

HOUSE OF ASSEMBLY
Tuesday, 25 June 2024
ESTIMATES COMMITTEE B

Chair:

Ms E.L. Thompson

Members:

Ms N.P. Clancy
Ms C.C. O'Hanlon
Mr A.S. Pederick
Ms O.M. Savvas
Mr S.J. Telfer
Mr T.J. Whetstone

The committee met at 09:00

Estimates Vote

DEPARTMENT OF PRIMARY INDUSTRIES AND REGIONS, \$142,041,000
ADMINISTERED ITEMS FOR THE DEPARTMENT OF PRIMARY INDUSTRIES AND REGIONS,
\$4,641,000

Minister:

Hon. C.M. Scriven, Minister for Primary Industries and Regional Development, Minister for Forest Industries.

Departmental Advisers:

Prof. M. Doroudi, Chief Executive, Department of Primary Industries and Regions.

Mr W. Kent, Chief Financial Officer, Department of Primary Industries and Regions.

Ms A. Barclay, Director, Office of the Chief Executive, Department of Primary Industries and Regions.

Ms M. Spencer, Chief of Staff.

The CHAIR: Welcome to today's hearing for Estimates Committee B. I respectfully acknowledge Aboriginal and Torres Strait Islander peoples as the traditional owners of this country throughout Australia and their connection to land and community. We pay our respects to them and their cultures and to elders past and present.

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

The Hon. C.M. SCRIVEN: Yes, I can confirm that.

The CHAIR: Member for Chaffey?

Mr PEDERICK: Yes. I will speak for him.

The CHAIR: Thank you, member for Hammond. 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 6 September 2024.

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

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

I remind members that the rules of debate in the house apply in committee. Consistent with the rules of the house, photography by members from the chamber floor is not permitted while the committee is sitting.

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

The committee's examinations will be broadcast in the same manner as the sittings of the house, through the IPTV system within Parliament House and online via the parliament's website.

I again welcome the Department of Primary Industries and Regions to the committee, with the Minister for Primary Industries and Regional Development. I declare the proposed payments open for examination and call on the minister to make a statement, if she wishes, and to introduce her advisers.

The Hon. C.M. SCRIVEN: Thank you very much, Madam Chair. It is a great pleasure to provide information about the programs of work conducted by the Department of Primary Industries and Regions over the past year. At my left is Chief Executive Professor Mehdi Doroudi and on my right is Will Kent, Chief Financial Officer. Behind me is Ann Barclay, Director, Chief Executive's Office, and Meagan Spencer, my Chief of Staff.

South Australia's food, wine, agribusinesses and regions are a major contributor to the state's economy and have continued to deliver steady growth, despite the challenges faced over recent years. Our clean environment, with vast agricultural areas encompassing diverse microclimates and soils, excellent water sources, world-renowned horticulture, wine regions and seafood centres, serviced by strong regional communities, all support South Australia's global reputation for premium produce—a reputation, I might say, of which we should be extremely proud.

The 2024-25 budget includes a total of \$686.4 million in new measures over the forward estimates, supporting South Australia's regions across all sectors of government. Major initiatives in this budget for PIRSA include:

- additional investment of \$13 million in 2023-24 and \$30 million in 2024-25 to undertake significant emergency fruit fly response activities, following the detection of further outbreaks across the Riverland and the Adelaide metropolitan area;
- \$1.1 million per annum indexed from 2024-25 to support the Rural Financial Counselling Program and Family and Business Support Mentors Program;
- funding for the net zero agriculture initiative to deliver innovation, on-farm solutions and to upskill the agricultural sector to reduce agricultural emissions;
- \$200,000 for RecFish SA for further education and community engagement to encourage greater diversity amongst recreational fishers; and

- funding of \$1.5 million towards the rebuild of the Struan Research Centre.

This past year has been defined by solid growth, while continuing the programs and efforts to address our ongoing challenges. Flood recovery projects are ongoing. Issues related to supply chain and suppressed demand through trade tensions and economic pressures continue to be addressed. Unlike the previous year, with extreme weather and floods that impacted our river communities directly, this current year has started with well below average rainfall for most of our agricultural production regions.

On the back of the increase in grain exports, Indonesia became South Australia's largest export market for its agriculture and food exports, surpassing China. The recent removal of trade restrictions in China for a number of key products is extremely welcome and provides important opportunities. A significant effort is being made to support the reopening of this market, particularly through our China re-engagement program focused on the wine industry that is facing challenges related to an oversupply of red wine.

We are also continuing our advocacy in regard to rock lobster and are hopeful that the trade bans currently in place with China may be lifted in the near future. In the past year we have worked to further strengthen our sectors and are making progress in delivery of key legislative reform priorities.

Innovation and research through the South Australian Research and Development Institute (SARDI) and PIRSA leverage opportunities for growth. This work enables industry to anticipate and meet market demands and also to explore new market opportunities, as well as prepare our agricultural industries for our changing climate. I am very pleased to say that SARDI scientists and technicians are highly regarded within Australia and overseas, with groundbreaking work covering all aspects of agriculture and primary industries. They collaborate with our universities as well as scientists interstate and overseas.

This was clearly demonstrated by our hosting, late last year, of the joint Asia Pacific Marine Biotechnology Conference and the Australia and New Zealand Marine Biotechnology Society Conference. This event was a huge success, and highlighted our leadership and contribution to this field, which is vital to the health and resilience of our aquatic environment and associated industries.

SARDI is involved in vital research to inform and support industry climate change adaptation, demonstrating the value-add potential of SA-grown pulse crops, the establishment of industry partnerships to deliver low-emission intensity farming systems, and also long-term trials across South Australia to deliver innovations to support farmers in being prepared for drought and other climate change impacts.

In the same vein, my department continues to support adaptation to climate change and the adoption of carbon mitigation technologies and practices which lower emissions across the value chain. An amount of \$4.8 million per annum, indexed from 2024-25 for five years, will develop and deliver innovation and on-farm solutions, and support agricultural upskilling to reduce emissions through low-emission intensity farming systems. With commonwealth and industry contributions, this supports achieving our target of at least 50 per cent reduction in net greenhouse gas emissions by 2030.

Always with an eye to the future, PIRSA has been actively promoting the adoption of technology solutions for producers through the AgTech program. Integrating AgTech with farming operations can improve productivity, profitability and flexibility. AgTech maximises the productive use of inputs and resources and minimises waste, maximising profitability and reducing the environmental impact of agriculture.

Mandatory technology required for sheep and goat producers is the adoption of electronic identification, known as eID, required from 1 January 2025 under the National Livestock Identification System. The government has committed almost \$13 million over the next two years to support producers, saleyards and processors with subsidies on tags and rebates on infrastructure.

Delivery of primary producer support and recovery grant programs has continued following the storm, fire and flood challenges of recent years. Support services have been provided to regional

communities affected by adverse events and hardship through the Family and Business Support Program. Another element of this has been partnering with the Rural Financial Counselling Service.

My department also has in place resilience-building programs, including the Australian government's Future Drought Fund Farm Business Resilience Program, the Regional Drought Resilience Planning Program, and the Preparing Primary Industries for the Impacts of Compounding and Complex Disasters Project. The government continues to support regions through the \$15 million per year Thriving Regions Fund and its sub-programs, being Thriving Communities, Strengthening Industries, and Enabling Infrastructure. This also includes the Regional Leadership Development Program.

Biosecurity risks remain ongoing concerns for our primary producers, and we are working closely with industry to strengthen preparedness. The South Australian government continues to deploy significant resources to the response in the Riverland and Salisbury North for fruit fly, working in close association with local communities and affected industries. Expansion of the National Sterile Insect Technology (SIT) Facility at Port Augusta is enabling us to double our output of sterile Queensland fruit flies, which are being put to good effect.

PIRSA is partnering with livestock industries, along with Australian, state and territory governments, to enhance our preparedness and to remain alert to emergency animal diseases. Following the national decision to move the varroa response to a management program, PIRSA is working with the apiary and pollination-dependent industries to agree on a management framework for South Australia. It is important to note that South Australia continues to be free of varroa mite.

The \$25 million dog fence rebuild project continues, enabling sheep producers to restock 18,000 square kilometres of pastoral land. A highlight of our pest animal programs is the success of the feral pig eradication program on Kangaroo Island, which is a partnership with the Landscape Board, National Parks and Wildlife, Ag KI, Livestock SA and other non-government organisations. Intensive surveillance will continue for two years to ensure that all pigs have been eradicated.

South Australia is recognised worldwide for its robust and comprehensive fisheries and aquaculture management and legislative frameworks. The protection of our aquatic environment through our fisheries management plans, harvest strategies, environmental monitoring, aquatic animal health programs and aquaculture zoning requirements ensures that South Australian seafood retains a high standard of environmental credentials. A new commercial sardine fishery management plan came into effect last October, covering the next 10 years. It will increase commercial opportunities for fishers while maintaining the sustainability of the resource.

South Australia's regions and primary industries continue to be strong contributors to our economy. There will always be challenges, whether they are driven by the environment and the changing climate or the vagaries of operating in complex national and international markets. Our people continue to show resilience and adaptability to meet those challenges and continue our prosperous trajectory. I will note that questions to do with both ForestrySA and PIRSA forestry I am happy to take in the forestry section of this, rather than dividing them up as part of this particular examination.

The CHAIR: I call on the lead speaker for the opposition to make a statement, if the member wishes.

Mr WHETSTONE: I would just quickly like to thank the staff in PIRSA for the preparation and the work they put into those lengthy folders. They are probably not as lengthy as the opening statement, but it is a process that the staff are dedicated to to make the minister look good, so well done. I refer you to Budget Paper 5, page 59, operating savings. Can the minister confirm that there are no operating savings in the forward estimates as per the 2024-25 budget?

The Hon. C.M. SCRIVEN: I can confirm there are no new operating savings.

Mr WHETSTONE: Can the minister explain the need for the increase in FTEs from 10 to 11 in her ministerial office in this year's budget compared to last year, and what is the position or job description of the 11th FTE?

The Hon. C.M. SCRIVEN: I will just do a quick summary of the staffing in my office. The budget includes an FTE cap of 11. There are a total of four policy positions in my office made up of Chief of Staff and three advisers, and seven Public Service positions, taking the total number of positions in the office to 11. As at 31 May, nine of these 11 positions are filled, with an adviser and the senior business support officer positions currently vacant. An additional business support position was included in the initial structure for my office but is currently held vacant. If business demands require filling this position, the total budgeted FTEs in the office will be 12 officers.

Mr WHETSTONE: Minister, can you explain the increase of the cost of provision under your office resources from \$2.077 million in financial year 2023-24 to now \$2.307 million in this year's budget, an increase of \$230,000?

The CHAIR: Member for Chaffey, would you mind just clarifying which page you are referring to?

Mr WHETSTONE: That is Budget Paper 4, page 49.

The Hon. C.M. SCRIVEN: I am advised the reason was the additional FTE approved during 2023-24.

Mr WHETSTONE: So that extra position has a wage of \$230,000?

The Hon. C.M. SCRIVEN: Firstly, no, that is not the wage.

Mr WHETSTONE: Your office budget has increased from \$2.077 million in 2023-24 to \$2.307 million. I am not a mathematician but that looks to me like \$230,000.

The Hon. C.M. SCRIVEN: I am advised that that would also include the indexation of salaries that occurs every year.

Mr WHETSTONE: The increase of salaries?

The Hon. C.M. SCRIVEN: The indexation of salaries that occurs every year.

Mr WHETSTONE: I refer you to Budget Paper 5, page 59, operating initiatives in RecFish. Minister, can you explain why RecFish SA's funding of \$200,000 is under operating initiatives, given the funding was announced in October of 2022?

The Hon. C.M. SCRIVEN: The \$200,000 that I think the honourable member is referring to is an additional figure. There were amounts that were part of our first year of operation. We have now announced an additional \$200,000 to enable RecFish SA to be able to further deliver inclusive programs. We think it is very important to encourage people to get out to the great outdoors. We are always particularly keen to get young people off their screens and into outdoor activities, and so the role of RecFish in encouraging, in educating and in involving diverse groups is an important priority for us. In total, PIRSA's budget includes \$831,000 over four years to fund an agreement with RecFish SA. That was prior to the \$200,000 that has been further announced for the 2024-25 financial year.

Mr WHETSTONE: What is the total resource to RecFish SA over four years?

The Hon. C.M. SCRIVEN: It is the \$831,000 over four years, plus the \$200,000. I know you are not a mathematician, but I am sure you can work that out.

Mr WHETSTONE: Plus the \$200,000?

The Hon. C.M. SCRIVEN: Correct.

Mr WHETSTONE: Can you indicate where that funding line was in the 2023-24 budget?

The Hon. C.M. SCRIVEN: I am advised that we do not have the previous budget papers here with us. The expectation is that it would have been in the budget measures section.

Mr WHETSTONE: Okay. Moving on to Budget Paper 5, page 59, operating initiatives, Family and Business Support Program, I note a line of the Family and Business Support Program under operating initiatives to the tune of \$1.1 million indexed, and note also that the fund includes

the family and business support mentors and the Rural Financial Counselling Service. How much of the indexed \$1.1 million is set aside per annum for the Rural Financial Counselling Service?

The Hon. C.M. SCRIVEN: I am advised that we do not have the split here, but we can certainly take that on notice. In terms of the overall program, it is probably important to expand on that a little, as it is a particularly important program. The state government invested \$2.21 million over three years into activities that support services to regional communities affected by hardship and adverse events, as part of the 2021-22 state budget. A further \$4.42 million over four years has now been committed as part of the recent 2024-25 state budget, and this is to provide a range of support services to regional communities affected by hardship and adverse events.

One key support service is the Family and Business Support Program (FaBS), administered by PIRSA, which plays a crucial role in connecting vulnerable people to the support they require at a time when the stress and trauma of adverse events has reduced their capacity to navigate what can be a very complex environment of government requirements and assistance.

The state government also works closely with Rural Business Support to ensure that the Rural Financial Counselling Service that you mentioned is available to primary producers and rural-related businesses across the state. The combination of FaB mentors and the Rural Financial Counselling Service provides a gateway to wellbeing and business support services that is well recognised and, I think, highly valued by regional communities.

Mr WHETSTONE: While you are there, would you also give me a breakdown of the FaB mentor program component, what the budget line is for it as well? If so, can you explain why this line is under operating initiatives and why it has been spruiked as a new initiative or new money by the government?

The Hon. C.M. SCRIVEN: I am advised the amounts that were allocated under the previous government were due to end, so therefore this is new money to continue this very important program.

Mr WHETSTONE: So it is not a new initiative; it is new money?

The Hon. C.M. SCRIVEN: It is new money.

Mr WHETSTONE: You have spruiked that it is a new initiative.

The Hon. C.M. SCRIVEN: In what way?

Mr WHETSTONE: In the budget: Budget Paper 5, page 59.

The Hon. C.M. SCRIVEN: I am looking at page 59. Did you want to be specific around your question?

Mr WHETSTONE: Moving on. Budget Paper 5, page 59, operating initiatives. Given the Q-fly eradication program, Family and Business Support Program and RecFish funding are all programs delivered under previous budgets, why are these programs under operating initiatives?

The Hon. C.M. SCRIVEN: I am advised because it is new money, new funding.

Mr WHETSTONE: New money. Is that because you have no new initiatives or programs other than net zero agriculture?

The Hon. C.M. SCRIVEN: I am surprised, actually maybe I am not surprised, that the honourable member thinks that net zero agriculture is not an important program. I think it is a particularly important program. I look forward to some more questions about that—

Mr WHETSTONE: I was after an answer not a question.

The Hon. C.M. SCRIVEN: —playing a useful part into the future.

Mr WHETSTONE: I was after an answer not a question.

The Hon. C.M. SCRIVEN: I think if the former government had particular programs that were good, I would hope, particularly in the agricultural space, that members of the opposition would see it as positive that we can have a bipartisan approach to things such as the family and business mentors, such as some of the other programs that are continuing. I think to indicate that because a

program was due to end and we have instead chosen to provide new money for those programs, that should be a cause for celebration rather than the implied criticism that we seem to have here this morning.

Mr WHETSTONE: It was a great initiative by a former government supported by the current government.

The Hon. C.M. SCRIVEN: I think PIRSA has done some wonderful work—

Mr WHETSTONE: I think that is a yes.

The Hon. C.M. SCRIVEN: —in terms of coming up with programs that can have bipartisan support.

Mr WHETSTONE: Minister, can you confirm that the government's net zero agriculture initiative, funded to the tune of \$3.2 million from the commonwealth, is included in SARDI income budgeted for 2024-25, and what proportion of the funding will be available to industry on a practical project?

The Hon. C.M. SCRIVEN: Which is the budget line you are referring to?

Mr WHETSTONE: Budget Paper 5, page 59, net zero agriculture.

The Hon. C.M. SCRIVEN: The Labor government has committed \$8.4 million over five years, to 2028-29, in this year's state budget towards a low-emission intensity farming system initiative. This is expected to leverage commonwealth and industry contributions of \$16 million over the five years, providing a total program budget of \$24.4 million.

It is important that, to maintain market access and competitiveness in the global agricultural market, South Australian producers demonstrate their commitment to reducing emissions and using sustainable agricultural practices. This requires research, development, extension and adoption to develop and promote best practices for emissions reduction and sustainability, as well as engagement with international markets and stakeholders to understand and respond to changing market demands and regulations.

SARDI is currently undertaking research and development in emissions reduction and sustainability, including methane mitigation in livestock and agronomic practices to reduce emissions and improve carbon sequestration. Developing strategic partnerships with research organisations or private technology enterprises will help to leverage the specialised expertise in allied research and development areas. These might include remote sensing, machine learning and AI to develop or test new tools and technologies for monitoring and mitigating greenhouse gas emissions in primary industries.

The honourable member asked about SARDI. SARDI will also work with industry partners, such as farming systems groups and agtech startups to pilot and test innovative technologies or practices. They might be at research centres or on private farms. Enhanced uptake of on-farm management practices to reduce greenhouse gas emissions will contribute to meeting the state's emissions reduction target of 50 per cent net emissions reduction by 2030 and net zero emissions by 2050.

Mr TELFER: Minister, can you give me examples of what is, in your words, a low-emission intensity farming system? Can you point to some examples?

The Hon. C.M. SCRIVEN: I would perhaps encourage the honourable member to visit some of the demonstration farms that we have. We have an excellent one at Struan, of course, down in the South-East, as well as five others.

Mr TELFER: But what would a practical low-emission intensity farm or farming system look like?

The Hon. C.M. SCRIVEN: Some of the examples we have might be around methane mitigation—mitigating the effects of methane emissions from livestock, ensuring no negative effects on reproductive success of ruminants resulting from antimethanogenic supplements or changes to pasture mixes. On plant breeding and selection, it might include identifying and breeding pasture or

shrub varieties with enhanced antimethanogenic properties. SARDI hosts, as the honourable member may know, successful lucerne and sub clover pasture breeding programs, and also hosts the Australian Pastures Genebank, with more than 75,000 accessions representing 2,600 species.

In terms of agronomy and soils, undertaking agronomic research to support expansion of legume crop production will have a net beneficial effect on the use of synthetic nitrogen fertilisers and soil health. The opportunity to improve soil carbon sequestration in agricultural soils hinges on identifying soils with the potential for increasing and assessing soil ameliorants that could provide a step change in long-term carbon storage in soils.

Management for mitigation is a further area to support South Australian producers to adopt best management practices, as research identifies the most promising solutions to reduce GHG emissions and improve sequestration. These are just some of the examples. There has been work done—

Mr TELFER: That is what SARDI's work is going to be.

The Hon. C.M. SCRIVEN: Can I perhaps finish? May I finish, thank you? I believe I have the floor. There has also been some very interesting work around seaweed and having seaweed as a feed supplement in livestock to be able to reduce emissions. That is something that has been garnering a lot of attention internationally, as well as here in South Australia.

But I really would encourage the member to visit some of our excellent demonstration farms to be able to learn more about some of the work that is being undertaken and what might be coming in the near future.

Mr TELFER: Those are good examples of what work SARDI might be doing. I was trying to work out what, in reality, a low-emission intensity farming system, farming business or someone who actually can operate as a farm might look like. Certainly, I would encourage the minister to visit some farms and see the reality of what that would have to be on the ground.

The Hon. C.M. SCRIVEN: I thank the honourable member for his comment. I think it really does reflect very much the sort of feedback I have had as minister over the last two years in regard to what farmers are looking for. They are aware of how important it is for international market access and for competitiveness to be able to demonstrate low emissions, but what a number have said to me is that they need to have more investment into the tools that enable them to do that.

The honourable member is obviously unclear on what a system might look like, and that is probably not necessarily unique in South Australia at all, so that is why we are very pleased that this investment will have such a potential to support and assist farmers in what is a very important goal.

Mr PEDERICK: On the same budget line, I am more than a bit concerned with where the baseline is drawn for this regarding broadacre farming, because farmers have been utilising single-pass, no-till, zero-till farming practices for over 30 years, putting in great carbon sequestration techniques. Certainly I have had it put to me, 'Where do we stand?' We have been doing all this work, but that might be all for nought when the maths are done on some sort of net zero agriculture plan, where farmers should be rewarded for what they have already been doing for decades. I am just seeking your comment on that.

The Hon. C.M. SCRIVEN: Are you referring there to carbon credits?

Mr PEDERICK: Carbon credits, but just farming in general: building up your soil profile, putting your trash back, single-pass farming. I can say, as a broadacre farmer, we used to go over the land eight to 10 times. Now it is single-pass and farmers have been doing this for up to 30 years or more. There is a real concern about where the baseline is put. There is only so much you can do in the field, and a lot of it has been getting done in real life over millions of acres. So I am just seeking a comment as to where we are going to draw the baseline to start measuring this carbon, because it is already being sequestered and farmers are really reaching out to know where we start because we are already doing great work as practical farmers in the field.

The Hon. C.M. SCRIVEN: I think, on what might be a fairly rare occasion, I am going to agree with the member for Hammond on a topic, which is that the farmers have been doing a lot of great work. I think, in South Australia, we have been leaders in so many ways and the importance of

innovation in agriculture has been long recognised. I think it is fair to say it has been supported by both colours in government.

The importance of this particular program is demonstrated by exactly what the honourable member is saying, which is that farmers want to have more information around baselines, around measurement, around what has already been achieved and where there are new opportunities to achieve greater reductions in emissions and more environmentally sustainable agriculture. It is something that many, many of our farmers, and particularly the younger farmers I speak to, are very heavily committed to, and that is one of the reasons that I am so pleased we are doing this significant investment into this space.

Mr PEDERICK: But where do you sit as far as a baseline in regard to what has already been done? Farmers fear that they will not be recognised for what they have done in the past and are doing to this day, obviously in a year like this with a lot of dry sewing as well. The crop emergence we are seeing with a lot of crops put in dry this year is fantastic.

The Hon. C.M. SCRIVEN: One of the pieces of information that I have been pointed to is how there has been recognition around the significant work that has been done—for example, the reductions in non-transport agricultural emissions, which have been able to have significant improvements. I think the point here is that most people agree there is still a lot more work to be done. Firstly, it is important to acknowledge the excellent work that has been done and the things that have been achieved, but there is still a lot more work to do, and the investment that we are talking about with this project will certainly support farmers to be able to do that.

Mr WHETSTONE: Minister, I would like to step back to the baseline. How is the state government looking to support and achieve the net zero emissions, which is the baseline, by 2050? At the moment we are looking to reduce levels by 43 per cent from 2005 by 2030. You are going to have to put in more initiatives than feeding livestock seaweed and doing some level of sequestration. Do you think it is achievable to bring carbon emissions down by 43 per cent on the 2005 recorded levels?

The Hon. C.M. SCRIVEN: I think South Australia has already made huge advances in that space, and we continue to work towards that.

Mr WHETSTONE: What are some of the initiatives with converting away from fossil fuel equipment on farms—tractors away from diesel to electric—is that in your remit?

The Hon. C.M. SCRIVEN: It is a fairly broad question. I think there are a number of points we can make whilst still being mindful of the fact that a great deal of this remit does fall in the federal space. In terms of AgCHEK and support for AgCHEK, there may well be projects that might address specifically some of those things around the adaptation of equipment.

One of the things I would point to in a related industry is a trial in the forestry industry to adapt a logging truck into an electric truck, and that is something the state government has provided some funding towards. I think those projects are good examples of where we can continue to work in this space.

Mr WHETSTONE: Are farmers going to have to stop using diesel tractors by 2030?

The Hon. C.M. SCRIVEN: Do you really think that is a valid question for the budget?

Mr WHETSTONE: I am just expanding on—

The Hon. C.M. SCRIVEN: Clearly the answer is no.

Mr WHETSTONE: —a forestry answer you have just given me about converting trucks to electric from diesel. I am now asking the question: is there anything in your remit about converting diesel-powered tractors to electric tractors?

The Hon. C.M. SCRIVEN: Research continues on ways to reduce emissions, to reduce the reliance on diesel, and those projects will continue. Your actual question, which was do they all have to convert by 2030, I would have thought was patently obvious—the answer is no.

Mr WHETSTONE: Are you consulting with any industry bodies? Are you doing any public consultation with this conversion to net zero?

