

HOUSE OF ASSEMBLY
Wednesday, 5 July 2023
ESTIMATES COMMITTEE B

Chair:

Mr E.J. Hughes

Members:

S.E. Andrews
Mrs A.M. Hurn
Ms C.L. Hutchesson
Mr S.J.R. Patterson
Ms O.M. Savvas
Mr T.J. Whetstone

The committee met at 09:00

Estimates Vote

DEPARTMENT FOR TRADE AND INVESTMENT, \$118,542,000
ADMINISTERED ITEMS FOR DEPARTMENT FOR TRADE AND INVESTMENT, \$1,375,000

Minister:

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

Departmental Advisers:

Mr D. Reynolds, Chief Executive, Department for Trade and Investment.
Ms J. Burgess, Chief Operating Officer, Department for Trade and Investment.
Mr C. Wood, Executive Director, Invest SA, Department for Trade and Investment.
Mr T. White, Director, Trade, Department for Trade and Investment.
Ms R. Lang, Manager, Finance, Department for Trade and Investment.

The CHAIR: Welcome to today's hearing for Estimates Committee B. I respectfully acknowledge the traditional owners of this land upon which the committee meets today and pay our respects to them and their cultures, and to the elders both past and present.

The estimates committees are a relatively informal procedure and, as such, there is no need to stand to ask or answer questions. I understand that the minister and the lead speaker for the opposition have agreed on 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. N.D. CHAMPION: I can.

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 Answers to Questions mailbox no later than Friday 8 September 2023.

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

All questions are to be directed to the minister, not the minister's advisers. The minister may refer questions to advisers for a response. Questions must be based on lines of expenditure in the budget papers and must be identifiable or referenced. Members unable to complete their questions during the proceedings may submit them as questions on notice for inclusion in the assembly *Notice Paper*.

I remind members that the rules of debate in the house apply in the committee. Consistent with the rules of the house, photography by members from the chamber floor is not permitted while the committee is sitting. Ministers and members may not table documents before the committee; however, documents can be supplied to the Chair for distribution.

The incorporation of material in *Hansard* is permitted on the same basis as applies in the house; that is, it is purely statistical and limited to one page in length. The committee's examinations will be broadcast in the same manner as sittings of the house, through the IPTV system within Parliament House and online via the parliament website.

I will now proceed to open the following lines for examination. The portfolio today is the Department for Trade and Investment. The minister appearing is the Minister for Trade and Investment. I declare the proposed payments open for examination. I invite the minister to make an opening comment, if he so wishes, and to introduce his advisers.

The Hon. N.D. CHAMPION: I will begin by introducing the department officers who are here with me today: David Reynolds, Chief Executive, Department for Trade and Investment, who of course needs no introduction really, and Timothy White, Director, Trade, Department for Trade and Investment. To my right is Christopher Wood, Executive Director, Invest SA, Department for Trade and Investment. Behind me are Rebecca Lang, Finance Manager, Department for Trade and Investment, and Julie-Anne Burgess, Chief Operating Officer, Department for Trade and Investment.

I would like to begin by thanking all of the department officials and all of the staff of the Department for Trade and Investment for their hard work over the last 12 months. Clearly, this is a tumultuous time in world relations and international trade relations. Since the last estimates, we have seen the return to normalcy post the great disruption of COVID, but we have also seen around 17 months of war in Europe, which has disrupted international trade, disrupted supply chains and, most notably, disrupted energy markets.

All of our industries have to live with both the consequences of that and the ramifications of that, both on the downside and sometimes on the upside. It has not been a normal period, I think, in global trade, and looking forward I suspect it will not get any calmer in the next 12 months. That said, we have seen our relationship with China stabilise and some improvements and openings in the barley market most notably, which assists, and we look forward to that continuing stabilisation effort between the commonwealth government and the People's Republic of China. We think that is a critical trading relationship for South Australia. Over and above that, we are diversifying our trade as best we can with the rest of the world.

In terms of the priorities for the department, they have been around a restructuring, a resumption in normal operation in our international networks and our trading relations, the fulfilment of the government's election commitments in regard to Brand SA and Invest SA, and helping to assist the other government efforts in relation to AUKUS in particular. The AUKUS announcement, which is a landmark international agreement between the UK, the USA and Australia, obviously has great importance for our state, particularly for defence supply chains and investment and trade.

Likewise, hydrogen and renewable energy: in 16 years we have gone from having 1 per cent renewables to now 70 per cent renewables in our grid, and we are ranked number one globally in annual renewable energy production, according to the IEA. So we have a tremendous head start in that area, and the department is here to see more investment in renewable energy projects to help

assist other government departments with the Hydrogen Jobs Plan. That has been of great interest in our international business missions.

On our international business missions, we have seen visits to Japan and South Korea in October 2022 to attend the Australia Japan Business Co-operation Committee meeting. That was with the Premier and Minister Koutsantonis as well. It was a very important opportunity and our first business mission. Obviously, there was a key focus on hydrogen as a result of that, along with some of the other priorities.

We returned to Japan and also visited Singapore in March 2023. That was focused on hydrogen and renewables as well. We attended the Fuel Cell Expo, which is the region's largest hydrogen conference. We also appointed Mr Martin Haese as the South Australian government's Special Envoy to Singapore and South-East Asia.

In May 2023, we visited the United Kingdom, France and Italy as part of the UDIA study tour, which is more related to my planning portfolio, but I took the opportunity to attend a number of trade and investment meetings and events with key stakeholders, particularly in the United Kingdom. There was obviously a focus on the new Australia-UK Free Trade Agreement while we were there and its particular impacts on defence and food and wine.

Most recently, in June 2023, we visited the United States and attended the BIO International Convention in Boston. It is the world's largest biotech conference and had a number of participants from South Australian industry and also from the University of South Australia. We also had meetings in defence, tech, South Australian wine, and visited Washington and announced the state's sixteenth international trade and investment office. That announcement was made as part of two new international offices since estimates last met, in Frankfurt and in Washington, and both of those play pivotal roles in those priorities around hydrogen, renewable energy and, of course, defence through AUKUS.

We have re-established Brand SA, which was established to raise the profile of South Australian businesses and guide consumer choices towards local products. It does not need saying that the former government had abolished funding and support for Brand SA in June 2019. We have re-created Brand SA; established a board of six members, chaired by Jane Jeffreys; begun the Spend Your Support campaign to assist River Murray businesses in need; partnered with Gluttony Food and Wine Festival, with South Australian food and top Riverland wines and spirits on centre stage; partnered with Food SA to deliver activities for the food and beverage sector, both locally and interstate; supported the Adelaide 36ers, who wore the Brand SA logo on their uniform in their historic victory against the Suns in Phoenix, Arizona, and we got great coverage out of that; relaunched the Eat Drink Local campaign in partnership with Food SA; and over the course of the next few months Brand SA will be bringing back a Buy Local statewide campaign.

In terms of Invest SA, we have facilitated a billion dollars in investment within South Australia. We have helped to assist on the government's major events strategy, which has been all about placing South Australia on an international and national stage, along with attracting visitors to our state. We are also using those opportunities—and will use those opportunities increasingly in the future—to attract investors. We know that one in three of the dollars investment are from non-traditional industries, and we want to use Invest SA to complement market diversification and economic complexity in South Australia.

In terms of trade, obviously we have had a very strong 12 months to March 2023. Merchandise exports are at \$17.24 billion, an increase of 25.6 per cent. We have seen strong growth in export values continue in the United States, Malaysia and Philippines. Some of the ramifications of the war in Ukraine we saw show up in wheat sales to places like Sudan and the like, so it has been a very strong result for South Australian miners, farmers and businesses which export, and I would like to thank them for their efforts on that front.

Wine is one of our most notable exports; it is one of our most important industries. We know there have been disruptions to trade over the last two years or so, which have been very difficult to deal with, but nonetheless we have continued with the previous government's diversification efforts—we think that is worthwhile. We have established the South Australian Wine Ambassadors Club. We

launched that in August 2022. We have 27 wine importers recruited, 16 brands introduced to new markets.

The Department for Trade and Investment has also assisted, through its overseas office network, by facilitating 20 wine promotional events, and assisting in 73 wine programs and campaigns. We have also provided 147 TradeStart services to 78 wine exporters in the second half of 2022. It is one feature that has become fairly regular, certainly in my overseas business missions, and hopefully in the future all government ministers will have an opportunity to do a wine promotional activity because it is very useful and very important; we think it is an all-of-government effort.

In closing, we have a very clear vision about using Invest SA and Brand SA, not just to fulfil election commitments but to fulfil objectives for the state. We want to have strategically targeted international markets and networks that fit with the state's economic priorities, and we want to make sure our global footprint works for the government and for South Australian exporters, and of course we want to make sure, as far as we possibly can, that we keep up these really good trade conditions that we have at the moment. With that, I will hand to the opposition.

The CHAIR: Thank you, minister.

The Hon. N.D. CHAMPION: Actually, I might just add one other thing for the benefit of the opposition. We have Elinor Walker here as well, who is the head of the infrastructure unit as part of Planning, but it is a direct report to Mr Reynolds, so we can have questions about the infrastructure unit in this estimate session, but I think it fits better with Planning later on in the day, so I am happy to do it in either.

The CHAIR: Does the lead speaker for the opposition have an opening statement?

Mr WHETSTONE: No, I will get on with questions. Listening to the minister, I think obviously trade has been a very important economic driver for the state and it is great to see the current government riding on some of the coat-tails of the former government. It is continuing work—no political pointscore—but I have to agree with the minister on how important the trade opportunities are for South Australia's economy. Minister, I refer you to Budget Paper 3, page 23. Can you explain why the department has overspent its 2022-23 operating budget by \$24 million?

The Hon. N.D. CHAMPION: It is not an overspend. It is additional budget adjustments, which include \$7.3 million in carryovers from 2021-23 in grant payments; \$3 million for a state contribution to support BioCina establish an end-to-end mRNA manufacturing facility in South Australia, which is down in the Thebarton bioprecinct; and \$11 million under the Land Services SA contract in relation to additional activity, which brought in an extra \$41.4 million in revenue to the state under the Real Property Act, and that revenue is reflected in the department's administered entity. So it is not so much an overspend as additions.

Mr WHETSTONE: The 2022-23 budget estimates are \$169 million in operating expenses for the 2023-24 year, but this year's budget allocates \$183 million. Can you explain the \$14 million increase? You cannot, but someone can?

The Hon. N.D. CHAMPION: I am getting the accurate answer for you. I know this is a happy, bipartisan affair. Do you have a page reference, Tim?

Mr WHETSTONE: Page 23, Budget Paper 3.

The Hon. N.D. CHAMPION: Basically, it reflects the answer to the previous question. Essentially, there are lower grant payments and less activity under the Land Services SA contract, but I am happy to get you a more detailed answer.

Mr WHETSTONE: Moving on to ministerial office resources, I refer to Budget Paper 4, Volume 4, page 109. The 2022-23 budget for ministerial office cost of provision was \$2.296 million, compared with \$2.5 million in this year's budget, with an increase of just one FTE. Can you explain the \$214,000 increase?

The Hon. N.D. CHAMPION: I might have to take that on notice and get back to you.

Mr WHETSTONE: Under workforce summary, the FTE difference between the 2021-22 actual and the 2022-23 estimated result increased by 18.9 FTEs, seven more FTEs than what was budgeted for. Can you give me an understanding of why that happened?

The Hon. N.D. CHAMPION: That was the result of some vacancies in the department, and they will be filled by the end of the year, so we will be at that 380 figure by the end of the year. Do you want to know why there is that seven extra?

Mr WHETSTONE: I just wanted to know the reason for the increase in the 18.9 FTEs.

The Hon. N.D. CHAMPION: Apparently, there were vacancies at the end of 2021-22 that were not filled. We expect them to be filled. One of the issues that I think the whole state is feeling, private employers as well, is that it is difficult to recruit staff at the moment.

Mr WHETSTONE: What are the roles of these additional FTEs that have come in?

The Hon. N.D. CHAMPION: They are not additional roles; they are filling standard roles within the department. We will get the exact breakdown for you.

Mr WHETSTONE: Alright. The 2023-24 budget estimates 380.6 FTEs. What is the reason for a decrease? The 2022-23 estimate was 390.6; the 2023-24 budget is 380. Has the department laid off 10, or lost 10 through attrition? What was the reason for that, or have I just answered it for you?

The Hon. N.D. CHAMPION: They are the result of savings measures by the government.

Mr WHETSTONE: Do you and your department have a clear plan and time line in place for staff who are working from home? Is there a road map for your staff to be returning back to the office?

The Hon. N.D. CHAMPION: People are largely back in the office now, but there is flexibility within units and with managers for people to work from home, where that is appropriate. There is not a ministerial policy. Most people are back at work and there is flexibility for managers within their own units.

Mr WHETSTONE: So there is no plan within your office or within the department for people to achieve KPIs working from home as opposed to working in the office?

The Hon. N.D. CHAMPION: Do you mean performance management generally? It is not an issue I involve myself in, as a minister. I expect Mr Reynolds to run the department. I think that is what the chief executive officer is there to do. If I may be so bold as to say, when we have discussed those issues, Mr Reynolds believes that it is all about performance management generally. You are trying to manage a workforce in a sophisticated way. Most of the department officials work very hard and most of them do a terrific job, I am sure. If there are performance management issues, then they happen regardless of whether someone is partly working from home or working at the office.

Mr WHETSTONE: That brings me to the question: what is the current proportion of staff that are working from home currently, or have worked from home in the last 12 months?

The Hon. N.D. CHAMPION: We believe approximately 65 per cent have some access to flexible working arrangements.

Mr WHETSTONE: Sixty-five per cent?

The Hon. N.D. CHAMPION: During the last two months.

Mr WHETSTONE: Moving on to trade and investment, net cost, I refer to Budget Paper 4, Volume 4, page 110, which states that \$44.586 million was budgeted towards trade and investment net costs in 2022-23. Why has this been amended to \$40.754 million in this budget?

The Hon. N.D. CHAMPION: We might take that on notice and return it to you. Apparently there are a lot of different factors in those numbers between the two years.

Mr WHETSTONE: On the same reference, last year's budget 2021-22 estimated result for trade and investment net cost was \$57.353 million. This budget shows the actual 2021-22 was \$36.628 million. Can you give me a reconciliation of those numbers?

The Hon. N.D. CHAMPION: Some of that reflects the carryovers that we referred to in your first question, the \$7.3 million worth of carryovers in 2021-22. There was a bunch of carryovers for grant payments and it just reflects that.

Mr WHETSTONE: \$12 million?

The Hon. N.D. CHAMPION: It was \$7 million.

Mr WHETSTONE: There is another \$5 million somewhere.

The Hon. N.D. CHAMPION: We will take it on notice for the other \$5 million.

Mr WHETSTONE: What measures will be put in place to meet the \$46.904 million estimated in this budget?

The Hon. N.D. CHAMPION: So you are asking me a question about the future? Obviously, the departments do not set out to have underspends. We set out to achieve our objectives and that is what we will do.

Mr WHETSTONE: But you have an estimated budget. You have an estimate in the budget for expenditure: \$46.904 million as opposed to a budget in 2023 of \$40.7 million. Can you give me an understanding of what measures you are putting in place? Is it meeting efficiency savings or is it reducing programs?

The Hon. N.D. CHAMPION: Some of that is savings and some of it is just continuing the government's programs.

Mr WHETSTONE: Continuing? Are there any programs to be cut or removed from the budget?

The Hon. N.D. CHAMPION: No programs are being cut this year.

Mr WHETSTONE: Moving on to minor capital works, on the same reference point, page 111, can you provide a breakdown of what the minor capital works are and how much of the \$1.4 million is attributed to each?

The Hon. N.D. CHAMPION: One million dollars of that is just the upgrades. There is a continuing cycle of upgrades on the PlanSA website. We are running a full electronic system that is dealing with—do not quote me on it—over 40,000 planning applications at the moment. We can probably give the exact figure later on in Planning. There are just constant upgrades of that system that went on over the period of both the previous government and this government and that will probably continue. The great bulk of it is PlanSA and then the other \$300,000 is IT equipment.

Mr WHETSTONE: Under the issue of programs, what annual programs is your department committed to? I note that there are no programs listed in the budget. The question is: why are they not listed in the budget?

The Hon. N.D. CHAMPION: Are we talking about investment?

Mr WHETSTONE: Page 111.

The Hon. N.D. CHAMPION: We just have annual programs, which traditionally have not been listed. What have been listed in the past are projects, and we do not have any projects this year. We only have ongoing programs.

Mr WHETSTONE: As far as programs are concerned, has the Thomas Foods infrastructure project been finished, or has it ended?

The Hon. N.D. CHAMPION: Are you talking about the infrastructure project with the plant? It was for some infrastructure upgrades.

Mr WHETSTONE: I think it was roads, actually.

The Hon. N.D. CHAMPION: Yes. As I understand it, the majority is paid. There is a little bit remaining. We will get the exact number for you.

Mr WHETSTONE: Does that come out of your budget, or does it come out of Primary Industries? I suppose that is a tricky question.

The Hon. N.D. CHAMPION: It comes out of our budget.

Mr WHETSTONE: Is the Australian Space Park program still continuing?

The Hon. N.D. CHAMPION: The Deputy Premier has dealt with that issue at a previous estimates hearing.

Mr WHETSTONE: I do not know whether she did, but that is alright. Are you able to tell me if the Space Park has been discontinued?

The Hon. N.D. CHAMPION: The Space Park is in the Deputy Premier's portfolio, and as I understand it, she has dealt with it. As I understand it, the Deputy Premier had a number of questions on the Australian Space Park and the Common User Facility. I think she informed the parliament that ATSpace and Q-CTRL had withdrawn, Fleet and Alauda remained involved and the state government remained involved. I think the Deputy Premier dealt with this in a previous estimates hearing.

Mr WHETSTONE: Has the plant protein program been discontinued?

The Hon. N.D. CHAMPION: No, but I would say that we are still in negotiations with the commonwealth on that.

Mr WHETSTONE: Is the wine expansion and diversification program continuing?

The Hon. N.D. CHAMPION: Yes, but I will get the exact number of years. That was a four-year program funded from July 2021, and we have continued it. That is what the South Australian Wine Ambassadors Club and many of the promotional events through our international networks have done. You would have seen the activity through my releases as well, but basically we have done 75 campaigns delivered in 23 international markets since July 2021, and that is representing 1,600 brands and 16 wine regions.

So it is broadly continued. We have launched the South Australian Wine Ambassadors Club, which is a new element of that program. It was a four-year program put in place by the previous government, and we have kept it and kept up the activity on it as well.

Mr WHETSTONE: Just for clarification, is the wine ambassadors program a rebranded wine capital program? There was a wine ambassadors program in place. It had a different name. You have called it the ambassadors program, but is that a continuation of the Great Wine Capitals program?

The Hon. N.D. CHAMPION: No, it is new. Of course, you are welcome anytime to come to the events. We have had a couple of Riverland producers at both the last couple of events.

Mr WHETSTONE: Of course. They are finding themselves.

The Hon. N.D. CHAMPION: Indeed.

Mr WHETSTONE: Is the South Australian Landing Pad Program continuing?

The Hon. N.D. CHAMPION: Money is still being expended through the program for the next 12 months, and then we have to make a decision about whether we fund it internally and whether or not we continue with it. It continues to run for 12 months, and then we have to decide whether the department funds it internally.

Mr WHETSTONE: Are you able to tell me how it has performed, how many projects it has facilitated over the last 12 months?

The Hon. N.D. CHAMPION: In 2022-23, there were 14 companies participating in Landing Pad and 14 companies are estimated to have created 350 jobs within 12 months of establishment, and there are an estimated 1,300 jobs within three to five years of establishment.

Mr WHETSTONE: So 350 jobs were created in the last 12 months?

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

Mr WHETSTONE: And there are an envisaged 1,300 jobs throughout the course of the program?

The Hon. N.D. CHAMPION: Within three to five years of establishment, but these are estimates.

Mr WHETSTONE: Moving on, I refer to Budget Paper 4, Volume 4, page 112, Invest SA. How much has been budgeted towards Invest SA annually?

The Hon. N.D. CHAMPION: It is \$4 million over the estimates. We will get the exact breakdown year by year for you.

Mr WHETSTONE: What is the breakdown for Brand SA's expenditure since its establishment?

The Hon. N.D. CHAMPION: I can give you the year by year amounts that are spent; it will not have the elements in it. For 2022-23, the original budget was \$2 million. The revised budget was \$1.25 million. The budget for 2023-24 is \$2,250,000; for 2024-25, \$1.8 million; and for 2025-26, about \$1,077,000.

Mr WHETSTONE: Being in the forward estimates, obviously there must be dedication towards branding or to projects. How many campaigns has Brand SA run since its establishment? You might have already said this.

The Hon. N.D. CHAMPION: Some of it was covered in my introduction; I am happy to run through it again. You must remember that Brand SA has only just been established and we are doing it off a cold start, but since they have been established they have provided support for the 36ers on their US tour, and partnered with Food SA to showcase South Australian produce both locally and interstate. I can get you an exact breakdown of the Food SA events.

It delivered the Spend Your Support campaign—a pre-Christmas campaign—which was all about supporting flood-affected businesses in South Australia's Murray River regions, partnered with Gluttony, a food and wine event. That was all about delivering brand awareness, supporting local products and services and the like.

We have partnered with Business SA for an AFL Gather Round official business lunch. That was all about driving the visibility of the state brand, and 700 attendees received a selection of South Australian products, along with vouchers to spend in South Australia. We are launching a new statewide Buy Local campaign, which is in development and will be in market in August 2023.

Mr WHETSTONE: Sorry to bore you with a repeat there.

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

Mr WHETSTONE: Can you elaborate on the—was it the River Murray business support program?

The Hon. N.D. CHAMPION: Spend Your Support?

Mr WHETSTONE: Spend Your Support.

The Hon. N.D. CHAMPION: Yes.

Mr WHETSTONE: Can you elaborate on that, please?

