people who were affected, not just in a short-term measure. I know that our health services are working together on how we can make sure that we continue to provide support for people who are affected. I will take on notice to provide more detail in terms of specifics in relation to how that is being done.

Mrs HURN: That would be really helpful, thank you.

Mr WHETSTONE: I move on to Budget Paper 4, Volume 3, page 29, mental health triage. In your election policies, the Labor team claim that up to 60 per cent of calls to the Mental Health Triage Service are going unanswered. What plans do you have to address this? What plans do you have in place to ensure that calls do get answered?

The Hon. C.J. PICTON: This is of critical concern in terms of the Mental Health Triage Service in that we have seen significant numbers of unanswered calls under the previous government, as the member said. I believe the figures quoted were originally referenced from the Australian Nursing and Midwifery Federation, but I believe there are also other questions on notice from the previous Minister for Health and Wellbeing that have similar figures in terms of unanswered calls.

One element that we have made a commitment to is in relation to community mental health services, of which this is a component, but we are also doing work in terms of the future of the team that provides mental health triage services, and looking in terms of their accommodation, which has been an issue as well. I know that there is active work in terms of creating better accommodation for that service and making sure that we can improve the rate at which people are getting their calls answered, which is yet another important factor of not only providing better care, not only helping in issues such as suicide prevention, but also keeping pressure off hospitals and ambulances as well.

Mr WHETSTONE: We will move on to suicide prevention. Budget Paper 4, Volume 3, page 29: the SA Health incident reporting system shows an increase in inpatient suicide attempts in both mental and general health hospitals, or hospital units, since January 22. What advice have you received regarding the possible causes of the increase in inpatient suicide attempts? What came to light, particularly in the most recent Budget and Finance Committee earlier this month?

The Hon. C.J. PICTON: As you said, this is something that Dr Brayley raised in the Budget and Finance Committee: issues in terms of suicide attempts in hospitals over the past year or so. We have seen an increased number of suicide attempts in hospital, which is obviously concerning, and I know Dr Brayley is finalising his report into that matter, and that will be provided to me and to the government accordingly.

I think clearly, as Dr Brayley said to the Budget and Finance Committee, a key issue is in relation to whether COVID-19 restrictions may have played a significant role, but we need to do everything we can to make sure we do not see those rates lead to a permanent higher level of suicide attempts inside our hospital system. I know that our hardworking staff will do everything they can to prevent that, but I think it is very timely for Dr Brayley to be doing this analysis and I look forward to his recommendations to me and the government on what more we can do.

Mr WHETSTONE: You are looking down the track at what measures can be put in place, but what immediate measures can be put in place to reduce inpatient suicide attempts? We know that waiting for reports does take a lot of time. With an increased rate of suicide or attempted suicide, there must be something that can be done immediately.

The Hon. C.J. PICTON: The role of the Office of the Chief Psychiatrist is to investigate issues that are happening in our healthcare system or our mental health care system that are affecting people's mental health and to provide advice on issues that we can take appropriate action on. I know that our mental health care services will not be just waiting until that occurs but they will certainly be taking action to make sure they can do everything they possibly can at a local level to take action.

I think some of the leading factors that we are seeing, and certainly the analysis so far conducted from Dr Brayley, as he said publicly at the Budget and Finance Committee, are in relation

to COVID-19 restrictions, mask restrictions and those sorts of things within our hospital network. It is a difficult balance because those measures are in place for very good reasons, to protect public health in vulnerable settings in our hospital system. To remove those to help one problem would only exacerbate another problem.

I certainly would not be advocating for a reduction in our COVID-19 measures, up until we receive the appropriate public health advice that it is safe to do so, but whether there are other measures that could be put in place to improve the wellbeing of people in our system is something that Dr Brayley is considering at the moment.

Mr WHETSTONE: You would be aware that in 2019 the former government launched a Towards Zero Suicide initiative, which focused on reducing inpatient suicides. What progress has been made towards the release of the implementation of the South Australian Suicide Prevention Plan 2022-25?