The Hon. C.M. SCRIVEN: There is ongoing consultation with industry. I am very pleased to have very strong relationships with industry in South Australia. Most of the peak bodies I meet with on a very regular basis which enables them to both provide feedback in a general sense as well as more specifically, and they work closely with PIRSA on specific projects and topics.

Mr WHETSTONE: Who would those industry bodies be that you are having those discussions with about the net zero?

The Hon. C.M. SCRIVEN: We discuss multiple items with multiple industry bodies, whether it is Primary Producers SA, whether it is GPSA, whether it is the forestry industry—all of the peak bodies I meet with on a very regular basis.

Mr WHETSTONE: If we go to Budget Paper 4, Volume 5, page 56, targets: given your government's target to reduce net greenhouse gas emissions by more than 50 per cent by 2030 and to achieve net zero emissions by 2050, what policies are going to be enforced on primary industries or primary producers to achieve those targets?

The Hon. C.M. SCRIVEN: I think the member's question deliberately uses inflammatory language in talking about the industry being forced. I think that is in stark contrast to the type of relationship the South Australian state government has with the various agricultural industries, which is very collaborative. We continue to work in partnership. We work closely with the RDCs (the research development cooperatives or corporations), and there are a number of national initiatives. I think it really does stand as a testimony to the ability to work closely with industry on joint goals.

We know that reaching net zero is not a single goal; it is all about maintaining market access and it is about maintaining competitive advantage for so many of our agricultural products. So I am very pleased that the government has been able to work closely with the various organisations; for example, we are working with Primary Producers SA on a climate action plan and we have been working with other peak bodies on the various initiatives that come both from industry and from government.

Mr WHETSTONE: I again refer to Budget Paper 4, Volume 4, page 56. Does the income budget for 2024-25 include \$1.8 million from the state for the net zero agriculture initiative, and is this new money?

The Hon. C.M. SCRIVEN: My office is struggling a little bit with the honourable member's mention of \$1.8 million. Did he want to be a bit more specific and perhaps ask the question again and point out where the \$1.8 million is that he is referring to?

Mr WHETSTONE: You want me to be more specific about the \$1.8 million from the state for the net zero agriculture initiative. Will there be—

The Hon. C.M. SCRIVEN: I am sorry, I might just interrupt the member there. It is \$1.6 million per annum; I think that might be where the confusion is lying.

Mr WHETSTONE: Okay, 1.6.

The Hon. C.M. SCRIVEN: Correct, and that is indexed.

Mr WHETSTONE: Is the 1.6 from the state for the net zero agriculture initiative going to be new money?

The Hon. C.M. SCRIVEN: Yes.

Mr WHETSTONE: Thank you. Minister, along the way, the transition to net zero, you have talked a lot about working with industry and done some consultation, but little with farmers, as I understand it.

The Hon. C.M. SCRIVEN: I am not sure why you would understand that. I have not indicated that at all in my answers.

Mr WHETSTONE: That was my—

The Hon. C.M. SCRIVEN: Your assumption. Okay.

Mr WHETSTONE: No. Well, I live and work with farmers.

The Hon. C.M. SCRIVEN: All of them.

Mr WHETSTONE: Of course. Do you think there will be any transition strategy in helping farmers transition, particularly away from fossil fuels into electric or other types of generated vehicles on farm?

The Hon. C.M. SCRIVEN: I think the best way for the member to consider what he is referring to is the ongoing relationship and work that we do with industry—which, I might add, includes farmers; I would have thought that was fairly obvious—around emerging technologies and around supports, where that might be appropriate. That work is ongoing. It is in many ways part of what PIRSA does. It is their day-to-day business in terms of always looking at new opportunities, potential emerging technologies, and opportunities to leverage funds from various different sources to assist with industry, and that work will continue.

Mr TELFER: Has the department done any modelling on the implications of this policy decision on agriculture, on the businesses and primary industries in particular in the future?

The Hon. C.M. SCRIVEN: What is the member referring to?

Mr TELFER: When we are looking at the net zero policy decision, has the department done any modelling on what that will mean for agricultural businesses and primary industries in particular in the future?

The Hon. C.M. SCRIVEN: The net zero policy decision involves this investment of new money. That is what we are talking about here, so I am not quite sure what the member is asking.

Mr TELFER: I am asking whether the department has done any modelling on what the impacts will be on actual agricultural businesses on the ground.

The Hon. C.M. SCRIVEN: From the investment of new money into the net zero agriculture?

Mr TELFER: No, from the decision to transition towards this net zero future.

The Hon. C.M. SCRIVEN: I think it is worth noting that the target involves working together with all different agricultural sectors to be able to achieve that goal of net zero by 2030. That means there are a large number of different initiatives that may prove to be effective and appropriate in that space, but some initiatives are already ongoing, some potentially will be new and be able to be further developed through programs such as the one we have announced, and that work is really important to continue because if we do not reach the targets that our international markets expect, or we do not reach the targets that even our domestic markets expect, that will cause a great deal of difficulties in terms of marketing our goods.

Mr TELFER: I refer to Budget Paper 3, page 99. I draw your attention in particular to the Lower EP aquaculture zones. Given you state in your budget papers on that page, and rightly so, that the Lower EP is the state's most valuable aquaculture zone, why do you refuse to acknowledge that the science is not settled on a desalination plant located in a bay, being Boston Bay at Billy Lights Point, and that your government's decision has the potential to threaten the future of the aquaculture industry on the Lower EP?

The Hon. C.M. SCRIVEN: First, it is important to note that the involvement of my department is specifically in regard to SARDI marine sciences, and they have done work commissioned by SA Water and Infrastructure SA for this particular topic. The development of desalination plants is required to provide a secure climate-independent supply of water to communities and industries on Eyre Peninsula and to the Far North of the state.

It should be well recognised that the limitations on water in Eyre Peninsula and the potential impacts, as the water supply potentially dries up, would be absolutely significant for all of our industries, as well as all of the residents. In particular, the water supply to Port Lincoln would be, I would have thought, very problematic if we do not have an alternative.

Of course, the proposed development has been met with ongoing community interest. Concerns regarding the potential impacts of desalination on marine systems raised by local stakeholders and communities include the ability of the proposed sites to adequately disperse brine discharges and the impact of desalination intakes on the larvae of several key commercial fisheries.

Marine science research undertaken by SARDI and other external providers for SA Water has demonstrated that a small eight-gigalitre per year desal plant can be built at Billy Lights Point near Port Lincoln with minimal impact on the marine environment. The science delivery to SA Water was undertaken in collaboration with industry stakeholder groups and was reviewed by an independent expert marine science panel. Results were used to support development applications submitted by SA Water at the end of May 2024.

SARDI is currently undertaking marine science research for Infrastructure SA to also inform the Northern Water Supply Project, which proposes to build a 100-gigalitre per year desal plant at Cape Hardy on Eyre Peninsula. This work includes oceanographic monitoring and modelling needed to assess the potential impact of desalination brine outfalls in Spencer Gulf and the connectivity of key commercial larval species with desal intakes.

Mr TELFER: Minister, do you see the role of your department only from the SARDI arm, as opposed to either advocacy to your cabinet colleagues on behalf of the industry or involvement as, basically, the landlord for the aquaculture leases? You only refer to your role with SARDI under your remit.

The Hon. C.M. SCRIVEN: It is important that any decisions are science based, and that is why the role of SARDI, in providing this work—or indeed any other organisation that might provide insight into the scientific analysis of the proposal—is incredibly important. I have met with members of the industries that have concerns, as has the Minister for the Environment, the Deputy Premier. We continue to have an active engagement on many matters.

It is really important to come back to the key point, that we are running out of water on Eyre Peninsula and we need to have a reliable source of water. The science has shown that there will be minimal impact on the marine environment.

Mr TELFER: Has there been any concern raised with you by SARDI on those impacts? You talk about minimal, but minimal is something that is obviously subjective: you did not say there is no impact. Has there been concern raised within your department to your CEO on potential impacts?

The Hon. C.M. SCRIVEN: I am advised that there have been no significant matters in terms of concerns around impacts on the marine environment. To support SA Water in its deliberations around selecting a site for the proposed Lower EP desal plant, SARDI:

- participated in industry stakeholder reference group processes and workshops;
- delivered a literature review of potential impacts of desal discharges on the marine ecosystem on key species and the aquaculture industry in Boston Bay;
- delivered a literature review detailing salinity and temperature tolerances of various life history stages of key taxa of aquaculture and recreational fishing of relevance to Boston Bay and Proper Bay; and
- delivered a research report showing the collected baseline oceanographic data and validation of the ocean models that were used to assess far field brine dispersal and larval connectivity for several intake and outfall sites in the region proposed by SA Water.

In May 2023, three public marine science forums were held in Port Lincoln to explain the science and the modelling results. SA Water led the forum and SARDI's lead oceanographer, as well as the chair of the Marine Science Review Panel, also presented.

In September last year, a marine science forum was held where key industry stakeholders and their marine science representatives met with SARDI, SA Water and the Marine Science Review Panel to identify and address issues of concern that they had with SARDI's modelling results. In March 2024, SA Water engaged SARDI to update the larval connectivity modelling studies for a new

intake site. Results were provided to SA Water in May 2024 for inclusion in the SA Water development application.

Mr TELFER: Minister, are you satisfied as the minister for aquaculture that the scope and scale of the science which has been done is adequate to dissipate those concerns of the aquaculture industry? In your explanation, you talked about the work that has been done in the far field, but you did not mention, and I believe there has been insufficient in the near field. Are you satisfied as the minister for aquaculture that this scientific work which is being done through your department is going to adequately allay the concerns of the aquaculture industry into the future?

The Hon. C.M. SCRIVEN: I am advised that SARDI was involved in the far-field work. I think that was confirmed. I do not think we have any dispute around that. In terms of near-field work, as part of the development application I am advised that SA Water is required to address that, and all agencies will have opportunity to have input into that near-field work.

Mr TELFER: Minister, given the concerns and the uncertainty of the aquaculture industry with the project as proposed by the government on the Lower EP within an active aquaculture bay, do you think your government can continue to achieve growth within the aquaculture industry with those concerns around the proximity and the potential impacts, not just in the mussel aquaculture zone but the kingfish industry? They have spoken up and, broadly, aquaculture and fishing across Eyre Peninsula have voiced their concerns nigh on opposition to this proposal.

The Hon. C.M. SCRIVEN: I am advised that, really, it is just confirming what we have already said, which is that there is no evidence that there will be a negative impact on aquaculture from the desal plant. The aquaculture industry has continued to grow over quite a number of years now. It continues to innovate and it continues to increase and develop markets. I am very confident that that will continue.

Mr TELFER: Will your department be making a submission if and when a planning approval is submitted by SA Water?

The CHAIR: Member for Flinders, would you mind advising which page?

Mr TELFER: It is continuing to be on page 99 of Budget Paper 3.

The Hon. C.M. SCRIVEN: The answer is yes.

Mr TELFER: Continuing on that page, Budget Paper 3, page 99, specifically talking about the marine scalefish fishery management plan, will the revised management plan provide increased security for licence holders?

The Hon. C.M. SCRIVEN: In terms of the management plans, the purpose of management plans is to ensure sustainability of our various fisheries. In that sense, the whole goal is for security, remembering that all of our aquatic resources are community-owned resources and the commercial sectors have licences to be able to access what is essentially a community resource. I would certainly hope that we would all agree that the sustainability of all of our fish stocks should always be the number one consideration. Management plans are a key part of ensuring that we have that sustainability going forward.

When we are talking about the future of the MSF, one thing I would like to advise members of is around the blueprint that will be developed. PIRSA met with key industry stakeholder groups of the marine scale fishery on 20 December 2023. The meeting identified an opportunity to focus strategically on the future directions for the marine scalefish fishery, following the reform of the fishery that was commenced under the former Liberal government.

Subsequent meetings were held in March, which discussed development of an industry-led blueprint for the future, blueprint for the future directions of the MSF and the required plans and processes. This included establishing a blueprint steering committee and associated funding roles and responsibilities.

The scope of the proposed blueprint will be focused on high-level strategic issues to foster and progress the strategic development of South Australia's commercial marine scalefish fishery. It is anticipated that the blueprint would focus on the next five years, but also describe the longer term

vision for the MSF. It is intended that the blueprint will include an annual action plan prioritising key deliverables that are jointly supported by industry and government.

The committee will consider strategic initiatives and high-level management arrangements that have direct impacts on the future direction of the MSF and will provide leadership that will be critical for engaging with the broader industry stakeholders. To help address the situation, the industry representatives are seeking to have the blueprint developed as quickly as possible, and it is proposed that a blueprint be provided to government as soon as it is completed.

Mr TELFER: Minister, you state on page 99 that the revised management plan will provide increased security for licence holders and other stakeholders. Can you explain to me how a revised management plan will provide increased security for licence holders and other stakeholders?

The Hon. C.M. SCRIVEN: Sustainability of our stocks is absolutely imperative to security for licence holders and other stakeholders.

Mr TELFER: So the increased security that is referenced on page 99 is purely around stock, rather than increased security around those businesses in the long term?

The Hon. C.M. SCRIVEN: I think having input into a management plan is part of the overall process that is crucial for ongoing partnership between PIRSA and licence holders, and so there is probably a large number of benefits.

Mr TELFER: Will the new management plan include a reduction in the quota for licence holders and, if so, has this been communicated to licence holders?

The Hon. C.M. SCRIVEN: First of all in regard to the quota, the honourable member should be aware that the quota is set based on what the total allowable commercial catch is, which is reliant on the science in terms of stocks within a relevant fishery. That is the most important part and that has to be revised, obviously, as new data comes to hand. That is something that is set according to the scientific evidence available at any given time.

In terms of the plan that the honourable member mentioned, there are some additional characteristics that will be beneficial to the industry and to the sector. I might pass over to Professor Doroudi, who does have a background in the fishery sector within PIRSA and elsewhere, to expand on that a little bit further.

Prof. DOROUDI: Thank you, minister. Management plans we have for a number of different fishery sectors are subject to a five-year review. Management plans bring further security for the licence holders in terms of, within a period of 10 years they can work under certain conditions. Management plans will oversee their location between different sectors. It will be a set figure for those and any move from those core decisions around quota when it comes to the harvest strategy. Management plans oversee the harvest strategies, and the harvest strategies really dictate setting the total allowable catch for each species that we have within marine scale fisheries.

Mr ELLIS: A similar topic, minister, but I think Budget Paper 4, Volume 4, page 71 might be the best budget line for it. In there it articulates the fisheries licence fees that the government collects. There was a little bit of unrest recently that my constituents brought to me about the marine scale licence fees that they would have to be charged, and that was put off for another year I think. I wonder, as compared to maybe five years ago when there were twice as many fishers, are we collecting a comparable amount of licence fees from half as many fishers as we were back then? Is the impost on the fishers who are remaining in the fishery becoming more significant?

The Hon. C.M. SCRIVEN: I think there are probably a couple of points that are relevant to make here. The former government, so the former Liberal government's marine scale fishery reform process has led to significant changes including the implementation of individual transferrable quota, or RTQ, for key species, which has necessitated a review of the licence fee structure.

A working group representing all sectors with access to marine scalefish species has played a crucial role in developing a more equitable licence fee structure. That has been the subject of further feedback, so we are revisiting what that might look like. However, it is fair to say that the overarching premise of that new structure was that those with a greater access to the resource,

therefore those who have a higher quota allocation, would pay more than those with less access to that resource.

Recognising the challenges faced by the industry in adapting to the reform that was commenced and largely delivered under the former government, this government is providing an offset to the licence cost for quota holders and this decision reflects our commitment to ensuring the sustainability and prosperity of the fishery.

We are providing funding totalling \$1.55 million over the next three years to offset the management costs of the fishery, and this includes an offset per year for each of the four ITQ species. For the snapper fees, there is a pro rata arrangement applying to the South-East fishing zone because there is an ongoing subsidy for areas where the fishery is closed, and members may be aware that snapper is closed in all areas except for the South-East. The offset will result in reduced fees, comparatively speaking, for the quota unit fees of garfish, calamari, King George whiting and snapper.

Our government understands the importance of supporting our fishers through this period of change and we are committed to working closely with all stakeholders to ensure a smooth transition and the long-term viability of the fishery. We also remain focused on sustainable practices and equitable distribution of costs.

The honourable member referred to there being fewer licence holders under the current system and that is a result of the reform of the fishery. There are, nonetheless, a number of costs that continue and that PIRSA must incur to ensure the sustainability and efficient operation of the fisheries. In that sense, there are, in many ways, costs that are not reduced simply by there being fewer licence holders. That is an outcome of the former government's reform process and something that we are continuing to work with stakeholders in regard to.

Mr ELLIS: So it is fair to say that the total revenue collected from licence holders did not halve at the same time that the number of fishers essentially halved, give or take?

The Hon. C.M. SCRIVEN: The costs of administering the fishery did not halve.

Mr ELLIS: The costs of administering the fishery did halve? Pardon me?

The Hon. C.M. SCRIVEN: They did not halve because of, for example, work around sustainability and the other factors involved. Just because the number of licence holders changes does not necessarily change that by the same amount. Obviously, there will be some changes, but there are still the same fish in the sea and many of the processes still need to be undertaken.

Mr ELLIS: So by logical extension, the burden on each licence holder has increased?

The Hon. C.M. SCRIVEN: Just as a clarification, the number of licence holders in this fishery did not halve; it went from 300 down to 200. Just to clarify, things such as the science need to continue and that will not be changed by the number of licence holders. What the department is seeking to do is to reduce the compliance costs because that can be impacted, to some extent, by the number of licence holders. The work on the blueprint, which I referred to a little bit earlier in this session, is an important part of working with industry to be able to strengthen their viability going forward and to continue a partnership that can be beneficial for both the community-owned resources and the industry.

Mr ELLIS: One more question, if that is alright, Chair, and it arose out of the answer, but if I need to refer to a budget line, I might revert back to Budget Paper 3, page 99, and the reference to the management plan and, I think reading it quickly, the blueprint. If it is not there, it is somewhere else. As part of that blueprint for the marine scale fishery, when can those with a snapper quota expect that fishery to be open again so they can access it?

The Hon. C.M. SCRIVEN: They are kind of two different issues. In terms of the snapper fishery, honourable members will recall that there was a closure under the former government and that was due to sustainability. That is something that was considered essential because of the science showing that the resource was depleted.

When the review of that was complete, it showed that the resource was still heavily depleted. The decline had levelled out, so that certainly showed that there had been an improvement in that sense, but the stocks had not recovered. Therefore, the closure was required to be extended by another period. It is important to note that that was a recommendation from the Marine Scalefish Fishery Management Advisory Committee (MSFMAC), so that is why the ban was extended for all sectors except the South-East to 30 June 2026.

One of the things our government did was provide a significant package to assist those who were most impacted by the extension of the closure and also to build our understanding of the factors that are impacting the stock: why is it that there is such a decline in snapper? We need to understand that, obviously, some of those reasons might be due to human activity, but many can be due to environmental factors.

The state government provided an \$8.8 million support package over three years, which included \$2.5 million from the Fisheries Research and Development Corporation (FRDC). PIRSA is progressing the snapper support package and all projects are currently on track. From 1 July 2023, there was a 50 per cent licence fee relief applied and also some assistance in not charging fees to the charter boat fishery licence holders if they elect not to operate fishing charters in the appropriate financial year.

To support the recovery of depleted snapper stocks in South Australia we have undertaken a number of initiatives. Some include, for example, the restocking process. We have been able to release a breed at SARDI and then release a large number of fingerlings. There is a \$5 million program for snapper science, which is being led by SARDI, and that will improve the understanding of the factors that I referred to that may potentially be affecting stock recovery. There is also some money towards restoration projects and, as I mentioned, the restocking program.

The science needs to continue so that we can understand, over the next three years, prior to the ending of the current ban, the status of the stocks and then that will determine whether the fishery can be reopened. I am sure I speak for all those involved in the sector, and in the state with an interest, in saying that we hope that it can be reopened at that time, but it must depend on the science. The sustainability of the stock has to be the number one consideration.

I am really pleased that that is acknowledged, and publicly acknowledged, by the rec fishing sector, by the commercial sector and others. The sustainability will determine whether or not that can reopen. I certainly hope that is the case, but if the science shows that the depletion has not been recovered, that the stocks have not recovered, then we would not be able to do that.

Mr ELLIS: Both governments have attempted the restocking program, so it has been going for a number of years and at least a couple of iterations. Does that mean that the lack of effect that has had on the stocks invalidates it, or does it mean that it needs to continue in perpetuity? What is the assessment of how that restocking program has actually performed?

The Hon. C.M. SCRIVEN: Snapper are a long-lived species. It is up to seven years before they start reproducing, so the restocking program obviously will take some time to have that impact. It is, nevertheless, an important part of the program but it is only one part, so the science program that I referred to, in conjunction with the FRDC, is also a significant part. I think there are opportunities to acknowledge that there is not going to be one single solution. The restocking program is an important part and so, whilst there is opportunity to continue to restock and we provided those resources to enable that to occur, that is one part that should assist.

Ms O'HANLON: I refer the committee to Budget Paper 4, Volume 4, pages 59 to 60, regional development. What grant programs aimed at providing support for the community and economic enabling infrastructure projects have been delivered by PIRSA?

The Hon. C.M. SCRIVEN: The Enabling Infrastructure Program grants, which are part of the \$15 million Thriving Regions Fund, is aimed at providing support for the community and for economic enabling of small infrastructure projects. Round 1 of the Enabling Infrastructure Program grants was a success which saw eight significant projects across South Australia's regions offered grants of between \$230,000 and \$1 million. A total of just over \$5 million was awarded for projects

ranging from worker accommodation, to assist workers in critical seasonal roles, childcare facility fit-outs, and health and education centres, as well as community and sports facilities.

I am pleased to be able to advise members that round 2 of the Enabling Infrastructure Program grants will open in July following the success of round 1, with a further \$5 million being made available for small enabling infrastructure projects in our regions. Eligible applicants include local government authorities, statutory authorities, charities, businesses and cooperatives. From next month they will be able to submit expressions of interest for the projects that meet the needs of their region.

Assessment of expressions of interest include consultation with relevant RDAs (regional development associations) to ensure that the projects that are proposed support the regional priorities, both of the RDAs and, of course, state government priorities. I then further consider the submissions and select projects to invite to make a full application.

Part of the reasoning around that was that we know that a lot of organisations invest a lot of time into putting forward full grant applications. My considerations included that by having this two-stage process an expression of interest involves much less work and, therefore, if it is a project that is not going to get through that first level of recommendations, associations or organisations are not investing huge amounts of time and resources if they are actually not likely to get through to the second stage in any case.

Regional industries contribute \$36.7 billion to the state's economy, whilst dealing with challenges that we have seen in recent years such as droughts, floods, bushfires, biosecurity and changes in world markets. So it is very important to be boosting and supporting our regional communities, and that is why this program is vitally important and, along with other initiatives from the Thriving Regions Fund, is a key state government priority.

Mr WHETSTONE: Just going back to the member's former question on reduction in licence numbers—

The Hon. C.M. SCRIVEN: What is the budget line?

Mr WHETSTONE: Budget Paper 4, Volume 4, page 55. Why has there been an increase in FTEs by 20 full-time equivalents, or a percentage increase from financial year 2022-23 to the financial year 2023-24?

The Hon. C.M. SCRIVEN: I am advised that the FTE figure of around about 115 is the baseline, but in the 2022-23 financial year there were a number of vacancies. I am sure members are well aware of the difficulties that most industries are having in attracting staff, particularly in regional areas. Workforce issues are raised in many, many different fora. According to my advice, this represents vacant positions in fisheries and aquaculture at the end of the 2022-23 financial year.

Mr WHETSTONE: How much of the income into the fisheries and aquaculture program is from licence fees and compliance costs from industry?

The Hon. C.M. SCRIVEN: On page 71 of Budget Paper 4, Volume 4, it sets out the income that is received from fisheries licence fees.

Mr WHETSTONE: On page 54, what are the red tape reduction measures that were implemented for the marine scalefish fishing sector in 2023-24?

The Hon. C.M. SCRIVEN: In terms of red tape reduction, this is something that I think was a priority under both the former government and our current government. I am advised that numerous recommendations for red tape reduction were provided to the former minister via the industry-led Red Tape Reduction Working Group between September 2020 and February 2022. Some priority red tape reduction measures were implemented on 1 July 2021, and there are several outstanding recommendations that were not progressed. In 2022-23 and 2023-24, the government progressed several red tape reduction proposals and, where supported, amended regulations or fishing licence conditions. Some of those include:

- revoking the MSF licence condition outlining specific mesh size in haul nets used in waters around Kangaroo Island;

- replacing hoop nets and drop nets with lift nets on all impacted licences to allow the two previous devices to be used interchangeably;
- amending the Fisheries Management (General) Regulations 2017 to enable the heads of sharks to be removed at sea and to correct the definition of a lift net;
- implementing updated school shark and gummy shark arrangements from 1 May 2024;
- undertaking several stakeholder workshops to consider proposals in relation to blue crab management; and
- considering data and policies for a further six red tape proposals that are expected to be finalised in either the short or medium term, noting that some changes require amendments to regulations.