The Hon. N.D. CHAMPION: That was a campaign run as part of an overall package. It was a pre-Christmas campaign and we launched it at the Central Market. I can get you an exact list of people who were there. It was designed to help consumers support Riverland businesses. The effect of these is always cumulative but the department and I, as minister, wanted to do the things that we could do within my portfolio area to help the Riverland. In planning we have obviously done a number of things, which we can cover later on in the session, but this was Brand SA's effort to be part of that statewide flood response.

Mr WHETSTONE: Do you have an evaluation process to award money to campaigns or promotional initiatives?

The Hon. N.D. CHAMPION: That one was run within Brand SA. The review we would do is run by Brand SA, by the department. Obviously, we would look at how much economic activity it generated, but it was part of a suite of measures designed to assist flood-affected communities and, as a result, we would not be analysing it in and of itself, it would be analysed as a broader effort. As you know, there were a number of other engagements by government to help flood-affected communities because there was public sympathy for those communities and, at that time in December, they were obviously facing very tough conditions up there—which I do not need to tell you about.

Mr WHETSTONE: Thank you, any support is appreciated. Is there a planned time line for the ongoing Buy Local campaign? Do you have a road map for how that will roll out and continue to roll out?

The Hon. N.D. CHAMPION: We are going to roll it out in August 2023, and then it will be out there in the marketplace. I suppose with all of these programs, you have to meet—it is a pretty delicate balance for policymakers because you have to both make sure the programs have a long enough time in the market to demonstrate that they can be effective, and then you have to balance that up by measuring their effect. We will put it into the marketplace.

I suspect Buy Local campaigns are, by their nature, long term and by their nature they are about building some of that esprit de corps in South Australia. We already have that. Most of the business community that I talk to, and the public more generally, know that we have had a pretty good 12 months and people feel as if something has changed in South Australia, particularly off the back of the major events. This just goes to assisting that general pride in state and a desire to support particularly small and family businesses within the state, which we have a great culture of and, of course, that Food SA and others represent.

Mr WHETSTONE: What criteria was used to appoint the members of the Brand SA Board?

The Hon. N.D. CHAMPION: The advisory board was selected for their expertise. We have Jane Jeffreys, who is a very experienced board chair; Callum Hann, who is a very prominent chef and businessperson; Rebecca Morse, a very respected journalist; Jade Torres, who is an Indigenous businesswoman; George Georgiadis, who has his own business selling gin; and Franklin dos Santos, who is the head of Foodland in South Australia. They are all people of prominence in South Australia, and we think they make a very competent, well-qualified board.

Mr WHETSTONE: Yes, I do not have any issues with that.

The Hon. N.D. CHAMPION: The government selects—

Mr WHETSTONE: The government made the call.

The Hon. N.D. CHAMPION: Yes, the government made the call. It was an action of government.

Mr WHETSTONE: Can you try to give me an understanding as to why there is no regional representation on the board?

The Hon. N.D. CHAMPION: In the first instance, we were re-establishing Brand SA after its funding had been discontinued, so we were putting it back into place. We put a board in place that we thought reflected the skill and expertise that would allow the government to fulfill its election commitment. I am certainly open to arguments about regional representation, and I have put, for instance, the first person from regional South Australia on the Renewal board, so I am certainly willing to contemplate those arguments.

Mr Reynolds reminds me that Mr Georgiadis is from McLaren Vale. I am not sure if that is as regional as perhaps the member would like, but I understand the point you are making. I think we have a very well-qualified board and I think they are going to do a great job for regional South Australia as well.

Mr WHETSTONE: I guess the point I am trying to make is that it is always good to see a balance and some regional representation can always put some level of diversity on any board.

The Hon. N.D. CHAMPION: I welcome the suggestion.

The CHAIR: It is a very good suggestion.

The Hon. N.D. CHAMPION: It is a very good suggestion and the Chair thinks so as well. I should know, having grown up in country South Australia, that it should always be at the forefront of my mind.

Mr WHETSTONE: Thank you for your protection, Chair. What export assistance and programs are the department utilising to facilitate trade outcomes?

The Hon. N.D. CHAMPION: At the moment, we have the Global Expansion Program, which provides up to \$50,000 per company, supporting high-growth, export-ready businesses, and the Landing Pad Program, as well as providing TradeStart advisers.

Mr WHETSTONE: Under targets, one of the targets was to facilitate \$750 million of foreign investment into South Australia. I am interested to know why the budget removed the word 'foreign'.

The Hon. N.D. CHAMPION: Investment is good for jobs, it does not matter if it is foreign or domestic. As long as it is coming to South Australia and creating jobs and economic activity, we think that is enough. Foreign investment is important and we welcome it, but the nature of business now is that investment generally is the name of the game.

Mr WHETSTONE: Do you think it is potentially trying to alleviate any political headwind when it comes to bringing investment into South Australia? That conversation is reasonably robust with foreign investment. Would it be fair to say that that just alleviates any headwind within conversation with—

The Hon. N.D. CHAMPION: If you are talking about generally in the community, I do not think the community are looking at the budget papers as forensically as perhaps the honourable member is.

Mr WHETSTONE: You would be surprised.

The Hon. N.D. CHAMPION: Maybe. I am very keen on not just investment coming in; there are a number of South Australian companies who are the foreign investors in other countries. As you know, there are a number of South Australian businesses now investing in foreign markets. They have factories in foreign markets, have plant and businesses in foreign markets. That is good for South Australia. When South Australian businesses grow and invest elsewhere, that is good for us as well.

Is that domestic investment? Is it foreign investment? That is why it is better to have I think a generic investment term. Obviously, the public know when it is a foreign investor or when it is not. I guess the honourable member's suggestion was not a consideration in terms of the budget paper. We just wanted to have a general investment category.

Mr WHETSTONE: Sure. Can you tell me how much of the \$975 million investment facilitated is foreign?

The Hon. N.D. CHAMPION: There is \$750 million that is foreign and \$290 million that is national.

Mr WHETSTONE: With the breakdown of that, is Australian investment overseas considered in your numbers?

The Hon. N.D. CHAMPION: No, although it would not be a bad figure to have when we are looking at all of these figures, because if a South Australian business invests in another country and then repatriates profits from there, that is a good thing for South Australia. On my overseas trade missions I have actually been surprised about how many South Australian businesses are now present in foreign markets and making a real go of it.

Mr WHETSTONE: Generally, the reason I ask that is that we consider anything that is exported out of this country as a number, as a part of our economy, so the reason for that question is: if we are putting the price of wine that is exported out of this country, are we not putting the monetary value of business that is set up in another country? That was the reason for the question.

The Hon. N.D. CHAMPION: I think there is probably a broader conversation about the nature of trade and investment. We are very focused on product export. I think that is because it is a core part of our economy. Perhaps we need a set of measurements about investments going out, services in particular and the importance of all of that in our trade performance.

Mr WHETSTONE: The \$975 million target is \$225 million more than expected. The department's export assistance program also facilitated \$10 million more than expected, so why have the targets for this year remained the same despite exceeding expectation?

The Hon. N.D. CHAMPION: The answer for that is there is an attempt to have long-term targets, because the variations of international trade are frankly beyond state governments. We have just had an absolutely rip-roaring year in terms of international trade. It is very rare that you have good prices—

Mr WHETSTONE: Do not tell the wine industry that.

The Hon. N.D. CHAMPION: No, that is right, but even in the wine industry there has been a lot of diversification, and it is notable. It varies from region to region, and from variety to variety, but we have had a very good trade year, but next year there might be an entirely different set of circumstances. If there was any cessation of the conflict in Ukraine and the ports opened there, that would obviously have a big effect on our grain industry, so you have to pick long-term goals, so that you can account for the gyrations of the world.

Mr WHETSTONE: Yes, I understand. I refer to Budget Paper 4, Volume 4, page 113. The explanation of significant movements states that a decrease in income is primarily due to lower commonwealth funding for TradeStart. Can you expand on that, please?

The Hon. N.D. CHAMPION: There have been complicated negotiations with the commonwealth. Apparently, they have just finalised, so we now have another contract for 12 months with TradeStart, but it had not been finalised until after the publication of the papers. We can get you an accurate update on that. I just want to clarify on that foreign investment stuff: it was \$710.4 million in foreign investment and \$290 million in local. I think I said a slightly different figure, not by much, though.

Mr WHETSTONE: Are you able to give me a better understanding of how that \$710.4 million was represented?

The Hon. N.D. CHAMPION: We could probably give you segments, categories, of where it came from, but I will take that on notice.

Mr WHETSTONE: Was any of that \$710.4 million directly through your attraction program?

The Hon. N.D. CHAMPION: Invest SA's job is to facilitate and engage with all of the investors coming in and case manage, so it is not as a result of a program; it is a result of Invest SA's mission, if you like, because their mission is to facilitate investment as it comes in. The whole idea of it is that we give investors a highly case-managed service.

Mr WHETSTONE: Would it be fair to assume that a majority of that investment has not just happened over the last 12 months? That is something that has been building, and then has been finalised in the last 12 months?

The Hon. N.D. CHAMPION: I think the answer to that is that there are a range of investments. Some of them have been very long term, some of them have been medium term, and some of them have been short term and transactional.

Mr WHETSTONE: The good work of this guy here, the former minister.

The Hon. N.D. CHAMPION: I have praised both of you—

Mr WHETSTONE: I am being kind to everyone here.

The Hon. N.D. CHAMPION: —on occasion. Some of them date back beyond even the previous government. Trade is, by its nature, a long-term game, and we try to make it as much of a bipartisan effort as we can because we are all team South Australia.

Mr WHETSTONE: Hear, hear! Minister, performance indicators: how much of the once-off energy and mining sector peak contributed to the \$975 million?

The Hon. N.D. CHAMPION: Energy and minerals was 46 per cent of it, and I will find out exactly how much of it is minerals.

Mr WHETSTONE: I think that was in that timely news piece this morning in the paper, was it not? It did not mention you once.

The Hon. N.D. CHAMPION: Mate, I am a team player.

Mr WHETSTONE: Take it for the team.

The Hon. N.D. CHAMPION: Sorry, I should not call you 'mate' in the chamber.

Mr WHETSTONE: Do not do that, for goodness sake, gee whiz!

The Hon. N.D. CHAMPION: The Chair should protect you from that. I am a team player—team South Australia.

Mr WHETSTONE: Again. I am hoping this will not be a scenario. Can you provide a breakdown of the 4,000 new jobs that will be secured through Invest SA's initiative. Can you give me an understanding of the breakdown of those jobs, full-time and contract jobs?

The Hon. N.D. CHAMPION: Just erring on the side of caution, some of those are going to be the subject of commercial-in-confidence, so we will take it on notice and endeavour to give you an appropriate answer that is careful of the range of factors concerned. But the department, by its nature, always runs a very hard ruler over these numbers. They are not guesstimates.

Mr WHETSTONE: The numbers in the budget—there has been an upgrade, as I said, in today's media piece. Today, it was 4,300 jobs expected, with \$1 billion of investment into South Australia. It was a thousand of high tech, 300 in creative. There are 3,000 new jobs. Are they new or is there an existing component with that headline?

The Hon. N.D. CHAMPION: They are all new jobs as a result of deals over the last 12 months.

Mr WHETSTONE: You said that 46 per cent came through energy and mining, 20 per cent came through defence. Are you able to give me a breakdown of the remainder, the 34 or 35 per cent?

The Hon. N.D. CHAMPION: Subject to the commercial-in-confidence issues, we are happy to take it on notice and—

Mr WHETSTONE: I am not looking for individual cases. If we break it down to food and beverage, space and high tech, there must be a component there where we can see an emerging—

The Hon. N.D. CHAMPION: Yes, sure. Like I said, I am happy to provide the answer on notice.

Mr WHETSTONE: The question I have to ask: is your chief executive for Invest SA, Chris Wood, essentially doing your job?

The Hon. N.D. CHAMPION: I do not—

Mr WHETSTONE: I know you are a team player for SA.

The Hon. N.D. CHAMPION: I do not know what budget line you are talking about.

Mr WHETSTONE: I am looking at the \$1 billion invested, the good work of Chris. No disrespect to you—

The Hon. N.D. CHAMPION: It sounds disrespectful.

Mr WHETSTONE: No, come on.

The Hon. N.D. CHAMPION: I would hate to see if you were really giving me a hard time.

Ms Hutchesson interjecting:

Mr WHETSTONE: You have to watch out for the member for Waite. She attacked me yesterday.

Ms HUTCHESSON: I take offence to that.

The CHAIR: Let's not go there.

The Hon. N.D. CHAMPION: There is no budget line for that question. Go on, let's have this debate. I saw your grievance speech.

Mr WHETSTONE: I congratulate Mr Wood on the great work that he is doing on the back of the former government.

The Hon. N.D. CHAMPION: He is a fine public servant—

Mr WHETSTONE: He is.

The Hon. N.D. CHAMPION: —and an excellent bit of recruitment by Mr Reynolds.

Mr WHETSTONE: I was just going to say, Mr Reynolds seems to be missing out there, so I am glad you have mentioned his name as well.

The Hon. N.D. CHAMPION: I praise them all. They are all very hardworking.

Mr WHETSTONE: Moving on to page 114, the value of export deals mentions a one-off large-scale trade outcome in the creative industries sector. What is that referring to?

The Hon. N.D. CHAMPION: That is a commercial-in-confidence deal at the moment. I will take it on notice and get the most cautious and careful answer for you.

Mr WHETSTONE: The member for Unley would be very disappointed that you did not mention what it was. What I would say is that the 2023-24 target is only \$50 million. Will the government pursue more ambitious projects in the creative industries, or are you pursuing more ambitious projects?

The Hon. N.D. CHAMPION: We have just extended the games rebate. I was down at Keywords Studios the other day, seeing some of the work they are doing and the expansion of their workforce. I think it was going from 20 to about 35. We have extended the games rebate, we are the first state to have it, and that will provide a program for growth in that sector. But the nature of that sector is that it is inherently lumpy in its outcome. As I said before, you set a goal and you try to meet it each and every year, but it does not necessarily build up over time.

We have all the policy settings in place. We are very supportive of the industry and we think it is a good industry. It is expanding in its employment and providing graduates—I met a young woman in the graduate program who is very excited about her future. I think it is an area that we are very interested in and supportive of, but we are keeping the targets the same because that makes sense at the moment.

Mr WHETSTONE: In regard to international network expansion, I would like to understand where we currently sit with our export initiatives. Are you able to give me a breakdown on the costs of each component of the international network expansion initiative?

The Hon. N.D. CHAMPION: In terms of the two offices, Frankfurt and Washington?

Mr WHETSTONE: It is more than that. If I take a step back, how many trade offices does South Australia currently have active?

The Hon. N.D. CHAMPION: I will list them all off, although there has been no great change since the previous government: Shanghai, Guangzhou, Hong Kong, New Delhi, Tokyo, Kuala Lumpur, Singapore, Seoul, Dubai, San Francisco, Houston, New York City, Washington and Frankfurt. The only thing I will point out is that our employee in San Francisco left because he was, as I understand it, recruited by the government of Victoria, so we are currently looking at who will fulfil that role in the future.

Mr WHETSTONE: Can I have a little bit more clarification on those trade offices? Are they all staffed by a person appointed by you, or are they staffed by an Austrade employee who wears various hats?

The Hon. N.D. CHAMPION: There are two standalone offices as well, in Jinan and the Office of the Agent General in London. The standalone offices are administered by us and then the list that I gave you before is embedded with Austrade.

Mr WHETSTONE: These offices are administered by the South Australian government?

The Hon. N.D. CHAMPION: They are our employees. We have a contract with Austrade. We recruit them, but technically they are employees of Austrade.

Mr WHETSTONE: Are they employed on a full-time basis under the South Australian banner or do they wear various hats?

The Hon. N.D. CHAMPION: They are full time for us.

Mr WHETSTONE: Full time.

The Hon. N.D. CHAMPION: That has not changed since I became minister. They are exactly the same arrangements that were in place with previous ministers.

Mr WHETSTONE: Yes, I understand. As a former government, we came in and we had the trade offices there, but they were not staffed. I am just trying to get an understanding that every trade office has a staff member there for active service.

The Hon. N.D. CHAMPION: With the exception of San Francisco, the trade network has not changed in its structure.

Mr WHETSTONE: How many trade offices in the US? Four?

The Hon. N.D. CHAMPION: We have San Francisco, which is currently vacant; Houston, which remains the same; New York City; and Washington, which we are just about to embark on.

Mr WHETSTONE: Can you give me a better understanding of how the Washington office will work?

The Hon. N.D. CHAMPION: The primary reason for Washington is AUKUS. This is a very significant agreement for South Australia. We already have offices in London, which are well established, but we did not have one in Washington, and there will be a number of matters relating to AUKUS that will require us to have a presence in Washington. Secondary, but no less important, is that there are a lot of developments from the Inflation Reduction Act as it relates to hydrogen. We need to be aware of those and aware of the detail, not just how the United States Congress might interpret the act but also the administration as well.

Mr WHETSTONE: The Special Envoy to Singapore and to South-East Asia, are they working in a standalone office or are they working as a moving operator? I do not know if I made myself very clear there.

The Hon. N.D. CHAMPION: We have a contract with Mr Haese. He is our special representative, obviously, so we do not have him based in an office like the Austrade offices or the standalone offices. This is a new arrangement that we have and we have done it specifically because Singapore is a critical hub for investment.

Mr WHETSTONE: Does he work from home?

The Hon. N.D. CHAMPION: I am sorry?

Mr WHETSTONE: Does he work from home?

The Hon. N.D. CHAMPION: Mr Haese works very hard, I can tell you. He has already had a substantial number of meetings. I have been impressed not just by his work ethic but also by some of the meetings that he has been able to secure, and that has been a very important aspect of what we are trying to do in Singapore. We obviously have an office there and that is important, but we want to make a special effort with Singapore and South-East Asia.

Singapore is the home of, I think, 300 family offices, a huge amount of investment capital, and that represents a real opportunity on a whole range of areas for investment in South Australia. It does need additional effort, and not just by the minister and not just by Mr Wood, as investors come in. We need to reach out to investors as well, and Mr Haese is uniquely positioned as a former Lord Mayor and a former head of Business SA to do that for us.

Mr WHETSTONE: Sure. I acknowledge his good work. Does Mr Haese report directly to you or to Mr Wood? How is the arrangement set up?

The Hon. N.D. CHAMPION: His contract is with the department. He reports directly to Mr Reynolds, but he has also been very keen to keep me in the loop. Mr Haese is an enthusiastic South Australian. I think he is trying to do a great job for South Australia in Singapore and in those other markets. He has been very keen to keep me aware of what the opportunities might be.

Mr WHETSTONE: Is he living in Singapore?

The Hon. N.D. CHAMPION: He lives in South Australia. He is commuting to Singapore regularly for his own business purposes. He is working on contract for us, but it is not a full-time contract. Essentially, this has been a new initiative by the government. We think it is a worthwhile initiative. Obviously, Mr Haese is uniquely suited to this role in Singapore. As I said before, there is an additional effort we want to make there. If this works, we would consider it for other places that need additional effort over and above a trade office. Trade offices do great work, but there is room for additional initiative in some places because they are particularly important to the investment task.

Mr WHETSTONE: With all trade offices, are there levels of key performance indicators that are guidelines or are given to them to achieve? Are there meeting numbers? What is the benchmark?

The Hon. N.D. CHAMPION: There is a broad set of KPIs for the trade offices, which is done in aggregate. The reporting mechanisms are exactly the same as in the previous government. They report through to the same public servant, Mr Tali Reaburn. That arrangement is exactly the same as in previous budgets and previous governments.

I have the aggregate outcomes for you, if you want to know the aggregate outcomes for 2023. There were 52 trade outcomes with export value of \$A19.8 million. That is basically trade programs, bespoke business-to-business facilitation. They facilitated four investment projects with an investment value of \$10.8 million, had strong results in defence, energy, minerals and food and wine and contributed to the business development opportunity pipeline through the creation of 113 active trade opportunities and 74 potential investment opportunities.

Mr WHETSTONE: Just for clarification, I read a press release from you in March, and it was stated that Mr Haese would report directly to you.

The Hon. N.D. CHAMPION: He does, but his contract is with the department and Mr Reynolds, so he reports to both of us.

Mr WHETSTONE: Mr Reynolds answers his phone.

The Hon. N.D. CHAMPION: What are you suggesting?

Mr WHETSTONE: You are a busy man.

The Hon. N.D. CHAMPION: Are you suggesting I have no phone calls from Mr Haese? Is that what you are suggesting?

Mr WHETSTONE: No, I am not suggesting that.

The Hon. N.D. CHAMPION: You would be wrong—very wrong.

Mr WHETSTONE: I am not suggesting that. That was all a bit lighthearted.

The Hon. N.D. CHAMPION: Okay. I will take it in the manner it is intended.

Mr WHETSTONE: Did the department meet its savings targets in the last financial year?

The Hon. N.D. CHAMPION: Yes.

Mr WHETSTONE: It did?

The Hon. N.D. CHAMPION: Yes.

Mr WHETSTONE: Congratulations. Are you still committed to saving your \$4.7 million this financial year?

The Hon. N.D. CHAMPION: Yes.

Mr WHETSTONE: Can you explain what your operating efficiencies are and what will be implemented to achieve them?

The Hon. N.D. CHAMPION: Last year, we put in place a restructure and that restructure is of a nature that will deliver not just our savings target last year but this year as well.

Mr WHETSTONE: I want to touch back on export services. What programs are the agency providing to support startup exporters?

The Hon. N.D. CHAMPION: TradeStart advisers and global expansion.

Mr WHETSTONE: Are there any internal programs in South Australia to support startup exporters or existing exporters exporting new products, new services?

The Hon. N.D. CHAMPION: Just those two programs.

Mr WHETSTONE: Just the two, okay. There are 400 South Australian businesses that are currently exporting, as I understand. How many of those have received government support?

The Hon. N.D. CHAMPION: Of that 400, all of them have received some sort of advice or facilitation through the department.

Mr WHETSTONE: Are you able to give me some clarity on what sort of support from a certain level to an extended level of support?

The Hon. N.D. CHAMPION: The answer is that it varies from business to business, depending on what they are attempting to do through their business plan. We try to tailor our support to what they are trying to do.