The Hon. C.J. PICTON: As the member would be aware, this is an aspect in relation to the Suicide Prevention Act, that we will have a plan under that act. We will also have a council. This is something that Wellbeing SA is taking responsibility for in relation to this plan. My understanding is that they are in the process of drafting a plan, but we will want to get the input of the council, once it is appointed, before finalising that plan and releasing it, rather than appointing a council and telling them what the plan is without them having the ability to have input into it.

Mr WHETSTONE: On the same reference, what progress has been made in implementing the Suicide Prevention Act?

The Hon. C.J. PICTON: As I think I said to the member in parliament the other day, a key element of that is in relation to appointing the council. That work is underway. There is also work in terms of regulation drafting, and that work is underway. There is also work in relation to the plan, and that work is underway. We anticipate that this work will be conducted, all to be completed within the next couple of months to enable that act to be commenced, with the regulations and the council in place to undertake its important work.

Mr WHETSTONE: Taking one step in front of that, under the Suicide Prevention Act there must be a register established. Can you shed any more light on the establishment of that register? What progress has been made in establishing that register?

The Hon. C.J. PICTON: Could we just check the budget line?

The CHAIR: That is a very good question. I have provided a lot of latitude, but I think the questions have drifted somewhat.

Mr WHETSTONE: Budget Paper 4, Volume 3, page 65, suicide register.

The Hon. C.J. PICTON: It is a good reminder that another element of the act, which is very important, is in relation to the suicide registry. I am advised that that has already been operating since late 2021 and could start before the legislation is in place. The registry has been developed between Wellbeing SA, the Australian Institute of Health and Welfare, the Coroner and the Office of the Chief Psychiatrist, and it commenced in December.

Mr WHETSTONE: I asked questions of you in the chamber during question time late last week in regard to the Advocate for Suicide Prevention. You shed some light on it, that it is coming and it will happen—sooner rather than later, we hope. What will be the make-up of that advocate and how will the suicide prevention council or committee be appointed? Will it be a member of parliament?

The Hon. C.J. PICTON: The appointment of the advocate is a responsibility of the Premier. I answered as best I could the other day; you might want to ask the Premier, in his estimates, specifically on his view on that. In relation to the council, that is more in my area of responsibility and, as I said the other day, we have had interviews underway in terms of members who have put their hand up. This was something where, prior to the election, ads went out for people to express their interest and that process is now underway with Dr Brayley, with Wellbeing SA and with one of the Mental Health Commissioners, who will be providing advice to cabinet in relation to the make-up of the council.

The act makes clear a number of ex-officio members of the council, one of whom would be a member of parliament who is not a member of the executive. Effectively, I think the idea was for it to be a government backbencher; therefore, I think the idea was that that person would also be the Premier's advocate. Hence, I think it would make sense for that position to be filled by the person who is the Premier's advocate.

Mr WHETSTONE: Do you have any concerns that, if it is a government backbencher, they might turn Independent and become Speaker or Deputy Speaker?

The CHAIR: Now we are getting right out of line. This has nothing to do with the budget. I think I have been very flexible. If you are happy to answer the question, feel free, but I am saying that this is not related in any tight sense, not even in a loose sense.

The Hon. C.J. PICTON: It is a good opportunity to remind members opposite of the members of their party who have left and become Independents. We have been very well served by two previous advocates of suicide prevention, the Hon. John Dawkins and the Hon. Dan Cregan, who is of course now the Speaker. Both later became Independents, but I think both did an exceptional job.

The third Premier's Advocate for Suicide Prevention was the Premier himself. After Dan Cregan finished in the role, the Premier, Steven Marshall, appointed himself as the Premier's Advocate for Suicide Prevention. Perhaps the concern was, as the member for Chaffey was saying, that there were a few too many people leaving the party and so it was better to keep that under wraps. I have no such concerns for the people on our side.