The removal of red tape is expected to benefit MSF licence holders by providing them with greater flexibilities, but it is acknowledged that ongoing work is needed to remove red tape or further regulation from the fishery, which has complex management arrangements.

The government will continue to work closely with the Marine Fishers Association (MFA) and the South Australian Professional Fishers Association (SAPFA) to evaluate outstanding proposals and identify further opportunities to reduce red tape in the fishery in support of the long-term sustainability and profitability of the fishery.

It is probably also worth mentioning that there is not always unanimous support for particular actions, so part of the work that we are involved in is continued consultation with the associations and working through to ensure that, as far as possible, there is a united view in terms of the changes that can be made.

Mr WHETSTONE: I refer to Budget Paper 4, Volume 4, page 55. How much commonwealth funding was provided to the electronic vessel monitoring program in the financial year 2023-24? Under what circumstances is the funding provided?

The Hon. C.M. SCRIVEN: I found it a little hard to hear the beginning of that question; could you repeat that?

Mr WHETSTONE: How much commonwealth funding was provided to the electronic vessel monitoring program in the financial year 2023-24? Under what circumstances is the funding provided?

The Hon. C.M. SCRIVEN: I am advised that we do not have that figure; I am happy to take it on notice.

Mr WHETSTONE: While you are there, who bears the cost of the maintenance and repair of these devices and what are the benefits of the electronic vessel monitoring in the sector?

The Hon. C.M. SCRIVEN: First, the monitoring of offshore fishing activities is a key component of fisheries management. My department has a robust offshore patrolling schedule to board and inspect commercial fishing vessels whilst at sea. However, the scale of commercial fishing activities across South Australia, and the limited resources available, requires more modern solutions to ensure adequate monitoring is conducted.

A vessel monitoring system (VMS) is one such technology used around the world for contemporary fisheries management. A VMS allows the position, speed and direction of vessels to be automatically monitored and analysed from shore. VMS is already in use across several South Australian fisheries, including the northern zone rock lobster, the southern zone abalone, sardine and giant crab. It has proven to be a useful and successful tool in these industries.

VMS aims to provide for data-driven compliance activities, which will ensure efficient and effective use of the department's limited compliance resources by providing comprehensive coverage of commercial fishing in South Australia. If implemented, the costs of purchasing and installing VMS units will be covered by a grant provided by Parks Australia, meaning there will be no up-front cost to industry to implement VMS. Ongoing costs will be cost recovered from licence holders

through annual licence fees. However, the cost of VMS will be offset by efficiencies in compliance effort, meaning that at a minimum it will be a cost neutral proposition for industry.

Mr WHETSTONE: Is the electronic vessel monitoring going to be made mandatory for the marine scale fishing sector and, if so, will the government be providing mental health support for those fishermen?

The Hon. C.M. SCRIVEN: I am not sure that the two parts of that question are necessarily related.

Mr WHETSTONE: Very much so.

The Hon. C.M. SCRIVEN: I have been engaging with a number of commercial fishing industries to understand their concerns regarding the issue, and I will make a decision on the proposed implementation of VMS in due course, once I have considered all the information at hand. It is important to understand that VMS will be able to provide data on where a vessel is at any given time. I am not sure why that would have a direct impact on a fisher's mental health.

Mr WHETSTONE: I can assure you that if you had spoken to individual fishermen you would understand. One last fishing question from me. I refer to Budget Paper 4, Volume 4, page 55. How much fee relief has been provided to the rock lobster industry from 2022-23 and 2023-24?

The Hon. C.M. SCRIVEN: A 50 per cent discount for the northern zone rock lobster fishery and the southern zone rock lobster fishery applied to the 2022-23 licence fees, and that was a combined reduction of \$2.6 million across both those zones. No similar fee relief was provided in the 2023-24 financial year.

Mr TELFER: Just doubling back to the electronic vessel monitoring project, you spoke about the benefits and the advantages in certain aspects of the sector. If, indeed, the decision is made to make mandatory EVMs in the marine scale fishing sector—and you spoke about the decision that is ahead of you—given the benefits you speak of, that EVM allows for the monitoring and tracking of vessels, will the compliance costs that are currently being charged to fishers within that sector be reduced significantly through the implementation of this system? If not, why not?

The Hon. C.M. SCRIVEN: I did mention—I am not trying to have a go; I am not sure if the honourable member heard my answer—that at worst it will be cost neutral, because there will be efficiencies that are gained by having VMS on board. That will reduce some of the compliance costs, so at worst it would be cost neutral. However, we will be continuing to work, as we always do, on ways to reduce costs to industry where that is possible, without compromising the important compliance role that needs to be undertaken to protect what is a community-owned resource.

Mr TELFER: Do you expect that through that process important compliance work will be more readily able to be done remotely, without the need for people on board, and the like, for those additional costs?

The Hon. C.M. SCRIVEN: Yes; essentially that is right. If the movements of the vessels are known in real time that can improve efficiencies for staff and they can be monitored remotely.

Mr TELFER: What are those improved efficiencies?

The Hon. C.M. SCRIVEN: At the moment, if fishery officers need to head out without knowing the exact location of a vessel then obviously that takes more time. That is at its simplest level; obviously there is going to be more to it—

Mr TELFER: There are marine radios they can—I am surprised that that is the efficiency that comes to mind.

The Hon. C.M. SCRIVEN: As I mentioned, that is one efficiency. I am certain we can add to that. It has been pointed out that the *Southern Ranger*, for example, which is one of the vessels, would not give advance notification to another vessel that they were intending to come and undertake compliance activities. The nature of compliance is that it is not necessarily about giving advance notice to enable opportunities to, perhaps, change behaviour.

Mr TELFER: Continuing on Budget Paper 4, Volume 4, page 55, and speaking specifically about the cost-recovery review implementation, one of the targets within the budget papers is to develop that cost-recovery review implementation road map. When will the road map be delivered?

The Hon. C.M. SCRIVEN: Building on the foundation laid by the Independent Cost Recovery Review Panel's reports, PIRSA is collaborating with the Seafood Industry South Australia (SISA) to establish a seafood cost-recovery governance committee. The purpose of this is to oversee the strategic implementation of the recommended cost-recovery measures, ensuring that they align with best practices and meet the sector's and the government's needs. That is currently underway; there have been meetings between PIRSA and SISA to establish the way forward, and we would hope to see that as soon as possible.

Mr ELLIS: I refer to Budget Paper 4, Volume 4, page 71 and the statement of cash flows. I have referred to the same budget line previously, but can the minister and her assistants explain the jump in fees, fines and penalties under the fisheries licence fees? In 2022-23 it was 9.9, in 2023-24 it is 14.9 and 2024-25 is projected to be just a whisker more. Why that significant jump?

The Hon. C.M. SCRIVEN: A significant proportion of that is due to the fee relief for rock lobster fishers being applied in the 2022-23 financial year and not in the subsequent year. If there are additional amounts there, we would need to take that on notice.

Mr TELFER: I will just continue on the aspect of the cost-recovery reimplementation, referencing Budget Paper 4, Volume 4, page 55. You spoke a little bit about the road map. When does the minister envisage the road map will be implemented?

The Hon. C.M. SCRIVEN: Similar to the previous question that I answered, we are hoping the road map will be developed as soon as possible and then it will obviously depend on what is in that road map as to the implementation time frames.

Mr TELFER: So you have no insight into or plan within the department of when the road map may be implemented?

The Hon. C.M. SCRIVEN: As soon as possible.

Mr TELFER: Within this financial year, do you expect, minister, or next? An indication for—

The Hon. C.M. SCRIVEN: Considering we have less than a week of this financial year, I think I can probably say categorically it will not be this financial year.

Mr TELFER: The financial year that we are looking at at the moment within the budget, minister.

The Hon. C.M. SCRIVEN: Just to add to some of the information I gave previously, the meetings have occurred and are occurring with the committee and they are going through a process of appointing an independent chair. It is probably worth noting that the fees for the 2024-25 financial year have already been set. I am not sure if that is what the honourable member was getting at, but that is the situation.

Mr TELFER: I was just trying to get an indication on when the road map might be implemented, that is all: I was trying to get an indication. When the road map is finalised, will that be made public?

The Hon. C.M. SCRIVEN: Yes, certainly, I would expect to be making that public. A road map, by its nature, is meant to provide direction and people cannot have the direction if they have not seen the road map. So, yes, that would certainly be my intention.

Mr PEDERICK: I refer to Budget Paper 3, page 102, in regard to fish kills in the South Lagoon of the Coorong. What are the costs within the department to maintain the Fishwatch hotline service?

The Hon. C.M. SCRIVEN: I am advised we do not have the information to hand here but are happy to take that on notice.

Mr PEDERICK: How many contacts are made to the Fishwatch hotline each year? If you need to take that on notice, can you break it down by topic, month and region, if possible?

The Hon. C.M. SCRIVEN: I will certainly provide whatever information we are able to.

Mr PEDERICK: What are the protocols and key performance indicators of the Fishwatch hotline service, such as: what is the expected response time from lodging a report to an investigation and what are the expectations in regard to reporting back to the minister, the public and industry?

The Hon. C.M. SCRIVEN: I am advised that essentially the goal of response times is as soon as possible. Obviously, reports to Fishwatch vary in terms of their severity. I have a little bit of information which may actually address some of the earlier question. The Fishwatch toll free contact line is a 24/7 service provided to members of the public and commercial fishers to obtain information, report potential offending and meet regulatory obligations.

It is supported by a duty officer 365 days of the year, and the duty officer is an experienced fisheries officer who manages complex inquiries that are received by the service. It has been in operation for almost 30 years. Whilst we do not have a specific number, it certainly receives thousands of calls each year and provides a vital service to the public and commercial fishers.

The member did refer to a recent fish kill event in the Coorong, and I am advised that no report of this event was received by the Fishwatch hotline. I would certainly emphasise to all members of the community that it is vitally important that any fish kill event or concerns are reported to the Fishwatch hotline as early as possible, and with clear location data, to enable an investigation to occur. Where reports are made, investigation samples, etc., are taken and analysed to provide as much information as possible in the shortest time frame as is feasible.

Mr PEDERICK: I refer to Budget Paper 3, page 102. What are the allocated take numbers for the fishing industry in the Coorong annually? I ask this question because it is the case that one local fisherman has estimated that the fish kill in June was larger than the total take allocated to the industry.

The Hon. C.M. SCRIVEN: I am advised that we do not currently have to hand the total allowable catch for mullet and mulloway and so on in the Coorong, but we can take that on notice. It is also important, however, to note a couple of things. First of all, PIRSA officers collected water samples for analysis and have not detected any harmful or toxic algae. That is important, but also there are a number of factors that can result in fish kills. Environmental parameters, including dissolved oxygen, temperature and salinity, were measured at the site and were all within acceptable ranges for that location.

Data logger records show a decline in oxygen levels to the South Lagoon region in the days leading up to the fish kill, and that may well have contributed to the event. Whilst I do not have specific figures in regard to the total allowable catch, in a broad sense my advice is that the numbers of fish killed do not, on initial analysis, come anywhere close to what the total allowable catch allocation is for that area.

Mr TELFER: Supplementary: what are the numbers of fish that died, within the department's data? How many black bream died, how many mulloway, how many other species?

The Hon. C.M. SCRIVEN: I am advised that we do not have specific numbers, but the fisheries officers who have observed the fish kill have indicated that it is not at the level that has been reported publicly. I would again emphasise the importance of people utilising the Fishwatch hotline if they do see anything of concern. They can both gain information and, at least equally importantly, alert the department as soon as possible to any risks or problems that might be developing.

Mr TELFER: Minister, you spoke about the fact that there was not a report through Fishwatch on this event in particular. If a public servant in the department receives a report through other means than a government portal, are public servants still obligated to follow up on those reports regardless of how they entered the system?

The Hon. C.M. SCRIVEN: My advice is that the short answer is yes, they would pursue that as far as possible. Sometimes the limitations include, for example, that a location has not been provided or the location is so broad as to make it difficult to investigate because of the distances involved. Again, I would encourage anyone who makes any type of report, whether it is to Fishwatch or through any other mechanism, to provide as much information as possible so that their matters

can be addressed as soon as possible and as quickly as possible. I have also just been advised that the take of fish from the Coorong during 2022-23 was 950 tonnes.

Mr WHETSTONE: Moving on to biosecurity, Budget Paper 4, Volume 4, page 57, removal of foot sanitation mats. When were foot sanitation mats removed from the Adelaide Airport and were you briefed on that change to biosecurity measures?

The Hon. C.M. SCRIVEN: This is a federal matter coming under the federal remit and, therefore, in terms of the specific dates, I do not have those. My understanding from our engagement with our colleagues is that there was a risk assessment undertaken by the federal government, given there had been a significant decrease in the numbers of foot-and-mouth disease occurring in Indonesia. I cannot recall the exact figures but it went from many thousands per day or per week down to in the tens per day or per week. So, according to my advice, they have looked at the risk mitigation mechanisms and determined which ones they consider to be most appropriate for the changed circumstances. However, I would emphasise that that was a federal decision made in the federal sphere.

Mr WHETSTONE: Were you aware of the risk of removal of the mats without any industry consultation?

The Hon. C.M. SCRIVEN: The commonwealth government has the responsibility for federal airports. It is also their responsibility to engage appropriately with industry. I do not have any line of sight over what communication they may have had with industry.

Mr WHETSTONE: Moving on to Budget Paper 4, Volume 4, page 57, the \$2.35 million development of the Mesonet weather stations in the state's South-East, which also covers McLaren Vale, Langhorne Creek and regions, was funded through the state government. Is there any money in the 2024-25 budget to continue the rollout of that weather station system further across regional South Australia?

The Hon. C.M. SCRIVEN: I will take that question on notice.

Sitting suspended from 11:00 to 11:15.

Membership:

Hon. D.J. Speirs substituted for Mr Pederick.

Mr Cowdrey substituted for Mr Telfer.

The CHAIR: Welcome back, everyone, and we are about to continue where we left off. Member for Chaffey, are you going to kick us off?

Mr WHETSTONE: Minister, I will just continue on with Budget Paper 4, Volume 4, page 57, with the Mesonet weather station. Given the system relies on individual farmers now purchasing a subscription for that technology, is there money in the 2024-25 budget to subsidise any of these subscriptions?

The Hon. C.M. SCRIVEN: My understanding is that, with the Mesonet, when it was introduced, noting that it has been introduced now in a number of places, the subsidies have been for infrastructure and that it was always, according to the briefs I have read, intended that the subscription would be a cost incurred by the individual farm business owner.

Mr WHETSTONE: You have obviously read the wrong brief. The rollout of the Mesonet was always going to be developed by government with a subscription or a subsidised subscription, but the question I am asking is: will the continuation of the Mesonet weather stations continue to provide service right around South Australia?

The Hon. C.M. SCRIVEN: Currently, the Mesonet is in a number of areas. The expansion to different areas will be something that is the subject of ongoing discussions or consideration.

Mr WHETSTONE: So there is no money in the upcoming budget for that rollout?

The Hon. C.M. SCRIVEN: There is none for the next 12 months.

Mr WHETSTONE: Has the department or any consultation with industry bodies suggested that it has been a worthwhile investment with minimising spray drift?

The Hon. C.M. SCRIVEN: The advice that I have received certainly confirms the individual conversations I have had with farmers in terms of the Mesonet, and that it has been helpful. It is important of course to note that, in terms of spray drift, the appropriate time to spray being taken into account and an understanding of the hazardous inversions, which the Mesonet can assist with identifying, is one part. Following the labelling and instructions of the chemicals is also another significant part.

Mr WHETSTONE: I think you are confusing it with the time of year that the particular chemicals can be used, rather than when it is affected by the inversion layer. Minister, has your department been advised of any ongoing spray drift issues?

The Hon. C.M. SCRIVEN: The issues around spray drift certainly have been a topic of discussion and work has occurred, I know, with Grain Producers SA (GPSA). PIRSA has received reports of alleged spray drift damage to grapevines from a number of grapegrowing regions, including the Clare Valley in early 2024, and grapegrowers reported to PIRSA observed symptoms and damage from alleged spray drift. I am advised that similar reports have occurred sporadically over the last 20 years from various grapegrowing regions of South Australia.

There have also been reports received by PIRSA of alleged spray drift damage to garden plants from across the Yorke Peninsula and in a localised area of the Mid North, symptomatic of herbicide damage during the winter crop sowing season of 2023. Similar to the spray drift damage to grapevines, the garden plant damage symptoms were observed some distance from cropping paddocks, and that can potentially indicate chemicals drifting in hazardous weather conditions and/or from poor spraying practices.

PIRSA is working closely with industry to address the issue of spray drift. PIRSA participated in a working group regarding spray drift that was convened by GPSA, and PIRSA continues that work and continues to meet with industry to share information about current work that is ongoing.

Mr WHETSTONE: I want to take a step back to biosecurity, Budget Paper 4, Volume 4, page 57, and the removal of foot sanitation mats at airports. You have stated that it is a federal responsibility, but as the minister were you aware of and have you sighted any risk assessments that were done prior to removal of the mats and any risk since the removal of the mats, particularly at Adelaide Airport?

The Hon. C.M. SCRIVEN: In answer to the first part of the question, I did not receive a copy of the risk assessment that was done by the federal government. I became aware of such risk assessments through media reports.

Mr WHETSTONE: Do you see that there is a heightened risk with increased travel into those jurisdictions that have cases of disease, where people are coming back from after holidaying?

The Hon. C.M. SCRIVEN: I am not sure what the honourable member is asking. If he is asking whether I am aware that people travel to and from places that have foot-and-mouth disease, then yes, of course I am.

Mr WHETSTONE: Have you asked for a report from your federal colleagues on the heightened risk?

The Hon. C.M. SCRIVEN: I have asked for a letter to be drafted, yes.

Mr WHETSTONE: Okay. I have asked the question around industry not being consulted prior to the removal. Will that be part of that discussion that you have with your federal colleagues?

The Hon. C.M. SCRIVEN: I will certainly be asking what consultation occurred with industry and what engagement occurred with industry. As I have mentioned earlier in this session, the state government has a very positive and productive relationship with industry and with many of the peak bodies specifically. I would certainly be keen to understand what engagement the federal government

had. I have heard contradictory reports as to whether there has been engagement or consultation from the federal government, so certainly that will be part of the letter that I am sending.

Mr WHETSTONE: Given one of the main objectives of PIRSA in the budget papers—and I quote from page 56—is to 'manage the potential risk to South Australia from pests and diseases', will you, as the minister, consider putting state government owned sanitation mats at the airport?

The Hon. C.M. SCRIVEN: I have had confirmation that we do not have jurisdiction to be able to do that in federal airports.

Mr WHETSTONE: Budget Paper 4, Volume 4, page 57, targets, dot point 6:

Co-design with industry a future South Australian approach to footrot management, based on findings and recommendations of the independent Ovine Footrot Management Program Review completed in 2024.

Will the government be looking to continue the changes to the footrot management surveillance for terminal sheep during the lamb season, particularly in the South-East this coming spring and specifically in the Mount Gamier and Naracoorte saleyards?

The Hon. C.M. SCRIVEN: The footrot management program was delivered by PIRSA and funded through the Sheep Industry Fund for approximately \$0.9 million per annum. PIRSA delivers the footrot program, endorsed and funded by the sheep industry through that fund. The footrot program currently funds 3.25 FTEs within PIRSA's animal biosecurity group. Primary activities funded include livestock market and on-property inspections, industry education and awareness, investigation and compliance activities, tracing of infected sheep, and notification to neighbours and purchasers of infected sheep.

There was a recent independent review of the footrot program undertaken by Livestock SA. This came as an outcome of concerns raised in the South-East about the appropriateness of the footrot program for their circumstances. PIRSA will partner with Livestock SA to co-design a future program aimed at implementing the accepted review recommendations of enhanced industry management.

It is important to be aware that through that review—which was probably somewhat expected—they found that there is not one universal view as to what is the most appropriate way to manage footrot, and also opinions can differ, not only within regions but between regions. In the South-East it is obviously wetter and there is more footrot than perhaps in some of the other areas, and the close proximity to the border means there are additional considerations that are less relevant to some of the other regions. There are different views around it and that is why it is important to work closely with the peak body and co-design the future directions for this program.

Mr WHETSTONE: With that answer, would I assume that the review has been completed?

The Hon. C.M. SCRIVEN: The review by Livestock SA has been completed, yes.

Mr WHETSTONE: If it has been completed, have the findings and the recommendations been made public?

The Hon. C.M. SCRIVEN: My advice is that the department understands that Livestock SA made that report available to their members, yes.

Mr WHETSTONE: They will make it public?

The Hon. C.M. SCRIVEN: Have made it—

Mr WHETSTONE: They have made it public.

The Hon. C.M. SCRIVEN: —available to their members.

Mr WHETSTONE: Will your department be putting the recommendations of that review into play?

The Hon. C.M. SCRIVEN: As I mentioned, we are going to be co-designing the program with Livestock SA—

Mr WHETSTONE: That is not what I asked.

The Hon. C.M. SCRIVEN: —to implement the accepted review recommendations of enhanced industry management. That is the recommendation.

Mr WHETSTONE: In their entirety?

The Hon. C.M. SCRIVEN: As I said, we will partner with Livestock SA to co-design a future program aimed at implementing the accepted review recommendations of enhanced industry management.

Mr WHETSTONE: Moving on to plant property identification system. Minister, can you expand on—

The Hon. C.M. SCRIVEN: At what budget line?

Mr WHETSTONE: Budget Paper 4, Volume 4, page 57. Can you explain the plant property identification system?

The Hon. C.M. SCRIVEN: The program that we think the honourable member is referring to is 100 per cent funded by the commonwealth government through a federal funding agreement providing \$127,000 nationally. The National Plant Health Surveillance Program acts as an early warning system detecting exotic plant pests that could enter Australia via international pathways. Additionally, it provides crucial evidence of the absence of exotic pests in surveyed areas, ensuring compliance with area freedom requirements for our growers' exports to both national and international markets.

Administered through PIRSA through the federal funding agreement with the commonwealth, the program has seen enhanced collaboration with states and territories since transitioning to the NPA in 2021-22. South Australia remains steadfast in its support, playing a vital role in the nation's early detection system for exotic pests and diseases. Through a holistic approach encompassing monitoring, data analysis, collaboration, education and response planning, the program ensures early detection and swift responses to emerging threats, safeguarding our primary production sector and maintaining competitiveness in domestic and international markets.

The financial benefits of the program are substantial as it swiftly identifies and manages plant pests and diseases, saving farmers from economic losses, preserving crop yields and product value and allowing South Australia to claim area freedom from these pests, which provides access to additional markets.

In 2023-24, South Australia targeted a range of regulated pests identified in the National Priority Plant Pests list. This selection was determined by considering factors such as surveillance and diagnostic feasibility, the significance of surveillance data in mitigating biosecurity risks, identifying gaps in surveillance efforts and aligning with overarching government priorities. Our surveillance teams also targeted non-specified pest species, conducting opportunistic surveillance to complement our targeted approach. Findings were reported through the National Plant Health Surveillance Program.

Encouragingly, no exotic plant pest species were detected in South Australia during 2023-24, reinforcing confidence in our biosecurity measures. The program was delivered within budget and time frame, supporting post-border surveillance and providing evidence of absence, thereby granting South Australian producers access to sensitive markets both interstate and overseas. The identification codes that we currently have in regard to livestock will enable this to also apply to other properties, which will enhance our abilities in the various areas that we have mentioned.

Mr WHETSTONE: Has there been a cost to industry to develop this program?

The Hon. C.M. SCRIVEN: I am advised that the plant health code is still under development, so there has not been any cost to industry at this stage.

Mr WHETSTONE: Not at this stage.

The Hon. C.M. SCRIVEN: It is still under development.

Mr WHETSTONE: Do you envisage that there will be a cost to industry or to individual growers?

The Hon. C.M. SCRIVEN: If we are looking at the equivalent code within livestock properties, there are regulated fees. We will be exploring what the approach will be going forward.

Mr WHETSTONE: Minister, if I could move on to the River Murray. I refer to Budget Paper 4, Volume 2, page 142, targets for 2024-25, dot point 2, community adjustment programs. Have you read the ABARES report released in June 2024, titled 'The impacts of further water recovery in the southern Murray-Darling Basin', commissioned by DAFF?

The Hon. C.M. SCRIVEN: Can you tell me what page mentions the ABARES report?

Mr WHETSTONE: Budget Paper 4, Volume 2, page 142.

The Hon. C.M. SCRIVEN: And that mentions the ABARES report?

Mr WHETSTONE: Program 2, targets 2024-25, dot point 2.

The Hon. C.M. SCRIVEN: And that mentions the ABARES report?

Mr WHETSTONE: Yes.

The Hon. C.M. SCRIVEN: First, I cannot see a mention of the ABARES report in dot point 2 under targets.

Mr WHETSTONE: Minister, you made comment in last year's estimates about having no adverse impact to your constituency, and now that the ABARES report modelled buybacks has confirmed that there will be an impact on irrigators, there will be an impact on communities, are you able to make comment on that?

The Hon. C.M. SCRIVEN: First, I will put out that the budget line you refer to is in National Parks and Wildlife, which is not part of my portfolio and not part of this committee's discussion. I am advised that questions have been raised with the Deputy Premier in the appropriate estimates committee on those matters.