Mr WHETSTONE: Just to touch on the establishment of the trade office in Frankfurt: how will the office in Frankfurt differ from other offices in that close vicinity? We have an Agent General in the United Kingdom. We will have an office in Frankfurt. What other trade offices will South Australia have in Europe or supporting offices for setting up an office in Frankfurt?

The Hon. N.D. CHAMPION: This will be our first European office, and we think Frankfurt is the right location for that. Germany is the hub of renewable energy in particular and advanced manufacturing. We think that is a right place to have a European trade office. The London office will obviously continue to service many European countries. Our Agent General there fulfills his role as well, and the last time I was there the trade office was talking about a trip to Norway and some of the Baltic states around defence. Europe is a large place. We have been doing all that work out of the London office until now and Frankfurt will be part of an additional part of the network.

Mr WHETSTONE: On the back of that, can you give me an understanding as to why the trade office in Paris has been scrapped?

The Hon. N.D. CHAMPION: Because Paris was the wrong place to put it, and Frankfurt is the right place to put it. On any objective measure, the government is confident that that is the right decision for South Australia, for our industries and for our network.

Mr WHETSTONE: As important a trade office as it will be, can you give me an understanding of staffing numbers, FTEs and resources?

The Hon. N.D. CHAMPION: It will be an office embedded in Austrade along the same lines as those others that I read out before.

Mr WHETSTONE: So there will be one staff?

The Hon. N.D. CHAMPION: One staff, yes.

Mr WHETSTONE: One FTE.

The Hon. N.D. CHAMPION: Yes, FTE.

Mr WHETSTONE: With all of the trade offices, do you independently audit those offices for their net worth?

The Hon. N.D. CHAMPION: Mr Reaburn, who has looked after the international network for the Department for Trade and Investment—and from my observation has done a very diligent job for governments of both political persuasions—is continuing in the work that he has done over the two governments. There have been no changes there; we have not changed that arrangement at all. Mr Reaburn reports to Mr Reynolds. From what I have seen, all of our trade offices do an exceptional job, but their management is a matter for Mr Reaburn and Mr Reynolds.

Mr WHETSTONE: On reflection, part of the reason behind that question was that previously there were a number of trade offices, under your former government, that were not adhering to the guidelines that were put in place and hence their jobs were terminated, hence there was no presence in those trade offices. I am trying to better understand if there is some level of that KPI where, if an office is not performing or an individual is not performing in a key global trade office, what will be the—what is the right word? There has to be some level of KPI or a performance indicator for an office to continue under its working conditions.

The Hon. N.D. CHAMPION: Essentially, the management of the trade office is exactly the same as the management of any departmental employee. It is Mr Reynolds and their direct supervisor who monitor all of that. I have not sought to intervene in any way, and I would not. That is just a normal matter for the department to manage.

Mr WHETSTONE: I apologise to the former trade minister. He does have one question he would like to ask.

Mr PATTERSON: I am really interested in getting a further update on the plant protein MMI initiative. You said you were waiting on the federal government to confirm. In terms of the parties that were involved, you had Thomas Foods, a local company, and Australian Plant Proteins—the only plant protein manufacturing company in Australia—and then AGT Food. What is the status of those three companies in terms of their interest and involvement?

The Hon. N.D. CHAMPION: They are all still interested and still involved. We are just in negotiations with the commonwealth about the nature of the funding contract.

Mr PATTERSON: I know the federal government is going through a review process at the moment, but have they committed their funding for this initiative?

The Hon. N.D. CHAMPION: Yes, the review finished some time ago, and they remain committed to this program. It is just a matter of negotiation between the commonwealth and the state bureaucracies and the parties about the contract. The funding is still in place and the program is still in place.

Mr PATTERSON: So when are we likely to see some construction start on this project, if the funding is there?

The Hon. N.D. CHAMPION: The contracts have to be signed before there can be any movement on that front.

The CHAIR: The time allotted having expired, I declare the examination of the portfolio of the Department for Trade and Investment completed. I thank all the advisers and the department for all the work you do through the year, and for all the work you have to do in the lead-up to estimates. I thank the opposition for their contribution to the process, and the minister.

Sitting suspended from 10:30 to 10:45.

DEPARTMENT FOR TRADE AND INVESTMENT, \$118,542,000**ADMINISTERED ITEMS FOR THE DEPARTMENT FOR TRADE AND INVESTMENT, \$1,375,000****ADMINISTERED ITEMS FOR THE DEPARTMENT OF TREASURY AND FINANCE,
\$3,557,414,000****Membership:**

Mr Telfer substituted for Mrs Hurn.

Minister:

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

Departmental Advisers:

Mr C. Menz, Chief Executive, Renewal SA.

Mr T. Perry, Executive Director, Property and Major Projects, Renewal SA.

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

Ms R. Ager, Director, Office of the Chief Executive, Renewal SA.

Mr S. Wingard, Residential Project Delivery and Assets, Renewal SA.

The CHAIR: Welcome. The portfolio is Renewal SA. The minister appearing is the Minister for Housing and Urban Development. I advise that the proposed payments remain open for examination and that the Administered Items line for the Department of Treasury and Finance is now open. I call on the minister to introduce his advisers and, if he so wishes, to make an opening statement.

The Hon. N.D. CHAMPION: I would like to begin by introducing the departmental officers from Renewal SA. To my left is Chris Menz, Chief Executive, Renewal SA. To his left is Michael Wood, Executive Director, Commercial and Business Services, Renewal SA. To my right is Todd Perry, Executive Director, Property and Major Projects, Renewal SA. Behind me, I have Shane Wingard, Residential Project Delivery and Assets, Renewal SA, and Rose Ager, Director, Office of the Chief Executive. I will make a short opening statement.

It is absolutely no secret that there is a housing crisis across the country, particularly here in South Australia, and that is being felt in the city, the suburbs and the regions. The Urban Renewal Authority, trading as Renewal SA, has for many years built up expertise in delivering residential, industrial and commercial projects, which they have done in partnership with the development sector. Housing is an absolutely key focus for this government and for Renewal SA in particular and we want to play a significant role in developing opportunities where there is need.

To that extent, Renewal SA has had a role in the state's biggest single land release announced in February and followed up in April, which has unlocked 25,600 allotments. Renewal SA has played a key role in delivering new land supply in Onkaparinga, Onkaparinga Heights (which was formerly known as Hackham), Dry Creek, Noarlunga Downs and Aldinga and affordable housing projects at Playford Alive, Noarlunga Downs, in two apartment buildings in Bowden and in two apartment buildings in Prospect. Those projects I just talked about in Playford Alive, Noarlunga, Bowden and Prospect are the first identified tranche of projects that we will submit to the \$10 billion Housing Australia Future Fund (HAFF), which we hope passes the Senate.

Recently, the commonwealth supplied South Australia with \$135.8 million through their \$2 billion Social Housing Accelerator program and work is currently being undertaken to determine how that money will be spent.

In May this year, the government announced Renewal SA's first urban renewal project in the city, acquiring the Franklin Street bus station site, which will deliver a mixture of housing options: 392 apartments, of which 35 per cent (137 apartments) will be affordable housing; the city's build-to-rent project, delivering 196 market and affordable apartments, which will include some community housing options for the sector to participate in; a 200-plus-room hotel; a carbon neutral operating civic building; and a mixture of retail and commercial space that will be known as Tapangka, which in the Kurna language means 'an experience of journey'. The Governor seeks to partner with builders to deliver that city-changing project and we think it is vital to increasing the population of the CBD. We anticipate that project starting in early 2026.

In terms of the Office for Regional Housing, housing has always been a key economic driver, and if you cannot house workers you cannot attract them to the regions. That is particularly magnified in country South Australia, where there is obvious market failure. The Office for Regional Housing was announced in February this year and is charged with tackling the chronic housing shortages in regional South Australia.

The first major initiative of this office is the development of a Regional Key Worker Housing Scheme, which will construct in the first instance 30 new houses across five regions: the Copper Coast, the South-East, Port Augusta, Ceduna and the Riverland. This will assist key government workers such as teachers, healthcare workers and police to be housed in appropriate accommodation. The Office for Regional Housing will also support stakeholders such as local councils, community housing providers, businesses and local developers through supplying advice and, where appropriate, funding to assist new at-scale housing.

Renewal SA has also worked with the Department of the Premier and Cabinet to manage recent land swap agreements between the state and commonwealth government, which is all focused on delivering the required growth in the defence sector at Osborne and unlocking land for mixed-use developments for Renewal SA. That arrangement will deliver key defence outcomes for the commonwealth and will also allow a growth in housing in key parts of Adelaide.

The other thing we are doing in defence is the Deeper Maintenance and Modification Facility. That is located at Penfield, right next to RAAF Base Edinburgh, a major maintenance and modification facility for the P-8A Poseidon maritime surveillance aircraft and the E-7A Wedgetail airborne early warning and control aircraft. More than two dozen staff have already commenced maintenance facilities through the development of an interim facility at RAAF Base Edinburgh, but we expect 450 full-time construction personnel to be building the new facility and 160 aerospace jobs to be created after that is operational in mid-2025. Renewal SA last week closed an expression of interest process for that development.

Since the last estimates, the state government has refocused Renewal SA by appointing a new board chair, with the highly capable Stephen Hains at the helm, along with new board members including Anne Moroney, who has extensive regional experience with the Barossa RDA. I have charged the board with refocusing the organisation to concentrate on affordable housing projects and, for the first time, also to concentrate their housing efforts outside of metropolitan Adelaide.

We believe that is the right balance at this time. There is a housing crisis, an emerging housing emergency. I think most people in the community are alarmed at the situation we find ourselves in with housing, and Renewal SA is obviously a key organisation for helping the government to implement its election commitments and to go further to help alleviate the crisis. With that, I welcome questions.

The CHAIR: The member for Flinders, an opening statement?

Mr TELFER: No, not today, Mr Chair, thank you. I will go straight into questions. Can I just say thank you to the team for being here, obviously to go through what is a significant subject matter. To get a bit of an insight for me and for the public on the first part of your opening statement around the land supply and probably the time that it will take to get houses built from land releases, of the land releases in the greater metropolitan area which the government has announced—you went through a list: Concordia, Golden Grove, Dry Creek, Noarlunga Downs, I have 'Hackham' but you used the fancier term of 'Onkaparinga Heights'—I think that is what it was—

The Hon. N.D. CHAMPION: Yes, that is right; the Surveyor-General is going through the process of—

The CHAIR: Can I just have a reference to the budget lines here?

Mr TELFER: Sorry. Budget Paper 1: Budget Overview, pages 6 and 7, housing package—and Aldinga and Sellicks Beach. Which ones will Renewal SA be engaged with, for instance, through a request for a proposal out of those land releases that you mentioned?

The Hon. N.D. CHAMPION: I will go through it project by project, if you like. With Hackham, we own a portion of the land and the portion is under contract or options with a private developer where a code amendment was undertaken, so obviously some of that can be dealt with in planning. We own the portion at the later stages of the development, so the development starts at the top.

There is going to be an initial 200 allotments, which is basically coming off existing infrastructure that exists, because there is a neighbouring subdivision that has already been built. Over the next two to three years, that land will be—it is still subject to a land division, which we can talk about in planning, and then Renewal's land is at the later stages of the project. It has been renamed Onkaparinga Heights as part of a suburb name change, which has been undertaken by the Surveyor-General, again under application from the property developer.

With Dry Creek, there is a total of 832 hectares and we own the majority portion of that land, but that is at the moment subject to master planning and investigations with the private company that owns the other portion of it. That is a more complex proposal just by the nature of the fact that it is a salt pan. There are a range of investigations that have to be undertaken there.

Mr TELFER: Because of that complex nature will there be a request for proposal process with that, to try to work out exactly what Renewal is aiming to do with that before—

The Hon. N.D. CHAMPION: I think we are going to do all the master planning and infrastructure and investigations. There is a range of significant work that has to be done before you get to the stage of whether we would directly deliver or whether we would go out to the market, but that decision has not been made yet. With Aldinga, that was released in May 2023. A request for proposal closed on 22 June 2023, and that is more than 800 allotments over 45 hectares. Noarlunga Downs, 22.5 hectares, which is approximately 600 homes, that is proposed to be direct delivery by Renewal SA in partnership with SAHA.

Mr TELFER: Aldinga, the process with that, is that a request for proposal process?

The Hon. N.D. CHAMPION: Yes, that has closed.

Mr TELFER: It has just closed.

The Hon. N.D. CHAMPION: Yes. It just closed on 22 June. Anything else?

Mr TELFER: Concordia.

The Hon. N.D. CHAMPION: Concordia, we do not own any land. That is an entirely private development under the Concordia Land Trust and that will be—

Mr TELFER: No involvement for Renewal?

The Hon. N.D. CHAMPION: Not for Renewal, but for planning.

Mr TELFER: Did you mention Golden Grove?

The Hon. N.D. CHAMPION: No, Golden Grove is a private development as well.

Mr TELFER: While I was talking, you mentioned Noarlunga Downs, did you?

The Hon. N.D. CHAMPION: Yes. Noarlunga Downs is the most recent project that we announced. There is some land held by government entities basically over the road from Colonnades Shopping Centre and the football club down there. It is right next to public transport facilities. It is ideal for housing, and so we have announced that. Renewal will be delivering that with SAHA, and our aim is to deliver 600 homes.

Mr TELFER: Sellicks Beach did you mention?

The Hon. N.D. CHAMPION: Sellicks Beach, again, is private, so we do not have a landholding there.

Mr TELFER: The request for proposal process: obviously, each allotment is different—different sizes, different complications—what is the minimum time that a request for proposal takes to be assessed for such large allotments?

The Hon. N.D. CHAMPION: It depends if it is done in one or two stages, and it can range from six months to nine months.

Mr TELFER: There are delays that can well happen to projects through a lot of these processes. Is there an insight into the impact on the costs of the projects? Has the work been done on the cost of delays for projects and thus, obviously, the affordability at the other end? It is a pretty dynamic space we are working in at the moment. Has that calculation been made for the different projects?

The Hon. N.D. CHAMPION: I guess it does actually depend on the nature of the site. Some sites are easier to deliver than others. Sometimes we will do direct delivery. Sometimes we will go out for a request for proposal. Once you have those proposals, once they have been accepted, Renewal rarely changes them. We hold the parties to account for delivery. We often require a security to deliver in a certain range of time frames. They are held to a certain set of standards and Renewal do that.

Mr TELFER: Can I unpack a little bit more about the Aldinga project? You talked about that getting to a point of completion. Did that go through a full request for proposal process?

The Hon. N.D. CHAMPION: Yes, Renewal consulted with the Department for Transport about removing the rail corridor down there. Once that was completed, we had a full RFP, which was released in May 2023 and closed on 22 June 2023.

Mr TELFER: Open for a month?

The Hon. N.D. CHAMPION: Open for six weeks.

Mr TELFER: I was under the understanding that because of the changes that happened—

The Hon. N.D. CHAMPION: Sensible changes that happened.

Mr TELFER: The changes that happened. I will let time be the judgement of the changes.

The Hon. N.D. CHAMPION: Indeed.

Mr TELFER: Obviously, the preferred proponent at Bowden was confirmed to provide the best outcome and there has been an at-length costly review. Do you think there is a risk that any private developer would have little confidence now in submitting a development proposal to the government?

The Hon. N.D. CHAMPION: Are you asking about Bowden or are you asking about Aldinga?

Mr TELFER: In general, with the complications with both of those projects, is the confidence and capacity of the private development sector to engage with these processes of government undermined?

The Hon. N.D. CHAMPION: The short answer to your question is no, there has been no effect. I am informed by Mr Menz that there is strong interest in Aldinga. With Bowden, the government implemented its election commitment and we did so in a way that did not interrupt the time frames of the development with MAB down on the Gasworks site. The review was not expensive in the great context of government. It provided great assurance to everybody that this was a good deal.

If you go down to Bowden today, you can see that they are already getting on with the work. There has been no slippage with the schedule at Bowden. That work is continuing. A contract was put in place in the same time line that it would have always done. The review was done separately by Mr Reynolds' department to provide, if you like, some probity safeguards, and Bowden is going on at the same schedule it would have always done.

Aldinga was delayed, but it was delayed for good reason. The preservation of a transport corridor to the southern suburbs is just common sense. It is common sense now, it will be common sense in 20 years, and it will be really common sense in 40 years.

Mr TELFER: That is an interesting description. What is the relevant planning authority for the seven sites that we have gone through? Are they subject to local government processes or state government processes?

The Hon. N.D. CHAMPION: Do you want me to go through them—

Mr TELFER: Yes, one by one.

The Hon. N.D. CHAMPION: Onkaparinga Heights was subject to a code amendment which was privately initiated, so that just went through the planning process of a code amendment. Renewal were involved because they were a landholder and because Renewal helped to put in place, and provided some advice about, the infrastructure deeds. They negotiated with some other landholders in the area as well. There was good interaction between Renewal and PLUS during that process. That is why we were able to put in place interim infrastructure deeds, which allowed that development to go ahead on what is a fairly complex piece of land.

Mr TELFER: Are you working your way through the sites?

The Hon. N.D. CHAMPION: Yes, I was just wanting to see if you were satisfied with that answer. With Dry Creek, it will be the normal planning process as well. As I said before, it will be a code amendment process when it comes, but there are a number of complexities including environmental, infrastructure—not just infrastructure, there is some existing infrastructure there such as gas pipes, electricity.

Mr TELFER: It will certainly be a complex project.

The Hon. N.D. CHAMPION: Yes, that is right. I do not want to underestimate the challenges there, but it is a great opportunity for the state. Renewal has been leading the government negotiations with the private proponent but planning is some way off.

Aldinga is already zoned appropriately so there is no issue there. Noarlunga Downs is already zoned as well. For all those other projects that we have in place—Playford Alive, Prospect, two Bowdens—there are no planning issues there. They are all zoned appropriately.

Mr TELFER: Can you run through when you expect the first house to be built at each of the seven sites I was asking about? What are the forecast time frames for first house completion that you are working within?

The Hon. N.D. CHAMPION: We think Hackham will be in 2025. We expect the beginnings of civil works and construction on that first little section to go ahead in 2025.

Mr TELFER: The end of 2025, or the start of 2025?

The Hon. N.D. CHAMPION: I would rather give you years than quarters. The reason for that, you would understand, is that there is already great pressure on our building industry anyway, so I think it is important to be somewhat realistic about these things. We think 2025 for Aldinga as well, and 2024 for Noarlunga Downs, because we are direct delivering and we think we can get cracking down there in the first section of it.

For Dry Creek, I am hesitant to speculate on that. As I said before, it is a complex site. We are working with the Buckland Dry Creek company to begin the investigations and the master planning. Because of the complexities, I am hesitant to speculate about when a first house might appear because there is just a whole range of work there. The reason why it is important to identify Dry Creek, and this will come up in planning later on, is that basically what the government has done is pump a decade and a half to two decades' worth of land supply into the pipeline.

Mr TELFER: So you think Dry Creek would be more like a decade out?

The Hon. N.D. CHAMPION: It is more of a medium-term opportunity.

Mr TELFER: Can you give some insight into Concordia, Golden Grove, Sellick's Beach? I know that it is private.

The Hon. N.D. CHAMPION: We can handle that in Planning in the next set of estimates, if you like, because they are all related to code amendments. I am happy to give you time lines on all of those. It is not a matter for Renewal.

Mr TELFER: Could we have a bit more insight then into the Dry Creek project and its complications? Has the government received any advice from the EPA around the suitability of the Dry Creek site being appropriate for residential development?

The Hon. N.D. CHAMPION: Renewal is leading the negotiations and then beneath that they are having consultation with each of the government departments: Environment, Infrastructure, the EPA, and Planning. We acknowledge it is a complex site and it is going to be a challenge to bring it to market. We think Renewal is the best agency to negotiate with the Buckland Dry Creek company about that. That is the way we are going about things at the moment.

Mr TELFER: Have you had any indication from the EPA at this point of any concerns around the suitability of the site for residential developments?

The Hon. N.D. CHAMPION: It is more about the resolution of the salt mining issue. At the moment it is a salt mine that stretches right across the coastline, right up to Middle Beach where the pumps are and so, clearly, that will need remediation: the removal of salt and those sorts of issues. Renewal is consulting with government departments and the Buckland Dry Creek company about that. That is a process that has to be undertaken. It has to be undertaken carefully but, ultimately, once those remediation issues are dealt with then it is just like all the other remediation issues we deal with. That is what Renewal is set up to do: remediate land and bring it to market.

Mr TELFER: Do you have a time frame for when you would expect the EPA to have given their fulsome advice on what they believe the issues are, potentially over and above what you highlight with the salt mine characteristics in particular?

The Hon. N.D. CHAMPION: As part of the master planning process, they are involved all the way along. I forget the exact name of it, but it is basically a voluntary remediation agreement with the EPA. We currently have one with Bowden, for instance. Those obligations have now been transferred over to MAB and you can see them doing the work down at the Gasworks. It would essentially be the same process. As part of the master planning process, you identify all the steps you have to take to remediate the land so that you can then convert it into residential. There will also be a code amendment across the top of that to rezone the land.

Mr TELFER: But we do not have time frames on that? Are you reticent to lock those in because of the complex nature?

The Hon. N.D. CHAMPION: Yes, that is right. I think we would want to get a master plan in place. The master plan would give you accurate time frames.

Mr TELFER: You spoke a bit about the Buckland Dry Creek company. Is the government intending to purchase the recently shelved land development owned by that company?

The Hon. N.D. CHAMPION: What recently shelved—

Mr TELFER: Is the government intending to purchase that component—

The Hon. N.D. CHAMPION: Of the land?

Mr TELFER: Yes. You talked about working with them. At some point, will the government take on the full responsibility of what they see as a high priority for the medium term?

The Hon. N.D. CHAMPION: At the moment, we are having discussions with them about the master planning, infrastructure deeds and code amendment. There have not been any discussions about Renewal purchasing any more land on that site.

Mr TELFER: Is Renewal SA the main leader in government negotiation with that company?

The Hon. N.D. CHAMPION: Yes, that is right. There is a single point of negotiation, with Renewal then negotiating with all the government departments basically to assess the government's requirements. Obviously, the EPA is an authority, so it has its own charter and is separate to this process except to provide us advice on remediation.