Mr WHETSTONE: We can finish that conversation in the bar. Budget Paper 5, page 12, MATES in Construction: I note that the government is providing funding to MATES in Construction to help prevent suicide. What other occupational groups have been identified as being at higher risk of suicide?

The Hon. C.J. PICTON: To be honest, MATES in Construction is under a different budget line that is not open at the moment, but I am happy to answer the question, nevertheless. There are particular workplaces where we do see high risk, and one has been construction. That has therefore led to MATES in Construction, which has been doing a fantastic job.

They had funding previously, but that was cut under the previous government. We are now reinstating that funding to assist them. I think there are other occupations where we see particular issues in terms of both mental health and suicide: one I am sure the member is aware of is the agricultural and viticultural sector, where farmers are at risk of suicide; the other that has been raised previously is issues in relation to first responders as well.

Mr WHETSTONE: Thank you for noting that primary producers are a significant contributor to suicide. Is the government planning to do anything to combat suicide in any other occupational groups? We note dentists and other professional groups have high levels of suicide or attempted suicide. Will the government highlight any of these other occupations and look at support programs?

The Hon. C.J. PICTON: An important part of the work the Suicide Prevention Council will be doing is looking at particular areas of South Australian society where we can best take action and where we can best direct resources that are going to make a difference. I certainly will be expecting them to pay close attention to areas such as primary production and regional communities as part of that work and in connection with local suicide prevention networks, as we have talked about earlier.

Mr WHETSTONE: I would like to move on to substance abuse, and I refer to Budget Paper 5, page 54. This allocation as an election cost provides community drug and alcohol rehabilitation beds in Adelaide, Mount Gambier and Port Augusta. What data does SA Health have on the current waiting times for rehab services in these areas?

The Hon. C.J. PICTON: I understand that for DASA-specific services, which service the metropolitan area, there is approximately an eight-week waiting time at present. Additional services being provided will obviously help to reduce waiting times and increase capacity in getting people into appropriate rehabilitation.

Mr WHETSTONE: Can you tell me if there are any longer waiting times in metropolitan Adelaide as opposed to country South Australia?

The Hon. C.J. PICTON: I will take that on notice.

Mr WHETSTONE: What service will be provided by the funding you have put on the table, particularly the significant funding for Adelaide and some funding for Port Augusta and Mount Gambier?

The Hon. C.J. PICTON: As part of our election, we have committed to \$24 million for drug, alcohol and other drug rehabilitation beds in the metro area and the Port Augusta and Mount Gambier areas. They are the equivalent of 12 beds in Adelaide, four beds in Mount Gambier and four beds in Port Augusta. We will be engaging NGO services to help us provide these services.

We will be trying to get the best possible value for money in terms of the level of service that we can provide in those regions. When we go right around the state, there is clearly demand in terms of providing services not only for illicit drugs such as ice, etc., but significantly for alcohol services as well, which is something that probably does not get as much attention but which has a huge community impact, not just in terms of health services but right across the community. You only have to look at the impact upon domestic violence and other areas to see the impact of what not having enough rehabilitation and support services for people leads to.

Mr WHETSTONE: As I read it in the budget papers, Adelaide beds have the capital provided for the beds, but the regional sites do not. Can you explain?

The Hon. C.J. PICTON: Yes. We are looking to construct facilities within the metro area that will be owned by the government that we can then contract to providers to provide those services. We made a determination that that was an approach that we should conduct in the metro area. It may well be trickier to conduct that in the regional areas. Hence the funding was provided on a basis in the regional areas of a recurrent grant rather than any of it being in the capital component to do so.

Mr WHETSTONE: Thank you. I refer to Budget Paper 5, page 59. Minister, can you confirm when the drug and alcohol strategy will be released?

The Hon. C.J. PICTON: I understand work is underway on that by DASSA at the moment, and they are looking to have that complete and considered by government either before the end of this year or early next year.

Mr WHETSTONE: The member for Frome is over there instead of over here, and she would just love to have a glass of water and read out omnibus questions.

Ms PRATT: She would. I am ready to go, with your indulgence, Mr Chair.