Mr WHETSTONE: You were able to make comment on it last year, but you are not able to make comment on it this year? Is that because you said that there would be no adverse impacts on irrigators last year—

The Hon. C.M. SCRIVEN: Perhaps the question last year related to a budget line that was in my portfolio. I would have to check the *Hansard* for that.

Mr WHETSTONE: —but there is now; is that what you are saying?

The CHAIR: Member for Chaffey, questions need to be specific to the portfolio that we are here to address, so if you could be specific about your reference to this portfolio.

The Hon. C.M. SCRIVEN: He has not been here long, so maybe he does not know.

Mr WHETSTONE: If only you knew how bad you were. I will move on. I want to touch on some of the impacts on the wine industry. I refer to Budget Paper 4, Volume 4, page 53. Why did the budget not include a tangible support program for growers to diversify crops and keep their land productive?

The Hon. C.M. SCRIVEN: As we are all very aware, the South Australian wine industry is facing significant challenges, particularly in red wine oversupply, since the loss of the largest export market to China when the former federal Liberal government was so destructive of the trade relationship with that market.

Wine grapegrowers from South Australia's 18 wine regions have seen falling demand and pricing for red wine grapes, particularly shiraz and cabernet sauvignon. This has been felt most acutely in the Riverland wine region, where over 80 per cent of red wine grapes are those two varieties. Historically, supply and demand in South Australian wine has been well balanced, according to my advice, with total wine sales exceeding production in the same year more times than the reverse.

Recently, following a downturn in sales associated with a global oversupply of red grapes, and the impacts of the loss of the China market and record production since the 2021 vintage, the

balance has tipped towards oversupply. The 2023 Wine Australia production sales and inventory report indicates an estimated 2.2 billion litres of wine in Australian inventory, which is well above the 10-year average. It is estimated there is a significant accumulated surplus.

The government understands that the current oversupply of red wine grapes is an issue that affects all Australian wine regions and, given this, a national working group to address oversupply has been established by agricultural ministers under the ag mins meeting, and the working group comprises representatives of commonwealth, state and territory governments, as well as relevant industry groups.

Members of the working group have engaged with all the impacted states and personally visited the Riverland, the Riverina and the Murray-Darling Swan Hill region. They have also engaged with wine industry representatives outside the three inland irrigated regions. It has included meetings with Wine Tasmania, Wines of Western Australia, the Australian Wine Research Institute, AgriFutures, Tarac Technologies and Accolade Wines.

The working group also heard the South Australian perspectives of the South Australian Wine Industry Association and the Wine Grape Council of South Australia as part of the consultation undertaken in the Riverland. In addition, working group members have continued to engage with stakeholders in their jurisdiction or membership base to ensure the working group is aware of all relevant information during consultation.

The working group has provided a paper to agricultural ministers with some short-term proposals to assist the grape and wine sector. A key immediate action is the commissioning of a report from the University of Adelaide's Wine Economics Research Centre to provide advice on how to move this sector to a sustainable supply-demand balance.

The report will detail the current situation, the contributing forces of demand trends and shocks (both global and domestic), the contributing forces in terms of other matters, pros and cons of options for reducing the current oversupply of red wine stocks, and ways of moving the sector towards a sustainable supply-demand balance. The working group will propose to agriculture ministers actions to support improvement in the grape and wine sector and its long-term viability at the national ag mins meeting we will be having in July.

One of the outcomes at the federal level, which I will just touch on, was that on 12 June the Minister for Trade and Tourism, Senator the Hon. Don Farrell, and the Minister for Agriculture, Fisheries and Forestry, Senator the Hon. Murray Watt, announced a \$3.5 million grape and wine sector long-term viability support package to support the long-term viability of the grape and wine industry to respond to the oversupply of red wine.

That package will fund a range of activities, including a number of things that are shared goals in terms of building demand, building new markets for wine both domestically and internationally, providing better data for growers to make decisions, and diversification into alternative products, as well as investigating the competition and regulatory issues.

The Albanese government also announced that it would extend support for wine producers to grow domestic sales and promote agri-tourism by supporting the Wine Tourism and Cellar Door Grant Program for another year. That allows wine and cider businesses to share \$10 million in funding to help attract visitors to Australian wine regions and promote agri-tourism.

There are several support initiatives in place for this sector from the state government. These include grants of up to \$1,500 through the Rural Business Support Relief Fund, a \$40 per hectare rebate for the ethephon trial, which can save up to \$2,000 per hectare in input costs, funding to Rural Business Support to increase rural financial counselling services for the wider viticulture industry, the addition of viticulture to the Future Drought Fund Farm Business Resilience Program, and delivering workshops to growers through the Wine Grape Council of South Australia.

In addition, the South Australian Assistance Guide for Grape Growers and Winemakers was compiled in conjunction with the South Australian Wine Industry Association and the Wine Grape Council of South Australia, and is regularly updated and circulated through industry networks. This is a guide that contains information on available support and resources for grapegrowers and

winemakers. Specific support for Riverland wine has also been provided through funding for a strategic blueprint, including funds to implement that.

In terms of the sorts of things that are sometimes raised, vine pulls are a particular one, and that may have been what the honourable member was referring to. I have said in parliament on many occasions—and I think it is borne out through the various fora that we have had engagement with—that there are considerations around things like vine pulls that indicate they must be done with a national approach. There is no point, for example, to having vine pulls in the Riverland if across the border in Mildura there are new plantings going in.

That is why the work is so important, to look at what is the appropriate response to address the imbalance between supply and demand. That is also why the work referred to earlier with the university is a key piece of information that is needed. As a government, we will continue to work with the Riverland as well as other affected areas in terms of the red wine oversupply, and continue to engage with industry and local stakeholders in terms of providing support where that can be achieved.

Mr WHETSTONE: Minister, can you give me a better understanding of what that support might look like in addressing the oversupply of red wine? You have read out a lot of stuff about the industry and the programs put in place, but can you give me something tangible that the wine industry would see as a government support mechanism in addressing the oversupply of red wine in storage?

The Hon. C.M. SCRIVEN: I think perhaps if the member would like to read the *Hansard* of what I have just read out in terms of assistance already provided by the state government, then that might be helpful. I did just address that question. Secondly, ongoing engagement means ongoing work to see what additional provisions might be appropriate.

Mr WHETSTONE: Blueprints? Something like that?

The Hon. C.M. SCRIVEN: We have already referred to the Riverland blueprint. At this stage, to my knowledge, other wine grapegrowing areas have not requested PIRSA support for blueprints for their areas. If they were to do so, then we would certainly consider that.

Mr WHETSTONE: What percentage of the current oversupply of red wine grapes do you as the minister anticipate to be removed through the targeted support, particularly with the China re-engagement, the Riverland blueprint and other government measures that will help address the oversupply?

The Hon. C.M. SCRIVEN: I think one of the relevant points would be that in the time since the tariffs were lifted in terms of exporting to China, which has been achieved through some steady and ongoing work by both the federal government and the state government, of the \$86 million worth of exports to China in wine since those tariffs were lifted, \$80 million, from memory, were from South Australia. So, clearly—

Mr WHETSTONE: Did you say red wine or wine?

The Hon. C.M. SCRIVEN: I said wine. I have to check whether it is red wine or wine overall. Obviously, the majority of our exports are red wine from South Australia so we can certainly check that particular detail. But \$80 million out of the \$86 million of exports is significant and clearly will be benefiting South Australia. One of the things that I have said throughout this process is that the lifting of the tariffs in China is incredibly important and they will have a significant impact. But I have also never said that that is going to be the sole solution. It is a multifaceted problem that has developed over a number of years.

The issues around the trade tensions with China that emerged under the former federal Liberal government have been very significant and many of our agricultural industries have suffered as a result. We also have the \$1.85 billion re-engagement package with China that was funded through the state government, which has assisted already and will continue to assist in getting our products into China.

Mr WHETSTONE: Minister, in the Chinese Premier Li Qiang's most recent visit, did you meet with him to discuss any trade or any primary industry ongoing relations with the Premier?

The Hon. C.M. SCRIVEN: I did not meet with Chinese Premier Li. I did visit China earlier in the year and focused on three particular provinces, including the Shandong province, which is one that we have a long-term sister state province relationship with. Certainly, the indications there were very positive. I was very appreciative of the many meetings that we were able to arrange with the Chinese officials and the ability to advocate not only for wine but also for rock lobster, for educational opportunities and exchanges for exchange of expertise.

It is something that is ongoing. I know that the delegation from China was served with rock lobster at their dinner, which was I think just a little extra way of raising the issue around the trade impediments that exist currently, which is the only one that is currently directly affecting South Australia.

It is something that is very close to my heart and I am certainly hopeful that all of the work that has been undertaken to have those trade impediments lifted will bear some fruit in the reasonably near future. I have had multiple dialogues with the relevant federal ministers, both Senator the Hon. Murray Watt as Minister for Agriculture and Senator the Hon. Don Farrell as Minister for Trade. This is ongoing work and we certainly hope to see that bear fruit very soon.

Mr WHETSTONE: Minister, I want to go back to Budget Paper 4, Volume 4, page 53, agricultural services. One of the targets for 2024-25 is to, in response to the commonwealth water recovery and Murray-Darling Basin, develop a business case to support River Murray communities. During last estimates, you said to the committee, 'I am not aware of any evidence to suggest that buybacks would have a negative impact.'

A recent report, 'The impacts of further water recovery in the southern Murray-Darling Basin', showed that water allocation prices will increase and that irrigated production will decrease across that southern basin by \$111 million per year. Will you give some level of concession that you were wrong in the government's buyback when you said that there would be no negative impact on irrigated production?

The Hon. C.M. SCRIVEN: First of all, you are referring to *Hansard* from last year, which I do not have in front of me, so in terms of the specific wording I would certainly be hesitant to necessarily accept the viewpoint that has been put forward by yourself—the honourable member, not the Chair. However, what I would say is that in terms of the evidence that had been provided at that time I think the comments that I made were accurate.

What I think is relevant to talk about is where we are at the moment. As a result of the commonwealth parliament passing the Water Amendment (Restoring Our Rivers) Bill 2023, which provided for the commonwealth to enter the water market and undertake a water buyback program, the Department of Primary Industries and Regions and the Department for Environment and Water are working together to provide a pathway for transition.

Importantly, the Australian government has committed to minimising socio-economic impacts in delivering the basin plan. PIRSA is leading the development of a business case to provide advice to the commonwealth department on the design of any buyback program, and that business case is under development at present.

A tender to undertake a regional economic impact analysis of water recovery in the South Australian River Murray will be released to select organisations—according to my advice, that may have just occurred—and the analysis will inform the development of the business case. The departments are engaging with affected industries and communities to undertake this important work. That engagement with industry included a regional workshop led by DEW on 2 November last year.

There are a number of other pieces of work that are progressing and it is important, I think, that PIRSA and DEW do work together on this. We are very, very aware in PIRSA of the implications for changes in water, and engaging with all the different industries—of which, of course, there are many—is highly important.

I have certainly visited the Riverland—I would have to check the exact numbers—nine or 10 times at least in the time that I have been minister, and the majority of those have involved discussions with grapegrowers and winemakers or other affected agricultural industries. It is ongoing

work, and I would hope that we can work in a bipartisan way to come up with the best outcomes for the region.

Ms SAVVAS: I refer the committee to Budget Paper 4, Volume 4, pages 53 to 54, agricultural services. What is the government doing through PIRSA to increase carbon farming opportunities for South Australian producers?

The Hon. C.M. SCRIVEN: I thank the honourable member for her question and for her interest in this very important area. PIRSA is working closely with industry, with the private sector and with government partners to be able to implement the Carbon Farming Roadmap for South Australia, which we released in November 2022. The Carbon Farming Roadmap working group has been established to provide a mechanism for the efficient prioritisation, coordination and oversight of the delivery of activities against the actions that have been listed in the road map.

The Carbon Farming Roadmap for South Australia outlines four key pillars to unlock the opportunities associated with carbon farming: to progress research, innovation and market development; to develop an enabling policy and regulatory environment; to build knowledge and skills; and to engage, collaborate and partner.

There are a range of strategic actions under each pillar, providing the initial key activities for government and private sector to engage and to stimulate growth in this sector. One such action is the Growing Carbon Farming Demonstration Pilot, which is being delivered by PIRSA and is providing grants of up to \$100,000 to commercial carbon farming projects. The projects will encourage carbon farming adoption through demonstration of soil and vegetation carbon sequestration methods and generation of cobenefits, such as increased biodiversity, improved soil health and increased agricultural productivity.

The anticipated outcomes of the pilot are increased industry knowledge and awareness of South Australia's carbon farming opportunities, by demonstration of methods with greatest applicability in South Australia and delivery of extension activities including workshops, field days and a case study for each pilot carbon farming project funded to address the current knowledge and capacity gaps that are limiting uptake of carbon farming in South Australia.

I note the honourable member's interest in this, and also that of her colleague the member for Dunstan, who of course has a broadacre farming background herself and has taken the opportunity on a number of occasions to raise both the opportunities and the challenges within a number of our agricultural sectors.

Mr WHETSTONE: Agricultural services, Budget Paper 4, Volume 4, pages 53 and 54, electronic identification for sheep and goats. How much funding of tranche 1 that is in the 2023-24 budget for tags has been spent in the financial year 2023-24?

The Hon. C.M. SCRIVEN: I appreciate the question about this important initiative that will be so crucial to improving traceability within South Australia and Australia more broadly. A total funding of \$12.869 million over two years is being invested to support eID implementation in South Australia.

This includes state government investment of \$3.2 million as part of the 2023-24 budget and the additional funding subsequently, and the overall amount includes commonwealth funding. This investment will help to protect South Australia's \$4.9 billion livestock industry. PIRSA is working with key stakeholders such as Livestock SA and the non-statutory industry advisory committee established to provide industry expertise, input and feedback regarding implementation.

There are a range of rebate programs that were implemented in 2023-24 to assist the supply chain to transition to eID. The eID device rebate was for the 2023 calendar year and the tag discount is for 2024-25. There is also the essential equipment and infrastructure rebates for saleyards and processes. Further rebates targeting producers, feedlots, agricultural shows and depots are also being rolled out. A 75 per cent rebate for eligible primary producers is the percentage that is being provided for the purchase of eligible equipment. There will be a number of other details that will be announced in the future.

In terms of the tag rebate and discount, a 50 per cent discount of up to 95¢ for eligible accredited eID tags has been provided, which is consistent with the announcement that we made. It has gone from being a rebate to being a discount at point of sale. I do not believe I have the exact figures. My advice is that as of 31 May 2024, there had been expenditure on the eID tag rebates and discounts of \$860,778.

Mr WHETSTONE: You have talked a lot about programs and money that has been put in place through budget measures. How much money has actually been spent? How much money has hit the ground to support industry with the introduction of the e-tags?

The Hon. C.M. SCRIVEN: As I mentioned, \$860,778 is what has been expended so far in terms of the tag rebates and discounts, so that is the figure that has gone out of the door. In terms of 2024-25, they are the next commitments that we are working through in terms of essential equipment and infrastructure.

Mr WHETSTONE: How much funding will farmers be required to contribute in tranche 2 of the funding, and can you guarantee your government will not wind back the 50 per cent subsidy for tag costs for those farmers into the future?

The Hon. C.M. SCRIVEN: Stage 1 of the process is what has been announced so far. We are working hard with industry through the department in terms of implementing stage 1, which are the items that I have outlined. Stage 2 will be under development into the future and obviously we will be working closely with industry again in developing stage 2.

Mr WHETSTONE: Can you inform the committee whether the funding line will continue into forward estimates and whether it will remain the same or be increased or decreased? Will there be a variance in that government support?

The Hon. C.M. SCRIVEN: Can I just clarify: are you asking in regard to stage 2?

Mr WHETSTONE: Yes.

The Hon. C.M. SCRIVEN: Again, I would refer the member back to my previous answer. We will be working with industry to see what stage 2 looks like and to speculate at this stage as to what impact that would have on a budget line would be premature.

Mr WHETSTONE: So you envisage that industry or primary producers will have a significant contribution to make in developing tranche 2?

The Hon. C.M. SCRIVEN: I would like to distinguish between the words that you are using, which could be misinterpreted. They will be involved in the development of stage 2, and I am very pleased to be able to report that there has been close involvement with industry in the development of stage 1 and the subsequent rollout.

Mr WHETSTONE: I would like to touch on a previous question with regard to the rollout of the basin plan. With the decrease in production capacity with the recoup, if you like, of water out of the southern basin, is that decline in production factored into you being able to achieve your 2030 and 2050 targets on zero emissions?

The CHAIR: Member for Chaffey, do you have a page and reference for that one?

Mr WHETSTONE: I can find one. I refer to Budget Paper 4, Volume 4, page 53.

Membership:

Mrs Pearce substituted for Ms Savvas.

The Hon. C.M. SCRIVEN: The honourable member's question is somewhat convoluted, so it is a little bit difficult to answer. I have talked about the business case that is being developed in partnership between DEW and Primary Industries, which is working to provide a pathway for transition. I am really not sure what the member is trying to ask.

Mr WHETSTONE: Really?

The Hon. C.M. SCRIVEN: Really.

Mr WHETSTONE: How long have you been here?

The Hon. C.M. SCRIVEN: How many text messages have you got for your question here?

The CHAIR: Member for Chaffey, would you like to re-ask your question or is the question: how long has the minister been the minister?

Mr WHETSTONE: I have asked the question, Chair, and I was waiting for an answer. The question was in relation to the decrease in productivity and the ability to generate a primary industry economy with a decline in capacity through the basin plan. The report has stated that we will see a decline in allocation and a reduced income by some \$117 million. Have you factored that decline in capacity in you achieving your emission targets by 2030 and by 2050?

The Hon. C.M. SCRIVEN: So the question is in relation to the ABARES report; is that correct?

Mr WHETSTONE: It is in relation to the report, yes.

The Hon. C.M. SCRIVEN: That is the report that is not mentioned in the budget papers. In regard to the member's comment about generating a primary industries economy, we already have an economy whose foundation and, in my view, future is based on primary industries, so the question really does not make a lot of sense.

Mr WHETSTONE: Well, it does make a lot of sense because the report has stated that there will be a decrease in water allocations and there will be an increase in water price costs. We will see a decrease by \$111 million per year—I did say \$117 million previously. So is the minister factoring a decline in primary industries output as modelled in her efforts to achieve net zero agriculture?

The Hon. C.M. SCRIVEN: The Department of Primary Industries and Regions and the Department for Environment and Water are working together to provide a pathway for transition. It is also worth mentioning that there has not been any allocation from the federal government in terms of South Australia, so a lot of what is being discussed is speculation, given that we do not have a specific allocation for South Australia in terms of the changes to the water allocation.

Mr WHETSTONE: I will go back to the EID issue. How much funding has been received from the commonwealth government to date towards delivery of the electronic identification of sheep and goats?

The Hon. C.M. SCRIVEN: My advice is \$3.5 million.

Mr WHETSTONE: How much funding is expected to be received from the commonwealth government towards the delivery of the electronic identification of sheep and goats for the 2024-25 financial year?

The Hon. C.M. SCRIVEN: My advice is the \$3.5 million is the total contribution at this stage from the commonwealth government.

Mr COWDREY: I have one further supplementary on the tags. With the \$860,000 that has been spent through the state to this point, are you able to confirm that all of the \$860,000 was spent on tags as opposed to infrastructure or any other supporting—

The Hon. C.M. SCRIVEN: It is the rebate and the subsidy on tags so far.

Mr COWDREY: Tags and tags only?

The Hon. C.M. SCRIVEN: Correct.

Mr WHETSTONE: I refer to Budget Paper 4, Volume 4, page 53, highlights, dot point 5, Riverland Wine Industry Blueprint. You talked about the wine industry. You talked about some of the programs that are being put in place. The Riverland Wine Industry Blueprint has been identified as a first priority. Have you received requests from the industry for support to assist with that transition of the blueprint, and when do you expect it to be implemented?

The Hon. C.M. SCRIVEN: At the launch of the blueprint, I announced an addition of \$200,000 funding to support implementation of the plan over the next two years. I cannot remember the exact date of the launch, but it is obviously for the two years from that period.

Mr WHETSTONE: I will move on to Budget Paper 4, Volume 4, page 59. Was the Mount Gambier saleyards funding funded through the Regional Growth Fund, now known as the Thriving Regions Fund?

The Hon. C.M. SCRIVEN: No, the funds were not part of either the Regional Growth Fund or the Thriving Regions Fund. It was a budget amount from Department of Treasury and Finance (DTF).

Mr WHETSTONE: The Regional Growth Fund has been an ongoing program. How much of the Regional Growth Fund has not been awarded or has not been spent to date?

The Hon. C.M. SCRIVEN: The Thriving Regions Fund is a \$15 million per annum commitment from the Labor government, and we have placed an emphasis on projects that act as enablers for regional industries to grow jobs and strengthen regional communities. It is divided into a number of sub-programs that complement other local, state and commonwealth government regional development initiatives. In terms of the sub-programs, it includes Enabling Infrastructure Program, the Strengthening Industries Program and the Thriving Communities Program, each of which have had their guidelines put up on the PIRSA website, and also the Regional Leadership Development Program.

I am advised that for the 2023-24 financial year there is an allocation of \$6 million available. It is worth mentioning, however, that in terms of the expenditure, each project that is awarded funding, whether it was the Regional Growth Fund or under the Thriving Regions Fund, must meet milestones in order for the various payments to be made. There will often be an apparent variation because milestones may have either not been reached or have had their dates deferred, often for very good reasons.

We would be very familiar with some of the issues that have arisen during and since COVID with the availability of materials. We also had the issue of availability of labour, so it is not uncommon for those time frames to be changed. That is done, as I understand it, through negotiation with the Department of Treasury and Finance. That can sometimes suggest that money has not been expended when it is simply a matter of it being deferred until those milestones have been met.

Mr WHETSTONE: Is the Mount Gambier saleyard funding package part of the Thriving Regions Fund for the 2024-25 budget?

The Hon. C.M. SCRIVEN: As I mentioned, the funding for the saleyards did not come from the Thriving Regions Fund. It is part of the Department of Treasury and Finance budget.

Mr WHETSTONE: Is there a proportion of commonwealth funding towards the Thriving Regions Fund?

The Hon. C.M. SCRIVEN: Not towards the fund. It may be that individual proponents may have at times accessed funding from other sources, whether that be from local government or from federal government and so on, but in terms of commonwealth funding, the Thriving Regions Fund, no, not at all.

Mr WHETSTONE: Can you provide a breakdown of funds that make up the estimated \$21.665 million of intergovernment transfers that these funds were transferred to?

The Hon. C.M. SCRIVEN: I am advised that those intergovernmental transfers arise when there is a contract signed. The money is then transferred either to the South Australian Government Financing Authority or to the Department of Treasury and Finance in order to actually make the payments.

Mr WHETSTONE: Is any of the estimated \$21.665 million of intergovernment transfers part of the Thriving Regions Fund? If so, what are the projects and what are they valued at?

The Hon. C.M. SCRIVEN: I think if the honourable member refers back to my previous answer it explained that pretty much all of the funds that would be expended through the Thriving

Regions Fund go via the Department of Treasury and Finance or the South Australian Government Financing Authority. It is those two bodies that, if you like, give out the funds, so I would expect that all of the Thriving Regions Fund funds, since they need to go through the South Australian Government Financing Authority or DTF, would be part of that intergovernmental transfer.

Mr WHETSTONE: Do you have oversight of those projects?

The Hon. C.M. SCRIVEN: In what way do you mean 'oversight'?

Mr WHETSTONE: If the projects are evaluated through the Thriving Regions Fund, it is administered through the Department of Treasury and Finance.

The Hon. C.M. SCRIVEN: I am advised that SAFA administers the contracts and the milestones and, if you like, pay out the money. In terms of evaluating the projects and having that kind of oversight, that is done by our department, the Department of Primary Industries and Regions. If there need to be changes—for example, to milestones, to enable payments to be made or to vary in some other way—then PIRSA would liaise with the Department of Treasury and Finance on those matters.

The CHAIR: The member for Colton has been holding for a final question. You will have to be quick.

Mr COWDREY: Just very quickly, as a point of clarification: the funding for the saleyards was administered by SAFA or by Treasury. In terms of the decision-making process to enable that fund, was that done on PIRSA's direction? Was the decision made by Treasury to provide funds to the saleyards, or was it done by PIRSA? Finally, where do the funds sit at the moment? Are they still with SAFA, or have they been transferred to the saleyards' proprietors?

The Hon. C.M. SCRIVEN: The commitment to provide funding to the saleyards in Mount Gambier was made as an election commitment prior to the 2022 election. The funds have therefore always been a line from the Department of Treasury and Finance. Because the saleyards redevelopment is awaiting additional funding they applied to the commonwealth but were unfortunately unsuccessful in receiving funds through the first round of the Growing Regions Program. We are waiting to see what the next steps will be.

I met with the District Council of Grant, which owns the saleyards, as well as with stock agents, in a meeting just last week to discuss some of the things that might be their next steps. So there has been no spending of those funds, if you like, on another purpose. We are waiting on what the next direction from the District Council of Grant might be.