Mr TELFER: Can I move to Budget Paper 3: Budget Statement, page 75. I am interested in Renewal SA really becoming a player in the development space, which is obviously what has been happening. Has Renewal SA made any recent purchases of land to facilitate the developments that are happening within Greater Adelaide?

The Hon. N.D. CHAMPION: Renewal's landholdings have always been significant. We have significant landholdings over and above what we have talked about here, particularly in the northern suburbs.

Mr TELFER: I am interested in recent purchases.

The Hon. N.D. CHAMPION: In new ones, yes. The most recent one is, of course, the Franklin Street bus depot. We are in negotiations with Adelaide City Council as the preferred proponent to acquire.

Mr TELFER: Have there been any others in the last 16 months?

The Hon. N.D. CHAMPION: We bought some minor parcels at Port Pirie.

Mr TELFER: Can the government rule out Renewal SA putting in overmarket bids for land or sites that are for sale in the general market? Is there a risk that, if Renewal SA were to become a bigger player in the potential land development market, it could distort the market because of overinvolvement?

The Hon. N.D. CHAMPION: Renewal has a policy that we get valuations of land. The agency understands what land is worth before we purchase it. Renewal will not distort property markets, as you point out. What Renewal is here to do is be an urban renewal agency. There are some significant powers in the Urban Renewal Act. They were put in by this parliament. We are now in the middle of a housing crisis. The government has a housing policy, and we are implementing that policy, but it all has a foundation in appropriate valuation of land.

Mr TELFER: So you get a valuation, which obviously is a range. Is it Renewal's not necessarily a policy but process to normally be at that top end of that valuation range when looking at potential purchases?

The Hon. N.D. CHAMPION: I am not going to speculate out into the future, but of course we try to negotiate good deals on behalf of the taxpayers of South Australia.

Mr TELFER: Do you think there is a risk that Renewal SA has access to information that would not readily be available to developers in the private space that would potentially put them at an advantage?

The Hon. N.D. CHAMPION: What type of information?

Mr TELFER: This is what I am asking. Do you believe there is information that Renewal SA would have access to in ascertaining both area and price for potential land purchases?

The Hon. N.D. CHAMPION: The answer is no.

Mr TELFER: Is the government involved in the old West End Brewery site at Thebarton?

The Hon. N.D. CHAMPION: The nature of your questions invites a range of hypotheticals and speculation, which I am not going to indulge in.

Mr TELFER: It is realistic within a sphere that the government is working in at the moment, minister.

The Hon. N.D. CHAMPION: The most recent purchase was obviously Franklin Street, which we are in negotiations with Adelaide City Council about. I think that was entirely appropriate at every level. I do not understand the line of your questioning, I do not think it is valid and I am not going to speculate about any parcel of land across Adelaide—it is foolish to do so.

Mr TELFER: To ask if Renewal SA is involved in what is a pretty significant parcel of land, the old West End Brewery site, on the edge of the CBD that—

The Hon. N.D. CHAMPION: As I said, I am not going to engage in speculation about these matters.

Mr TELFER: Okay, we will see how that develops then. I want to talk about land supply for community housing providers. The reference is Budget Paper 1: Budget Overview, pages 6 and 7, which I referred to before, and Budget Paper 3: Budget Statement, Renewal SA, table 5.8, page 75. The Treasurer has said publicly that Renewal SA is looking for sites for community housing providers. What stage is that process at?

The Hon. N.D. CHAMPION: All four of those projects—the two Prospects and the two Bowdens—are projects we identified that we would attempt to fund out of HAFF. HAFF is stuck in the Senate. I do not want to make political points, but if people are concerned about housing supply we have identified four projects that that fund is critical to funding and there would be a lot more.

The government regards the passage of the HAFF through the Senate—and I cannot quite believe it is being held up in the middle of a housing emergency, where we want to act. We would have got to that a lot quicker. Once we know that funding arrangement is in place and know what it is, you can then go out to CHPs, and in Adelaide the HAFF model needs Renewal to be involved in many instances; it will not be all instances. The HAFF, superannuation funds and these models will rely on coordination via government.

We have identified those sites. We will go out for an expression of interest later this year for CHPs, but I cannot stress enough that the key uncertainty in that at the moment is the Housing Affordability Fund. If there is one thing I would say to those opposite, 'Get on the phone to your senators and ask them to pass it.' Any action on housing is better than debate in the Senate.

Mr TELFER: That EOI process you talk about, is that purely for those four sites that you just highlighted?

The Hon. N.D. CHAMPION: The process will involve SAHA and CHPs as well, so it is possible that CHPs will come to us with their projects, and we would obviously assess those and participate if it leads to a better outcome for the public and more affordable rental in the marketplace. What we are trying to do here is create a category that does not exist at the moment. We have public housing and private rental, and we are trying to create an affordable rental category through community housing providers, Renewal SA, the HAFF and other forms of finance—superannuation funds and the like.

Mr TELFER: Is the government actively looking at the moment for other sites beyond the four you have mentioned?

The Hon. N.D. CHAMPION: We have our own landholdings, which we are obviously assessing for suitability. Beyond this, and also, there would be CHPs out there with their own landholdings and their ideas about projects that might want our participation, and we would assess them in a sober way to get a good outcome.

Mr TELFER: But the progression of all these projects is reliant on the HAFF being advanced?

The Hon. N.D. CHAMPION: That is right, yes. We are reliant on the HAFF to provide funding for these four projects but also a massive pipeline of projects of affordable rental. These will be mixed projects and will have affordable rental in it, they will have normal rental, they might have BTR in it. There might be high-market housing in some of them.

A good example of that is that we use Nightingale, which provides very cheap housing to very vulnerable people and very affordable rental to very vulnerable people, at the same time as providing market rental in very green buildings, very well made green buildings. There are a number of providers out there, and Nightingale is just one. There are a number of providers of affordable rentals but what they all need is a funding mechanism that allows them to construct housing, which is what the HAFF is there for.

Mr TELFER: How much state funding has been allocated to the four projects that you have referred to at this point?

The Hon. N.D. CHAMPION: Of the total budget of 474, we have about \$140 million in there for seven priority projects.

Mr TELFER: For seven priority projects?

The Hon. N.D. CHAMPION: Yes.

Mr TELFER: That is more than the four; what are the remaining three?

The Hon. N.D. CHAMPION: We have regional housing, Franklin Street, and a range of other ones.

Mr TELFER: I am interested in why this function has been provided to you as minister rather than the minister who is responsible for social housing. Is there a reason for that?

The Hon. N.D. CHAMPION: There is a difference between—there is public housing, and we have a minister who is in charge of the South Australian Housing Authority and public housing, and that is a category. One of the difficulties, as I said before, is that in both regional housing and in the city for affordable housing, essentially what we have had to do, since I became minister—and I do not want to make it partisan but there was pretty much a blank sheet of paper and not much interest in land supply and affordable rental, and this problem has been building for a decade and governments have not responded appropriately.

What we attempted to do in the regions is create the Office for Regional Housing and we are attempting to find models that can overcome what everybody knows is extreme market failure. In some of these country towns, you have massive demand and a zero rental vacancy rate, but if you built a house there you would immediately lose money, so no private investor will ever do it. We have to overcome that and the only entity that can overcome that is government.

In the city now, we effectively have no affordable renting category, which used to be provided many decades ago by the South Australian Housing Authority—the South Australian Housing Trust. My mum and dad lived in government housing on Salway Street—I cannot remember the exact street—in Elizabeth Park as a first house.

That world is gone, and nothing replaced it, so we are trying to create a category of affordable rental, which is government partnering with CHPs, attempting to get finance from superannuation and other finance areas and most critically the HAFF. The HAFF is so important because it unleashes and enables those models, which we are all trying to put together. It is also in our charter and our act, as the Chief Executive just reminded me.

Mr TELFER: Perhaps, I will go to the Office for Regional Housing, as a neat little segue, minister. As a reference, I will point to Budget Paper 5: Budget Measures Statement, page 8, Office for Regional Housing. Can you refresh in my mind the list of regional localities that the Office for Regional Housing is actively engaged?

The Hon. N.D. CHAMPION: It was 30 homes in the Copper Coast, Riverland, Mount Gambier, Port Augusta and Ceduna. We have most recently been to Kangaroo Island and, of course, the Office for Regional Housing has also been working with many of the country councils, such as the Upper Spencer Gulf and the South-East more generally, including Naracoorte and the like.

Mr Hunt, who is the Director of the Office for Regional Housing, has been engaging with a lot of councils because there are two elements to it: there are those 30 homes, which are the beginning of a government employee sort of housing program and then there is basically talking to councils about landholdings, private developers, businesses and the like. All people have an interest in having more housing supply in a town or a regional city, but they do not have all the answers themselves and can partner up to deliver something.

Mr TELFER: I asked in previous months and you were not certain but is the 30-home breakdown going to be an equal distribution between the different localities or—

The Hon. N.D. CHAMPION: I can give you a target, if you like. In Ceduna, we have six; in Port Augusta, we have four; in the Copper Coast, we have 10; in the Riverland, we have four; and in Mount Gambier, we have six. That is a target for the first 30.

Mr TELFER: Obviously, it is a first step.

The Hon. N.D. CHAMPION: Yes.

Mr TELFER: Is this model envisioned to expand and be replicated either further in those existing centres or in other target centres?

The Hon. N.D. CHAMPION: I will start with a general observation: anywhere now that we have government employees, we have that requirement. I think about 700 or so government houses are currently on the books that exist from a previous point of time when we owned buildings in varying states of age for people to live in. That stopped and we went to a sort of private market model and that model is not working anymore because there is a zero-vacancy rate in many of these places.

So it is just in government's interest, if we want to be able to house police, teachers, doctors, child protection workers and those people with some degree of certainty, to use this program. This program is a beginning, and we are trying to work out: how do you do it? How do you deliver it? Where can we do it? You cannot click your fingers and produce a house. You have to identify the land, then you have to get a builder—there are a whole range of steps before that property appears. What we are trying to develop is a method for doing it and a pipeline for doing it.

What I think will emerge is that it is actually more efficient for government to do that for its employees, and it leads to better outcomes, happier employees with a more stable home for the period when they are working in a particular region. So the long and short of it is—

Mr TELFER: Probably.

The Hon. N.D. CHAMPION: I think almost certainly we will be looking for future opportunities right across regional South Australia.

Mr TELFER: In Budget Paper 1, page 36 referred to the headline number of \$3½ million over five years for the dedicated regional housing office. In regard to that \$3½ million over a five-year period, can the minister advise how many FTEs this resource allocation will cover as well as other major expenditures?

The Hon. N.D. CHAMPION: It is five FTEs plus all the general overheads—the normal costs that you get.

Mr TELFER: Over the five-year period referenced in the budget, will the Office for Regional Housing have a housing construction target and, if so, is there an insight into the geographical distribution of those planned residential dwellings?

The Hon. N.D. CHAMPION: The 30 is the target at the moment. So delivery of that, creation of—

Mr TELFER: So it is purely around that?

The Hon. N.D. CHAMPION: Yes, delivery of that, creation of the model, I guess. We want to create a model.

Mr TELFER: There are the two parts you talk about: the 30, but it is the overall development within regional South Australia. Is there any target wrapped around that aspect?

The Hon. N.D. CHAMPION: At the moment we are doing what is known in the department as a needs analysis, which is basically going out and assessing what each town or regional city might need. There is a pretty big difference between some of the towns. If you are on the coast, there is an Airbnb dynamic that plays into rental markets, but if you are in other towns it is a different dynamic. What we are attempting to do there is just work out what each town needs and what each town's capacity is for land.

One observation I would make is that Renewal does not have any land in its land bank for regional towns. Typically, what we have found, at least in the first instance that I have looked at, is it

is other government entities that have land and the council. Sometimes there are zoning issues, native veg issues. There is a complexity around that. Then there is the issue of: can you get local employers engaged as well?

Mr TELFER: There is no specific target wrapped up in that aspect of it?

The Hon. N.D. CHAMPION: No.

Mr TELFER: You spoke about how in some regional towns houses cannot currently be sold for more than the actual production price—the cost of the development. In these circumstances can the minister advise the additional resourcing, complementary funding programs or supportive policy settings the government will make available to the Office for Regional Housing to improve the financial viability of regional housing projects, or is this part of your needs analysis work?

The Hon. N.D. CHAMPION: There are three ways of overcoming it: a Community Service Obligation (CSO), where you work out what the gap is, and you fill it with a CSO. There is the possibility that the HAFF will resolve some of it or other commonwealth funding. The other one is just to hold it on our balance sheet and get a high rental return, and then it would be an asset that yields over time, and it is not a problem.

Mr TELFER: The access to essential services and the associated establishment costs are often prohibitive barriers as well to housing development in regional South Australia. Is there an insight into how the Office for Regional Housing will work to try to overcome this aspect in particular? I am thinking of augmentation costs for water, for electricity, for wastewater. These are obviously aspects which need significant involvement for a development to happen.

The Hon. N.D. CHAMPION: Yes. That is part Renewal, but it is also part of the new infrastructure unit within Planning. Augmentation, range of civil costs—

Mr TELFER: So whose key responsibility will it be of those two?

The Hon. N.D. CHAMPION: The infrastructure unit is going to identify a lot of this work along our growth fronts, and I think that has been a missing piece of the puzzle previously, but obviously Renewal has a great interest in that because we are a significant landholder and, in the Office for Regional Housing's case, we have to deliver housing. They have to know what infrastructure is there for various areas of land because either you have to pick pieces of land that already have those services to them or you have to put in place that infrastructure.

Mr TELFER: Thank you. It might be a pertinent time, Chair, with your indulgence, for the omnibus questions to be read by my colleague.

The CHAIR: One day we will get rid of this and it will just be automatically tabled.

Mr WHETSTONE: The omnibus questions are:

1. For each department and agency reporting to the minister, how many executive appointments have been made since 1 July 2022 and what is the annual salary and total employment cost for each position?

2. For each department and agency reporting to the minister, how many executive positions have been abolished since 1 July 2022 and what was the annual salary and total employment cost for each position?

3. For each department and agency reporting to the minister, what has been the total cost of executive position terminations since 1 July 2022?

4. For each department and agency reporting to the minister, will the minister provide a breakdown of expenditure on consultants and contractors with a total estimated cost above \$10,000 engaged since 1 July 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?

5. For each department and agency reporting to the minister, will the minister provide an estimate of the total cost to be incurred in 2023-24 for consultants and contractors and, for each case in which a consultant or contractor has already been engaged at a total estimated cost above

\$10,000, the name of the consultant or contractor, the method of appointment, the reason for the engagement and the total estimated cost?

6. For each department and agency reporting to the minister, will the minister advise whether it met the 1.7 per cent efficiency dividend for 2022-23 to which the government committed and, if so, how was the saving achieved?

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

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

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

- What savings targets have been set for 2023-24 and each year of the forward estimates; and
- What is the estimated FTE impact of these measures?

10. For each department and agency reporting to the minister, will the minister advise what share it is receiving 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 is being used in each case?

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

- What was the actual FTE count at June 2023 and what is the projected actual FTE count 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?

12. For each department and agency reporting to the minister, how much is budgeted to be spent on goods and services for 2023-24 and for each year of the forward estimates?

13. For each department and agency reporting to the minister, how many FTEs are budgeted to provide communication and promotion activities in 2023-24 and each year of the forward estimates and what is their estimated employment cost?

14. 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 2023-24?

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

16. For each grant program or fund the minister is responsible for, please provide the following information for the 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.

17. For each department and agency reporting to the minister:
- Is the agency confident that you will meet your expenditure targets in 2023-24;
 - Have any budget decisions been made between the delivery of the budget on 15 June 2023 and today that might impact on the numbers presented in the budget papers which we are examining today; and
 - Are you expecting any reallocations across your agency's budget lines during 2023-24, if so, what would be the nature of this reallocation?
18. For each department and agency reporting to the minister:
- What South Australian businesses will be used in procurement for your agency in 2023-24;
 - What percentage of total procurement spend for your agency does this represent; and
 - How does this compare to last year?
19. What protocols and monitoring systems has the department implemented to ensure that the productivity, efficiency and quality of service delivery is maintained while employees work from home?
20. What percentage of your department's budget has been allocated for the management of remote work infrastructure, including digital tools, cybersecurity and support services, and how does this compare with previous years?
21. How many procurements have been undertaken by the department this FY, how many have been awarded to interstate businesses, and how many of those were signed off by the chief executive?
22. How many contractor invoices were paid by the department directly this FY? How many and what percentage were paid within 15 days, and how many and what percentage were paid outside of 15 days?
23. How many and what percentage of staff who undertake procurement activities have undertaken training on participation policies and local industry participants this FY?

The CHAIR: Thank you, member for Chaffey. The time allotted having expired, I declare the examination of the portfolio of Renewal SA completed. The examination of proposed payments for the Administered Items for the Department of Treasury and Finance is now complete. I thank Renewal SA staff for their work through the year and for their work leading up to estimates. Thank you, and I thank the opposition and minister for their contributions today, and the long-suffering backbenchers from the Labor side.

DEPARTMENT FOR TRADE AND INVESTMENT, \$118,542,000

ADMINISTERED ITEMS FOR THE DEPARTMENT FOR TRADE AND INVESTMENT, \$1,375,000

Minister:

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

Departmental Advisers:

Mr D. Reynolds, Chief Executive, Department for Trade and Investment.

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

Ms K. Bartolo, Valuer-General.

Ms J. Cottnam, Registrar-General.

Ms S. Smith, Executive Director, Planning and Land Use Services, Department for Trade and Investment.

Ms E. Walker, Director, Housing Infrastructure Planning and Development Unit, Department for Trade and Investment.

Mr B. Steiner, Manager, Strategic Planning, Planning and Land Use Services, Department for Trade and Investment.

Ms R. Lang, Manager, Finance, Department for Trade and Investment.

Ms K. Mackay, Government Architect, Office for Design and Architecture South Australia.

The CHAIR: The portfolio is Planning and Land Use Service. The minister appearing is the Minister for Planning. I advise that the proposed payments remain open for examination. I call on the minister to make an opening statement, if he so wishes, and also introduce his advisers.

The Hon. N.D. CHAMPION: I would like to start by introducing my department officers. To my right is David Reynolds, Chief Executive, Department for Trade and Investment; to my left are Sally Smith, Executive Director of Planning and Land Use Services, and Katherine Bartolo, Valuer-General. Behind me are Rebecca Lang, the department's Finance Manager; Kirsteen Mackay, the Government Architect and Director of the Office for Design and Architecture; Elinor Walker, the new head of the Housing Infrastructure Planning and Development Unit; Brett Steiner, Manager of Strategic Planning and PLUS; Jenny Cottnam, Registrar-General; and Kate Anderson, Chief Executive of the West Beach Trust. In the gallery are Pep Piscioneri, Chief Financial Officer of the Adelaide Cemeteries Authority, and other staff members.

I would like to thank the department and particularly Sally Smith for all of her work in planning over the last 12 months. Planning is a really complex and challenging task, and I would like to thank all the employees of PLUS for all of their hard work. It has been an exceptionally busy year for planning, in part dealing with the ordinary everyday pace of the planning system, along with all of the government's agendas in housing and a whole range of other areas—not least the 30-Year Plan, the Expert Panel and a range of other things, and the setting up of the infrastructure unit. With that, I might go straight to questions.

Mr TELFER: Thank you, Chair, I will do the same. In the previous session, the minister started to unpack a little bit about the land supply from a renewal aspect. I will cast your eyes to Budget Paper 1: Budget Overview, pages 6-7, the housing package aspect. Of the land releases in the greater metropolitan area the government has announced—the seven we were talking about before: Concordia, Golden Grove, Dry Creek, Noarlunga Downs, Onkaparinga Heights (as it is now referred to), Aldinga and Sellicks Beach—which ones have been through the development code process?

The Hon. N.D. CHAMPION: I might start with Concordia. I approved initiation of the chief executive-led code amendment for Concordia on 28 April 2023. Project briefings have been undertaken with elected members of both Barossa and Gawler councils in a public forum, along with key landowners. A working group has been established, including representation from HIPDU (which is the infrastructure unit), Infrastructure SA, Department for Infrastructure and Transport, and the Barossa and Gawler councils. The unit is facilitating infrastructure investigations in preparation of the associated responsibility and funding agreements for the Concordia growth area, including preparation of the state's first infrastructure scheme within the new planning system.

For Sellicks Beach, the unit met with key Onkaparinga staff in March 2023 to discuss the project background and to plan steps towards rezoning. The unit then presented to the council's Strategic Directions Committee on 6 June 2023. A proposal to initiate a code amendment has been approved by the chief executive as a designated entity. I have now approved that and it has been lodged on the PlanSA website. We have had initial meetings with landowners and developers, which are commencing. So that is those three.

Mr TELFER: That is those two.

The Hon. N.D. CHAMPION: That is two. Do you want Golden Grove as well?

Mr TELFER: Golden Grove, Dry Creek, Noarlunga Downs and Onkaparinga Heights.

The Hon. N.D. CHAMPION: Dry Creek we covered in Renewal.

Mr TELFER: So that has not happened?

The Hon. N.D. CHAMPION: Renewal is negotiating with the Buckland Dry Creek company for a master plan, essentially.

Mr TELFER: Golden Grove?

The Hon. N.D. CHAMPION: Golden Grove has been initiated by the developer and they are currently going through all of the infrastructure investigations. The unit has not engaged with them yet. That has all been privately—

Mr TELFER: Initiated?

The Hon. N.D. CHAMPION: Initiated and led.

Mr TELFER: Noarlunga Downs?

The Hon. N.D. CHAMPION: Noarlunga Downs is already zoned appropriately.

Mr TELFER: It is already zoned?

The Hon. N.D. CHAMPION: There is no zoning issue.

Mr TELFER: There is no additional code amendment needed?

The Hon. N.D. CHAMPION: No.

Mr TELFER: Onkaparinga Heights—Hackham?

The Hon. N.D. CHAMPION: That has been completed. It has completed the code amendment process.

Mr TELFER: There are no additional code amendment changes?

The Hon. N.D. CHAMPION: No, they are now undertaking their deed settlement and then their land division, essentially.

Mr TELFER: Aldinga?

The Hon. N.D. CHAMPION: Aldinga is already appropriately zoned.