Mrs HURN: I think I have the task of doing the omnibus questions. Everyone has fought me over this task, you might know.

The CHAIR: One day we will just sensibly table these things and not have to read them out.

Mrs HURN: That would be sensible. The omnibus questions are:

1. For each department and agency reporting to the minister, what is the total cost of machinery of government changes incurred between 22 March 2022 and 30 June 2022?
2. For each department and agency reporting to the minister, which administrative units were created, abolished or transferred to another department or agency between 22 March 2022 and 30 June 2022 and what was the cost or saving in each case?
3. For each department and agency reporting to the minister, how many executive appointments have been made since 22 March 2022 and what is the annual salary and total employment cost for each position?
4. For each department and agency reporting to the minister, how many executive positions have been abolished since 22 March 2022 and what was the annual salary and total employment cost for each position?

5. For each department and agency reporting to the minister, what has been the total cost of executive position terminations since 22 March 2022?

6. For each department and agency reporting to the minister, will the minister provide a breakdown of expenditure on consultants and contractors with a total estimated cost above \$10,000 engaged between 22 March 2022 and 30 June 2022, listing the name of the consultant, contractor or service supplier, the method of appointment, the reason for the engagement and the estimated total cost of the work?

7. For each department and agency reporting to the minister, will the minister provide an estimate of the total cost to be incurred in 2022-23 for consultants and contractors, and for each case in which a consultant or contractor has already been engaged at a total estimated cost above \$10,000, the name of the consultant or contractor, the method of appointment, the reason for the engagement and the total estimated cost?

8. For each department and agency reporting to the minister, will the minister advise whether it will be subject to the 1.7 per cent efficiency dividend for 2022-23 to which the government has committed and, if so, the budgeted dollar amount to be contributed in each case and how the saving will be achieved?

9. For each department or agency reporting to the minister, how many surplus employees were there at 30 June 2022, and for each surplus employee, what is the title or classification of the position and the total annual employment cost?

10. For each department and agency reporting to the minister, what is the number of executive staff to be cut to meet the government's commitment to reduce spending on the employment of executive staff by \$41.5 million over four years and, for each position to be cut, its classification, total remuneration cost and the date by which the position will be cut?

The CHAIR: An excellent reading of the questions.

Mrs HURN: Thank you very much.

The CHAIR: With the conclusion of that and there being no further questions—and we accept the qualification that you have made in the past—I declare the examination of the portfolio of mental health and substance abuse completed.

Departmental Advisers:

Ms L. Cowan, Acting Chief Executive, SA Health.

Ms M. Curtis, Manager, Aged Care Strategy, Office for Ageing Well.

Mr J. Woolcock, Chief Finance Officer, SA Health.

Ms K. Swaffer, Executive Office Manager, SA Health.

The CHAIR: We are ready to move to the portfolio of Office for Ageing Well. Once again, the minister appearing is the Minister for Health and Wellbeing. I advise that the proposed payments remain open for examination. I call on the minister to make a statement, if the minister so wishes, and to introduce advisers. I call on the lead speaker for the opposition to make a statement, if the member wishes. I call on members for questions.

The Hon. C.J. PICTON: Very briefly, we have maintained Lynne Cowan, Acting Chief Executive of SA Health. We are now joined by Ms Marni Curtis, who is the Manager, Aged Care Strategy and the Acting Director of the Office for Ageing Well. We continue having Jamin and Kris with us as well.

Mrs HURN: I will not buck the trend now by issuing an opening statement. We are happy to head straight into questions.

Ms PRATT: In regard to ageing well initiatives and the net cost of services summary, Budget Paper 4, Volume 3, page 13, can the minister provide information on any initiatives or actions

associated with the ageing well strategy that have been budgeted in the 2022-23 budget and over the forward estimates period?