The CHAIR: The allotted time having expired, I declare the examination of the portfolio of the Department of Primary Industries and Regions completed.

Membership:

Mr Patterson substituted for Mr Cowdrey.

Departmental Advisers:

Prof. M. Doroudi, Chief Executive, Department of Primary Industries and Regions.

Mr T. Ryan, Chief Executive, ForestrySA, Department of Primary Industries and Regions.

Ms A. Barclay, Director, Office of the Chief Executive, Department of Primary Industries and Regions.

Mr R. Robinson, Director, Forest Industries, Department of Primary Industries and Regions.

Ms M. Spencer, Chief of Staff.

The CHAIR: Thank you to the outgoing advisers and welcome to the incoming advisers. Welcome to Estimates Committee B for ForestrySA. I advise that the proposed payments remain

open for examination and I call on the minister to make a statement, if she wishes, and to introduce her advisers.

The Hon. C.M. SCRIVEN: I reintroduce Professor Medhi Doroudi and also introduce Mr Tim Ryan, Chief Executive, ForestrySA. Behind me my Chief of Staff, Meagan Spencer, still remains, and also Rob Robinson, Director, PIRSA Forests, and Ms Ann Barclay, Director, Office of the Chief Executive, PIRSA, also remains.

I take the opportunity now, in case we run out of time at the end, to thank all of those who have been involved: Professor Doroudi; Will Kent (who has left this chamber), Chief Financial Officer, PIRSA; Ann Barclay; and the executive directors of each division and their teams—Michelle Griffiths, Corporate Services; Peter Appleford, Major Programs and Regions; Jo Collins, Industry Strategy and Partnerships; Gavin Begg, Fisheries and Aquaculture; Nathan Rhodes, Biosecurity; Hannah Brown, SARDI. For Forest Industries, Mr Tim Ryan (who is here) and his team, including Denise Little, executive officer. I thank Rob Robinson, Director, Forest Industries, PIRSA. I also thank my ministerial office staff and parliamentary office staff, the Chair and members of the committees as they have appeared and are still here. I think it is worth mentioning how much work is involved in preparation for estimates by officers, and I put on the record my sincere thanks to them.

The government's interest in forestry is led by both ForestrySA and PIRSA. The South Australian Forestry Corporation, trading as ForestrySA, is a statutory authority with commercial and regional economic responsibilities, which include management of the Mount Lofty Ranges forest estate, with more than 10,000 hectares of commercial pine plantation area and also delivery of specified non-commercial activities on behalf of government.

Critical services provided by ForestrySA include the provision of community fire protection beyond that required for the protection of commercial plantations. Although the fire danger season, fortunately, was relatively benign this year, ForestrySA's capabilities in plantation forest and bushland fire protection remain highly valued by its neighbours and local communities.

Sustainability is the cornerstone of all ForestrySA's future initiatives. Evolving areas include enhanced wood fibre utilisation, public-private partnerships for plantation forestry and the range of emerging opportunities relating to carbon sequestration and abatement.

PIRSA is responsible for providing policy advice and the implementation of the government's initiatives to develop the state's forests and wood products industry. South Australia's forest and wood products sector is significant to the state's economy, with the most recent data showing a contribution of around \$1.46 billion and delivering directly 6,500 jobs. I know that other sources do indicate direct jobs of more like 11,000 or 12,000, and indirect jobs of 18,000. With such an important role in our regional communities, the state government is working closely with industry on a number of initiatives to ensure the sector's growth well into the future.

Focused on innovation, sustainability and the creation of market opportunities within Australia and internationally, the new Forestry Centre for Excellence is a flagship development for our forest industry located in the South-East and to which the government has committed \$15 million over 10 years. The principal parties forming the centre's governance are the Department of Primary Industries and Regions, the University of South Australia, the South Australian Forest Products Association and the Green Triangle Forest Industries Hub.

I am delighted to note that leading forestry researcher, Dr Jim O'Hehir, has been appointed the centre's general manager and Professor Julie Mills has been appointed interim director, while our global search for a director is underway. The centre building is being established at the existing University of South Australia and TAFE precinct in Mount Gambier and will accommodate entities such as the National Institute of Forests Products Innovation, along with UniSA, the Green Triangle Forest Industries Hub and Tree Breeding Australia.

The government is committed to the centre as part of its broader Mount Gambier research, education and training precinct, which also incorporates a major TAFE upgrading project and, importantly, the establishment of a technical college. In total, this represents a \$59 million state government investment to bolster education and training for the Green Triangle.

The Trees on Farms Initiative aims to encourage landowners to develop tree plantations on their properties for future harvesting, and it has been bolstered by a Federation Funding Agreement with the Australian government. This has enabled a project officer to be engaged to further develop and deliver the program. Uptake of Trees on Farms can provide landholders with environmental and economic benefits, including soil protection and shade and shelter for livestock, as well as income diversification.

Fire detection is being strengthened, with \$2.346 million of government funding to maintain and operate existing fire towers while also extending camera-based fire detection across the Lower South-East. The camera network is currently operating 14 camera stations that integrate high definition cameras, satellite feeds and modern cloud software that uses artificial intelligence to constantly improve detection accuracy. It is probably worth noting that this enhanced fire protection serves not just the plantation forestry interests but the wider community across the region as well.

I would also like to commend the work of the Forest Industries Advisory Council of South Australia which, under an expanded role, continues to deliver a clear and ongoing platform for government and industry to work towards our shared forest industry objectives, as outlined in the South Australian Wood Fibre and Timber Industry Master Plan. I have already announced two projects to be funded under the master plan, namely support for Fennell Forestry to commence phase 2 of an electric log truck trial, and for the South Australia Forest Products Association to prepare a state of the industry report.

In closing, I acknowledge that with the decline in national dwelling approvals the demand for structural sawn timber has also eased. The challenge now is that the forestry and wood products supply chain, along with many other industries, is now operating in a declining market. Despite these and previous challenges, the South Australian forest industry continues to build on 140 years of innovation and experience in growing and producing well-recognised products, such as Timberlink's new cross laminated timber (CLT) and glue laminated timber (GLT) at their manufacturing facility at Tarpeena, and OneFortyOne's Glencoe Nursery redevelopment.

The CHAIR: I call on the lead speaker for the opposition to make a statement, if he wishes, and then continue with questions.

Mr WHETSTONE: Thank you. I just reaffirm the gratitude to staff for putting together these fairly hefty folders so that we can again try to make the minister look good, but also to be able to provide the evidence needed to have a successful estimates committee. Member for Morphett, are you—

Mr PATTERSON: I will do the honours, sure. I will just do the omnibus questions, minister:

1. For each department and agency reporting to the minister, how many executive appointments have been made since 1 July 2023 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 2023 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 2023?

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 2023, 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 2024-25 for consultants and contractors, and for each case in which a consultant or contractor has already been engaged at a total estimated cost above \$10,000, the name of the consultant or contractor, the method of appointment, the reason for the engagement and the total estimated cost?

6. For each department or agency reporting to the minister, how many surplus employees are there in June 2024, and for each surplus employee, what is the title or classification of the position and the total annual employment cost?

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

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

- What savings targets have been set for 2024-25 and each year of the forward estimates;
- What is the estimated FTE impact of these measures?

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

- What was the actual FTE count at June 2024 and what is the projected actual FTE account for the end of each year of the forward estimates;
- What is the budgeted total employment cost for each year of the forward estimates; and
- How many targeted voluntary separation packages are estimated to be required to meet budget targets over the forward estimates and what is their estimated cost?

10. For each department and agency reporting to the minister, how much is budgeted to be spent on goods and services for 2024-25 and for each year of the forward estimates?

11. For each department and agency reporting to the minister, how many FTEs are budgeted to provide communication and promotion activities in 2024-25 and each year of the forward estimates and what is their estimated employment cost?

12. For each department and agency reporting to the minister, what is the total budgeted cost of government-paid advertising, including campaigns, across all mediums in 2024-25?

13. For each department and agency reporting to the minister, please provide for each individual investing expenditure project administered, the name, total estimated expenditure, actual expenditure incurred to June 2023 and budgeted expenditure for 2024-25, 2025-26 and 2026-27?

14. For each grant program or fund the minister is responsible for, please provide the following information for the 2024-25, 2025-26 and 2026-27 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.

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

- Is the agency confident that you will meet your expenditure targets in 2024-25?
- Have any budget decisions been made between the delivery of the budget on 6 June 2024 and today that might impact on the numbers presented in the budget papers which we are examining today?
- Are you expecting any reallocations across your agencies' budget lines during 2024-25; if so, what is the nature of the reallocation?

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

- What South Australian businesses will be used in procurement for your agencies in 2024-25?
- What percentage of total procurement spend for your agency does this represent?
- How does this compare to last year?

17. 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?

18. 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?

19. How many procurements have been undertaken by the department this FY, how many have been awarded to interstate businesses? How many of those were signed off by the CE?

20. 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?

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

Mr WHETSTONE: I refer you to Budget Paper 4, Volume 4, page 58, description. Minister, do you believe there is a shortage of structural timber for the housing industry in South Australia?

The Hon. C.M. SCRIVEN: I think it is fair to say, as I said in my introduction, that there has been a decline in demand. There is an ongoing issue around supply and demand of structural timber in Australia more broadly, particularly given the impact of the bushfires in Victoria and New South Wales in recent years. The needs for structural timber will vary, depending on the market.

Obviously, during COVID and subsequent to COVID, with the HomeBuilder program, there was an increased demand for a great deal of timber products. Similarly, we know we have a severe housing shortage at the moment, and the Malinauskas Labor government is working hard in partnership with industry to address that housing shortage, which will impact also on demand. We know we need so many more houses, and timber, being a sustainable building product, is in high demand.

Mr WHETSTONE: So that is a yes.

The Hon. C.M. SCRIVEN: I have answered the question. I think you should just perhaps listen to the answer rather than try to paraphrase.

Mr WHETSTONE: What programs has the department put in place over the last 12 months to improve the situation?

The Hon. C.M. SCRIVEN: To improve which situation?

Mr WHETSTONE: The shortage of structural timber.

The Hon. C.M. SCRIVEN: I think the projects and programs that the then Labor opposition, now Labor government, has committed to and is implementing are a strong testament to how we are supporting the timber industry, which in turn of course then supports the supply of structural timber, as well as other timber products.

Earlier this year, I had the opportunity to join Premier and the member for Mount Gambier in launching the South Australian Wood Fibre and Timber Industry Master Plan. The vision of the master plan is for the state to be a future-focused circular economy, sustainably driving the state's economic prosperity with globally recognised skills in innovation. Its three priority goals are the right resource and capability—resources obviously having a direct impact on supply—a future-focused workforce, which again will impact the production of appropriate products; and a clean green circular economy.

The master plan is already investing in projects identified as priorities, and one of those is the \$200,000 investment for Fennell Forestry to commence phase 2 of an electric log truck trial, examining how heavy vehicle decarbonisation can contribute towards a green circular economy. The trial will build on the outcomes of a phase 1 trial that has already been run.

The state government has also announced \$70,000 in funding for the South Australian Forest Products Association to develop a state of South Australia's plantation forests report. To have a good understanding of the state of the plantation forests is obviously essential in order to build and develop capability, and therefore resource. Stakeholders across industry and the community are encouraged to propose projects that align with master plan priority project areas, as identified by FIACSA, the Forest Industries Advisory Council of South Australia.

Advice will be sought from FIACSA before proposals are considered by me, as minister, or in tandem. Other projects approved under the master plan will be developed and implemented over the next three years as part of the state government's \$2 million election commitment to that master plan. The master plan will be reviewed annually to keep pace with socio-economic and environmental changes influencing the industry, particularly in such areas as international trade, climate change and technological developments.

This builds on the more than \$20 million worth of commitments that this government has made to the forest industry. That includes some of the items that I mentioned in the opening statement, such as the centre for excellence for innovation and many of the other projects that we have mentioned. The investment in fire protection is very, very important, because obviously fires, as we have seen in New South Wales and Victoria and is kind of self-evident, can have an absolutely devastating impact on timber supply.

Mr WHETSTONE: How does a green truck improve timber supply?

The Hon. C.M. SCRIVEN: Reducing the emissions—

Mr WHETSTONE: Does that help build houses?

The Hon. C.M. SCRIVEN: —is part of the clean green circular economy, which is a key part of the master plan that I referred to. The master plan is about supporting industry to be able to ensure that they are a sustainable industry going forward, sustainable not just in terms of green credentials but also in terms of supply.

Mr WHETSTONE: So a fossil fuel truck gets the timber to the point of destination slower? I note that the Premier has said that all ministers and departments need to be acting with fever to get the building industry up and running with a better supply of timber, and yet you are talking about electric trucks and programs of \$200,000. We are talking about a billion-dollar industry that is crying out for more product and you want to talk about green trucks.

The Hon. C.M. SCRIVEN: I appreciate that the honourable member is focusing on one small part of my answer, but I guess that is not surprising given that the opposition went to the last election without a forestry policy, without any indications or even ideas about how to support the forestry industry.

Mr WHETSTONE: Come back to the question.

The CHAIR: It was not a question; it was a statement.

The Hon. C.M. SCRIVEN: To support the forest industry, it is obviously part of supporting the supply going forward and the workforce going forward. All of those things are important, and I would have thought to most people that would be self-evident.

Mr WHETSTONE: Inward looking. Budget Paper 4, Volume 4, page 58, targets—

The Hon. C.M. SCRIVEN: I might just add that the master plan was industry led and so the priorities that have been developed in the master plan are the priorities of industry.

Mr WHETSTONE: It was a target for last year's budget to establish the centre of forestry excellence, and in this year's budget the target is to appoint key staff and progress plans for the

construction of the new centre. I do commend Dr Jim O'Hehir's appointment as director. Have any other positions been advertised?

The Hon. C.M. SCRIVEN: Yes. In fact, I am happy to give an outline of all of the steps so far in the Forestry Centre of Excellence, which was a commitment of \$15 million over 10 years, a really important commitment to create and develop a long-term forestry research and development capability, which is being based at Mount Gambier.

The centre is the first of its kind in South Australia and is initially being established within the University of South Australia, with oversight by a transitional board and an independent chair while the final governance structure is designed. Operations will be transitioned to a permanent structure and the transitional board replaced with a skills-based board.

I have appointed Professor Rob Lewis as the independent chair of the board. Other members of the board are Odette Lubbe, Managing Director of Green Triangle Forest Products, representing the Green Triangle Forest Industries Hub; Emma-Kate Griffiths, People and Culture Manager, Timberlands Pacific, representing the South Australian Forest Products Association; Professor Jason Whittle, Dean of Research, University of South Australia STEM; and Jo Collins, Executive Director, Industry, Strategy and Partnerships, Department of Primary Industries and Regions.

Professor Julie Mills has been appointed as interim director of the centre while we are undertaking a global search for an ongoing director of the centre. Professor Mills has extensive academic and leadership experience including as Professor of Engineering Education and Executive Dean of STEM at UniSA. Professor Mills' experience is welcome at this critical time of establishment of the centre. The honourable member mentioned Dr Jim O'Hehir, and I am delighted that he has commenced as general manager. Other staff are also being recruited including a senior research fellow in forestry systems and a project coordinator.

The government is providing the funding for the centre's operations, which includes the employment of these key staff along with research and other activities. We want the centre to use this as core funding which can then be used to leverage other funding opportunities. This is already happening with more than \$12 million of operational forestry research projects underway at UniSA. They are funded by UniSA, Forest and Wood Products Australia, industry and the National Institute for Forest Products Innovation, which in turn is part of both the Australian and South Australian governments' commitments. Another 10 projects have been submitted for funding already.

The centre will encompass the full range of the forestry supply chain, including plantation management, harvesting and haulage, and timber processing. It will also aim to cover the technical, Aboriginal, safety and training aspects relevant to those sectors. The centre will also advance skills to drive innovation and investment, while ensuring science and technology work effectively for business, create incentives for business to invest and leverage value-adding opportunities, and deliver safe, efficient and productive supply chains. As I mentioned in my opening statement, the centre is being established at the existing University of SA and TAFE precinct in Mount Gambier and will accommodate a number of entities.

Mr WHETSTONE: When is the centre due to open?

The Hon. C.M. SCRIVEN: I think the member needs to understand that the centre is already operating because so much of its work is research, so I think that is an important element. I did mention in my answer some of the projects that are already underway.

Mr WHETSTONE: No. When will the doors be opened? There was an election commitment of \$15 million to build a centre and that \$15 million has been allocated to build the centre. I am asking when the doors will be opened.

The Hon. C.M. SCRIVEN: The honourable member is mistaken. The \$15 million is not simply to build the centre. It incorporates funding for both building a centre and for research.

Mr WHETSTONE: So what is the budget line for the build of the centre?

The Hon. C.M. SCRIVEN: From the \$15 million commitment, \$2½ million of that is towards the building of the centre and we have matched funding from the University of South Australia.

Mr WHETSTONE: So the \$2½ million is to build the centre?

The Hon. C.M. SCRIVEN: Correct, with matched funding from the University of South Australia.

Mr WHETSTONE: Are you able to give me a breakdown of the funding component of the research that has gone into the centre of excellence?

The Hon. C.M. SCRIVEN: In my answer I said that this is already happening in terms of the centre using core funding, with \$12 million of operational forestry research projects underway.

Mr WHETSTONE: Has that money been spent?

The CHAIR: Member for Chaffey, the call is with the member for Elder.

Ms CLANCY: I refer the committee to Budget Paper 4, program: community service obligation, portfolio: forest industries statement, page 49. Will the minister tell us about ForestrySA's involvement in the Accessible Outdoors Program, which is improving forest accessibility for people living with disability?

The Hon. C.M. SCRIVEN: I thank the honourable member for her question and for her ongoing interest, which I know has been strongly mentioned on a number of occasions in terms of accessibility for people living with disability in many different spheres. ForestrySA has committed to providing access to forest reserves for all visitors and members of the South Australian community. This includes visitors from culturally and linguistically diverse backgrounds, all ages and gender identities, Aboriginal and Torres Strait Islander people, people living with disability and others.

In 2023, ForestrySA teamed up with the National Parks and Wildlife Service, SA Water and Bedford Group to pilot the Accessible Outdoors Program. The aim of this program was to make the great outdoors more accessible to everyone. Working collaboratively with partner agencies diversifies the activity offerings within the program and makes good economic sense for ForestrySA. Other than staff time to support individual activities within the program, there is minimal cost required to achieve meaningful and rewarding outcomes for participants.

Through the Accessible Outdoors Program, Bedford Group clients participate in a range of outdoor activities, such as kayaking, snorkelling, reef exploration and horticulture sessions with the National Parks and Wildlife Service and SA Water and guided nature walks, koala food collection, fossicking and camp fire cooking with ForestrySA rangers.

Just this month, I am advised, ForestrySA hosted two camp fire cooking activities and a sustainable forestry guided walk in Kuitpo Forest, all of which were met with a lot of smiles, laughter and enjoyment by participants according to reports. This is a heartwarming program making it easier for people living with disability to connect with nature and to learn life skills.

I am proud to advise that the Accessible Outdoors Program has been so effective and successful that Nature Play SA have now joined the program and the number of activities has doubled. Further, Bedford Group was recently approached by another disability provider in the hope that they can also join the program. This is a good example of government and industry working together to deliver economical and highly effective community programs, and I commend ForestrySA on their work in this area.

Mr WHETSTONE: I refer to Budget Paper 4, Volume 4, page 58, targets. Has the OneFortyOne Plantations compliance audit been undertaken for the 2023-24 year?

The Hon. C.M. SCRIVEN: I am advised that is currently underway.

Mr WHETSTONE: What are the KPIs for monitoring this compliance audit?

The Hon. C.M. SCRIVEN: I am advised that they are the same KPIs that have been in place for some years.

Mr WHETSTONE: Okay. The question is: what are the KPIs?

The Hon. C.M. SCRIVEN: I am advised that that is already on the public record.

Mr WHETSTONE: Just say you do not know. It makes it much easier.

The Hon. C.M. SCRIVEN: Please do not put words into my mouth. I have indicated they are on the public record. A little bit of work from the honourable member would have revealed that.

Mr WHETSTONE: I ask a question, you answer. Is the monitoring expected to go on for the full length of the lease?

The Hon. C.M. SCRIVEN: Yes, it is.

Mr WHETSTONE: I refer to Budget Paper 4, Volume 4, page 58. Recommendation 2 of the final report that came out of the 'Aussie logs for Aussie jobs: inquiry into timber supply chain constraints in the Australian plantation sector' report in May 2021 was to develop a voluntary code of conduct to facilitate access to timber by Australian softwood processors. What progress has been made for the South Australian softwood processors?

The Hon. C.M. SCRIVEN: The report that the honourable member is referring to was a federal report. I have raised the issue of a code of conduct on a number of occasions with my interstate colleagues in regard to processors, and it is something that continues to be under consideration. At this stage, it does not have support across the majority of forestry ministers.

Mr WHETSTONE: Is it on the agenda for your council of forestry ministers?

The Hon. C.M. SCRIVEN: I would have to take that on notice and bring back a response.

Mr WHETSTONE: When will the code of conduct be finalised and will it be released publicly?

The Hon. C.M. SCRIVEN: I have just answered the question by saying that, at this stage, it does not have majority support from across the other jurisdictions to be progressed.

Mr WHETSTONE: Can you give me a further explanation as to why it has not been—did you say 'finalised'?

The Hon. C.M. SCRIVEN: No, I did not say finalised. That was your word.

Mr WHETSTONE: Well, where is that report and will any of it be implemented?

The Hon. C.M. SCRIVEN: Clearly, the member does not actually understand the questions he is asking. The report was a federal report.

Mr WHETSTONE: Yes, I know that.

The Hon. C.M. SCRIVEN: So as to what he is asking to be finalised, he asked about a code of conduct.

Mr WHETSTONE: It is about implementation.

The Hon. C.M. SCRIVEN: He asked about a code of conduct. I indicated in my answer that I have raised that with my forestry minister colleagues, but so far we do not have majority support for progressing that.

Mr WHETSTONE: Are you able to give me an understanding of who was not giving support?

The Hon. C.M. SCRIVEN: I have said that we do not have majority support among the other forestry minister colleagues.

Mr WHETSTONE: Are you able to give me an understanding of who they are?

The Hon. C.M. SCRIVEN: I would like to give the honourable member an understanding, but I fear that he may not actually be able to achieve that.

Mr WHETSTONE: Lucky you have people around you—my goodness. When will the code of conduct be put into place or partially implemented, should you get consensus?

The Hon. C.M. SCRIVEN: I think the honourable member is speculating. Until there is consensus, how could a time frame possibly be put on that?

Mr WHETSTONE: Has there been a council of ministers meeting where this was actually discussed to try to get a resolution?

The Hon. C.M. SCRIVEN: I will have to check the records on that and take it on notice.

Mr WHETSTONE: Moving on to Budget Paper 4, page 58, explanation of significant movements, the explanation points to the 2022-23 mostly relating to funding from ForestrySA to the rebuild of fire towers initiative. In March 2023, there was \$2 million provided to upgrade fire towers in the South-East. Are all of those upgrades now complete?

The Hon. C.M. SCRIVEN: I am delighted to be able to answer this question. The state government has provided funding to upgrade fire detection in the state's South-East and, under a four-year agreement, a total of \$2.346 million is supporting the forestry industry to maintain and operate existing fire towers, as well as installing a camera-based fire detection system across the Lower South-East. This is really important funding and it includes \$1 million for tower upgrades and repairs, which were completed and occurred for the 2023-24 fire danger season, as well as the operation of existing fire towers.

There was \$1 million to the Green Triangle Forest Industries Hub, comprising all major forest plantation growers in the region, assisted by the Green Triangle Fire Alliance, to implement new technologies aimed at improving the early detection of fires. There was also a \$346,000 contribution towards the cost of manufacturing and installing a new fire tower near Penola to replace a tower which is no longer safe to use.

The camera network is currently operating 14 camera stations across the Green Triangle region, developing cutting-edge integration of high-definition cameras, satellite feeds and modern cloud software that uses artificial intelligence to constantly improve detection accuracy. Seven of the camera stations are in South Australia and have received funding support from the government.

I am really delighted to be able to report that in the most recent fire season alone there were 19 unplanned fires detected by the system, including a number of incidents where the cameras were the first to detect the fire. It is incredibly important to support the industry's rapid response and to protect the region's 130,000 hectares of plantation estate. The funding delivers on the state government's election commitment to provide a landscape-level fire detection program, ensuring ongoing protection of the Green Triangle's forestry assets and communities as the transition to new fire detection technologies continues.

The Green Triangle Fire Alliance has contracted Pano AI to install a full camera-based fire detection system across the Lower South-East. The new camera-based fire detection system across the Lower South-East of the state commenced operations before the start of the recent fire danger season. The project is also installing cameras on an existing communications tower near Cave Range to add additional coverage in this part of the Limestone Coast.

Government has agreed with industry's determination that the old Penola North tower could not be satisfactorily repaired, nor improved to meet contemporary standards for towers which are staffed. As such, a new tower is currently being manufactured in Mount Gambier, and it is expected that installation at Penola North will commence in August and be ready for the 2024-25 fire danger season.