Mr TELFER: No additional changes needed?

The Hon. N.D. CHAMPION: No.

Mr TELFER: Some of those others that you spoke about—Concordia, Sellicks—what is the minimum time for a code amendment for such large allotments?

The Hon. N.D. CHAMPION: Around 12 months, although we would like to go quicker, obviously.

Mr TELFER: Indeed. On page 7, there is a paragraph there, 'Fast tracking first homebuilder approvals':

A fast-tracked approval process will be implemented for eligible first homebuyers to expedite the planning approval process to see them in their new home sooner.

I am interested in the details of this item in the budget. How will this work within the existing planning system? Are there shortcuts that are going to be taken? How is planning approval expedited?

The Hon. N.D. CHAMPION: This was actually originally done by the previous government during COVID-19, so it is accepted development against prescribed conditions. It allows you to speed up the approval by about a week and a half. In this case it will only be done for new homebuyers in greenfield sites.

Mr TELFER: So that existing process but only with that narrow cohort?

The Hon. N.D. CHAMPION: That is right. It basically saves a week and a half, which is a week and a half sooner that people are in their home.

Mr TELFER: Indeed. A week and a half before they can wait for the challenges of new building.

The Hon. N.D. CHAMPION: That is why it is important, of course.

Mr TELFER: I will go to Budget Paper 4, Volume 4, pages 105-136. Obviously, that is, on page 115 in particular, the Planning and Land Use Services aspect. When did the State Planning Commission last update its population projections?

The Hon. N.D. CHAMPION: We are in the process of doing it now. I might add that we are almost certainly going down the path of scenario planning for low, medium—

Mr TELFER: For what, sorry?

The Hon. N.D. CHAMPION: Scenario planning. One of the problems in the past is you would get a projection and you act like it is carved in rock, but the reality is that you need scenario planning for low, medium and high growth because if we retained—and I do not think I am talking out of turn here—

Mr TELFER: I will stop you if you do, minister.

The Hon. N.D. CHAMPION: That is right. For instance, if net interstate migration is stopped, in particular, and all the other variables stay the same, then we would have a normal population growth, which we have not had in the last 30 years. If we had that, that would have rather large consequences for the construction industry and also for our planning system and our housing supply.

Mr TELFER: So that piece of work has started or will shortly?

The Hon. N.D. CHAMPION: What you will find is that that population scenario planning feeds straight into the plan for Greater Adelaide, which we are going to be doing later on in the year. It is a combined piece of work.

Mr TELFER: Do you have any insight into when that combined piece of work will be completed so there is a fulsome dataset that people can take into consideration when making important decisions?

The Hon. N.D. CHAMPION: The population picture will be done shortly. Obviously, the plan for Greater Adelaide will not be completed until next year.

Mr TELFER: 'Shortly' is when?

The Hon. N.D. CHAMPION: It is not long away.

Mr TELFER: Is it a matter of weeks? Is it a matter of months? Can we expect it by the next budget?

The Hon. N.D. CHAMPION: Yes, almost certainly by the next budget, and in the next six months, let's say. Just give me plenty of leeway. Obviously, these scenarios are important to government planning. It is useful for people to understand them.

Mr TELFER: You talk about the scenarios of low, medium and high. Can I get an insight into the parameters of those different aspects, or is it that, because you have not done that work yet, you do not know what those different aspects are going to be—the percentage of a low increase, the percentage of a medium increase and the percentage of a high increase?

The Hon. N.D. CHAMPION: All those scenarios are calculated on whether or not migration levels are maintained and whether or not the birth rate and death rate are the same and, most critically, net interstate migration. Traditionally, what has happened over the last 20 years—this is no secret; we all understand it—is that a great proportion of young people have left for other states. That stopped during COVID.

Mr TELFER: During the last government.

The Hon. N.D. CHAMPION: Circumstances changed. They were pretty dramatic circumstances. It was a good thing, I think, for the state. It has not reversed, and that is a good thing, too. We do not want it to reverse. Obviously, if we can keep more of particularly our young graduates here in South Australia, that is a big advantage.

Mr TELFER: You talked a bit about migration into South Australia. How many migrants does South Australia expect to receive under the Australian government's overseas migration plan?

The Hon. N.D. CHAMPION: I would have to take that on notice, but Mr Reynolds has just informed me that the previous average was 0.7 per cent, and we are now getting a 1.4 per cent population growth.

Mr TELFER: Annual increase?

The Hon. N.D. CHAMPION: Yes. Obviously, if that holds, that will be dramatic over time.

Mr TELFER: You will take on notice the number of migrants you expect under that—

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

Mr TELFER: The Institute of Public Affairs has predicted a shortfall of 18,000 homes by 2028. Has the migration data been factored into the South Australian government's projections, or is that the body of work that you are expecting to—

The Hon. N.D. CHAMPION: I think we want to be a little careful about some of the rhetoric behind your question. The answer is we have always factored in migration to South Australia as part of our population figures. Housing supply is important with or without migration, but migration is also an enabler of the construction of housing because it is often bringing in key workers. One of the biggest problems for the building industry at the moment is they cannot find labour. They cannot find skilled employees.

I want to answer your question as accurately as I can, but I have seen a bit of rhetoric around from the IPA and others that says, 'You are turning immigration off before you have these houses,' but we need migrants to build the houses, too. There is a skilled labour issue. Nearly every employer I have talked to has a skilled labour issue, so we have to be a bit careful about some of the rhetoric. I understand this is a complex picture, but we need to be a bit cautious about that.

Mr TELFER: What is the underlying demand for housing per annum given new household formation and migration? It is obviously a technical term used by population and housing forecasters. I am interested in that underlying demand.

The Hon. N.D. CHAMPION: Normally, we build 8½ thousand, but there is a demolish and rebuild element of it, so it is about 7½ thousand. During HomeBuilder, I think we were up at 14,000. We are seeing the overhang now of that very boom period. It was a profitless boom for many of our builders. That is what we do on average each year.

Mr TELFER: I refer to Budget Paper 4, Volume 3, page 134. We have heard about the new ED starting—that is welcome. What is the status of recruitment of the other staff members in the unit?

The Hon. N.D. CHAMPION: I might begin by pointing out that we had an acting director for the period preceding Ms Walker being appointed—Paul Bennett undertook that role—so we have already begun that work. Now Ms Walker has started as director and will recruit her team. There have been two people up until now. Obviously, it takes time to fulfil that team and it is infrastructure work, so we want to get the right people in place.

Mr TELFER: How big will that team be?

The Hon. N.D. CHAMPION: It is five.

Mr TELFER: What disciplines are being sought for these roles? What is the skill set you are aiming for?

The Hon. N.D. CHAMPION: Clearly, Ms Walker brings a wealth of experience in planning. She was on the State Planning Commission and she has a long history as a planner, so we feel we

have that element covered off. It will be engineers and project managers to bring that technical expertise, which you need.

Mr TELFER: We talked a bit in the Renewal section, but it is pertinent for this as well, about how the unit will be able to manage the slowest agencies in regard to the infrastructure. I am particularly thinking of the likes of SA Water. What is the plan for that? Are there any specific tactics?

The Hon. N.D. CHAMPION: I do not think we should say agency X or infrastructure deliverer Y.

Mr TELFER: It is the one the vast majority of people come to me with concerns about, minister.

The Hon. N.D. CHAMPION: I am sure that might occur too, but NBN provides vital infrastructure, SAPN provides vital infrastructure, so there are a range of infrastructure providers—gas as well in some instances—and all of that has to be analysed. I think it is a problem that often planning ministers are putting in place zonings and the like but are not aware of the infrastructure requirements. There is an invisible network that governs the electricity cables, pipes, sewerage, water and all of that, and the capacity and cost it might take to upgrade capacity. All of that is critically important.

What we are endeavouring to do with the unit, where we are looking at particularly very large rezonings, is working out exactly what that is, reporting to Mr Reynolds, and then Mr Reynolds can talk to other elements of government to be able to better coordinate infrastructure. The Plan for Greater Adelaide is occurring at the same time as an infrastructure plan, and those two things, as far as we can knit them together we will.

Mr TELFER: But there are no specific processes you envision that would try to fast-track some of those bottlenecks, I guess you would call them, apart from Mr Reynolds going to the appropriate agency or department and complaining to them?

The Hon. N.D. CHAMPION: That is Mr Reynolds' job, so once he gets the reports it is for him to go off and talk to other agencies within government and external agencies—SAPN and others—to try to clear out those bottlenecks. Some of that will come. If you have appropriate plans for growth, and people understand there will be growth in an area, that enables infrastructure, just because you have the plans in place.

Mr TELFER: Sure. I will go to Budget Paper 4, Volume 4, page 115, Planning and Land Use Services. Target 1 speaks about the expert panel review into the Planning, Development and Infrastructure Act. Has the government received the expert panel report?

The Hon. N.D. CHAMPION: Yes.

Mr TELFER: When?

The Hon. N.D. CHAMPION: I would have to find the exact date for you.

Mr TELFER: Recently?

The Hon. N.D. CHAMPION: It was 6 April.

Mr TELFER: Tomorrow is three months since 6 April. Is there an insight into when the government will release the expert panel report?

The Hon. N.D. CHAMPION: We are considering it. It has been a substantial report to government, and planning is an area which requires fairly sober consideration. I have said that what we are looking for is evolution rather than revolution in planning and so we are taking our steps very carefully. It is a large and important report with many recommendations, and we will respond appropriately.

Mr TELFER: When will it be released?

The Hon. N.D. CHAMPION: It will be released once government has considered it.

Mr TELFER: When do you think the government will have finished considering it, noting they have had three months so far?

The Hon. N.D. CHAMPION: The honourable member says it has been three months. This was an election commitment and we fulfilled it; that is, we were going to have an expert panel, and we have done that. It received 800 submissions and it has a number of important recommendations—

Mr TELFER: But it is the panel's job to go through those submissions and make the recommendations.

The Hon. N.D. CHAMPION: That is right, and it is the government's job to consider it, and so that is what we are doing.

Mr TELFER: There is no expected time when the government will be releasing this expert panel's report.

The Hon. N.D. CHAMPION: Once we have considered it.

Mr TELFER: Will the minister commit to implementing the recommendations of the expert panel's report?

The Hon. N.D. CHAMPION: That is for government to consider. We have had an expert panel and Mr Stimson and others have done a very good report, and we will consider it appropriately and respond in due course.

Mr TELFER: On 19 October last year, you reported on the advice of the expert panel to announce a package of work to better protect character and heritage at a local level.

The Hon. N.D. CHAMPION: I have done that, yes.

Mr TELFER: What support has the government provided local councils to elevate existing character areas to historic areas as part of this package?

The Hon. N.D. CHAMPION: That should be councils' core business. It is not for us to resource what councils should be doing. It should be councils' core business. Gawler council actually did this work. They allocated their own resources and did that work on heritage. That is to be commended. Other councils who have large heritage areas, and who are concerned with them and who have communities who have concerns with them, should do the work. We have opened up the pathway and done these important reforms—it is over to them.

Mr TELFER: So there has been no additional support for councils to elevate existing character areas to historic areas?

The Hon. N.D. CHAMPION: No. We have created a pathway for them and they can now do the work that their ratepayers expect them to do.

Mr TELFER: How many character areas have been elevated to historic areas since 19 October 2022?

The Hon. N.D. CHAMPION: We have not received any applications. We have had no code amendments here, no. I hope they are working on them. I am open for business.

Mr TELFER: How many councils and which councils have been assisted to review and update their character area statements and historic area statements since that time?

The Hon. N.D. CHAMPION: We might take that one on notice. We are assisting some councils in doing that.

Mr TELFER: Does the minister support the 85 per cent urban infill target in the 30-Year Plan for Greater Adelaide?

The Hon. N.D. CHAMPION: No, I killed the 85 per cent Liberal Party target. It is over.

Mr TELFER: Does the minister support—

The Hon. N.D. CHAMPION: Let's be clear about this: this is a target that your previous government held, and other governments have held. We do not hold that policy. The market will decide. We have opened up greenfield supply, so we have acted on land supply questions and we are not going to be dictating to the market or to communities some arbitrary percentage.

Mr TELFER: Spread it out. Does the minister support a single heritage act under a single heritage minister to cover the listing and protection of both state and local heritage items?

The Hon. N.D. CHAMPION: I think that a previous parliamentary committee recommended it, and we have been considering it, but it is not a cost-free exercise for government. I think the previous government might have considered it as well because I think it was some time ago that it was recommended to government by the ERDC and Mr Keith Conlon.

Mr TELFER: So there has not been any further movement in that area?

The Hon. N.D. CHAMPION: No.

Mr TELFER: You are not actively considering it at the moment?

The Hon. N.D. CHAMPION: It has been there for some time for governments to consider, but it is resource intensive.

Mr TELFER: I refer to Budget Paper 4, Volume 4, page 115, and in particular the challenge that the sector is facing, both local government and private, which is the shortage of planners. What actions have the government undertaken to address the shortage of planners in the system?

The Hon. N.D. CHAMPION: My favourite subject, I am glad you asked.

Mr TELFER: It is one of my favourite subjects, too, minister.

The Hon. N.D. CHAMPION: Good, excellent.

Mr TELFER: Maybe, we are not so different after all.

The Hon. N.D. CHAMPION: We have very similar passions.

Mr TELFER: I thought you would have had it at the top of your head, if it is such a passion project.

The Hon. N.D. CHAMPION: I was searching for the acronym, which I always get wrong, which is the BEELG, which is a group around the built environment professions. One of the concerns I had is that UniSA cancelled the undergraduate degree for planners. I was very disappointed about that, to say the least, but from that we went away and decided to assemble all the professions and local government and I think the city council came. We had everybody there: valuers, conveyancers, architects, and surveyors, and out of that some very important things have occurred. We have a paraplaning course now at TAFE. The first course filled up immediately. The second course has filled as well. A third course, as I understand it, will be opening as well.

Mr TELFER: Is that the Diploma of Local Government (Planning)?

The Hon. N.D. CHAMPION: Yes, that is the one. That will help country councils a great deal. If we can get that flow of planners going through, and some private businesses getting some planning expertise in, too, I think that will greatly improve things in regional South Australia.

We are also sponsoring the masters students at UniSA and we are looking into some new cadetships from PLUS as well and we are going to keep that group meeting. The Surveyor-General, Bradley Slape, has been chairing it with me. I think we have had two meetings so far and Bradley, as the vice-chair, has gone away and done some projects for us and I think we will have some additional announcements coming out of that on a range of those really important occupations.

Flinders University has been engaging very strongly, so I am very happy with them, because these are vital occupations if we want to do any work in this state, particularly around housing. I am very keen to do stuff around not just planners but conveyancers, valuers, surveyors and all these enabling professions.

Mr TELFER: Has there been any work done on pathways for graduates of the Diploma of Local Government (Planning)—paraplaning, as you called it—to move into urban planning degrees?

The Hon. N.D. CHAMPION: That will be the next step. If I was going to make an observation about this—and I am not being critical of previous governments—we just assumed people would

show up to be planners, conveyancers, valuers and the like, so we want to create pathways as best we can. Like I said, we are considering some cadetships, but private industry is going to have to do the same as well, and we are looking at accrediting those planners coming out of that TAFE course as well.

Mr TELFER: That diploma course.

The Hon. N.D. CHAMPION: Yes. The whole thing is if you can get people on the start and then create as many pathways as they can have and coach as many people as we can through.

Mr TELFER: Continuing on, page 115, how is the development, investigation and engagement on the six country regional plans and the Greater Adelaide Regional Plan progressing?

The Hon. N.D. CHAMPION: On the regional plans, obviously all of the river communities were put back after the Greater Adelaide plan. Of the rest of the regional plans, we suspect Kangaroo Island will be the first to kick off in quarter 4 and then there will be a couple of others in quarter 1. Councils have been strongly engaging in that. I know this, because during the community cabinet it was part of the councils' presentation to the state cabinet about the regional plans, so there has been really strong engagement there.

The plan for Greater Adelaide kicks off soon. That will be a major piece of work. After we finish the Greater Adelaide plan the river communities hopefully by then will be in the recovery stage and will be better able to plan out their plans.

Mr TELFER: Can the minister provide an overview of the consultation and engagement process that will be undertaken or is being undertaken with councils, stakeholders and local communities as the regional plans are being developed, and can the minister provide a list of all stakeholders that will be or have been invited to participate?

The Hon. N.D. CHAMPION: We have already done the initial consultations. Once the draft plan is formed, we have an MOU with local government about a way of going about things, and then there will be the full range of consultation via YourSAy and workshops and the like. So there will be plenty of opportunity to comment on the regional plans and for regions themselves to have strong levels of ownership on them.

Mr TELFER: Is the MOU with the LGA or is it with the regional bodies?

The Hon. N.D. CHAMPION: With the LGA.

Mr TELFER: Does the minister give appropriate consideration to the perspectives of local councils and communities when looking at approvals?

The Hon. N.D. CHAMPION: Approvals for what—code amendments?

Mr TELFER: Yes.

The Hon. N.D. CHAMPION: Yes.

Mr TELFER: Very good. I hope that can be proven not just by—

The Hon. N.D. CHAMPION: Do you have a specific example where I have not?

Mr TELFER: I may later on.

The Hon. N.D. CHAMPION: I will wait with bated breath.

Mr TELFER: Does the minister have an ideological opposition to rural living blocks?

The Hon. N.D. CHAMPION: We have to be very careful about rural living blocks is the truth of it. It breaks up land into largely uneconomical blocks. I have lived on a small block in a country town just outside of town. It is very pleasant and I can totally understand why people want to do it, but it is not a great use of land. It has to be very carefully looked at. I think not a lot has been approved in the last 20 years. There has been a general resistance to it.

I was only talking to a person in the Barossa Valley the other day who said that when the vine pull was on there was a great threat of the whole of the Barossa Valley disappearing into that sort of model, of very inefficient small landholdings, so we have to be very careful of it. It might be

appropriate in some places, but I think planning ministers of any persuasion need to be ultra careful about it, because once you get them—those sorts of fragmented landholdings—there is no going back.

Mr TELFER: What would the likelihood be of the minister giving due consideration to councils putting proposals in to develop new rural living blocks of land?

The Hon. N.D. CHAMPION: I think I wrote to councils before the regional plans were out and said that I am not considering applications of this sort until the regional plans are done. This is actually, I think, showing confidence in regional councils because if they want to examine it in a careful and sober way they can, and then that can come out through the regional plans, and landholders have some certainty.

What you have to watch for in all of these things is—and this is why I do not think there have been any approvals in the last 20-odd years—everybody is worried that if you approve this one, where does it stop? How does it stop? It can be superficially a very attractive model, but it is not great for the state's interests or for agriculture's interest. I think we have to be very careful about rural living proposals.

Mr TELFER: The process for a council or a community that are interested in the potential of developing rural living blocks would have to be through the regional plan process?

The Hon. N.D. CHAMPION: In the first instance. That is not a guarantee either, but that is where we might get a place where it can be properly considered. It gives regional councils a real way of considering it. There might be circumstances in some places where it is relevant, but it needs to be used very sparingly, and there needs to be a high bar to jump over before it is approved.

Mr TELFER: Could the minister provide an update on the progress made in implementing the recommendations of the Building Confidence report, including the appointment of a Building Commissioner?

The Hon. N.D. CHAMPION: A large portion of that work was done when we shifted to the new system. We are just in the process of recruiting a Building Commissioner. The Building Commissioner will do the remainder of the work, and a lot of that will be the certification of engineers.

Mr TELFER: Do you envision when the recruitment process will be completed?

The Hon. N.D. CHAMPION: Over the next six to eight weeks.

Mr TELFER: That is a lot more specific than a lot of your answers on time frames. I like it, thanks, minister. How is the Future Living Code Amendment coming along, and what alternative housing solutions will be provided as a result?

The Hon. N.D. CHAMPION: We are looking at August that that should be out. The State Planning Commission has been working with five councils, led by Unley, and it deals with ancillary dwellings plus where you might divide a larger home into smaller units. They are just undertaking that work and it will be there for all to see in August.

Mr TELFER: Who are the five councils?

The Hon. N.D. CHAMPION: It is the inner rim councils: Unley, Prospect—

Mr TELFER: Norwood, Payneham, St Peters, Mitcham.

The Hon. N.D. CHAMPION: We might take it on notice. Yes, it is mainly an inner rim thing, but we will get the exact details.

Mr TELFER: Yes, take it on notice.

The Hon. N.D. CHAMPION: It has mainly been Unley that has been working with the commission intensively to come up with the solutions. I might flag, though, with that sort of housing, parking is going to be an issue with that because obviously that becomes a factor in it all, which I know local communities are dealing with because of general infill anyway.

Mr TELFER: I am very aware of that. How is the implementation of the National Construction Code 2022 new provisions progressing?

The Hon. N.D. CHAMPION: Good. We have been having meetings with the HIA, the MBA, the NDIA, and the Property Council, as part of the ministerial liaison group. We have had some discussions with Gary Rake from the national Building Codes Board. Mr Rake is going to assist with the implementation plan of this.

We want to lift standards around livability and around climate change. We think that is in the interests of the state and of people who are buying new homes, but it has to be implemented carefully because we are at a particular time of the building cycle. We are looking at a range of ways of implementation that will obviously assist the building industry. We have had good engagement with Purple Orange, who are the disability advocates as well, who have met with the MBA and the HIA. The implementation is going carefully. There has been careful progression.

Mr TELFER: Is the targeted option date of 1 October 2024 still on track?

The Hon. N.D. CHAMPION: Indeed. Some states are going earlier than us so we will get to see what happens there. There will be some real-life examples.

Mr TELFER: Flicking to the next page, I refer to page 116, Budget Paper 4, Volume 4. There is an increase in the net cost of services for Planning and Land Use Services in 2023-24. Can you explain those increases?

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

Mr TELFER: The numbers? There is a significant discrepancy between the 2022-23 budgeted cost of services, \$8½ million, and the estimated result, \$16 million. This is even with a decrease of 20 FTE. Can you explain what caused this to occur?