The Hon. C.J. PICTON: The Office for Ageing Well, while it does not have specific measures in the Budget Measures Statement, is continuing a range of its important work in relation to the strategy and its legislative responsibilities in areas such as adult safeguarding, which is also subject to a statutory review of its implementation. In relation to retirement villages, it has work underway on the review of the Retirement Villages Act that was undertaken. It also provides a range of important services in areas such as grants and also the Seniors Card program that it runs.

There is a whole variety of services that it runs. One area I would highlight in particular is the work that it does in terms of elder abuse. We had World Elder Abuse Awareness Day this week, in which we also launched a new campaign through SA Health to help prevent elder abuse and fight ageism, which has been running primarily through social media. I think it is another good communications campaign that has come out of the Office for Ageing Well.

Ms PRATT: I have a supplementary on that. Where our local councils often provide commonwealth home support services—and that is undergoing significant reform—they also rely on state government grants to support ageing well initiatives. Can you or the agency expand a little more on aspects of activities and initiatives from the ageing well strategy where there is very little reference to it in the budget?

The Hon. C.J. PICTON: I think what the member is looking for is some information in terms of the community grants work that the Office for Ageing Well does. The Office for Ageing Well provides \$400,000 in community grants to support community organisations to deliver projects that promote opportunities for older South Australians to be involved and active in their communities and support South Australians to age well.

For instance, in 2021-22, the following community grants programs were run. Grants for Seniors enabled non-profit incorporated community organisations across the state to apply for funding for the purchase of goods or projects. Twenty-four different projects received funding of up to \$150,000 for that. The Positive Ageing Fellowship Grants enabled community organisations across the state to apply for one-off ageing-specific grants of up to \$40,000 for capability building projects, and five projects were funded through that for funding of \$197,000.

There was an additional targeted grant of \$50,000 provided to the Australian Centre for Social Innovation to develop ongoing coaching, mentoring and support to Positive Ageing Fellowship Grant recipients over the funding period to build the capacity of grant recipients and sustainability of project outcomes.

Ms PRATT: I refer to the same budget line and same reference point. Would it be likely that LGAs, local councils, can apply for those grants, or what portion of the net cost of services summary, if any, would be available to the local government sector to assist them with aged-care reforms?

The Hon. C.J. PICTON: In relation to the reforms, I understand that is a commonwealth matter that we are still waiting to be finalised. In relation to the local government grant support, we will take on notice in terms of that. I am receiving advice that they are eligible, but I am also looking at a number of the grants that have been provided which largely go to not-for-profit or community organisations as well, which I am happy to read out the list of. A lot seem to be in regional South Australia, I am sure you will be glad to know.

Ms PRATT: I refer to Budget Paper 4, Volume 3, page 22, Advance care directives. Can the minister please provide an update on the government's response to the recommendations of the review of the Advance Care Directives Act 2013 undertaken by Professor Wendy Lacey?

The Hon. C.J. PICTON: This is not necessarily under the Office for Ageing Well but broadly under the department, but I am happy to answer in terms of where this is up to. I understand that there is an oversight committee, which is overseeing the response to implementing the changes recommended under the Lacey review. I am sure the member will be aware that the previous minister introduced some legislation to help introduce some of the changes to the act that needed to be in place to implement the review. That did not finish before parliament was prorogued, so we will now

need to reintroduce that legislation and debate it through both chambers to consider that, but there are some other non-legislative actions that are taking place as well.

I understand that reworking of the forms is part of that work. A team within the department is undertaking work in terms of how we can reform how the form works to help implement the recommendations of the review. This is a very important part of our architecture to have in place advance care directives. Certainly, we would like to see more people take up the opportunity to have an advance care directive in place, which is obviously helpful. It is not necessarily just an ageing question, but anyone at any point in their life should be able to put in place an advance care directive to make sure that at the end of life their views and their wishes are respected.

Ms PRATT: Moving on to the Retirement Villages Act, Budget Paper 4, Volume 3, page 20, highlights. What is the government's response to the review of this act? If the government has not formed a view, when do you anticipate having a public response?