Mr WHETSTONE: Budget Paper 4, Volume 4, page 58, the explanation of significant movements: what reprofiling has occurred to the expenditure for the Forestry Centre of Excellence?

The Hon. C.M. SCRIVEN: I am advised that \$1.5 million has, if you like, gone to University of South Australia, and then the reprofiling, which is the term the honourable member used, is simply a matter of timing arrangements.

Mr WHETSTONE: What reprofiling has occurred to the expenditure for the forest products master plan?

The Hon. C.M. SCRIVEN: Again, I am just a little cautious about the term 'reprofiling'. My understanding is that there are timing issues across any kind of program so that once, if you like, it has been allocated, when it is actually then paid out will be dependent on the reaching of milestones and so on.

Mr WHETSTONE: What reprofiling has occurred to the expenditure for the rebuild of the fire towers initiative?

The Hon. C.M. SCRIVEN: Again, I think the honourable member might want to consider whether he keeps using the word 'reprofiling', because that can often have various meanings. All that has occurred is that the money that has been able to be paid out in the previous financial year, as items have been completed or as milestones have been reached, has been paid out. The balance in terms of the fire towers, I am advised, will be in this financial year, 2023-24, as the final completion milestones are achieved.

Mr WHETSTONE: Are there any outstandings currently?

The Hon. C.M. SCRIVEN: They are going to be paid mostly, I am advised, within this financial year, so in that sense, I think the answer would be no.

Mr WHETSTONE: That is within a week?

The Hon. C.M. SCRIVEN: Yes, that is correct.

Mr WHETSTONE: Moving on to Budget Paper 4, Volume 4, page 58, description/objective, what funding has been allocated for the Labor government's election commitment to investigate the feasibility of incentives to ensure the arrangements favour local processors who may be locked out of contracts with larger forest growers?

The Hon. C.M. SCRIVEN: That item did not have funding associated with it. It is the sort of work that can be done within existing resources.

Mr WHETSTONE: Will that work be undertaken by ForestrySA?

The Hon. C.M. SCRIVEN: No. That would not be appropriate for ForestrySA. That is work that is considered within PIRSA and our forestry division within PIRSA.

Mr WHETSTONE: So how many FTEs will be allocated to the work?

The Hon. C.M. SCRIVEN: This is not necessarily about having additional FTEs. This is about looking at a number of barriers, but also things that can strengthen and support small processors. FIACSA includes a representative of the small processors, so the sorts of projects that might require specific funding may well be recommended through that master plan process.

Mr WHETSTONE: Are there any timelines or time-sensitive periods for when this work will be undertaken?

The Hon. C.M. SCRIVEN: It is ongoing work.

Mr WHETSTONE: I refer to Budget Paper 4, Volume 4, page 58. Regarding giant pine scale affected plantations, how many were there in the last year?

The Hon. C.M. SCRIVEN: For those who are not aware of what giant pine scale is, it might be worth reflecting that it is an exotic insect pest that sucks the sap of pine trees and other cone-bearing trees. It typically kills the host tree. Giant pine scale poses a direct threat to both urban forests and Australia's important softwood plantation industry. Controlling the infestation and blocking movement pathways is critical in protecting our surrounding green space amenities across metropolitan Adelaide and the surrounding Adelaide Hills, ForestrySA's commercial plantations in the Mount Lofty Ranges and the timber industry's interests in the Green Triangle region.

Currently, there are no known untreated and uncontained giant pine scale incursions in South Australia. Ongoing surveillance work will continue to focus on early detection and containment of this pest. That work will continue indefinitely statewide.

Mr WHETSTONE: Regarding the outbreak of giant pine scale in the Elliston Reserve and the Hope Valley Reservoir, have those two outbreaks been contained?

The Hon. C.M. SCRIVEN: It is probably worth mentioning that tree removal is considered the only effective way to actually control giant pine scale. The Giant Pine Scale Working Group was formed in May last year in response to the identification of incursions in Hope Valley and in Highbury. The Department of Primary Industries and Regions is providing oversight and technical support to that working group.

ForestrySA's contribution to the GPS control program, from July 2023, has involved undertaking surveillance work, tree removal and processing of tree material on behalf of affected landowners in the interest of implementing a timely response. The tree removal has been restricted to removing infested and immediately surrounding trees, in line with expert entomology advice. There were trees removed, and the tree removal and associated work concluded in April this year.

The processed material is quarantined for six to 12 months and then composted into landscape-grade product. There has been in kind support provided by ForestrySA. PIRSA has facilitated—it was due this month; I am not sure of the exact date—a giant pine scale workshop to document a future response plan to ensure that government and key stakeholders can respond quickly to any future outbreak.

Mr WHETSTONE: Minister, I am not reading into it too far, but have the outbreaks been contained with tree removal? Can you give the committee a bit more of an understanding of how the trees are removed and how they are disposed of without creating risk for any other timber plantation?

The Hon. C.M. SCRIVEN: The technical advice and work has been provided through both PIRSA and ForestrySA. I might hand over to Mr Ryan to discuss the specifics of that process.

Mr RYAN: The trees were removed in typical harvest fashion; that is, felling the trees. Then they have been run through a chipper to mash up that material, and effectively heaped to dry. I understand they have been chemically treated or sterilised as well. That was based on the advice from the entomologists in the working group. That material will sit there now for 12 months and will be monitored during that time. That is the best advice for how to control that pest.

In essence, the pest feeds on the sap running through the tree, so once the tree is cut down the sap stops and dries out and the pest cannot move. They have also ground out stumps in the ground. So it really is heaped-up piles of mulched-up tree remaining now.

Mr WHETSTONE: Is that process a national standard, a state standard or independent? You said that you have had entomologists in there?

Mr RYAN: That is right, based on the best advice we had at the time. I do not believe there is a national standard for doing this.

Mr WHETSTONE: Okay, thank you. Are there any other risks, potentially, to other state forests with a level of undetected giant pine scale that could impact on the day-to-day running of other forests?

The Hon. C.M. SCRIVEN: As I mentioned in my initial response, there is ongoing surveillance work and that continues and that is to ensure a timely response if there are any other detections. It is a pest well-known within the forestry sector as being a significant risk, and that is why this ongoing surveillance work is so important. I might just add that, in terms of plantations, we are currently free from giant pine scale, which is in contrast to Victoria, which has it in its plantations.

Mr WHETSTONE: I go back to the local contractors who have been locked out by larger forest growers. You said that PIRSA will internally complete the investigation. You did say that the cost will be absorbed by the department.

The Hon. C.M. SCRIVEN: Yes, the cost will be absorbed, correct.

Mr WHETSTONE: What work will the initiative involve?

The Hon. C.M. SCRIVEN: It is an ongoing matter for consideration. Earlier on we did write to the ACCC (Australian Competition and Consumer Commission) in regard to some of the arrangements in place to seek assistance. I cannot recall off the top of my head how many pieces of correspondence we had, and certainly from memory that included my writing to some of my federal counterparts about this. It is probably fair to say that the response from the ACCC, both directly back to the small processors association and by the other mechanisms I had engaged in, did not give a lot of assistance in terms of being able to address through the ACCC mechanisms. That I guess was an important piece of work, even though it perhaps has not had the outcomes we would have wished.

Some of the other aspects to consider are, if you like, more nuanced in that there is the interaction between the commercial arrangements and the individual contractual arrangements. It is

something we continue to look at. There has been the proposal that perhaps the small processors could form some kind of cooperative group, which would give them greater bargaining power within the marketplace. To my knowledge, that has not been pursued. Some of the complications around that—we can talk about the small processors, but they are individual businesses with different needs. For example, some might be seeking to access structural-sized logs, others are seeking to have smaller logs that are used for different purposes, so it is not as though there is one holistic block that can necessarily negotiate in a way that a large processor might be able to do.

It is fair to say that there are a number of barriers. We continue to look at ways in which we might be able to support them and, as I mentioned, the master plan process, which includes funding opportunities, may well be one of the mechanisms they can use.

Mr WHETSTONE: With this investigation or work being done internally, is there an ongoing dialogue with industry or are we waiting for this work to be completed before the report or findings will come out with recommendations to the smaller processors?

The Hon. C.M. SCRIVEN: I have met on numerous occasions with the small processors association. The ACCC did approve collective bargaining with ForestrySA in the Mount Lofty Ranges, which is one aspect they can pursue. I am always very open to meetings and meet with most people in the forest industry who request it, as well as with most of the other agricultural and horticultural sectors as we have an ongoing opportunity to share ideas or suggestions, and I am sure that will continue.

Mr WHETSTONE: You are having ongoing dialogue and sharing findings from the internal work that is being done. Will there be a road map that industry will use as a template to deal with the larger processors, or is this just an ongoing slow trickle of discussion and feed into the industry?

The Hon. C.M. SCRIVEN: It is a difficult topic to find a solution to. To pretend otherwise, by either government or opposition, would be inappropriate. It is difficult. We are working in a marketplace where there is supply and demand. There has certainly been very high demand for timber in recent years, notwithstanding that some of that has perhaps come off the boil a little bit with the changes in the building industry. We alluded to some of that earlier in this session.

It is something where, in the sort of economy we have, we do not direct companies to buy or sell to other companies—that is not something that is part of their market economy within which we operate. I say 'we' collectively as South Australians. It is something that we will continue to work with, but to pretend there is an easy solution would certainly be disingenuous.

The CHAIR: The allotted time having expired, I declare the examination of the portfolio of ForestrySA completed. The examinations of the proposed payments for the Department of Primary Industries and Regions and Administered Items for the Department of Primary Industries and Regions are now complete.

Sitting suspended from 13:16 to 14:14.

Estimates Vote

DEPARTMENT FOR INDUSTRY, INNOVATION AND SCIENCE, \$61,613,000
ADMINISTERED ITEMS FOR THE DEPARTMENT FOR INDUSTRY, INNOVATION AND SCIENCE, \$14,842,000

Membership:

Ms Savvas substituted for Ms Clancy.

Ms Hood substituted for Ms O'Hanlon.

Ms Pratt substituted for Mr Whetstone.

Minister:

Hon. A. Michaels, Minister for Small and Family Business, Minister for Consumer and Business Affairs, Minister for Arts.

Departmental Advisers:

Mr A. Reid, Chief Executive, Department for Industry, Innovation and Science.

Ms N. Kilvert, Small Business Commissioner, Department for Industry, Innovation and Science.

Mr C. Marwick, Executive Director, Industry and Workforce Capability, Department for Industry, Innovation and Science.

Ms Diana Tembak, Executive Director, Portfolio Delivery, Department for Industry, Innovation and Science.

Ms K. Calaby, Director, Small and Family Business, Department for Industry, Innovation and Science.

Mr M. Smith, Director, Finance and Investment Services, Department for Industry, Innovation and Science.

Ms A. King, Manager, Corporate Operations, Office of the Small Business Commissioner, Department for Industry, Innovation and Science.

Mr A. Swanson, Chief Financial Officer, Attorney-General's Department.

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

The Hon. A. MICHAELS: Yes, confirmed.

The Hon. D.J. SPEIRS: Absolutely.

The CHAIR: I remind members that all questions are to be directed to the minister, not the minister's advisers. The minister may refer questions to advisers for a response. Questions must be based on lines of expenditure in the budget papers and must be identifiable or referenced.

Briefly, I also advise that if the minister undertakes to supply information at a later date it must be submitted to the Clerk Assistant via the Answers to Questions mailbox no later than Friday 6 September 2024. Members unable to complete their questions may submit them as questions on notice for inclusion in the assembly *Notice Paper*.

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

This estimates committee is for the Office of the Small Business Commissioner, Department for Industry, Innovation and Science. I declare the proposed payments open for examination and call on the minister to make a statement, if she wishes, and to introduce her advisers.

The Hon. A. MICHAELS: Thank you, Chair. I would like to introduce, on my right, our Small Business Commissioner, Nerissa Kilvert. On my left we have Adam Reid, Chief Executive, Department for Industry, Innovation and Science, and Callan Markwick, Executive Director of DIIS. Behind me we have Kathryn Calaby, Director of the Office for Small and Family Business. We have Diana Tembak and Martin Smith, also from DIIS, and we have Ashlee King from the Office of the Small Business Commissioner as well.

I will not make an opening statement, but will allow the leader to ask his questions. However, I do want to thank all the officials not only in preparation for estimates but also for all the hard work that has gone on in the last 12 months, particularly since we launched the Small Business Strategy in July 2023. A lot of work has gone into rolling out the programs and the initiatives that we committed to in that strategy, so I want to thank them all for that work.

The CHAIR: Thank you, minister. I call on the lead speaker for the opposition to make a statement if he wishes, and then we can proceed to questions.

The Hon. D.J. SPEIRS: Thank you, Chair. I do not have an opening statement. I reiterate the minister's thanks to the public servants, the minister and her staff who have been involved in this process.

For my first question—and there are not many budget papers to refer to in this portfolio, so I think this will cover the vast majority of my questions; I will let you know if there is a change—I refer to Agency Statement, Budget Paper 4, Volume 3, page 161, program 2, which has the small business program summary.

The budget papers indicate that the objective of program 2, as outlined on page 161, is 'To support small and family businesses in South Australia to successfully start, operate and grow'. I am keen to understand what definition of small business the Office for Small Business uses when it refers to small business in the budget papers.

The Hon. A. MICHAELS: We have specifically not had a formal definition of small business, because my portfolio also includes family business which, as you are aware, can encompass some larger businesses. Most of the data we are using relates to small businesses, which are 20 FTE or less. When we are referring to, for example, 97.3 per cent of small business being small businesses it is relating to that kind of statistic of FTEs.

We are really making sure those smaller and micro businesses have the support available to them through the Office for Small and Family Business that we set up once we came into government and, as the member is aware, went out and publicly consulted quite broadly to pull together the Small Business Strategy, which he may have questions on shortly.

The Hon. D.J. SPEIRS: Thank you, minister; that is useful. The definition would include businesses, and I guess some of those small businesses would fall into the category of those that pay payroll tax; that is, businesses with a wage bill over \$1.5 million.

The Hon. A. MICHAELS: I could not answer that. I suspect some would, but not very many, on the basis that most small businesses have a turnover of \$2 million or less, and it would be unlikely that their payroll would be anything over \$1½ million on those statistics.

The Hon. D.J. SPEIRS: Minister, have any businesses complained to you about rising payroll tax obligations?

The Hon. A. MICHAELS: I have seen public commentary on it, but, from my recollection, no specific business has approached me, nor in any of my small business visits do I recall that being an issue. Most of our businesses that we visit and engage with are program participants that are at the smaller end.

The Hon. D.J. SPEIRS: Do you know what the average payroll tax bill is for a business?

The Hon. A. MICHAELS: If their payroll is under \$1.5 million, zero.

The Hon. D.J. SPEIRS: That would be accurate. According to the most recent ABS data, wages in small business have gone up over 20 per cent since 2018 when the former Liberal government abolished payroll tax for small businesses, i.e., lifted the threshold from \$600,000 in terms of total wages to the current threshold of \$1.5 million. Do you have a figure, or can you take on notice, on how many small businesses, as in that 20 FTE or under definition, in this state, are now liable for payroll tax because their wages now exceed \$1.5 million?

The Hon. A. MICHAELS: I do not have that information. Payroll tax is administered by the Department of Treasury and Finance so they would be the best placed agency to give you that sort of information, I imagine.

The Hon. D.J. SPEIRS: On page 162, we see that expenses have dropped by 11 per cent from the 2023-24 budget when we look at the figures, if you exclude the River Murray event. Does the minister feel that the 2024-2025 budget does enough for small businesses in South Australia?

The Hon. A. MICHAELS: What I have in front of me, provided by Mr Reid, is some figures in relation to budgets that relate to small business that exclude natural disasters (floods, etc.). What we have at the moment in our total small and family business expenses for this current financial year is \$8.4 million. We then go to \$5.159 million.

In years pre-bushfires and floods, etc., in 2018-19, small business allocation was down to \$2.095 million, and in 2021-22 it was \$3.045 million. So we have effectively doubled the support for small businesses and the programs and the initiatives that we are rolling out I think are quite useful for small businesses. We are certainly getting very positive feedback. So, yes, I am comfortable that the \$14.25 million Small Business Strategy that has been funded is good support for the small business community. Of course, we have the \$20 million Economic Recovery Fund round 2 energy grants as well.

The Hon. D.J. SPEIRS: I have some questions about that coming up.

The Hon. A. MICHAELS: Excellent.

The Hon. D.J. SPEIRS: Firstly, I will give you a reference because this one might seem a bit tangential. Page 162 outlines the number of small businesses provided with solutions to support their growth and competitiveness. Looking at that figure and framing this question through the eyes of the small businesses targeted there, is the minister concerned about the impact that the loss of the \$650 energy rebate—which I know sits with another minister—might have on those small businesses that her portfolio seeks to help, who may have relied on that \$650 energy rebate?

The Hon. A. MICHAELS: No, on account of the fact that the \$325 rebate was announced in the federal budget, so that continues. What we have done is allocate \$20 million from the Economic Recovery Fund to the energy grants, which we expect to support about 8,000 small businesses with grants of up to \$50,000. What that will do is alleviate some of the capital investment up-front for, for example, new equipment that might be more energy efficient but have the year-on-year return on those energy savings, which would have a long-term benefit for businesses in South Australia. We are very pleased to have that energy grant program. The guidelines, I believe, are still being worked on through the appropriate agency.

The Hon. D.J. SPEIRS: Was the Economic Recovery Fund's energy focus established on the basis that the energy rebate was to be wound up from a state perspective? Did the state take an active decision to not do the generic rebate but instead focus effort and funding, which could be quite rightly justified, into the energy upgrades through the economic—

The Hon. A. MICHAELS: Yes, it was a conscious decision of the cabinet to fund the energy grants. On top of that, we have also recently announced the 8.8 per cent reduction in energy prices through South Australia, which is about \$512, as I understand it, for small businesses on their electricity bills. They will get the federal rebate, \$325. Obviously, energy prices are coming down, which is a good thing. On top of that, the longevity of the benefits that will come from the energy efficiency grants I think will be of great benefit to small businesses.

The Hon. D.J. SPEIRS: There has been some concern from small businesses that are within embedded energy networks that they have not been able to access the energy rebate, even though there has been a commitment by the government to create a mechanism for them to be able to do so. Have you advocated to the Treasurer to speed up support for those customers who are within embedded networks, and have you heard from any businesses in regard to that issue?

The Hon. A. MICHAELS: I know businesses have called the Office for Small and Family Business making those inquiries. One of the members of the opposition reached out to me on a particular business. I think the human services department is actually implementing that embedded network process, and that was made available from 29 May this year, so that matter has been resolved.

The Hon. D.J. SPEIRS: I will move on to the Economic Recovery Fund now, which you have already referred to. The financial element of the Economic Recovery Fund is embedded within the Treasurer's budget papers and not your papers, but I assume that because your office is administering it you will be okay with answering questions in regard to this. When did the minister become aware that the Office for Small and Family Business would administer round 2 of the Economic Recovery Fund?

The Hon. A. MICHAELS: Through the budget process.

The Hon. D.J. SPEIRS: Why is the \$20 million grant not reflected in the budget but in the papers for your portfolio? Was that a decision that came later? You have just indicated that that was not the case, but was it a later decision or was this seen as normal?

The Hon. A. MICHAELS: None of the Economic Recovery Fund round 1 has sat with me, neither does round 2. I assume it is in Treasury. Yes, the budget is with Treasury.

The Hon. D.J. SPEIRS: Is this the biggest grant fund that the office has had responsibility for administering?

The Hon. A. MICHAELS: I am advised it is fairly consistent in magnitude with the bushfire and the flood recoveries as well.

The Hon. D.J. SPEIRS: Thank you. The website of the Office for Small and Family Business indicates that the program will be opened in August, and that the program will be administered on a first-come, first-served basis. Does the minister have data—and you have already given a figure—on how many businesses may be eligible to apply for the grant funding, and where was this figure derived from?

The Hon. A. MICHAELS: Treasury, and presumably DIIS as well, have been working together on this and extracted data from SA Power Networks which indicated that there are about 94,000 electricity customers that fit into that definition of being a small business electricity customer that we would see in the guidelines that are coming out. From that, we have extracted a figure primarily through Treasury of estimating about 8,000 eligible small businesses might have access to it.

The Hon. D.J. SPEIRS: Which minister will be responsible for approving the eligibility criteria for the grants, yourself or the Treasurer?

The Hon. A. MICHAELS: The Treasurer.

The CHAIR: I think that is a good point to remind members to ask questions specifically relevant to this portfolio.

The Hon. D.J. SPEIRS: I think the minister is okay with these questions. It is a hard one. I am not trying to be a pain or a pest or anything. It is sort of a program which falls between the two ministers.

The Hon. A. MICHAELS: I will do my best.

The Hon. D.J. SPEIRS: I am not trying to catch anyone out. The website suggests that applicants will be able to apply for grant funding of \$2,500 up to \$50,000 in match funding. Will funding be quarantined into various categories to ensure that the smaller businesses seeking a smaller funding contribution will not be disadvantaged?

The Hon. A. MICHAELS: It will be on a first-come, first-served basis, so we would hope anyone who is ready to make that application at the end of August when it comes online will do so. The website, as you may be aware having looked at it, does have an ability to register your interest.

The Hon. D.J. SPEIRS: Pre-register.

The Hon. A. MICHAELS: To pre-register—and the Office for Small and Family Business will then communicate with those registered businesses.

The Hon. D.J. SPEIRS: Is it for small businesses, as per the previous definition, or is access across all businesses in the state?

The Hon. A. MICHAELS: We are looking at businesses that have an energy consumption of less than 160 megawatts of electricity per year and hold an ABN and operate in South Australia.

The Hon. D.J. SPEIRS: Minister, this is the last question on this one. In terms of administering this within the resources—which are obviously constrained as resources always are—within the constrained resources of the Office for Small and Family Business, will you be bringing on more staff to deal with this or will staff be seconded from other agencies, such as the Department of Treasury and Finance, to administer this program, or will it be administered from within your existing resources?

The Hon. A. MICHAELS: I am advised there will be four additional staff to administer that grant program to assist the Office for Small and Family Business.

The Hon. D.J. SPEIRS: So those are not seconded staff, those are just additional FTEs?

The Hon. A. MICHAELS: Additional FTEs.

The Hon. D.J. SPEIRS: I will move on and refresh the budget line that I am referring to, which is Agency Statements, Volume 3, page 162, under 'Program summary—income, expenses and FTEs'. Minister, the expenses for employee benefits on page 162 have decreased from \$2.81 million to \$2.497 million between the 2023-24 financial year and the new financial year for 2024-25. Is this reduction in employee compensation because you are no longer administering the programs around the River Murray flood event or is the reduction for another reason?

The Hon. A. MICHAELS: I am advised it is because of the flood event.

The Hon. D.J. SPEIRS: So the employees associated with that are no longer there?

The Hon. A. MICHAELS: They are no longer there, yes.

The Hon. D.J. SPEIRS: Does it include the step-up of the four FTEs for the administration of the Economic Recovery Fund?

The Hon. A. MICHAELS: I am advised that it does not at this point.

The Hon. D.J. SPEIRS: Okay, so that will be a revision, no worries, thank you. Are you able to advise how many small businesses were assisted in the 2023-24 financial year as a result of the River Murray flood event?

The Hon. A. MICHAELS: Across the various programs, early on we had the Business Early Closure program, which 110 were approved under. That was \$1.77 million that was approved. We had the Generator Grants for power shut off. We had 334 applications approved and \$541,522 was approved to be paid. We then had the Industry Support Grants. We had 149 applicants approved and \$1.49 million approved to be paid. Regarding the Flood Recovery Grants, 29 were approved and that was a total amount approved of \$922,196. So there was \$4.7 million under those programs in total.

The Hon. D.J. SPEIRS: The 2024-25 financial year budget highlights the Women in Business Program on page 161. How will you ensure that this program does not just become a program that ticks a box but actually delivers tangible support to female business owners and entrepreneurs?

The Hon. A. MICHAELS: It is one program that is absolutely providing concrete support for women operating their businesses. It builds strong foundations with their business knowledge and their skills and building their networks. There are a number of arms to it. The Women in Business Foundations Program is being run at the moment from the Adelaide Business Hub. As at 31 May 2024, we have had 1,348 participants register for that program since inception. The other element is the Women in Business Program, which is for the more entrepreneurial higher growth businesses, with 76 participants through the program up until 31 May 2024. It is a 12-month program for about 37 or 38 women each year.

The Port Adelaide Football Club program was a networking program and \$50,000 went to the Port Adelaide Football Club. We finished that program at the end of April. We have the Connecting Women in Business program, which is again networking and skills development-based,

with a number of providers. We have had over 600 women participate in that. Not in my bucket of money but in the Deputy Premier's bucket of money is something that I think is very much needed, which is the Fearless Innovators Grants as well, which has only just launched.

What we will be doing and are doing is getting feedback from the participants through the program delivery partners, and we will be measuring what the benefits are that are coming through from those. But I am definitely hearing very much firsthand an overwhelmingly positive response from the participants, and certainly from the mentors as well, who are engaging in the programs.

One of the key factors coming through, particularly with the foundations program, is from the mentors describing a lack of business fundamentals skills, which they are able to provide to that mentored person, particularly around marketing and cash flow management and digital presence. They are among the more popular mentoring requests that are being received through the foundations program.