The Hon. N.D. CHAMPION: That is actually explained on the page below. The increase in expenses is because of higher employee and other expenditure related to the Greater Adelaide regional plan; an increase in depreciation relating to the adjustment of PlanSA; higher project expenditure; digitising flood mapping; Hackham code amendment and Port Pirie lead contamination projects; and additional supplies and services expenditure to meet a higher activity workload. There is a lot going on.

Mr TELFER: Does that also include the \$3½ million above it? I am just adding up the \$1.8 million, the \$1.6 million, the \$1 million and the \$0.8 million. Far be it from me to do maths, but that is \$5.2 million.

The Hon. N.D. CHAMPION: As I said, we will get you a detailed answer on notice.

Mr TELFER: Continuing on page 116, the government has budgeted \$17.1 million for the receipt of fees, fines and penalties in 2023-24. Can the minister advise of the annual contributions councils are estimated to make into the ePlanning system in 2023-24 and subsequent years across the four-year forward estimates period?

The Hon. N.D. CHAMPION: Local councils are giving \$1.5 million per annum.

Mr TELFER: Can you provide details about how these contributions will be expended by the government?

The Hon. N.D. CHAMPION: Essentially, it is cost recovery for the IT system, cybersecurity—those sorts of services.

Mr TELFER: Can the minister advise how they expect to hit the \$17.1 million, as \$16.6 million was budgeted for in 2022-23 but the expected result for the same period is \$2½ million lower at \$14.1 million?

The Hon. N.D. CHAMPION: It is as a result of activity. We only collected out of the activity with DAs.

Mr TELFER: Is it the expectation that there will be a significant increase in development applications? Is that number purely based around DAs?

The Hon. N.D. CHAMPION: It is just coming back to a more normal level as a result of activity in the economy and the planning system.

Mr TELFER: Over the last 12 months, have there been lower DAs than were budgeted?

The Hon. N.D. CHAMPION: The answer is yes.

Mr TELFER: How have those numbers compared over the last few years? The investment that has been happening back into—

The Hon. N.D. CHAMPION: I will give you the ePlanning figures. For 2021-22, total DAs in the system were 43,923, and that was as a result of the stimulus. In 2022-23, total DAs in the system went down to 37,490. The number of current DAs in the system is 17,648.

Mr TELFER: What level is this budget predicated on?

The Hon. N.D. CHAMPION: We are budgeted for 40,000. That is an activity-led measure. If we do not reach the 40,000, then we will probably not do the enhancements of the PlanSA system, or they will just take longer. Because it is cost recovery, the more that come in, the more that you do.

Mr TELFER: The quicker it happens.

The Hon. N.D. CHAMPION: And the more you have to do because—

Mr TELFER: How realistic is that 40,000? If the 45,000 was purely based on the stimulus—as you spoke about before—and it then went down to 37,000 with the lowering of those incentives, and it is 17,000 at the moment, it is quite ambitious to project 40,000.

The Hon. N.D. CHAMPION: We think they are reasonable and sound estimates. Obviously, we came off a peak, then you dive a bit, and we expect it to return to normal. Time will tell.

Mr TELFER: Indeed. Regarding Budget Paper 4, Volume 4, page 133, the Planning and Development Fund, can the minister advise when the next round of the Open Space Grant Program—funded from the Planning and Development Fund—will open?

The Hon. N.D. CHAMPION: We have not finalised dates yet but it is normally in November. I think one year we pulled it forward. We might have opened one of them in October to ease the burden on local government. We normally like to talk to local government and there was an issue with November which was a resource issue for them, but it is normally around that time of year.

Mr TELFER: What is the total amount of Open Space Grant Program funding that will be available for councils to apply for in 2023-24?

The Hon. N.D. CHAMPION: That depends on a number of factors: how much money goes in, and also what other pressures are on the fund at the time.

Mr TELFER: How much goes in, as in new funds going in?

The Hon. N.D. CHAMPION: Yes. It is a fairly regular collection, but it is linked to collections on each property that come in depending on activity. There are often a number of pressures on the fund, there are a number of councils with cost pressures on existing projects, and they will need to be considered as well.

Mr TELFER: Do you have an idea about a range of level of funding that may be available? It is only a few short months away.

The Hon. N.D. CHAMPION: Not at the moment.

Mr TELFER: When a council goes through the application process for the Open Space grants, it is a reasonably significant business case that they have to put and an application into percentage that they are looking to source from the fund. If there is a project overrun, is there an obligation on the fund to contribute to that?

The Hon. N.D. CHAMPION: No.

Mr TELFER: I would have thought that would be the responsibility of the council.

The Hon. N.D. CHAMPION: Normally we are inclined to be very firm with councils on those matters, and I think that in any normal operating environment you would not entertain those issues,

but there are a number of significant projects which have been affected by COVID-19 and the related cost overruns, so it is a different environment from normal. It is a very uncertain environment because of labour, materials, all related to supply-side shocks related to COVID-19. Some of those projects are important projects to the state, so they have to be given due consideration.

Mr TELFER: I am going to unpack these a little bit more because I know the fund and the process very well. You say that there are a number of projects where there is a council overrun. How many of those that have the overrun are the ones that were funded due to election commitments from the government?

The Hon. N.D. CHAMPION: There are none that are from election commitments. These are all previous projects that are sometimes originating from your time in government. They are not related to the election commitments.

Mr TELFER: What is the total in the fund currently? This is a number I am always interested in.

The Hon. N.D. CHAMPION: For 2023-24, \$29.317 million is the expected cash inflow.

Mr TELFER: That is the expected inflow?

The Hon. N.D. CHAMPION: Yes.

Mr TELFER: What is the existing balance?

The Hon. N.D. CHAMPION: At 30 April, it is \$15.8 million.

Mr TELFER: What is the usual carryover within that fund of the balance that is usually carried through year on year? Obviously, the funds are not expended down to zero every year.

The Hon. N.D. CHAMPION: There is very little carryover. The only thing I would say is we are still enduring the effects of the COVID-19 pull forward, where \$20 million was pulled forward. Obviously, this was for worthwhile projects. I think one of them was for the opening of reservoirs, but I will double-check that. We are still suffering from some of the decisions made by previous governments, perhaps for good reason, but that still hangs over the fund.

Mr TELFER: Do we have an insight into how much of the balance was used by the government to fulfil election promises?

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

Mr TELFER: Thank you, that would be very interesting. The intragovernment transfers from the Planning and Development Fund on page 137 totalled \$13,139,000. I know through my local government experience the rigorous process that councils have to go through to obtain funding. When funds are transferred within the state government, who is responsible for ensuring that they are used for purposes consistent with the principles of the Planning and Development Fund?

The Hon. N.D. CHAMPION: We signed MOUs with all the agencies and that requires them to report back about the expenditure.

Mr TELFER: Who makes the judgement of whether they have adequately conformed to the requirements?

The Hon. N.D. CHAMPION: It is managed by ODASA.

Mr TELFER: Have there been any examples of projects which have been judged to not appropriately conform to the parameters of that Planning and Development Fund?

The Hon. N.D. CHAMPION: Not to my knowledge.

The CHAIR: One more question.

The Hon. N.D. CHAMPION: We have carefully looked at the parameters of the fund before we entered into those MOUs.

Mr TELFER: Does the minister intend to maintain the independent assessment process for the allocation of Open Space grants established by the previous Minister for Planning and Local Government?

The Hon. N.D. CHAMPION: I do not think we have changed the arrangements at all.

Mr TELFER: There is not a plan to do so?

The Hon. N.D. CHAMPION: No.

The CHAIR: The time allotted having expired, I declare the examination of the portfolio Planning and Land Use Services completed. The examination of proposed payments for the Department for Trade and Investment and the Administered Items for the Department for Trade and Investment are now complete. I would like to thank all of the staff for their contribution to today's proceedings—I know there is always the lead-up to estimates—and for all the work that you do during the year.

Sitting suspended from 12:46 to 13:45.

DEPARTMENT FOR INFRASTRUCTURE AND TRANSPORT, \$1,107,742,000
ADMINISTERED ITEMS FOR THE DEPARTMENT FOR INFRASTRUCTURE AND
TRANSPORT, \$7,863,000

Membership:

Mr McBride substituted for Mr Whetstone.

Mrs Pearce substituted for S.E. Andrews.

Ms Hood substituted for Ms Hutchesson.

Ms Wortley substituted for Ms Savvas.

Minister:

Hon. A. Koutsantonis, Minister for Infrastructure and Transport, Minister for Energy and Mining.

Departmental Advisers:

Mr J. Whelan, Chief Executive, Department for Infrastructure and Transport.

Mr G. Jackson, Executive Director, People and Corporate Services, Department for Infrastructure and Transport.

Ms A. Hart, Director, Office of Local Government, Department for Infrastructure and Transport.

Mr L. Pineda, Manager, Budget and Reporting, Financial and Procurement Services, Department for Infrastructure and Transport.

The CHAIR: Welcome, everybody. Welcome to Minister Koutsantonis, who is taking the place of Minister Brock. We all wish Geoff a very speedy recovery. Hopefully, he is going to be on the mend very soon and back with us.

Welcome to today's hearing for Estimates Committee B. I respectfully acknowledge the traditional owners of this land upon which the committee meets today and pay our respects to them and their cultures, and to the elders both past and present.

The estimates committees are a relatively informal procedure and, as such, there is no need to stand to ask or answer questions. I understand that the minister and the lead speaker for the opposition have agreed on 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. A. KOUTSANTONIS: Yes.

Mr TELFER: 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 Answers to Questions mailbox no later than Friday 8 September 2023.

I propose to allow both the minister and the lead speaker for the opposition to make opening statements of up to 10 minutes each, should 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 to the minister's advisers. The minister may refer questions to advisers for a response. Questions must be based on lines of expenditure in the budget papers and must be identifiable or referenced. Members unable to complete their questions during the proceedings may submit them as questions on notice for inclusion in the assembly *Notice Paper*.

I remind members that the rules of debate in the house apply in 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, it is purely statistical and limited to one page in length. The committee's examinations will be broadcast in the same manner as sittings of the house, through the IPTV system within Parliament House and online via the parliament website.

I now proceed to open the following lines for examination. The portfolios are the Office of Local Government, the Outback Communities Authority and the Local Government Grants Commission. The minister appearing in this case is Minister Koutsantonis, representing the Minister for Local Government. I declare the proposed payments open for examination. I invite the minister to introduce his advisers and, if he so wishes, to make an opening statement.

The Hon. A. KOUTSANTONIS: Thank you, Chair. Minister Brock is unable to be with us today. I am the acting minister until his return. Obviously, I do not have the depth of knowledge that Minister Brock has, but I am ably assisted by my chief executive Jon Whelan, Chief Executive, Department for Infrastructure and Transport and, to my right, Alex Hart, Director, Office of Local Government. Behind me is Graeme Jackson, Executive Director, People and Corporate Services in DIT, and to his left is Luis Pineda, Manager, Budget and Reporting, Financial and Procurement Services. I will forgo any opening statement and look forward to questions.

The CHAIR: Speaker for the opposition, do you have an opening statement or go straight to questions?

Mr TELFER: Only a very brief one. I echo the thoughts of the minister. I know that it is a challenge for the acting minister to step in at short notice to cover this aspect. It is an important aspect, albeit there is not a lot in the description in the budget papers, but it is an area that is a pretty dynamic one, I know from my experience in local government and also in conversations with councillors and mayors and their staff all around the state, so I am looking forward to trying to unpack a little bit about what is happening within the Office of Local Government and the future projects. I will go to page 115, the description of the FTEs, the \$1.943 million with the 10 FTEs. Can the minister provide a summary of job title and role for those 10 full-time equivalents?

The Hon. A. KOUTSANTONIS: Page 115 of Budget Paper 4, Volume 3?

Mr TELFER: Budget Paper 4, Volume 3.

The Hon. A. KOUTSANTONIS: You say 10, the paper has 8.9 here, or am I reading the wrong line?

Mr TELFER: The total at the top, in the ministerial office.

The Hon. A. KOUTSANTONIS: Ministerial workforce?

Mr TELFER: Yes, ministerial office.

The Hon. A. KOUTSANTONIS: I imagine that it is his Chief of Staff, his advisers, his liaison officers, administrative, correspondence officers.

Mr TELFER: You cannot provide a list?

The Hon. A. KOUTSANTONIS: I am not the minister, but I will ask Minister Brock—I am pretty sure it is already publicly available, but I will double-check and get back to you.

Mr TELFER: I refer to Budget Paper 4, Volume 3, pages 140-141, which is the substantive aspect of what we are looking at: program 7. Perhaps flick back to page 116: the total costs of the Office of Local Government increased from \$7.9 million in 2021-22 to \$8.6 million in 2022-23 and is budgeted to be \$9.9 million in 2023-24. Can the minister explain the near 25 per cent increase in the budget for the Office of Local Government over the last two years?

The Hon. A. KOUTSANTONIS: If we look to page 141 there is a table heading 'Program summary—income, expenses and FTEs'. In there you will see a dramatic increase in supplies and services. That is through municipal programs being run by the agency to deliver infrastructure.

Mr TELFER: There is a significant decrease in the budget of that line.

The Hon. A. KOUTSANTONIS: The program has been completed and that is the money left over that has been carried over.

Mr TELFER: But the budget as a whole is still increasing, so if those municipal services—

The Hon. A. KOUTSANTONIS: If you look two lines lower you will see 'Grants and subsidies', the estimated result is \$2.9 million and this year's budget is for \$8 million.

Mr TELFER: So the explanation about the increase in the approximately \$5 million in the grants and subsidies?

The Hon. A. KOUTSANTONIS: Yes.

Mr TELFER: Can you explain that?

The Hon. A. KOUTSANTONIS: I am advised that the increase there is the \$5 million—the \$2.5 million per year for grants and \$2.5 million for work for jetties.

Mr TELFER: So the jetties program, the additional funding, is that amount?

The Hon. A. KOUTSANTONIS: Yes.

Mr TELFER: So that is going to be run by the Office of Local Government?

The Hon. A. KOUTSANTONIS: In conjunction with the Department for Infrastructure and Transport, yes.

Mr TELFER: The other \$2.5 million, which is the increase in grants, what is the explanation for that amount?

The Hon. A. KOUTSANTONIS: The other \$2.5 million?

Mr TELFER: Did you not say there are two lots of \$2.5 million, to equate to the \$5 million?

The Hon. A. KOUTSANTONIS: Yes. Then there is the traditional—the allocation of \$5 million, and then there is \$3 million that has been budgeted for previously, and I assume that is for the municipal services grants.

Mr TELFER: So you are saying the \$5 million jetties is the increase, basically?

The Hon. A. KOUTSANTONIS: Yes.

Mr TELFER: Going to page 140, Program 7: Office of Local Government, the papers note that the minister is responsible for the implementation of local government reforms, one of which includes the advice scheme conducted pursuant to section 122 of the Local Government Act 1999. Was the local government minister, his staff or department involved with ESCOSA in the development of the parameters and scope of the Local Government Advice Scheme?

The Hon. A. KOUTSANTONIS: I am advised that the Statutes Amendment (Local Government Review) Act 2021 was introduced by the previous government for the role of ESCOSA to provide advice to local councils on a four-yearly rotational basis in relation to councils' long-term financial plan, infrastructure and assessment management plan, and revenue sources as outlined in the council funding plan.

ESCOSA provided advice to local government, to the first 15 councils, and on 28 February 2023 published that advice on its website, which was generally based on information available to the commission at 15 February 2023. Based on the information provided to ESCOSA by these councils before 30 September 2022, as required by the LG Act 1999, and through other requests and discussions with ESCOSA, they formed their advice.

Minister Brock says he is pleased to see that ESCOSA's advice to the majority of these 15 councils is that they are financially sustainable and these councils can use this advice to give their ratepayers confidence that their council is being managed well.

Mr TELFER: Was the minister, his department or staff involved with the development of the parameters or scope of the process before game underway with ESCOSA?

The Hon. A. KOUTSANTONIS: It was done by the legislation.

Mr TELFER: The legislation sets out the framework, the detail needed to be developed by ESCOSA. Was there engagement with the minister, the department or the minister's staff in the development of that?

The Hon. A. KOUTSANTONIS: My advice is that ESCOSA followed the legislative parameters and performed their work as required under statute.

Mr TELFER: Under this oversight, the minister can decide which agency is the designated authority to provide that advice. Is the minister aware of any advice provided by the Essential Services Commission of South Australia to a council that has been adopted by a council?

The Hon. A. KOUTSANTONIS: Can you repeat that question.

Mr TELFER: Regarding the advice that has been provided to councils under that scope—

The Hon. A. KOUTSANTONIS: From ESCOSA?

Mr TELFER: —from ESCOSA, is the minister aware of any advice that has been adopted by a council?

The Hon. A. KOUTSANTONIS: The advice I have from the agency is that councils release their business plans in advance of consultation. A lot of them have not made formal live decisions yet and the advice they receive from ESCOSA was incorporated into that business plan that they have released. They are out consulting with their local communities. They will make their own informed democratic decisions about what they adopt and do not adopt and will find out afterwards. The informal advice is that, yes, some councils have adopted some of that advice, but ultimately councils are responsible for their own actions. This is the advice from ESCOSA.

Mr TELFER: Has there been any feedback to the minister or his office or the department from councils on the \$40,000 bill for their ESCOSA advice and whether that represents value for money for ratepayers?

The Hon. A. KOUTSANTONIS: The second part of that question is subjective. The first part of that question—

Mr TELFER: No, this is feedback from councils. That is the feedback that has been received by the minister.

The Hon. A. KOUTSANTONIS: They are out for consultation now. It would be a bit hard for them to know in advance, so I will—

Mr TELFER: Sorry, the advice—

The Hon. A. KOUTSANTONIS: Can I speak or are you just going to speak over me?

Mr TELFER: I am clarifying my question. The advice from ESCOSA—

The Hon. A. KOUTSANTONIS: It is not my fault you did not ask it properly the first time. I am going to answer it the way you asked it, so just take it easy for a second.

The CHAIR: Maybe, if we just let the minister finish and then if you want to seek clarification—

The Hon. A. KOUTSANTONIS: It is not my fault you do not like the way this is going. If I give you an answer and you do not like it, it is just bad luck. You do not get to re-ask the question. That is just how it is, okay? Good. Because Minister Brock is not here, I will take that on notice and get an answer from him and his office and get back to you.

Mr TELFER: Has the minister or the department or the minister's office done any work on the potential of changing the designated authority responsible for council rates oversight from ESCOSA to another capable authority?

The Hon. A. KOUTSANTONIS: The advice I received from the agency is that there are three more rounds to go and that the minister will not contemplate any changes to that until the first full round of consultations has occurred and the assessments have occurred by ESCOSA. At the end of that, he will make an assessment.

Mr TELFER: Continuing on page 140, local government reform projects, was the local government minister, his staff or department involved with developing any statutory criteria or scope with the Remuneration Tribunal in their work on the banding of council CEO salaries?

The Hon. A. KOUTSANTONIS: Say that again.

Mr TELFER: Was the local government minister, his staff or department involved with developing any statutory criteria or scope with the Remuneration Tribunal in their work on the banding of council CEO salaries?

The Hon. A. KOUTSANTONIS: The advice I have is that the previous government made amendments to the Local Government Act that commenced on 20 September 2021 that gave the Remuneration Tribunal the independent authority to set CEO wages and that is what has occurred.

Mr TELFER: I respect that you are acting and doing the best you can with the information you are gathering. Does the minister believe that the criteria used by the Remuneration Tribunal for the banding of council CEOs' salaries appropriately takes into account certain factors such as council size, operating income or expenses, or geographic characteristics?

The Hon. A. KOUTSANTONIS: This goes back to Minister Brock's view that local government should be autonomous. As part of the changes the previous government made the sector asked for an independent Remuneration Tribunal assessment of the bands. They have come back and done it, and that is the view of the government: we support the bands that they have brought out.

It was a framework set up by the previous government. The work package was done by the tribunal in accordance with the legislative framework the previous government set out, and they have done their work. It is no good setting up an independent committee and then not liking the work that they do. They are independent. They set out the bands. What our views are really are not relevant.

Mr TELFER: You talk about views not really mattering but—

The Hon. A. KOUTSANTONIS: Sorry to interrupt you: further advice is that any member of the public can make a submission to the tribunal, and they will review these bands again in 12 months' time.

Mr TELFER: Will the minister be making a submission on the process?

The Hon. A. KOUTSANTONIS: I will check with the office and get back to you.

Mr TELFER: Staying with program 7, it highlights at the bottom of the targets the work that will need to be done with the District Council of Coober Pedy. What budget outlays does the minister expect in 2023-24 to help return the District Council of Coober Pedy to a position of financial sustainability?

The Hon. A. KOUTSANTONIS: The advice I have received from the agency is that as you would be aware, the previous government declared the District of Coober Pedy a defaulting council, and the Local Government (Defaulting Council) Amendment Act 2022 extended the council's administration for a maximum period of a further four years, ending at the 2026 periodic council elections.

This reflects the seriousness and complexity of the issues at the council, which have largely arisen as the council delivers both civil services and essential services to the township, including water, wastewater and electricity retail services. I am advised that there have been some improvements in the council's financial management and governance but many issues remain unresolved. The government is committed to finding a solution that will work for Coober Pedy in the long term. The extension of the administration period will provide the time necessary to determine how to find that solution.

In March of this year, the Governor appointed three new administrators for the council. I am advised that they are highly skilled and experienced. They have been appointed to ensure the council's capacity and the capability to necessarily remedy the issues it faces. Mr Geoff Sheridan, a long-time regional council chief executive officer has been appointed as the council's principal administrator. Much like a principal member or mayor of a council, Mr Sheridan will lead the administrative group, chairing meetings and taking on the primary role of engaging with the Coober Pedy community to work together on the challenges faced by the council and the community.

Mr Sheridan is supported by two supporting administrators who will participate in setting the council's strategic direction, and in all decision-making. The supporting administrators are Ms Erika Vickery OAM and Mr John Moyle. Both Ms Vickery and Mr Moyle, I am advised, have long been highly regarded leaders in the local government sector, and they bring extensive and diverse experience to the administrative group.

As a measure of our commitment to resolving these challenges that the council is faced with, the government is providing \$150,000 per annum to cover the costs of supporting the administrators and contribute to the cost of the principal administrator. The government is making every effort to put high-quality and well-resourced administration in place to make real and positive changes so that the people of Coober Pedy can once again have an elected member body as soon as possible.