The Hon. C.J. PICTON: The previous government undertook a review, I believe, off the top of my head, through Peak Consulting, of the Retirement Villages Act. I believe it was a statutory requirement that it had to take place. That has led to a whole series of largely technical changes that need to be considered in relation to redrafting and amendments to that act taking place. We committed before the election to implement recommendations from that review and to consider them in detail and to bring to the parliament a revised bill that would seek to update the act.

This is something where we will also continue to receive feedback from both sides of this equation, from people who are residents in retirement villages and also people who are the owners and operators of retirement villages. Often this is a challenge where we need to get the balance right in this regard. I think that my view will be that we need to likely have a further round of consultation once we have the measures drafted—whether that is an exposure draft or another form of consultation—to make sure that before we enact those changes we work through any unintended consequences that might be not thought through, or make sure that we get it right before it is considered by the parliament.

Ms PRATT: Moving on to the Adult Safeguarding Unit, Budget Paper 4, Volume 3, page 23. I refer to the final line referencing additional expenditure. Was the additional funding for the Adult Safeguarding Unit approved before the caretaker period?

The Hon. C.J. PICTON: Yes, that is right.

Ms PRATT: If that is the case, why was it included in the budget measures paper?

The Hon. C.J. PICTON: Because it was not in the budget until now.

Ms PRATT: Can you please explain what is the progress on the time frame for that review of the adult safeguarding legislation being undertaken by the South Australian Law Reform Institute (SALRI)?

The Hon. C.J. PICTON: The review date is 30 September 2022.

Ms PRATT: I am sorry, minister, I was distracted. Would you mind repeating that answer? My apologies.

The Hon. C.J. PICTON: The member for Schubert again?

Ms PRATT: Indeed. She will be schooled later.

The Hon. C.J. PICTON: The report on the review is due by 30 September 2022.

Ms PRATT: Would you anticipate an interim report then, given how close it will be?

The Hon. C.J. PICTON: I will not anticipate an interim report.

Ms PRATT: Is the Adult Safeguarding Unit on track to expand services from October 2022 to work with all adults who may be vulnerable to abuse?

The Hon. C.J. PICTON: I am informed that it is on track to meet that.

Ms PRATT: Is the department's additional promotion of the service ahead or around this date of expansion to ensure that all South Australians who may need this assistance are aware of the service?

The Hon. C.J. PICTON: This is something that is being worked on by the Office for Ageing Well at the moment: how do we communicate with stakeholders, with the public, to make sure that people are aware of that additional avenue for raising issues in relation to younger adults—put it that way—who will now be eligible for issues to be brought to the Adult Safeguarding Unit for appropriate action by that unit? This is clearly something where, as those additional staff come on board, there will be the capability to increase that awareness to the community.

Ms PRATT: Given you mentioned an effort to communicate, is any of the \$1.2 million funding to be allocated for advertising or promotion?

The Hon. C.J. PICTON: I will have to take that on notice.

Ms PRATT: On the topic of the residential aged-care strategy, Volume 3, page 25, I refer to corporate and system support services. What progress has been made with the residential aged-care strategy for SA Health and the local health networks and what might be the next steps? What is the time frame?

The Hon. C.J. PICTON: Essentially, this is a lot of work that is being done on the implementation of reforms across the country in relation to aged care following the aged-care royal commission. This piece of work is being led through the Department for Health and Wellbeing, working with the six regional local health networks across the state, because we are a very significant, if not the largest, provider of aged-care services in the state, to make sure that we improve and implement the recommendations of that work.

A number of elements of work have been identified over the next 12 months to implement elements of that response—for instance, new models of care that need to be worked through, redefined roles and responsibilities, with the commonwealth under the National Health Reform Agreement that need to be negotiated, work in relation to what changes might need to be made to the Aged Care Assessment Program delivered by SA Health and reforms impacting aged-care services delivered by regional local health networks.

This includes casemix funding models, regulatory standards impacting workforce and service models, an increased accountability for providers and their governing boards, as well as reforms that impact workforce supply and demand, which obviously connects with the discussion we had earlier on pressure on workforce right across regional South Australia. Clearly, aged care is a connected and significant part of that.