We are certainly seeing a lot of positives coming from the program. We are certainly seeing a lot of program participants going out and telling their networks to engage in the program, and that is why we continue to see increasing numbers engaging through all of the Women in Business Program elements.

The Hon. D.J. SPEIRS: Thank you. I do not want it to be seen that if I ask questions about particular programs I do not support them. That is quite far from the case. Minister, you referred to the Port Adelaide Football Club program. Can you tell us a bit more about that one?

The Hon. A. MICHAELS: Yes. It was, as I said, a \$50,000 program. It was a 12-month partnership. There were a range of networking events and development opportunities provided. For example, there were sessions that focused on the legal landscape and what a business owner needs to understand in terms of their legal obligations when they are setting up or scaling up a business. There was a session on digital detox, which I personally found quite useful. I failed in implementing all of the tips of that workshop, but I found it useful. Work-life balance was another key topic, and redefining success as a female business owner was another topic. So there were a range of workshops provided with expert speakers down at the Port Adelaide Football Club.

The Hon. D.J. SPEIRS: Was it just located at Port Adelaide Football Club, or did the club have specific involvement in that?

The Hon. A. MICHAELS: The club was the program partner.

The Hon. D.J. SPEIRS: Going back to the Women in Business Program more broadly, can you tell us how many female business owners and entrepreneurs have been assisted and if you know if those individuals have gone on to establish ongoing small businesses, or did they have to already have a business to participate? Sorry, I have asked that question in a mangled way, but we will work through it.

The Hon. A. MICHAELS: They are existing business owners. They might be very early on in their business journey, but they are existing business owners, and we have had up until the end of May over 2,000 women participate in various parts of that program, which I would say—

The Hon. D.J. SPEIRS: That is quite a large number, yes.

The Hon. A. MICHAELS: —is a very successful program.

The Hon. D.J. SPEIRS: I would agree.

Membership:

Mr Odenwalder substituted for Ms Thompson.

Chair:

Mr L.K. Odenwalder.

The Hon. D.J. SPEIRS: How many businesses were assisted in cyber capability in the 2023-24 financial year, and what is the target for the same activity in the forthcoming financial year?

The Hon. A. MICHAELS: As at 31 May 2024, we have 69 participants registered for the program and involved in the program. We have a target of 100 in total, so we are a good way there. That program has been run through the Australian Cyber Collaboration Centre.

The Hon. D.J. SPEIRS: Given the number of businesses in this state, minister and, again, not criticising, is 100 maybe not ambitious enough and, also given that cyber capability and the risks associated with that are quite great in the current era, is this something that could be more ambitious in the future? Is it something that the Office for Small and Family Business, and yourself, would like to see grow?

The Hon. A. MICHAELS: I certainly would like businesses to have a greater focus on their cyber risk. The federal government runs various programs, including a Cyber Wardens program, that was funded in previous budgets and I think extended in this budget. We are making sure that we are engaging with as many businesses as possible. The Cyber Uplift Step Program is a fairly intensive, I think, 12-month program, so we would expect smaller numbers than say, for example, the Cyber Wardens program that is run by the federal government, which I would describe as a lighter touch program.

Some of the things we did hear very loudly from the consultation on the Small Business Strategy were in two particular areas where businesses understood they needed to focus, but for various reasons—time, money and other factors—they expressed that they were unlikely to focus on. One of those is cyber and the other one is sustainability. That is why they are two key themes in our Small Business Strategy, to try to get as much involvement from small businesses to uplift their skills and their business programs and their technology to make sure that they are cyber ready, and minimising their cyber risk as much as they can.

The Hon. D.J. SPEIRS: I guess you have touched on this a little bit in your answer, but I am quite keen for a bit more information in terms of what the program assistance looked liked through the cyber capability work. Has there been feedback from the small businesses involved and, if so, what was the feedback?

The Hon. A. MICHAELS: The Cyber Uplift Step Program, as I mentioned, is run by the Australian Cyber Collaboration Centre at Lot Fourteen. The businesses that are involved receive one-on-one advice from cyber professionals from within the centre and access to the centre's learning management system providing training on essential cyber mitigation strategies. There are face-to-face and hybrid workshops with cyber professionals on specific subject areas, and again, that is tailored to each particular business. There is, I guess, an interview process at the start of the program to find out exactly what each business requires.

It provides for a 12-month affiliation membership with the Cyber Collaboration Centre and access to various networking events that are tailored to small businesses. It is, as I said, a fairly intensive 12-month program and particularly tailored to each small business to make sure that they are getting value out of it for their particular businesses.

The Hon. D.J. SPEIRS: Page 161 refers to, as a highlight, for the current financial year 2023-24, the participation in Small Business Week and the agenda of events undertaken in this state. Has your office's involvement in that been evaluated to understand whether there were concrete metrics or outcomes from the events and the activities undertaken?

The Hon. A. MICHAELS: Yes, for Small Business Week—which we held I think from 29 April through to 3 March—there were various programs and an expo day on the Thursday, from recollection. We had various programs throughout metropolitan Adelaide and we also had five regional areas covered by Small Business Week, and we had online content and various activities throughout the week. We had over 1,400 registrations from businesses across Small Business Week. Again, it was very much a popular new addition to the small business offering from the state government.

There was a Women in Business immersive learning day as well, on the Friday, which I understand went quite well. I was there in the morning. I did not make it through the whole day, but

I understand there was a lot of very good information gathering that day by those female business owners. We did cover the entirety of the state in some way, shape or form and tried to get as many businesses involved as possible, and those 1,400 registrations I think indicate the popularity of it.

The expo day was fully subscribed. There was a waiting list for the expo day, which was on the Thursday. We had Alan Kohler as our keynote speaker, and then we had workshops on various topics throughout the day, which businesses engaged with. The department is engaging with the program participants and program partners to make sure they are seeking evaluation going forward. I look forward to Small Business Week again next year.

The Hon. D.J. SPEIRS: Are you able to advise the committee as to how much was spent on publicity and advertising for Small Business Week?

The Hon. A. MICHAELS: The entirety of Small Business Week was a quite modest \$150,000 sum. We may take the advertising component on notice.

The Hon. D.J. SPEIRS: Thank you, minister. That is your first question taken on notice. That is much better than the other committees I have been part of. Minister, I think you already gave a figure, but how many small businesses attended and how were they invited?

The Hon. A. MICHAELS: There were 1,400 registrations throughout Small Business Week, invited through a range of mechanisms. The Office for Small and Family Business has a newsletter, and we also had our program partners—various industry associations that partnered with us—spreading the word as well, so we did get good engagement with Small Business Week.

The Hon. D.J. SPEIRS: Minister, on page 161 sustainability measures for small businesses are included in the 2024-25 targets. What is seen by your office in terms of the definition of 'sustainability measures', and how will that impact be rigorously measured and reported?

The Hon. A. MICHAELS: Our Small Business Sustainability Support Program that is on the market at the moment is being rolled out by a South Australian company called 2XE. You may know of it. The program is being jointly funded by the Department for Environment and Water. I thank the Deputy Premier for that assistance. It really is aiming at building skills and capability around ESG, achieving net zero, the circular economy and other sustainable business practices. It has only just recently commenced, and the first workshop was run through Small Business Week.

There will be workshops as well as part of that program to make sure there are tailored solutions for small businesses. What we are hoping to do is actually use that mechanism to make sure that those businesses are aware of the energy grants as well, which may help them implement some of those measures.

The Hon. D.J. SPEIRS: I might move on to the flood event, which is referred to throughout the budget papers. On page 161 the budget paper mentions ongoing support for businesses affected by the River Murray flood event. Can you outline what ongoing support looks like?

The Hon. A. MICHAELS: The reference you are alluding to, leader, is in the highlights for the 2023-24 financial year. It certainly was a focus for the 2023-24 financial year. Going forward, those businesses of course are able to access various programs, including the foundation's program, which I think is critical in terms of cash flow management, risk minimisation and other areas covered by the program.

The Hon. D.J. SPEIRS: The budget shows a \$2 million decrease in total expenses in the 2023-24 estimated result, compared with the 2022-23 actual. This is primarily due to the closure in the 2022-23 financial year of the Power Shut Off—Generator Grant and the Early Business Closure Grant program. How many people and businesses were assisted by this program, and are there still people remaining to receive acquittal of that or financial support?

The Hon. A. MICHAELS: Which program, sorry?

The Hon. D.J. SPEIRS: Either the generator or the business early closure.

The CHAIR: Can the leader indicate which page he is on?

The Hon. D.J. SPEIRS: We were talking before you arrived, Chair, about the fairly minimal number of options for this committee.

The CHAIR: Nevertheless, it needs to be in there.

The Hon. D.J. SPEIRS: It is page 162, the last paragraph before the performance indicators paper.

The Hon. A. MICHAELS: For the generator grants and the early business closure, many were processed I guess in the 2022-23 financial year, and closed early on in the 2023-24 financial year. For the early business closures we had 110 approved and for the generator grants 334 approved. There are no outstanding applications for those two programs.

The Hon. D.J. SPEIRS: If I move back to page 161, you have the reference there to launching South Australia's Small Business Strategy 2023 to 2030. Who comprises the small business reference group that helped inform the development of South Australia's Small Business Strategy?

The Hon. A. MICHAELS: I do not have this list with me, but it is an across-government reference group with various agencies that interact with small business being involved in that.

The Hon. D.J. SPEIRS: Does it have small business people on it?

The Hon. A. MICHAELS: There are government agency representatives on that. We obviously undertook a fairly extensive consultation across small businesses across the state when we developed the Small Business Strategy. We had 21 round tables across the state in various regional and metropolitan areas, and we had various round tables that were sector or industry specific. We had a YourSAy survey with over 1,000 responses to that, and we had some in-depth interviews with key industry stakeholders, so we very much engaged with small businesses to develop the strategy and industry associations that all gave us their feedback into developing that strategy.

We landed with a strategy that goes until 2030, which has six key themes within it: strengthening business capability; building skills and workforce; navigating the digital environment was the third theme; boosting business sustainability; embracing diversity; and improving access to government services. They were the six key themes that came out of the strategy, very much guided by what small business wanted from state government. From that, we identified 20 initiatives that would be implemented from when the Small Business Strategy was launched in July last year through to 2026, and I think 19 of the 20 identified have commenced, so we are a long way ahead of where we were hoping to be.

Just to confirm, the reference group is about implementing the strategy rather than feedback to formulate the strategy.

The CHAIR: The allotted time having expired, I declare the examination of the Office of the Small Business Commissioner and the Department for Industry, Innovation and Science complete. The examination of the proposed payments for the Department for Industry, Innovation and Science and the administered items for the department are now complete. Thank you to the minister's advisers.

ATTORNEY-GENERAL'S DEPARTMENT, \$144,739,000

ADMINISTERED ITEMS FOR THE ATTORNEY-GENERAL'S DEPARTMENT, \$103,603,000

Membership:

Hon. D.G. Pisoni substituted for Mr Patterson.

Mr Teague substituted for Hon. D.J. Speirs.

Mrs Pearce substituted for Mr Brown.

Minister:

Hon. A. Michaels, Minister for Small and Family Business, Minister for Consumer and Business Affairs, Minister for Arts.

Departmental Advisers:

Ms C. Mealor, Chief Executive, Attorney-General's Department.

Mr A. Swanson, Chief Financial Officer, Attorney-General's Department.

Mr M. Dengler, Principal Policy Officer Attorney-General's Department.

Mr F. Stroud, Acting Commissioner, Consumer and Business Services.

Ms R. McPhail, Director, Customer Service and Transformation, Consumer and Business Services.

Ms E. Sims, Acting Director, Regulation and Advice, Consumer and Business Services.

Mr A. Shirole, Manager, Finance, Governance and Reporting, Consumer and Business Services.

The CHAIR: Welcome back, minister. Of course, we have the same minister with her Consumer and Business Services hat on. The proposed payments are open for examination, and I call on the minister to make a further statement, if she wishes, and/or to introduce her advisers.

The Hon. A. MICHAELS: Thank you, Chair. I would like to introduce the advisers around me for the second year in a row. I have the Acting Commissioner, Mr Fraser Stroud, with me on my right, and on my left is Mr Andrew Swanson, Chief Financial Officer of AGD. Behind me I have Emily Sims, Matthias Dengler and Rita McPhail, all from CBS.

I will not make an opening statement, but I would like to acknowledge the contribution of former commissioner Mr Dini Soulio over a number of years for CBS. I want to very much thank Mr Fraser Stroud for his support in recent months, particularly with another round of estimates. I want to acknowledge Mr Martyn Campbell, who will commence in his new role as commissioner later this week. I also want to thank all the department people, particularly behind me Emily Sims, who have done an extraordinary amount of work with a lot of reform happening in the consumer and business services area.

The CHAIR: Thank you, minister. Member for Heysen, I assume you are the lead on this. Do you have an opening statement?

Mr TEAGUE: Thank you, Chair; no opening statement. I will just get to the questions. I have five topics, and if I do not get to all five it will be through lack of time. First is the Casino investigation and related matters, second is Aboriginal associations or associations in respect of Aboriginal communities, third is building industry matters, fourth is tobacco and vaping, and the fifth is gambling revenue—not necessarily in that order. It is all pretty much Budget Paper 4, Volume 1, at pages 46 and 47. There are a couple of other references along the way.

I will start with the Casino investigation, Budget Paper 4, Volume 1, at page 46. Perhaps the first dot point of CBS aims at about point 2 or 3 on the page. I understand Brian Martin AO KC's investigations recently restarted. When can we expect that to be completed and then published?

The Hon. A. MICHAELS: We are expecting, by the end of December this year, that investigation to be completed.

Mr TEAGUE: Will that be tabled then, once completed?

The Hon. A. MICHAELS: It is a report to the commissioner and I—

Mr STROUD: That should be reported to the minister and then it will be referred to the licensee, which would obviously be SkyCity.

Mr TEAGUE: So will it be published when completed?

The Hon. A. MICHAELS: We do not expect it to be so, particularly in light of the confidentiality provisions in the Casino Act at section 19.

Mr TEAGUE: Can we expect the government to have something to say about it at the time that it is completed?

The Hon. A. MICHAELS: I would expect the commissioner and I will have something to say at that time.

The CHAIR: Sorry to interrupt your flow, member for Heysen. Could I just ask that you be aware of your directional mics. It is very hard to hear both you and the minister. It is quite difficult to hear.

Mr TEAGUE: I will.

The CHAIR: It could be me, but I am trying to help Hansard.

Mr TEAGUE: In the same vein, when does the government plan to proceed with the legislation to increase casino penalties? My understanding is that was announced and then in pretty quick succession introduced into the parliament at the beginning of May with some urgency. Has that urgency dissipated or is there a plan still to progress with that?

The Hon. A. MICHAELS: There is very much a plan to progress with that. It is obviously on the *Notice Paper* to be proceeded with, I would hope, very soon after the winter break.

Mr TEAGUE: But no particular change of circumstance since introduction?

The Hon. A. MICHAELS: Not at all, no. We are very keen to see that progress.

Mr TEAGUE: In relation to Aboriginal incorporated associations that are involving or are for the benefit of Aboriginal communities, how many Aboriginal or Torres Strait Islander groups are governed by associations that are incorporated under the Associations Incorporation Act?

The Hon. A. MICHAELS: I am not sure we could answer that. I am not sure that is indicated when an association applies to become an incorporated association, so I am not sure we have that data.

Mr TEAGUE: An example is the Davenport Community Council Incorporated. It is that kind of association that I have in mind. I understand it might not be as simple as a check-box point to identify. Is there any kind of data that the minister could assist the committee with in terms of the number or range of such organisations?

Mr STROUD: I think we would have to take that on notice, Mr Teague, in terms of getting you that information. We incorporate in excess of 20,000 associations. We need to try to ascertain whether there is a manner in which we can seek to clarify whether such an association is based upon Aboriginal or Indigenous association.

Mr TEAGUE: So there is actually nothing that would indicate the nature of an incorporated association in connection with an Aboriginal community unless and until that is unpacked, on the basis of the interests of those involved?

The Hon. A. MICHAELS: That is right. I have been on the other end, applying for incorporated associations. I do not recall any sort of question—of course, the acting commissioner would know—when you are applying to be incorporated as an association that would lead us to be able to have that information.

It is very different from, for example, if you are incorporated under the CATSI Act, the federal act, obviously. To be incorporated under the CATSI Act you would need to have that Indigenous connection, but under the Associations Incorporation Act there is nothing specific in the legislation that tackles First Nations associations.

Mr TEAGUE: And nothing, therefore, that provides CBS with any crossover data. You just need to deal with what comes?

The Hon. A. MICHAELS: Yes. If there is anything, we are happy to take that on notice, but I do not believe there is.

Mr TEAGUE: I could refer to circumstances in Nepabunna. I have referred to the Davenport community just now. It is a matter I put to the Minister for Aboriginal Affairs last week. The minister has written to a member of the Davenport community saying, 'The concern you raise about governance in the community is related to an incorporated association, so it's not a matter for the Minister for Aboriginal Affairs', even though it is in circumstances where an Aboriginal Lands Trust controlled area is then subleased to the incorporated association and the matter is referred holus-bolus to the minister and to CBS. Is it the case then that those referrals, or matters that are coming up from time to time in that space, are just ad hoc; there is no common connection, therefore, in terms of the data or response from CBS?

The Hon. A. MICHAELS: No, they are ad hoc. If there are allegations of breaches of the Associations Incorporation Act, the commissioner will investigate those alleged breaches and provide assistance where the commissioner can.

Mr TEAGUE: Are there any relevant governance supports that CBS is providing presently, and is there any other form of proactive assistance that has arisen from reports in relation to governance where an individual incorporated association is involved? I have in mind DCCI at Davenport, but it may be that there is a general response to the question in relation to proactive supports for incorporated associations.

The Hon. A. MICHAELS: The acting commissioner might want to answer that.

Mr STROUD: Yes, certainly, Mr Teague. In terms of those circumstances that you raised, obviously it is dependent on the nature of the allegations that are brought against a particular association in terms of how CBS responds to perhaps investigating potential breaches under the Associations Incorporation Act.

To your question in terms of support, there is certainly a support network that is in place from CBS. Clearly, if there are circumstances within the nature of the act itself, it is very much an act that is trying to seek and provide support to an association if they are finding there are difficulties in relation to activities that are taking place. That is the way the act is written and founded.

From our perspective, it is a situation where we have on occasions, and we have very recently, been involved in attending events, such as ensuring an annual general meeting is held and the nature of those meetings and the election of people as board members to such committees. So it is very much a proactive approach that is taken from CBS to try to assist an association if there is a sense that they are in some way failing at that particular time.

Mr TEAGUE: I am still at Budget Paper 4, Volume 1, page 46. I refer to targets 2024-25 and the first dot point there, at about point 6 or so on the page. It is a primary target of CBS to provide assistance to consumers seeking to resolve disputes with traders on building industry issues specifically. Can the minister indicate to the committee how many reports, disputes, complaints and notices have been made to CBS in 2023-24 regarding home construction matters where there has been a delay or lack of progress, or works are undertaken but they are materially defective?

The Hon. A. MICHAELS: I can give you some broad numbers on inquiries on domestic building issues for the last few years. In this current financial year 2023-24, there have been, until the end of May, 3,945 calls and inquiries on domestic building matters and we are projecting 4,273 for the full financial year. That then leads, potentially, into seeking conciliation assistance and so for the 2023-24 year, the current year that we are in, we have had 417 consumers seeking conciliation assistance. We are projecting that figure to be 452 by the end of the financial year.

If we go back to the year prior, 2022-23, we have had 4,075 calls and inquiries. Obviously it jumped slightly in the current financial year. The number of consumer complaints seeking conciliation assistance was 376, again, a slight increase this year. We obviously then have allegations of breaches of the Building Work Contractors Act coming through. In terms of numbers of complaints on that, for the current financial year up until 31 May, 1,496 with a projection of 1,602 by the end of the financial year. In 2022-23, alleged breaches were a total of 1,155 in that previous year, and lower numbers in the two years prior to that.

Mr TEAGUE: Is there anything in particular to which the minister would attribute that spike in complaints about building companies?

The Hon. A. MICHAELS: Some of the issues that we see around the construction industry are that we are seeing issues on staff, workers and seeing a number of building companies expressing concern about finding workers. We obviously had delays through COVID and through HomeBuilder in terms of supplies that were affected. That is still flowing through the system for some of those older contracts. So there has been a range of delays. There are disputes around payments. Of course, people are feeling cost-of-living pressures as well as they are building their homes so are more likely to have disputes around payments and warranty defect claims as well.

Mr TEAGUE: Is the minister observing and, if so, is the minister concerned that there are construction companies and trades that are both struggling to complete existing builds but then taking on fixed-price contracts with consumers? Is there anything that might be done about that as well?

The Hon. A. MICHAELS: We obviously have in the budget, and the member would be aware, an additional \$1.1 million over the next two years, 2024-25 and 2025-26, to deal with building industry issues. What we are hoping is for those additional resources to provide assistance to consumers to resolve their building disputes and provide more resources in terms of conciliating building disputes between consumers and traders.

We are also using some of that resource to assess complaints on breaches of the Building Work Contractors Act and ACL breaches as well, and investigate any allegations of serious breaches with a view to commencing prosecutions if that is the case. So there are additional staff being committed to in this budget, which will assist with that.

We are also further undertaking work in terms of a review of the building and construction industry with a discussion paper due out shortly, looking at a wholesome review of building and construction industry issues that have been brought to us by industry. Some of those issues have been raised by the commissioner and acting commissioner in recent times so we will certainly be working on making improvements to the building and construction industry regulation, but also being able to support consumers in any disputes that they are having with their builders.

What we are seeing now is certainly an easing off of the substantial price increases that we had seen over HomeBuilder. Building industry associations and building companies have expressed that to me, that that substantial increase in price and therefore the pressure of those fixed price contracts through HomeBuilder has certainly eased, but with labour shortages and cost-of-living pressures, both building companies and consumers are facing those sorts of pressures.

Mr TEAGUE: I think the measure the minister has described is Budget Paper 5 at page 9 and I think that is also narrated at page 47 in terms of that \$600,000 investment. How many instruments of agreement have been negotiated by CBS? How many have resulted in the successful completion of home construction and how many of those have failed or otherwise not achieved the desired result?

Mr STROUD: I can indicate that there have been 462 conciliations involved in disputes between consumers and builders. That is between July 2023 and May 2024. But in terms of giving you an indication of instruments of agreement, I would have to take that on notice, I am afraid, Mr Teague.

If I can just add to what the minister commented upon earlier, just to give an indication of the scope of the work that is involved by CBS, we licence 23,000 building work contractors, 6,000 of which are licensed companies and 17,000-plus are licensed individuals, so it is a substantial task for us. What I can say, as the minister has already indicated, is that the percentage uplift in terms of complaints we have had in relation to builders, has obviously had a very big impact on the resourcing of CBS, so the additional funding is very welcome in that regard.

To your question, Mr Teague, in relation to what CBS is doing in terms of moving forward about contracts in relation to builders with current entities, we obviously are facilitating business processes to protect consumers. We have a building triage committee that meets on a weekly basis based on the intel we are receiving and other factors we do by way of desktop searches to try to identify builders who may be in any sort of financial difficulty to have conversations with them.

Ultimately, from our perspective, we do on occasion then seek to obviously meet with such entities and on occasion then consider whether or not it is appropriate to impose a condition which will then prevent that building entity from entering into new contracts in order to try to protect consumers from parting with deposits and the like.

The Hon. D.G. PISONI: I refer to Budget Paper 4, Volume 1, page 46, objectives, the first dot point halfway through the paragraph. It is about complaints of contractors and builders, fair trading and the Australian Consumer Law to ensure fairness of practice and harm minimisation and protect and enhance public trust.

Yesterday, I was contacted by an 80-year-old constituent who had a leak in her home. She got Metropolitan Plumbing to come and they were there for two hours and she received a bill and unfortunately paid a bill for \$2,490 plus GST. Once the children saw it, they were obviously outraged at the process. I understand that this is a frustration of the Master Plumbers Association as well. How many of those complaints that you referred to earlier have been from companies like Metropolitan Plumbing?

If you go to websites and social media, you will see there is an alarming number of complaints about the prices and the work that is done. In this instance, the description was to conduct a visual and audio digital water leak investigation for up to one hour, \$1,790, and a camera location to inspect a sewer drain, one hour, \$890. How many of those types of complaints do you get and what, if any, support are consumers given to rectify this situation?

It seems to be happening in suburbs like—in this instance it was Hyde Park. Fullarton is another suburb where that has happened in my electorate in recent times and I had to deal with it. What are the options for people who feel that they have been either intimidated into paying that money or have been bullied into having the work done? In this instance, after spending the money, they were not even able to identify where the leak was.

The Hon. A. MICHAELS: I am well aware of concerns expressed by some consumers on Metropolitan Plumbing, and I know CBS has been dealing with that particular business or businesses in various forms. I am not sure what the acting commissioner may be able to add to that or not, but of course if you have a constituent who has experienced anything like that, I certainly encourage you or your constituent to get in touch, either through me or directly, with CBS to provide—

The Hon. D.G. PISONI: It is with CBS now. Yesterday, that was sent on by Master Plumbers.