I am advised that the most important matter that must be resolved is the council's financial position and performance, which is the basis of the question the member asked. In particular, the new administrator must address the council's underlying ongoing operating deficit, as the council will not be in a position to address other challenges until this is dealt with. I am advised that the new administrators are meeting this challenge.

The council's draft annual business plan and annual budget for the upcoming financial year were released on 22 June of this year, along with a revised long-term financial plan. These include that the council will achieve a small underlying operating surplus by 30 June 2025. The administrators have had a difficult task. They have had to make a range of very difficult decisions, I am advised, for this to occur. It includes a proposed 20 per cent increase in revenue from general rates, an operational savings of nearly \$1 million per annum, and a 30 per cent increase in water service charges to ensure that this service is run on a full cost-recovery basis.

The South Australian government and the Local Government Finance Authority are working closely with the council as it implements this plan for financial sustainability, which will include supporting the council in managing any financial issues that may arise in the coming financial year. There have been some senior representatives from the South Australian government agencies, including agencies responsible for, or having an interest in, water and electricity services. They are also examining options for the future delivery and governance of these essential services in Coober Pedy.

Minister Brock, I am advised, expects that the change in administrators will result in a new approach to the future of the delivery of essential services in Coober Pedy. Hopefully that can be resolved. The government Group has met, I am advised, with the new administrators and the council's chief executive officer, Mr David Kelly, to determine how the council can take the most constructive approach to working with the government to develop realistic options for the delivery of these services.

The minister was planning on visiting Coober Pedy—he has visited regularly, I understand—and he continues his discussions with the people of Coober Pedy. Given that his condition means that he will be out of action for potentially four weeks, I suspect they will be on hold. I will make contact with the administrators in the interim and ask the agency to do a follow-up but, from the advice I have received, I think we are beginning to see some green shoots, but I do not underestimate the impact on the local community of seeing \$1 million worth of savings and a 20 per cent increase in revenues. That would be a dramatic impost on that local community and, in a desert, full cost recovery for water could be very, very challenging. I will get a full briefing from the agency post this estimates hearing and get a better understanding of exactly what is occurring.

Mr TELFER: Is it envisioned that there will need to be a significant state government financial contribution towards the Coober Pedy water scheme in the future?

The Hon. A. KOUTSANTONIS: I do not know. From memory, I understand it is not a very efficient system. There are a number of concerns about the adequacy of the infrastructure that is in place, so I will take a look at it and have further discussions with the agency.

Mr TELFER: How many years is the \$150,000 per annum in place for?

The Hon. A. KOUTSANTONIS: I am advised another 2½ years.

Mr TELFER: Is the Coober Pedy task force still in place?

The Hon. A. KOUTSANTONIS: I am advised it is.

Mr TELFER: How many times has the Coober Pedy task force met?

The Hon. A. KOUTSANTONIS: I will get some advice and get back to you on that.

Mr TELFER: Who is on the Coober Pedy task force?

The Hon. A. KOUTSANTONIS: The Department of the Premier and Cabinet, the Department of Treasury and Finance, the Department for Environment and Water, the Department for Energy and Mining and the Department for Infrastructure and Transport.

Mr TELFER: Is there a representative of the council involved in that as well or is this purely a state government task force?

The Hon. A. KOUTSANTONIS: It is a state government task force, so it is not a council task force. It is an internal working group, but I am advised that the administrator and the CE of the council attend regularly.

Mr TELFER: Continuing on page 140, one of the targets within the office for the next financial year is to undertake a review of the 2022 local government periodic elections and consider legislative reforms to improve participation in local government and local government elections, including the introduction of the new Community Engagement Charter. Who is doing the local government election review?

The Hon. A. KOUTSANTONIS: I am advised the Office of Local Government will conduct a review. One of the key submissions that they will consider is obviously the statutory review done

by the Electoral Commissioner at the completion of the 2022 periodic elections. He may make recommendations. They will be considered by the agency as well, and then the minister will consider those and make recommendations and decisions on how to go forward post that assessment.

Mr TELFER: What is the scope of the local government election review being undertaken by the OLG?

The Hon. A. KOUTSANTONIS: I would refer you back to the budget papers and look at the target. It is to improve participation in local government and local government elections. People like you get elected on what, 20 per cent of voter turnout?

Mr TELFER: No, it is much higher than that in regional South Australia.

The Hon. A. KOUTSANTONIS: What was it in Tumby Bay? We can go back and check.

Mr TELFER: It was about three-quarters, I think, from memory.

The Hon. A. KOUTSANTONIS: Seventy-five per cent?

Mr TELFER: Yes.

The Hon. A. KOUTSANTONIS: That is great.

Mr TELFER: Certainly over two-thirds. Is there an investigation or review of whether the Electoral Commission appropriately fulfilled its legislative obligations within the appropriate time frames on the local government elections?

The Hon. A. KOUTSANTONIS: That is a matter for the parliament, so if the parliament is unsatisfied with the Electoral Commissioner and the way he has conducted himself, parliament is free to investigate.

Mr TELFER: So that is not going to be incorporated in any part of the local government election review?

The Hon. A. KOUTSANTONIS: He will publish a report; he has not published his report yet.

Mr TELFER: That is not going to be included in any part of the OLG's local government election review?

The Hon. A. KOUTSANTONIS: I am not the Minister for Local Government, but the idea that it would be the department's role to investigate an independent statutory officer would be grossly inappropriate, so, no, it is not the role of the agency to investigate the Electoral Commissioner. The Electoral Commissioner is an independent statutory officer, one of the most important in the state. If there is an issue with the way he has conducted himself, he will issue a report, the parliament will consider those reports in both houses, and then the parliament may wish or choose to act. It could refer it to a select committee or standing committee, and the minister may do that.

I have not seen any evidence of anything that would raise my concerns as the acting minister. I will get a briefing from the agency after this estimates committee, but in my experience the Electoral Commissioner is doing an exceptional job.

Mr TELFER: Has the minister received a briefing from the Electoral Commission about the ongoing investigations into specific allegations of electoral fraud arising from the local government elections?

The Hon. A. KOUTSANTONIS: Are you talking about a specific case?

Mr TELFER: There are a number of different allegations, which I believe the Electoral Commissioner is investigating. I am wondering whether the minister has had a briefing on what stage those investigations are at.

The Hon. A. KOUTSANTONIS: If there are investigations, they would be done independently, or they would go to the Court of Disputed Returns, which is independent of government. Government does not interfere with those. I am assuming you are talking about Alex Hyde?

Mr TELFER: No, not just that one. I think that one is with the Court of Disputed Returns. There are other investigations that have been reported. I was wondering if the minister has been—

The Hon. A. KOUTSANTONIS: I have not, no. If the Electoral Commissioner is doing any investigations, he will investigate and make recommendations as he sees fit.

Mr TELFER: Very good. Continuing on page 140 in regard to the Outback Communities Authority, I note highlights 2022-23, dot point 2 states that the Office of Local Government 'progressed the Outback Futures Project to determine future service and governance provision in outback communities'. I note that line was continued from the previous budget, with all the following words the same. Can I get an update on what has progressed with the Outback Futures Project to determine future service and governance provision in outback communities in the last financial year?

The Hon. A. KOUTSANTONIS: I am advised that as a result of the review, funding for the outback communities has increased from the proposed \$760,000 per annum. I understand the previous government wanted to introduce a levy on outback communities to help raise that. That levy, I understand, is not in place. The South Australian government has increased funding to \$2.24 million per annum, without the Liberals' levy.

Mr TELFER: In Budget Paper 1 where it refers to 'abolish the outback levy, \$3.7 million over five years', that levy was never in place?

The Hon. A. KOUTSANTONIS: It did not collect any money but it was in place.

Mr TELFER: So it is abolishing a levy that—

The Hon. A. KOUTSANTONIS: That you introduced.

Mr TELFER: —has not been instigated.

The Hon. A. KOUTSANTONIS: It is abolishing a levy you took to the election as something you wanted to impose on outback communities. What the Labor government has done is reject that, as well as a number of other measures, to help outback communities and regional communities. We have also increased funding to \$2.24 million per annum. I understand the report was provided in December 2021 and the previous government released that report publicly in January 2022 just before the election.

Mr TELFER: So the \$2.2 million per annum is up from what amount?

The Hon. A. KOUTSANTONIS: Seven hundred and forty thousand dollars.

Mr TELFER: That is the increase or that is what it is up from?

The Hon. A. KOUTSANTONIS: Up from.

Mr TELFER: I am just trying to get the numbers to correspond in my mind, minister. I do note the \$3 million over four years to support the Outback Communities Authority. My understanding of the proposal about the instigation of an outback levy was a fifty-fifty contribution from the previous government. As you point out, the equivalent that is raised from a potential outback levy would be the amount that is put into cash into the OCA, so the increase of \$1.5 million per annum, but within the budget paper it is \$3 million over four years.

The Hon. A. KOUTSANTONIS: I think you have page 58 in front of you of the Budget Measures Statement?

Mr TELFER: Yes.

The Hon. A. KOUTSANTONIS: I can tell you have been reading that document a lot. On page 58 you will see 'Outback Communities Authority, Outback Futures, Budget implications'. If you start from the 2023-24 budget, you will see the \$740,000 that was going to be collected by the levy—put in by the budget, rather than the levy—and an additional \$760,000, which gives you \$1.5 million per annum.

Mr TELFER: So the \$760,000 is the additional. The \$740,000 is what?

The Hon. A. KOUTSANTONIS: It is also additional because we are not using a levy to raise the money.

Mr TELFER: So the expectation, if there was a levy instigated, was there was going to be an equivalent amount contributed by the state government. Did that equivalent amount not get contributed because the outback levy did not get instigated?

The Hon. A. KOUTSANTONIS: The equivalent amount was contributed.

Mr TELFER: Previously?

The Hon. A. KOUTSANTONIS: No, now. Your plan was to raise \$740,000 off outback communities and your plan was then to match that money with a government contribution. My advice is what we have done is to put that money into the fund, without using the levy, and matched it.

Mr TELFER: So the matching funding from the previous budgets, did any of that get allocated to outback communities, despite there not being money raised from the outback levy?

The Hon. A. KOUTSANTONIS: The table I have referred you to is in the new measures statement. The \$2.2 million per annum takes into account a \$740,000 baseline, which we have been funding, and it takes into account a levy that would have collected another \$740,000, which we have put in without collecting the levy, plus an additional \$760,000 to take it to \$2.2 million per annum. If you look at the Budget Measures Statement—Budget Paper 5, I think it is—

Mr TELFER: Yes—\$2.2 million.

The Hon. A. KOUTSANTONIS: —you will see a \$760,000 baseline, and in the budget measures you will see that the two new measures we have put in place are that in lieu of the levy we have put in \$740,000 and the policy of matching the levy funding has also been honoured.

Mr TELFER: How much of the policy of matching the funding cache, which would have contributed to the OCA budget, was made available in the previous financial year?

The Hon. A. KOUTSANTONIS: Nothing was collected.

Mr TELFER: No, not the amount that was collected because the levy has never been in place: the amount equivalent that the state government said they would contribute. Did any of that \$740,000, \$750,000 or \$760,000—

The Hon. A. KOUTSANTONIS: I will take that on advice and get back to you.

Mr TELFER: Thank you. It takes a bit to unpack.

The Hon. A. KOUTSANTONIS: It is \$1.5 million of extra money without a levy.

Mr TELFER: My understanding was there was funding from that other component, which went into OCA. I will wait for the advice.

The Hon. A. KOUTSANTONIS: Either way, no levy has been charged.

Mr TELFER: Correct.

The Hon. A. KOUTSANTONIS: And they got more money.

Mr TELFER: No levy has been charged—

The Hon. A. KOUTSANTONIS: And they got more money.

Mr TELFER: —because it had not been charged already.

The Hon. A. KOUTSANTONIS: Yes, because you lost the election.

Mr TELFER: No, because they are an independent statutory body who decide which levies they put onto their members rather than the government imposing.

The Hon. A. KOUTSANTONIS: But your government made a policy decision to impose a levy and you would have matched it, so there would not be this extra money if you had been elected.

Mr TELFER: Does the OCA still support further consideration of an outback levy as per their recommendations within the Outback Futures Report?

The Hon. A. KOUTSANTONIS: There is no longer a requirement from the South Australian government to collect a levy. There has been a policy change. There has been a change of government. Because the former government was defeated, that policy change means that there is no requirement to collect a levy because they are being substituted with the money anyway.

Mr TELFER: Within the Outback Futures Report, the recommendation from the OCA was that consideration be given to a levy. Is that still the position of the OCA?

The Hon. A. KOUTSANTONIS: You would have to ask them.

Mr TELFER: I am asking the office it sits under.

The Hon. A. KOUTSANTONIS: I will say this again: the reason the Outback Communities Authority contemplated a levy was that the previous government offered them matching funding on what they collect. Shake your head as much as you like; that was the arrangement you had in place.

Mr TELFER: That is not right.

The Hon. A. KOUTSANTONIS: It is not right? So there was no arrangement in place where the previous government would give them matching funding for whatever they raised, despite your preamble to this question? Should we get the *Hansard* out and show what you just said to me and to the house? You said to the house there was a previous arrangement in place for the OCA to raise a levy to be matched by the state government, and when I just put that to you now, you said, 'No, that's not right.'

Mr TELFER: No. The Outback Futures Report, which was given to the minister, made a recommendation for consideration to be given to a levy. I asked is that still the position—

The Hon. A. KOUTSANTONIS: You are missing the fact that this says 'budget measures'. Every year, the government has a budget, and in that budget measure—

Mr TELFER: I am asking about—

The Hon. A. KOUTSANTONIS: Do not interrupt me. In the budget measure, I have said—

Mr TELFER: —the policy positions of the OCA.

The CHAIR: Let the minister finish, and then you can have your go.

The Hon. A. KOUTSANTONIS: You can go back to defending your policy of having a levy on outback communities.

Mr TELFER: I am defending the OCA.

The Hon. A. KOUTSANTONIS: We have assumed a level of funding that is a baseline. We have given them the money they would have collected with the levy out of the budget and we have given them extra money. There is no need for them now to collect the levy—none. The only thing that could change that is if there is an election of a Liberal government, given your words here—you are defending this policy pretty adamantly—that the levy was a good idea. We have said, 'Don't collect it and we'll substitute that money you would have collected out of the budget and give you extra.'

Mr TELFER: Is the government planning on legislative and administrative changes that guarantee the establishment and maintenance of an enhanced Outback Communities Authority model of outback governance as per the recommendations within the Outback Futures Report?

The Hon. A. KOUTSANTONIS: The advice I have received again is that the only way they can collect the levies is through permission of the minister.

Mr TELFER: It is not about a levy, it is about—

The Hon. A. KOUTSANTONIS: The report. For them to collect a levy, they need to seek permission of government. It has been funded, so they will not be seeking permission from the government to collect the levy.

Mr TELFER: Is the government planning on legislative and administrative changes that guarantee the establishment and maintenance of an enhanced Outback Communities Authority model of outback governance as per the recommendations within the Outback Futures Report?

The Hon. A. KOUTSANTONIS: I will take that on notice and get back to you.

Mr TELFER: Thank you. I am happy to go on with the same program, continuing on page 140 and speaking about the boundaries commission. Has there been any substantive progress on any substantial boundary adjustment submissions from the grants commission in the last financial year?

The Hon. A. KOUTSANTONIS: I am advised that the commission has received 17 proposals since 1 January 2019; of these, 11 did not proceed as they did not meet the statutory requirements or were withdrawn by the proponent. One has been completed and another is in its final stages of completion. The commission is working through a further four proposals, I am advised, including the significant council-initiated proposals of the Town of Gawler and Campbelltown City Council.

The commission has determined that it is proper to proceed with an inquiry for both these proposals. A procurement process is now underway, I am advised, to appoint investigators to conduct the detailed inquiries into the proposals. Procurement for the Town of Gawler proposal is meant to be completed by end of July this year, and Campbelltown City Council by the end of August 2023. The initiating councils will be informed of the expected costs to enable the council to decide whether or not these inquiries should proceed. Of course, they pay for the costs as per the act.

The commission recently conducted an inquiry into a publicly-initiated proposal to change the boundary between the Copper Coast Council and Barunga West council, as required under the relevant section of the act. The commission provided information on this matter and a recommendation to the local government minister. I have not seen that yet. I will take advice on that and get back.

Mr TELFER: Is that the Tickera—

The Hon. A. KOUTSANTONIS: I do not know, but I will get advice and get back.

Mr TELFER: What is the government's position on community consultation relating to council boundary reviews, noting that this was something the minister took on notice a number of months ago in question time?

The Hon. A. KOUTSANTONIS: I am advised that there is a statutory process that the commission must abide by in terms of community consultation. I understand the guidelines of that are published and are online now.

Mr TELFER: Continuing on with page 140, ongoing work, it is probably pertinent that you, as acting minister, are here in this one as well as it is probably cross-departmental. Has the minister or department done any further work into the regulatory regime impacting on electricity generators licensed pursuant to the Electricity Act 1996?

The Hon. A. KOUTSANTONIS: That is a matter for the Treasurer.

Mr TELFER: Have the changes to be considered been proposed by local government?

The Hon. A. KOUTSANTONIS: That is a matter for the Treasurer.

Mr TELFER: Continuing on page 140, is the grants commission considering any substantive changes to the grants distribution methodology in the coming financial year?

The Hon. A. KOUTSANTONIS: I understand that there is commonwealth legislation that governs the principles of distribution of moneys. I understand the commission regularly reviews itself and its methodology, and that is an ongoing body of work that they do.

Mr TELFER: So there is no substantive review?

The Hon. A. KOUTSANTONIS: Not that I am aware of, no.

Mr TELFER: Has there been any change in allocation of funds to SA from the federal government which are distributed by the SA Local Government Grants Commission because of methodology implications?

The Hon. A. KOUTSANTONIS: Other than the flaw in GST that the Liberal government gave to Western Australia, which was supported by the Marshall government wholeheartedly, I cannot think of any other HFE changes.

Mr TELFER: A totally different methodology, that one.

The Hon. A. KOUTSANTONIS: I cannot think of any methodology that has been changed, no.

Mr TELFER: What is the expected workload of the grants commission this year?

The Hon. A. KOUTSANTONIS: I will take that on notice.

Mr TELFER: Staying with program 7 on page 141, one of the government's targets for 2023-24 is the introduction of a new Community Engagement Charter. I recall from my time in local government that discussions with the state government on a Community Engagement Charter have been continuing and were advanced for a time. Can the minister set out the likely costs of this process and can he also explain how the project has advanced in the last 16 months?

The Hon. A. KOUTSANTONIS: I will take that on advice and get back to you with a detailed answer, given that Minister Brock is not here and he has been dealing with it.

Mr TELFER: Thank you, I appreciate that. Last year's budget included a note that the Office of Local Government provides policy and other advice to the Minister for Local Government, and I note that across the whole community, and especially speaking about the challenges with the public health emergency and the change that needed to be put in place during that time, attitudes towards electronic meetings for any organisation, including councils, have developed and been informed through shared experience. My question is: will the Office of Local Government make resources available in the 2022-23 year for a review of participation in local council meetings by electronic means?

The Hon. A. KOUTSANTONIS: Knowing Geoff Brock as well as I know him, he is very passionate about local government and, he being a regional member, anything we can do to encourage participation in council meetings, especially if they are remote, he would encourage. He will consider any proposal put to him by any council. While he is away, I am happy to continue that work because I think it is a good idea. I have no problem with regional communities having regional council meetings online if the services are available. It is dangerous to travel at night and it can be quite an impost on regional communities to try to find people to stand for regional office, given the nature and the distances involved in some communities, so whatever improves participation we are for.

Mr TELFER: Is this a body of work which the Office of Local Government has taken into consideration for their workload in 2023-24?

The Hon. A. KOUTSANTONIS: I am advised that in the context of the election participation review this will make up a body of that work.

Mr TELFER: A part of the election review?

The Hon. A. KOUTSANTONIS: Of participation, yes.

Mr TELFER: Can I clarify: it talks about election participation and I thought that meant participation as in voter turnout and the like, but is that also talking about—

The Hon. A. KOUTSANTONIS: Encouraging people to stand, and any other framework that might be necessary. If you ask someone to stand, you have to make sure that you have the appropriate things in place to make sure that the actual physical act of being a councillor is as convenient to meet modern lives as possible. Why would they not? I would encourage it. I will get a proper briefing on it in the short four weeks that I will be acting, until Minister Brock returns.

The CHAIR: The time having expired, I declare the examination of the portfolio of the Office of Local Government, Outback Communities Authority, and the Local Government Grants Commission completed. The examination of the proposed payments for the Department for Infrastructure and Transport and the Administered Items for the Department for Infrastructure and Transport are now complete. I thank the officers for their contribution over the year and in the lead-up to estimates.

Sitting suspended from 14:46 to 15:00.

DEFENCE SA, \$19,179,000

Membership:

Mr Pederick substituted for Mr Telfer.

Mr Basham substituted for Mr Patterson.

Minister:

Hon. A. Koutsantonis, Minister for Infrastructure and Transport, Minister for Energy and Mining.

Departmental Advisers:

Ms C. Bohan, Director, Veterans SA, Defence SA.

Mr P. Murdock, Director, Financial and Procurement Services, Veterans SA, Defence SA.

The CHAIR: Welcome. The portfolio is Veterans SA. The minister appearing is the minister acting for the Minister for Veterans Affairs. I declare the proposed payments open for examination and call on the acting minister if he wishes to make an opening statement.

The Hon. A. KOUTSANTONIS: No, but I will introduce Chantelle Bohan, Director, Veterans SA, Defence SA, and to my right, Peter Murdock, Director, Financial and Procurement Services.

The CHAIR: Lead speaker for the opposition, do you have an opening statement or is it straight to questions?

Mr PEDERICK: I have a brief opening statement. I would like to acknowledge all our veterans and their families for their service and our thoughts are with Minister Brock in this time of his health needs. I will hand to the member for Finnis to read the omnibus questions.

Mr BASHAM: The omnibus questions are:

1. For each department and agency reporting to the minister, how many executive appointments have been made since 1 July 2022 and what is the annual salary and total employment cost for each position?