Mr WHETSTONE: What is the expected impact of federal Labor's election commitments on aged-care staffing in relation to the workforce of SA Health and aged-care facilities?

The Hon. C.J. PICTON: Something that is being undertaken as part of this work is looking at what we will need to do in terms of changes in relation to the federal government's policy—the incoming federal government, as of a couple of weeks. That will be part of discussions we will be having with the federal government on how those reforms will be implemented and then working between the department and local health networks on what the changes will need to be to make sure that we are compliant and that we are implementing appropriate staffing in relation to what the federal policy will be.

Mrs HURN: Budget Paper 5, page 56: is the government committed to honouring the partnership with HammondCare to deliver dementia care services at the Repat?

The Hon. C.J. PICTON: Yes.

Mrs HURN: Fantastic.

Ms PRATT: Minister, I was just looking for a budget line for the Enterprise chemotherapy question. I will come back if I cannot find it. I will move on to aged-care accreditation, Budget Paper 4, Volume 3, page 25, corporate services. In the past 12 months, did any SA Health aged-care facility fail to attain commonwealth aged-care accreditation?

The Hon. C.J. PICTON: My advice is that all our aged-care facilities have accreditation under the scheme. There is one notice we are dealing with, which I think has been reported publicly, in relation to the Naracoorte Health Service and issues identified on inspection there. The local health network is taking action to implement recommendations for the aged-care services there and involving additional staffing being provided to that unit.

Ms PRATT: I might be seeking your indulgence on a budget line, and you may tell me this does not relate to the Office for Ageing Well. Rookie question, but I am jumping in. Budget Paper 4, Volume 3, page 16, the Enterprise Cancer Prescribing System. I relate this to perhaps an ageing clientele. It affects everyone and it is not anything to laugh about. Could you please update the committee on the Enterprise Cancer Prescribing System?

The Hon. C.J. PICTON: As the member has acknowledged, we are a little bit off the topic of the element of the budget that is open at the moment, but I am happy to take that on notice.

The CHAIR: We are nearly finished.

The Hon. C.J. PICTON: I will have to take that on notice and will get an answer for the honourable member. As the budget papers outline, the Enterprise Cancer Prescribing System has an estimated completion date at the end of next year, 2023. The total project is \$25.1 million, of which \$8.27 million is expected to be spent in this coming financial year.

Ms PRATT: We would be very happy if you would take on notice a supplementary question in regard to 21 SA Health facilities providing chemotherapy. Could you please take on notice the listing of those locations, by way of supplementary?

The Hon. C.J. PICTON: I will take it on notice.

Ms PRATT: I have an aged-care accreditation question. I know that we touched on that. How many SA Health aged-care facilities that are not subject to commonwealth aged-care accreditation were audited this financial year, and how many are planned to be audited in the coming financial year? This is Budget Paper 4, Volume 3, page 25, corporate services.

The Hon. C.J. PICTON: We will have to take the question on notice and provide a response.

Ms PRATT: Just picking up a legislative question, minister, and I will tie it to Budget Paper 3, page 23, the underlying health expenditure for the department. This is a voluntary assisted dying question: what is the current intended start date of the VAD legislation?

The Hon. C.J. PICTON: The advice to government upon us forming government after the election was that the expected date was going to be 31 March next year. That is of concern to both me and the Attorney-General, who obviously has been very keenly involved in this process having led the legislation. We have been asking for work that is headed up by the task force to come back to us with how we can bring that work forward and that if there are elements such as IT systems, etc., that we can utilise from other states to make sure that we can get this implemented as soon as possible.

It seems to me that there was a period after the bill passed, before there was substantial implementation of any work to get this started, that has led to a significant delay. We are now trying to play catch-up and get this work happening as quickly as possible, but in a safe and appropriate way.

Ms PRATT: On the matter of the new older persons mental health unit—I am happy to be told that it does not relate, but I am talking about Budget Paper 4, Volume 3, pages 14, 16 and 34—the budget papers outline that the government will continue the implementation of existing investing initiatives, including the new Modbury Hospital older persons mental health unit. Does the government intend to expand the number of beds delivered in this project from 20 to 24?

The Hon. C.J. PICTON: Essentially, what we are doing is implementing what the previous government was doing, which was moving the inpatient mental health care beds from Modbury to Lyell McEwin and then the Lyell McEwin older persons mental health beds to Modbury. In addition, we are creating a new ward, which will be the new replacement for inpatient mental health beds at Modbury as well. So essentially what was going to happen under the previous government but in addition a new ward on top of that, and that new ward will have 24 beds in it.

Ms PRATT: Does the government still plan to deliver on its election commitment to rebuild and expand Woodley House?

The Hon. C.J. PICTON: Yes, the new ward will be the new Woodley House.

Ms PRATT: When will that construction and delivery of 24 beds take place?

The Hon. C.J. PICTON: I think these are the same beds we talked about in the mental health section earlier. I think we are a bit off topic of the Office for Ageing Well. The time frames are as we talked about earlier.

Ms PRATT: What is the government doing to combat ageism and age discrimination?

The Hon. C.J. PICTON: This is absolutely something which is very important in terms of the work for the Office for Ageing Well. This is clearly an area where people do face significant discrimination for their age, which is illegal but still happens. One element that we have launched this week is a new campaign about ageism. The statewide Tackling Ageism campaign was launched just this week and will run until the end of July to raise awareness that ageism takes away older people's rights and can lead to elder abuse.

This is predominantly running, as I said, on social media, but the Office for Ageing Well is committed to tackling ageism as part of its work to safeguard the rights of older South Australians and create age-friendly communities where people remain active and engaged as they age. This is also clearly something that will be considered as part of the review in relation to the Ageing and Adult Safeguarding Act that is being undertaken by the South Australian Law Reform Institute.

Mrs HURN: How long do you think the advertising campaign will go for, minister?

The Hon. C.J. PICTON: As I said, it will run until 27 July.

Mrs HURN: Is there any room to extend that at all?

The Hon. C.J. PICTON: That is not the current plan, but obviously we will consider in the planning for future advertising campaigns whether there could be an extension of that or a new campaign down the track. That is something that would be considered based on the success of the current campaign.

Mrs HURN: I go to Budget Paper 4, Volume 3, page 20, in relation to the Retirement Villages Act of 2016. Is the government considering changes to the statutory buyback provisions?

The Hon. C.J. PICTON: As I said, we are going through a process in terms of considering what the recommendations of the consultant's report that we have received are, and other feedback that we have received as part of the response to that report that is being considered, and it is likely that we will go through a further round of consultation before presenting a bill to the parliament. No decisions on any particular matters such as that have been made at this point.

Mrs HURN: So you are not ruling out any changes to the buyback provisions?

The Hon. C.J. PICTON: I am not ruling them in and I am not ruling them out. I am saying that we are taking the report, we are considering that, we are considering feedback from a whole range of stakeholders, and we will conduct further consultation before we bring a bill to the parliament.

The CHAIR: Thank you, we have now come to the—

Mrs HURN: Just in relation to—

The CHAIR: I know you were just getting warmed up and I know you would like to stay here all night, but I now have to draw you to a close. There being no further questions, I declare the examination of the portfolio of Office for Ageing Well completed. The examination of the proposed payments for the Department for Health and Wellbeing, Wellbeing SA, and Commission on Excellence and Innovation in Health are now complete.

Having said that, I would like to thank all the members for the very measured tone during this estimates hearing. I would like to thank the public servants for all the solid work they do leading up to estimates. I will even thank the minister for his comprehensive answers to questions. I also thank

the parliamentary staff, including the parliamentary security that has had to sit up there just about the whole of the day. Good on you.

At 18:32 the committee adjourned to Monday 20 June 2022 at 09:00.