2. For each department and agency reporting to the minister, how many executive positions have been abolished since 1 July 2022 and what was the annual salary and total employment cost for each position?

3. For each department and agency reporting to the minister, what has been the total cost of executive position terminations since 1 July 2022?

4. For each department and agency reporting to the minister, will the minister provide a breakdown of expenditure on consultants and contractors with a total estimated cost above \$10,000 engaged since 1 July 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?

5. For each department and agency reporting to the minister, will the minister provide an estimate of the total cost to be incurred in 2023-24 for consultants and contractors and, for each case in which a consultant or contractor has already been engaged at a total estimated cost above \$10,000, the name of the consultant or contractor, the method of appointment, the reason for the engagement and the total estimated cost?

6. For each department and agency reporting to the minister, will the minister advise whether it met the 1.7 per cent efficiency dividend for 2022-23 to which the government committed and, if so, how was the saving achieved?

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

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

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

- What savings targets have been set for 2023-24 and each year of the forward estimates; and
- What is the estimated FTE impact of these measures?

10. For each department and agency reporting to the minister, will the minister advise what share it is receiving 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 is being used in each case?

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

- What was the actual FTE count at June 2023 and what is the projected actual FTE count 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?

12. For each department and agency reporting to the minister, how much is budgeted to be spent on goods and services for 2023-24 and for each year of the forward estimates?

13. For each department and agency reporting to the minister, how many FTEs are budgeted to provide communication and promotion activities in 2023-24 and each year of the forward estimates and what is their estimated employment cost?

14. 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 2023-24?

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

16. For each grant program or fund the minister is responsible for, please provide the following information for the 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.
17. For each department and agency reporting to the minister:
- Is the agency confident that you will meet your expenditure targets in 2023-24;
 - Have any budget decisions been made between the delivery of the budget on 15 June 2023 and today that might impact on the numbers presented in the budget papers which we are examining today; and
 - Are you expecting any reallocations across your agency's budget lines during 2023-24, if so, what would be the nature of this reallocation?
18. For each department and agency reporting to the minister:
- What South Australian businesses will be used in procurement for your agency in 2023-24;
 - What percentage of total procurement spend for your agency does this represent; and
 - How does this compare to last year?
19. What protocols and monitoring systems has the department implemented to ensure that the productivity, efficiency and quality of service delivery is maintained while employees work from home?
20. What percentage of your department's budget has been allocated for the management of remote work infrastructure, including digital tools, cybersecurity and support services, and how does this compare with previous years?
21. How many procurements have been undertaken by the department this FY, how many have been awarded to interstate businesses, and how many of those were signed off by the chief executive?
22. How many contractor invoices were paid by the department directly this FY? How many and what percentage were paid within 15 days, and how many and what percentage were paid outside of 15 days?
23. How many and what percentage of staff who undertake procurement activities have undertaken training on participation policies and local industry participants this FY?

Mr PEDERICK: My question goes to Budget Paper 5, page 24, Pathway of Honour upgrade. Is there going to be a consultation process for the redesign and upgrade of the Pathway of Honour?

The Hon. A. KOUTSANTONIS: The advice I have from the agency is that this is an Adelaide City Council owned asset. They are receiving a grant from the South Australian government. I would expect them to consult on it with veterans groups. I am sure that would be the expectation of the minister, if he were here. I am sure that is probably the expectation of the department. I see no reason why or anything that would say the Adelaide City Council would not consult with veterans groups and defence on the nature of the changes to any memorial.

Mr PEDERICK: Are you able to expand on what the redesign and upgrade will involve?

The Hon. A. KOUTSANTONIS: I will take that on notice and get back to you.

Mr PEDERICK: When do you anticipate work on the redesign and upgrade will start?

The Hon. A. KOUTSANTONIS: That is a matter for the Adelaide City Council.

Mr PEDERICK: Will there be any disruption to traffic on either Kintore Avenue or King William Road when works commence?

The Hon. A. KOUTSANTONIS: In my experience, whenever there is any work done anywhere in the CBD, the first casualty is traffic.

Mr PEDERICK: How many jobs is this project likely to create?

The Hon. A. KOUTSANTONIS: I will have to ask Adelaide City Council. I will refer you to them.

Mr PEDERICK: Same page, 'Veterans community security framework'. When will work on the security framework commence?

The Hon. A. KOUTSANTONIS: I am advised there has been \$2.1 million in funding allocation across the forward estimates to veterans affairs in the budget. I understand the community security framework consists of a comprehensive outreach program, veterans and family growth support program. The framework, I am advised, seeks to improve the wellbeing of the veteran community by reducing social isolation and developing community connections through veteran and partner employment, family support and transition support activities.

The program will be designed to ensure that the current and future veteran communities are consulted and acknowledged, listened to, supported and given the opportunity to provide feedback and input into the design of the programs that affect them. We remain committed to continue to focus on the issues faced by veterans and their families. I am advised that Veterans SA will continue working towards achieving the portfolio's aims and will be informed by the best way of empowering local communities and promoting inclusion, importantly, honouring service and data informed policy best practice.

Mr PEDERICK: But when specifically will work on that security framework commence, minister?

The Hon. A. KOUTSANTONIS: I am advised that the program will be delivered in the third quarter of this year.

Mr PEDERICK: This financial year?

The Hon. A. KOUTSANTONIS: Yes.

Mr PEDERICK: Will any other departments or agencies be involved with the rollout of the security framework?

The Hon. A. KOUTSANTONIS: I imagine they would be. We would want a whole-of-government approach to this, but the primary deliverer would be Veterans SA, but I will get back to you on that.

Mr PEDERICK: The veterans community security framework will facilitate targeted opportunities and support to the veteran community, as you have outlined. Can you provide more detail on the opportunities and support that will be provided to the veteran community under this program?

The Hon. A. KOUTSANTONIS: I think it is best I give you a detailed answer on notice. Obviously, I am not the minister.

Mr PEDERICK: No, I acknowledge that.

The Hon. A. KOUTSANTONIS: I do not want to dishonour any of the veterans, so I will give you a detailed answer.

Mr PEDERICK: What specific outreach programs will support reducing social isolation and provide employment opportunities for veterans and their partners?

The Hon. A. KOUTSANTONIS: The advice I have is that is still being developed.

Mr PEDERICK: Budget Paper 4, Volume 1, page 157, key agency outputs, dot point 9. How is the minister engaging with veterans and their families to connect them with the right services and programs when they need them most?

The Hon. A. KOUTSANTONIS: If I know Minister Brock, it would be on a personal basis, but given I am not Minister Brock, I will get a detailed answer from the department and forward that to you. I would imagine it is advocacy and the usual connections that veterans take advantage of. There would be forums conducted and there would be outreach through existing networks.

Mr PEDERICK: I refer you to Budget Paper 4, Volume 1, key agency outputs, page 158, dot point 1 on this page. What are the main South Australian government agencies that Defence SA works with to provide support to ex-service organisations and the veteran community?

The Hon. A. KOUTSANTONIS: I am advised, firstly, it is Veterans SA, not Defence SA, so I think you might have misspoken there.

Mr PEDERICK: Veterans under Defence, yes.

The Hon. A. KOUTSANTONIS: Sorry. It would be the office of the public sector, it would be Office for Women, the Department for Education, and any other relevant agency within state government that they feel that they need to as they are developing any policies and delivering any service.

Mr PEDERICK: In regard to dot point 2, what is the minister doing to empower the South Australian community to honour service personnel and the experience of families who support them?

The Hon. A. KOUTSANTONIS: For the first time ever, the South Australian government has applied over the forward estimates a continuous funding stream to promote this endeavour. Obviously, this is a key responsibility of the commonwealth government as well. We do all we can to promote veterans' ongoing support and honour their service and we have a funding stream in place for the first time to deliver these services, which has been developed by the office of Veterans SA.

Mr PEDERICK: I refer to dot point 3. What are the key platforms used to promote the valuable and impactful contributions made by veterans and their families to the South Australian community?

The Hon. A. KOUTSANTONIS: We promote using all forms of media, social media and we have a dedicated website. Obviously, there are investments in memorials. I know that I have seen all members in this house attend services and put their recognition of veterans' services at local memorials. I know that the member for Adelaide has probably one of the most significant war memorials in the state at the North Terrace National War Memorial, which conducts services regularly. I think it is a combined effort by all of us, but the department specifically uses social media, the internet, online websites and any other form of media that they can.

Mr PEDERICK: I refer you to Budget Paper 4, Volume 1, Program 3: Veterans SA, page 165, description/objective, the first paragraph. How many South Australians are currently serving in our defence forces both full-time or as reservists?

The Hon. A. KOUTSANTONIS: I am not sure the commonwealth government gives us those details, and I am not sure I can even take that on notice.

Mr PEDERICK: What is the size of the veteran community in South Australia?

The Hon. A. KOUTSANTONIS: The most recent ABS Census, which includes veterans, their families and their dependants, puts that number at about 100,000.

Mr PEDERICK: I refer you to Budget Paper 4, Volume 1, Program 3: Veterans SA, page 165, description/objective, the second paragraph. How many ex-service organisations are there in South Australia and how many do Veterans SA work with?

The Hon. A. KOUTSANTONIS: I am advised that there are over 300 and that Veterans SA, as you would imagine, would have relationships with as many of them as they possibly can, which is nearly all of them.

Mr PEDERICK: On the same budget line, in the last paragraph, can you list the main matters of concern that have been expressed by the ex-service community in South Australia?

The Hon. A. KOUTSANTONIS: It is a pretty heart-wrenching list: employment, homelessness, family support, carer support and incarceration.

Mr PEDERICK: Yes, it is tough.

The Hon. A. KOUTSANTONIS: It is very tough, especially given what these people do for us in our name.

Mr PEDERICK: What is the latest advice you have received from the Veterans' Advisory Council in relation to the veteran wellbeing centre proposed for northern Adelaide?

The Hon. A. KOUTSANTONIS: I do not have any information at hand about that, so what I will do is try to get you a detailed answer. I think it is commonwealth government investment, but I will get back to you with a more detailed answer.

Mr PEDERICK: Regarding Budget Paper 4, Volume 1, page 165, highlights 2022-23, dot point 1, how many surveys were sent out and how many forums were held during the 2022-23 year?

The Hon. A. KOUTSANTONIS: I am advised there were three forums and two surveys.

Mr PEDERICK: The surveys were sent out to all veterans, I am assuming.

The Hon. A. KOUTSANTONIS: We have a database of veterans whom we know about. They were contacted. The respective Australian Defence Force bases in South Australia were also notified.

Mr PEDERICK: How many people attended the forums that were held?

The Hon. A. KOUTSANTONIS: I will get that for you.

Mr PEDERICK: What were the main initiatives and recommendations that came from the forums and surveys?

The Hon. A. KOUTSANTONIS: I think I can tell from the nature of the advice I am receiving that it pretty much matches the list I read out earlier: support for families, support for employment, support for spouses, health care, carer support, incarceration support, training—the usual cohort of issues.

Mr PEDERICK: Regarding dot point 2 under highlights 2022-23, it was the first year in which a second round was offered for the ANZAC Day Commemoration Fund since it was established in 2008. Was the reason for a second round due to a lack of uptake in the first round, or was there another reason?

The Hon. A. KOUTSANTONIS: The advice I have is that it was due to a lack of uptake.

Mr PEDERICK: In regard to that, are Veterans SA making sure that RSLs are aware of what is available through that fund?

The Hon. A. KOUTSANTONIS: Yes.

Mr PEDERICK: I refer to dot point 2 on the same budget line. How many applications were received in the first round of the ANZAC Day Commemoration Fund?

The Hon. A. KOUTSANTONIS: We will take that on notice.

Mr PEDERICK: How many applications were received in the second round of the ANZAC Day Commemoration Fund?

The Hon. A. KOUTSANTONIS: I think I will take that on notice as well.

Mr PEDERICK: I refer to dot point 3. How many of the 22 grants were allocated under the Veterans SA Capacity Building Grant Fund and how many were allocated under the Veterans SA Commemorative Services Grant Fund?

The Hon. A. KOUTSANTONIS: We do not have the numbers here.

Mr PEDERICK: I am assuming this question might not work, but I will throw it in there. Can you provide a list of the successful recipients of those 22 grants?

The Hon. A. KOUTSANTONIS: I only have the total numbers allocated, not the individual grants and the number of people who were awarded grants.

Mr PEDERICK: I refer to dot point 4. How many regional events did Veterans SA attend throughout 2022-23 as part of its community outreach and engagement?

The Hon. A. KOUTSANTONIS: I understand there were three field days that they attended: Lucindale, the Riverland and Paskeville.

Mr PEDERICK: I refer to highlights, 2022-23, dot point 5. Can the minister outline what new policies or program proposals were made with collaboration across state government agencies in 2022-23?

The Hon. A. KOUTSANTONIS: I am advised that we have received multiple feedback from representatives within the veteran community over the years regarding the impacts of especially their parents' military service on their children's educational outcomes. In response to these concerns raised by the community, the department approached the Department for Education to highlight the importance of identifying military and veteran children within the public system.

Veterans SA advocated for the introduction of a tick box in the school enrolment form to identify children with a parent or foster carer who is in the ADF. The tick box initiative is currently under development and will be rolled out as of next year. This will help schools better respond to the unique scenarios and deliver services. I think it is a positive step. The department has done an exceptional job in my opinion, from what I am reading here, to make sure there is no educational disadvantage visited upon the families of veterans or those serving in the ADF.

This is a whole-of-government initiative, obviously, with concessional offerings being led by Human Services. Veterans SA provided detailed analysis of the current concessions available to veterans and will be an active contributor to that working group as we assess how those concessions are rolled out. They will work with the Office for Women and, of course, again education through TAFE. One of their major concerns we saw earlier was training and unemployment. Skills are a big issue.

There was also domestic, family and sexual violence, which are issues in some families within the veteran community. We have approached the Office for Women to collaborate on the development of some state-based strategies to respond. There is a network of community-based DFSV agencies. They are working with them to make sure that family members are not isolated and can reach out and get services.

All of this has resulted in the development of three military veterans-specific fact sheets covering recognised domestic, family and sexual violence and how a third party is able to respond to assist someone experiencing domestic or family violence or sexual violence. They have been distributed to the relevant military and veterans-specific organisations, and they are being promoted within the broader community-based DFSV network later this year. TAFE SA, as a result of the advocacy of the agency, has launched the new veterans program, which aims to provide an improved pathway for veterans into vocational education. The department has signed an MOU to support this program. It is very good work by the agency.

Mr PEDERICK: I certainly think the education opportunity is a very good one to promote, noting how many service men and women and their families move around at very short notice sometimes. In line with veterans' concession entitlements and cards, is there any work done by the state to streamline and assimilate the cards with the different benefits from across other states? It does create problems with veterans moving into South Australia from other states. I am wondering if there has been any work. I know it is based under a commonwealth program, but different states have different concessions related to veterans.

The Hon. A. KOUTSANTONIS: Are you talking about state-based concessions?

Mr PEDERICK: Yes.

The Hon. A. KOUTSANTONIS: It is obviously a very important issue for veterans. I think it is fair to say that most concessions in our state—excluding this year, which has the largest concessions we have ever offered, which are electricity based—are for the benefit of seniors and pension card holders. Veterans SA, in obtaining information from the veterans community, has provided feedback to Human Services for a whole-of-government approach to a reference group on concessions.

The department is confident that the review of the concessions will consider, where it is appropriate, providing concessions to veterans of all ages and their families. Regarding the differences across jurisdictions, this matter is on the commonwealth's agenda for its bilateral discussions through ministerial councils, and there is a committee that the Director of Veterans SA sits on. I think it is fair to say, from the advice I have here, that it is an ongoing challenge given the nature of every individual state having a different approach.

Mr PEDERICK: Thank you, that is a fulsome answer. I refer to highlights 2022-23 again, dot point 6. What involvement did Veterans SA have with the Royal Commission into Defence and Veteran Suicide in the 2022-23 year?

The Hon. A. KOUTSANTONIS: Obviously, a royal commission was announced by former Prime Minister Scott Morrison examining systemic issues and risk factors for past deaths and suicide in the ADF. It includes all aspects of service within the ADF and includes those transitioning, the availability and quality of health and support services, pre-service, post-service issues for members, veterans, family in the context of family breakdowns, as well as housing, homelessness and employment issues for members and veterans. The royal commission has held nine block hearings across Australia; hearings in Adelaide are due to start on 17 July.

The interim report has made 13 recommendations that require urgent attention to focus on areas including legislative reform, and DVA claim there is a backlog and a protection to engage with the commission. We provided a voluntary submission to the royal commission, following a cabinet endorsement of that submission. It was prepared to inform the commission of the services presently available to the current and former members of the ADF and their families in South Australia.

The department has been working very closely, I am advised, with the Attorney-General's Department to have a royal commission response unit embedded within them. The agency has provided data and relevant information that contributed to the development of the South Australian government voluntary submission. Veterans SA has been working with the Attorney-General's Department to put in a submission, giving them data to populate that submission. Cabinet endorsed that in May, and it was lodged with the commission last month.

I am advised that the government is committed to implement accepted recommendations and improve strategies and policies to better support the veteran community and their families, in addition to effective suicide prevention measures. Again, for those who are listening to this estimates hearing, the royal commission is appearing in Adelaide to take submissions on 17 July 2023.

Mr PEDERICK: Thank you, minister, for that fulsome answer—it is a very important issue. I refer to page 165, targets 2023-24, dot point 1. Can the minister explain how the Veterans SA career and business mentoring program works and advise us on successful outcomes?

The Hon. A. KOUTSANTONIS: I am advised that the Veterans SA career and business mentoring program was a successful pilot by the previous government in 2021, and the program is running this year between June and November. The purpose, as you might be aware, is to connect members of the veterans' community with experienced South Australian business leaders and provide guidance and support as mentors to help them achieve in their professional lives.

Participants in the 2021 program that the previous government held experienced a lot of positive outcomes, including gaining meaningful employment, scholarships and grant successes. They expanded their professional networks and had increased confidence and an improved understanding of self-worth.

In 2023 (this year), the eligibility criteria for the mentee participants was expanded to include any person who is or who has served in the ADF, as well as their partners. This year, there were two separate programs, with different objectives and outcomes being offered. There is a career in skills development and business entrepreneurship. The advice I have is that the program will be facilitated by a South Australian-based strategy and business coach. Her name is Christine Molitor from Be Sustained. The funding of the program was approved in the 2022-23 financial year.

Mr PEDERICK: You just mentioned the funding. What is the funding that is committed to running this very worthwhile program?

The Hon. A. KOUTSANTONIS: I am advised it is \$80,000.

Mr PEDERICK: Do you anticipate the Veterans SA career and business mentoring program will be offered on an ongoing basis?

The Hon. A. KOUTSANTONIS: The advice I have from the agency is that they will continue to consult. It might not continue in its current form, it might continue to evolve, but there will be a program of some form, given the success of the 2021 pilot. I suppose you could say you have discovered something that no-one else has: a great legacy of the former Marshall government.

Mr PEDERICK: The option is whether it is this direct program or a new program being developed. Is there a likelihood that it might be offered on a full-time basis, across the full 12 months of every year?

The Hon. A. KOUTSANTONIS: The advice I have is that, firstly, it depends on funding, and, secondly, veteran community needs are not static, they evolve, so things change. If you ask me, as the acting minister, I think it is a bloody good program.

Mr PEDERICK: Absolutely. Thank you.

The Hon. A. KOUTSANTONIS: You are welcome.

Mr PEDERICK: I refer to dot point 2. Can you explain what the regional and metropolitan outreach program will involve?

The Hon. A. KOUTSANTONIS: Bear with me here because I am new to this.

Mr PEDERICK: No, that is fine.

The Hon. A. KOUTSANTONIS: The feedback is what is leading the way we are conducting the outreach programs. If I am right, through the surveying we have done, we know where our regional veterans are, so we are conducting our attendance in the Riverland with field days in Barmera in September 2022. The program has already commenced and is running until 30 June, end of this financial year, in 2024. Veterans SA will continue to offer grant funding for selected ex-service organisations to participate in the outreach program. It is a program that can help the member-based communities to better work with key service providers.

The regional outreach program will cover the South-East, Riverland, Adelaide Hills, Yorke and Eyre peninsulas, as well as the Barossa. These areas have been chosen on the basis of veteran population data obtained by the Census. Veterans SA will continue to be an active participant in the ADF transition seminars and defence member welcome days. Participation at these events will enable ongoing communication and learning about what is important to defence members and their families as they settle into life.

There is new funding across the forward estimates for the outreach programs and the veterans community will have an opportunity to have input into the development of programs and projects that impact them. That is a clumsy way of me giving you Veterans SA's sophisticated answer that they prepared for me, but if you like I can get something for you more holistically. This is all published on a website.

Mr PEDERICK: I will go to page 166, program summary—income, expenses and FTEs. Can you outline the job titles and roles of the 4½ FTE staff employed with Veterans SA and are any staff currently working from home?

The Hon. A. KOUTSANTONIS: As a principle, I do not have a problem with any public servant working from home. I think it is a good initiative. It is good family life, work balance. Obviously, I think it is also important that teams get together to talk about progress and learn to mentor each other. I am sure there are a number of people working from home and that is a good thing. I am not into demonising that type of behaviour. I think it is actually quite good.

As for your other question, there is a director, a deputy director, a comms and strategic officer, a grants administration officer and a family and employment officer.

The CHAIR: With the time allotted having expired, I declare the examination of the portfolio of Veterans SA completed and the examination of proposed payments for Defence SA. I would like

to thank all the members for their contributions and attendance over the last five days. I would like to thank the minister for stepping in at the last minute and I would especially like to thank the officers for all the work they do leading up to estimates.

Last but not least, I would like to thank security, who have been sitting up there for hours and hours—I hope you had a good book—and the parliamentary officers who kept me on the straight and narrow through this whole process. Once I was an endurance runner, but thanks to estimates I am now an endurance sitter. With those few words, I lay before the committee a draft report for Estimates Committee B.

Mrs PEARCE: I move:

That the draft report be the report of the committee.

Motion carried.

At 15:47 the committee concluded.