The Hon. A. MICHAELS: Excellent. So I take it that CBS—

The Hon. D.G. PISONI: But I think it is more than just one instance.

The Hon. A. MICHAELS: It is more than one. I do not know what the acting commissioner can or cannot say on that particular organisation.

Mr STROUD: I think it is fair to say in relation to any constituent who has a concern regarding any activity, whether it be a plumber or otherwise, that first and foremost they should contact CBS to have a conversation with an adviser there in relation to the activities that have taken place. That is very much a situation where we try to seek to use the conciliation process if that is deemed appropriate.

To be clear, having the conciliation process in terms of trying to engage with the trader as well as the consumer to try to come to a common ground as to what has happened in relation to matters is one activity. Secondly, if we feel there are any particular breaches in relation to any obligation—for example, in relation to Australian Consumer Law in that sort of instance—then we would obviously look at that from a compliance and enforcement perspective.

The entity you refer to has very much been in the public eye in the past. I think it is fair to say there has been, I believe it was, an episode of the *A Current Affair* television program which aired in relation to Metropolitan Group. I think over and above that what I can say is that as the minister has indicated we are very much aware of this entity and, without disclosing too much detail, there are more than one complaint, and there are more than one complaint and not only in South Australia.

The Hon. D.G. PISONI: So, minister, would you advise that people who find themselves in that situation should not pay the bill and contact Consumer and Business Services before they take any action?

The Hon. A. MICHAELS: We very much encourage consumers to get multiple quotes from licensed builders for any work that needs to be done. Getting those multiple quotes ensures the consumer is aware of what the lowest price is and enables them to make accurate decisions on their finances.

The Hon. D.G. PISONI: I am actually talking about when people receive a bill like this, what is your advice? Should they pay it and then contact CBS or should they not pay it and contact CBS?

The Hon. A. MICHAELS: I cannot give legal advice on whether or not there has been a contract formed and whether that payment obligation has arisen. I will not give legal advice, but CBS is available to provide advice to consumers in those situations.

Mr TEAGUE: I might just make particular reference to Budget Paper 4, Volume 1, at page 60 and the table there, 'Additional information for administered items for the Attorney-General's Department—Statement of cash flows'. Below that is operating activities, cash inflows and taxation, and the first sub-line under taxation is 'Gambling—contribution from gaming machines'. There is an estimated result for 2023-24 of \$420,139,000. On my maths that is \$18,185,000 or so over the anticipated revenues from gaming machines for the year. Why is that? Why the significant increase over budget?

The Hon. A. MICHAELS: Any of those sorts of questions I think need to be directed to the Treasurer. They manage those revenues going into Treasury directly rather than anything that I have the ability to—I cannot answer those questions.

Mr TEAGUE: I am assisted by the answer in that I am conscious that this is an amount that is excluding about \$200 million that is betting operations tax, lotteries, casino operations—about \$200 million or so that is specifically within the Treasurer's remit, and I think that is set out at Budget Paper 4, Volume 4, page 168, so there is that that is within Treasury. The minister's answer is interesting in the sense that I was about to draw the comparison to a sort of relatively parsimonious amount that is available to CBS to do the sorts of investigative work against this large contribution of taxation of gaming machines. Just how exactly, therefore, is that revenue managed if not—is it just flowing directly to Treasury and nothing to do with CBS at all?

The Hon. A. MICHAELS: That is correct.

Mr SWANSON: I will just add that that flows through, as it says at the top of the page, the administered items for the department, so it is basically flow-through revenue. It is collected by CBS and then it is paid over to Treasury to consolidated account.

Mr TEAGUE: I suppose the question might be: why does it not appear in the Treasurer's part of the budget papers in terms of them being able to give an answer as to where the level of that revenue is? Why is it appearing in AGD?

Mr SWANSON: As I said, I think it is appearing here in that the collection of the revenue itself is undertaken by CBS and then it is passed on directly to Treasury to consolidated account. The estimates you are seeing there and the budgeted amounts that are factored into the budget are amounts that are driven by Treasury themselves. We are acting as a bureau, if you like, to collect that revenue on their behalf and, therefore, they would be able to explain some of the unders and overs with it.

Mr TEAGUE: So the minister is unable to indicate where the number for 2024-25 comes from either and why that has, again, significantly increased to \$427 million?

The Hon. A. MICHAELS: I do not have that information. I think we have seen national trends of increases in gambling revenue but I do not have any information on those specific budgeted items.

Mr TEAGUE: Is there any indication that the minister can give from a CBS point of view as to how much additional gambling quantum that amount of taxation represents? We know that the revenue taken from gambling machines is on a graded basis. Is there anything in terms of CBS's

monitoring and analysis that can allow the minister to give an answer as to how much additional gambling relevantly those figures indicate?

The Hon. A. MICHAELS: I am advised that, no, we do not.

Mr TEAGUE: Nothing at all?

The Hon. A. MICHAELS: No.

Mr TEAGUE: Is there any capacity for the minister, therefore, to give an indication to the committee about a breakdown by venue or suburb or region? Is that within any part of CBS's responsibility?

Mr STROUD: We would be able to look towards what the actual net gaming revenue is towards certain venues, so we could seek to try to work out whether they can be correlated to particular areas, if that is what the nature of the question is.

Mr TEAGUE: Can you take that on notice?

Mr STROUD: Yes, we can.

Mr TEAGUE: How many gaming machines are there in South Australia at present?

The Hon. A. MICHAELS: Some 13,000 and something, but we will get a figure. It is in the order of 13,000.

Mr TEAGUE: Can the minister indicate to the committee the total amount that has been gambled through gaming machines in 2023-24?

The Hon. A. MICHAELS: Can we take that on notice as well.

Mr TEAGUE: What amount of gaming machine revenue is from gaming machines within the Casino licence?

The Hon. A. MICHAELS: Again, we can take that on notice.

Mr TEAGUE: Thank you. In terms of the Casino specifically, what taxation applies to gambling revenue that is raised by the Casino licensee through means other than gaming machines? Is it entirely caught by the category I mentioned earlier that is within the Treasurer's portfolio? This is Budget Paper 4, Volume 4, page 168. How much such revenue is there?

The Hon. A. MICHAELS: That is within the Treasurer's realm. I do not have that information. I can advise that net gaming revenue figures are reported in the Auditor-General's Report, which will come out later in the year. That is in terms of net gaming revenue, but in terms of the Casino-specific question I am not sure I am able to answer that, as it sits within Treasury.

Mr TEAGUE: That is with the Treasurer and otherwise we wait for the Auditor-General's Report later in the year?

The Hon. A. MICHAELS: Yes.

Mr TEAGUE: Before I come back to the tobacco and e-cigarettes initiative in any time that remains, I might just hand to the member for Frome to ask a bundle of questions.

Ms PRATT: I confirm that I will be reading the omnibus questions, Chair:

1. For each department and agency reporting to the minister, how many executive appointments have been made since 1 July 2023 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 2023 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 2023?

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 2023, 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 2024-25 for consultants and contractors, and for each case in which a consultant or contractor has already been engaged at a total estimated cost above \$10,000, the name of the consultant or contractor, the method of appointment, the reason for the engagement and the total estimated cost?

6. For each department or agency reporting to the minister, how many surplus employees are there in June 2024, and for each surplus employee, what is the title or classification of the position and the total annual employment cost?

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

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

- What savings targets have been set for 2024-25 and each year of the forward estimates;
- What is the estimated FTE impact of these measures?

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

- What was the actual FTE count at June 2024 and what is the projected actual FTE account for the end of each year of the forward estimates;
- What is the budgeted total employment cost for each year of the forward estimates; and
- How many targeted voluntary separation packages are estimated to be required to meet budget targets over the forward estimates and what is their estimated cost?

10. For each department and agency reporting to the minister, how much is budgeted to be spent on goods and services for 2024-25 and for each year of the forward estimates?

11. For each department and agency reporting to the minister, how many FTEs are budgeted to provide communication and promotion activities in 2024-25 and each year of the forward estimates and what is their estimated employment cost?

12. For each department and agency reporting to the minister, what is the total budgeted cost of government-paid advertising, including campaigns, across all mediums in 2024-25?

13. For each department and agency reporting to the minister, please provide for each individual investing expenditure project administered, the name, total estimated expenditure, actual expenditure incurred to June 2023 and budgeted expenditure for 2024-25, 2025-26 and 2026-27?

14. For each grant program or fund the minister is responsible for, please provide the following information for the 2024-25, 2025-26 and 2026-27 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.

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

- Is the agency confident that you will meet your expenditure targets in 2024-25?
 - Have any budget decisions been made between the delivery of the budget on 6 June 2024 and today that might impact on the numbers presented in the budget papers which we are examining today?
 - Are you expecting any reallocations across your agencies' budget lines during 2024-25; if so, what is the nature of the reallocation?
16. For each department and agency reporting to the minister:
- What South Australian businesses will be used in procurement for your agencies in 2024-25?
 - What percentage of total procurement spend for your agency does this represent?
 - How does this compare to last year?
17. 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?
18. 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?
19. How many procurements have been undertaken by the department this FY, how many have been awarded to interstate businesses? How many of those were signed off by the CE?
20. 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?
21. How many and what percentage of staff who undertake procurement activities have undertaken training on participation policies and local industry participants this FY?

Mr TEAGUE: Just going back to targets 2024-25, the first dot point, the building industry issues on page 46, can the minister indicate how many builders' licences have been removed in the course of last year or taken away, cancelled, and how many have been identified as experiencing financial difficulties?

The Hon. A. MICHAELS: We will take the question on notice as to how many have been cancelled or let lapse. On the other question, I am not sure that we are able to provide the advice on how many builders are in financial difficulty, those who have become insolvent and entered into liquidation or—

Mr TEAGUE: Or been the subject of an agreement or other intervention in circumstances where a complaint has been made.

Mr STROUD: We will have to take that on notice in terms of what we feel will be appropriate to be released or otherwise.

Mr TEAGUE: Thank you. Turning then to the initiative in relation to unlawful and illicit tobacco and e-cigarettes and vaping devices, primarily at Budget Paper 4, Volume 1, page 47, it indicates the compliance initiative and FTEs at the bottom of the table at the top of the page, which I understand are largely FTE increases associated with that initiative. The second dot point target on page 46 refers to the implementation of a specialised compliance approach to address what is described as the increasing risk presented by the sale and supply of such products and devices. What is the minister's understanding of the increasing risk—how is that characterised?

The Hon. A. MICHAELS: We have seen a surge in the sale of illegal tobacco and e-cigarettes, vapes. Predominantly in the last 12 to 24 months we have seen a substantial increase in the illegal trade of tobacco and vapes, and we have particularly seen a surge in young people, 15 to 29, who are now vaping, using vaping devices, a significant increase in the last few years. It does pose a very substantial health risk. We know that smoking and tobacco is the largest preventable

cause of death in Australia still, even though our cigarette smoking rates have been declining over a number of years. I guess this relatively recent increase in vaping and the sale of illegal tobacco we know is a risk.

It was previously within the health department in terms of monitoring those illegal transactions. What we are now doing on 1 July is moving that into CBS, which certainly has the skill set to be able to have a compliance approach that will tackle that increasing sale and supply of unlawful and illegal tobacco and vapes. With the additional staff—\$16 million over four years—it will enable CBS to really crack down on licensed suppliers who are selling illegal vapes or illegal tobacco, the ones that are not plain packaged, those illegal imports being sold by licensed traders. Also, we are seeing an increasing number of illegal shops popping up. I received a flyer in my letterbox about an illegal shop a number of months ago and provided that to the health minister at the time and now I get the benefit—

Mr TEAGUE: How many of those shopfronts have been investigated or penalised in the last year?

The Hon. A. MICHAELS: There was a particular—

The CHAIR: If you could be brief, minister, we have reached the allotted time. The member for Heysen managed to slip one by me there.

The Hon. A. MICHAELS: I can see whether we can provide any figures on notice.

The CHAIR: The allotted time has expired. I declare the examination of the portfolio of Consumer and Business Services and the examination of the proposed payments for the Attorney-General's Department and the Administered Items for the Attorney-General's Department complete.

Sitting suspended from 15:47 to 16:00.

DEPARTMENT OF THE PREMIER AND CABINET, \$469,788,000
ADMINISTERED ITEMS FOR THE DEPARTMENT OF THE PREMIER AND CABINET,
\$32,176,000

Membership:

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

Minister:

Hon. A. Michaels, Minister for Small and Family Business, Minister for Consumer and Business Affairs, Minister for Arts.

Departmental Advisers:

Mr W. Hunter, Chief Operating Officer, Department of the Premier and Cabinet.

Ms B. Bates, Director, Creative Industries, Department of the Premier and Cabinet.

Ms C. Hodgets, Director, Finance and Procurement, Department of the Premier and Cabinet.

Mr B. Brine, Director, Statutory Engagement and Governance, Department of the Premier and Cabinet.

The CHAIR: At last we are on the arts portfolio and creative industries, with the Minister for Arts. I declare the proposed payments open for examination and call on the Minister for Arts to make a statement, if she wishes, and to introduce her advisers.

The Hon. A. MICHAELS: I will introduce my advisers, Chair. I have on my left Mr Wayne Hunter, Chief Operating Officer from DPC. On my right is Becc Bates, Director for Creative Industries at DPC, and behind me is Claire Hodggets and Billy Brine, also from DPC. I will not make an opening statement; I just want to acknowledge the tremendous effort of 30 years serving Arts SA from Jennifer Layther and wish her well, and also Alison Lloyd-Wright who was with us and who is now going on to much greener pastures in the private sector.

The CHAIR: Member for Morialta, you are the lead. Do you have an opening statement?

The Hon. J.A.W. GARDNER: No; I will go straight to questions if that is alright. Thank you, minister, and to the officers, thank you very much. I might go to Budget Paper 4, Volume 4, page 30. The majority of the questions are from around this section and grants and subsidies, which covers a great many payments to a great many organisations. It is a budget line we will probably rely on a fair bit. Has the government reinstated funding yet for the APY Art Centre Collective? If the government plans to, will the government back pay the grant to the date when funding was suspended?

The Hon. A. MICHAELS: With the APY Art Centre Collective we undertook, as you are aware, a review. We had an independent review panel undertake that work, which comprised Megan Krakouer, Anne Sibree and Cameron Costello. They did an extensive amount of work and collected a substantial amount of evidence. They formed the view that there was sufficient evidence to warrant referrals to ORIC and ACCC on certain governance matters and unconscionable conduct matters to ORIC and ACCC respectively. Those referrals have been made, and I understand those federal organisations are currently investigating the APY Art Centre Collective. Until we know the conclusion of those investigations, that funding will continue to be paused.

The Hon. J.A.W. GARDNER: The minister has just said, 'Until we know the conclusion of those investigations'. Can the minister confirm what steps the state government or her office have made to engage with those organisations to discover at what point they will either take action or cease investigations?

The Hon. A. MICHAELS: I am advised there are current investigations; I think we are aware that both ORIC and ACCC are currently investigating. They have sought evidence from the review panel of what they had collected in their investigations. I understand those investigations from those federal bodies are ongoing, and the department will continue to liaise to ensure we are kept up to date.

The Hon. J.A.W. GARDNER: What was the last occasion that the department engaged with either ORIC or the ACCC to ascertain a status update?

The Hon. A. MICHAELS: I understand there was a request from ORIC that came through; three or four weeks ago a request came through from ORIC for further information, which has been provided.

The Hon. J.A.W. GARDNER: And the ACCC?

The Hon. A. MICHAELS: I am not aware of any interactions with the ACCC at the moment. If there are any, I can provide that on notice.

The Hon. J.A.W. GARDNER: I refer you to the grant line. Again, the minister has said that there are two organisations conducting current investigations. Can I confirm: does the minister have any evidence or has the minister received any direct information from the ACCC to confirm that they are conducting any sort of investigation?

The Hon. A. MICHAELS: I have not received anything directly. I understand the review panel spoke to ACCC when they formed their view that a referral was warranted. I understand they have and I am not sure if the department itself has. The review panel found sufficient evidence to refer to ACCC and had communicated with the ACCC.

The Hon. J.A.W. GARDNER: We will stick with the ACCC for the moment because if neither the minister nor the department have received information from the ACCC confirming that they are conducting an investigation—that is, one of the two investigations that are preventing the government from providing funding back to the APY arts collective—will the minister undertake to engage with the ACCC as quickly as possible to discover if they are in fact conducting any investigation or not?

The Hon. A. MICHAELS: I am advised that the department has been in contact with both agencies and, as far as the department is aware and has advised me, those investigations are still active. Of course, they are federal authorities. They have no obligation to necessarily report to us on their investigations, but the department has had communications with both agencies and, as far as we are aware, both of those investigations are still current.

The Hon. J.A.W. GARDNER: Can I clarify: the minister said, in response to an earlier answer, that the department had engaged with ORIC three or four weeks ago but in that earlier answer was not aware of an engagement with the ACCC, so can I ask again when the department last had any engagement with the ACCC, or was it just the review panel when they made their initial referral to the ACCC that the minister has relied upon for her last answer?

The Hon. A. MICHAELS: I am advised they have made contact with the department—I have not had contact with them—and we can take on notice the date of the last communication.

The Hon. J.A.W. GARDNER: Can I confirm then that it is these two investigations, presumably resolving in a non-problematic way, that is the precondition that is to be met before the government will reinstate funding to the APY arts collective if they are to?

The Hon. A. MICHAELS: I will correct this if it is not correct, but I understand they were funded under the Arts Organisations Program, which would require an application for them to receive funding under that program.

The Hon. J.A.W. GARDNER: Last year, when we discussed this either in estimates or in the chamber in question time—I cannot recall which—I got the distinct impression from the minister's previous answers that at that time the minister and the department had issued a legal letter to APY arts collective advising them that their funding would come to an end.

I am pretty sure the minister said at that time that that was a legal requirement so that, depending on the outcome of the review that was then in place, the department would have legal basis at that point to suspend funding. Do I gather from the minister's most recent answer that the current situation is that the state government has no ongoing funding relationship with the APY arts collective but that they would need to apply for any future government funding?

The Hon. A. MICHAELS: Obviously, the outcomes of the ACCC and ORIC reviews are critical in what then flows from this. Until the outcomes of those reviews are known, we are not in a position to reinstate any funding. We did terminate the funding agreement that was with the APY Art Centre Collective. I think it may have been, from recollection, an agreement that had a substantial notice period for us to terminate—something like six months, from my recollection—and so we did that at that time.

The Hon. J.A.W. GARDNER: Can I ask then: has the department or the government retained funds so that should the outcomes of those ACCC and ORIC considerations be positive the department would be able to, in that circumstance, restore funding to the APY Art Centre Collective, or is the government ruling out any retrospective funding and would only consider potentially prospective funding?

The Hon. A. MICHAELS: We would have to get advice on the situation with the termination of the agreement and what flows from that, and of course we still need to, as I said, wait for the results of the ORIC and the ACCC investigations.

The Hon. J.A.W. GARDNER: Referring to the same budget line, obviously underneath all of this there is a group of artists who, as we have discussed previously, are of primary concern. Last year, I asked the minister whether she and the government would have a role in supporting these APY artists through what is a difficult time, to support them in fulfilling their commercial potential moving forward. The minister replied at that stage:

Once the panel is stood up, I will be guided by and work with them as to what departmental support we can provide particularly to those artists.

She went on to suggest that the art centres would continue with or without the collective and she concluded, saying:

We just need to make sure we have the right support for these people to help them through it.

In the year since, has any support been provided to these artists?

The Hon. A. MICHAELS: Yes. We continue to support our new artists through the Aboriginal and Torres Strait Islander Strategy. There is a grant program that is part of that strategy, which channels more than \$234,000, distributed to key Aboriginal-led groups—that was 2023-24—for specific projects and initiatives involving artists working on the APY lands, or for any new artists working elsewhere in the state.

The Hon. J.A.W. GARDNER: Have any grants or other measures of support been provided to members of the APY Art Centre Collective's groups through that grants program the minister has just identified? If so, how many?

The Hon. A. MICHAELS: Sorry, are you asking about the members of APY Art Centre Collective?

The Hon. J.A.W. GARDNER: Yes. I am wondering whether any of the artists who are most directly affected by the withdrawal of support and the cloud hanging over the APY collective have been the beneficiaries of the grant program that the minister identified related to the Aboriginal and Torres Strait Islander Arts Strategy? The people, the individuals.

The Hon. A. MICHAELS: No, we would have to take that on notice.

The Hon. J.A.W. GARDNER: Thank you. Has the minister spoken with or met with any of the artists engaged with the APY collective whose reputations, livelihoods and careers are affected by this matter?

The Hon. A. MICHAELS: The investigation into the APY Art Centre Collective undertaken by the independent review, now referred to ACCC and ORIC, is looking at the organisation and the leadership of the organisation. In terms of the artists, they should have no concern about their own reputation. I commend the artists who came forward and gave evidence on doing that. It was a difficult situation for everyone involved.

I would like to see the ACCC and ORIC investigations concluded as soon as possible, so that people can certainly move on. Until that time, we are faced with a situation of waiting for ORIC and ACCC to resolve their investigations. I certainly do support all of those artists who have faced challenges during a very difficult period.

The Hon. J.A.W. GARDNER: I have one more question on this line. Given that one of the key features of the APY Art Centre Collective model was that a high proportion of the funding from sales of their work is returned to community, has the minister had or has the department offered any briefing on the ongoing impact to those communities of the reduced overall revenue from sales since the government withdrew its support from the collective?

The Hon. A. MICHAELS: I am not aware of a reduction in sales so I cannot comment on that.

The Hon. J.A.W. GARDNER: I am sure we will come back to that issue on another occasion, but I would like to move on. It is the same budget line, grants and subsidies, but a different topic. I have a few questions about the South Australian Museum. When will the Premier's review of the South Australian Museum be finalised?

The Hon. A. MICHAELS: It is currently on foot. The panel is currently undertaking their work. I think the Premier stated in his estimates that we were hoping for a report around September and I concur with that. Of course, you are aware that the panel comprises not only Damien Walker, the Chief Executive of DPC, but also our Chief Scientist to South Australia, Professor Craig Simmons, and the Chief Executive Officer of the Queensland Museum, Dr Jim Thompson.

They are undertaking work now, engaging with various stakeholder groups and looking at the various issues we asked them to look at in terms of research functions and curatorial capabilities, repatriation and engagement with First Nations communities, collections management, contemporary approaches to displays, exhibitions and public access to the collection (including digitisation), contemporary approaches to how the Museum can provide education and knowledge sharing that is aligned to the curriculum and early learning framework, and the best possible delivery

of public value to South Australians, ensuring the Museum is using its resources to deliver best outcomes for audiences. Obviously, that is a fairly extensive piece of work and we certainly look forward to the results of that review.

The Hon. J.A.W. GARDNER: I thank the minister for the fairly comprehensive reply. I may have missed it, I apologise if I did, but was there an expected date by which the review is expected to be completed?

The Hon. A. MICHAELS: As I said, the Premier indicated in his estimates that the panel were expected to provide some information by September.

The Hon. J.A.W. GARDNER: September, okay. Can the minister advise how many times that group has met?

The Hon. A. MICHAELS: In terms of how often they have met, I will take that on notice. In terms of the stakeholders they have met and are meeting, through particularly this month and next month, obviously the board chair and the CEO. There will be meetings with representatives of the South Australian universities, representatives of a group colloquially known as the 'save the museum group'—I am sure there is a better name for it but that group. All South Australian Museum employees will have an opportunity to contribute to the review. There are independently facilitated forums through June and July, potentially. In terms of how many times the panel themselves have met, I am advised that, as at today, the panel has met a total of six times: three have been meetings between the panel and three have been meetings between the panel and stakeholder groups. .

The Hon. J.A.W. GARDNER: When the review panel was appointed, the Premier and the minister issued a press release, maybe even had a press conference identifying that there was a pause on the restructure, which would be particularly relevant for the staff whose jobs were being restructured. Given that, as I understand it, one of the reasons for the restructure was related to cost and that the new structure was designed to have a somewhat less expensive model, is there a cost that has been identified of the maintenance of the current positions from what would have been, I think, a date in May or June until at least September? Is there a cost that has been identified that the Museum has been funded for as a result of this period of pause?

The Hon. A. MICHAELS: Yes, those costs are within their current operating budget. I do not have any further information on any specifics.

The Hon. J.A.W. GARDNER: Has there been any supplementation sought or provided to the Museum for their 2023-24 operating budget?

The Hon. A. MICHAELS: I am advised that through 2023-24 there might have been various supplementations, but nothing specific in relation to supplementing for the restructure.

The Hon. J.A.W. GARDNER: Can I then ask you, and if you do not have the detail I am very happy for it to be on notice, if we could have the detail of any supplementation or approved deficits for the Museum over the last financial year?

The Hon. A. MICHAELS: We can provide that information. It will obviously come out in their annual report, but we will take that on notice.

The Hon. J.A.W. GARDNER: Staying on the same budget line, there was some controversy, in the sense that there were questions, over whether it would continue. I understand Dr Gaimster and the minister have confirmed that it is certainly the desire that it be continued, but I understand there were some hiccups in relation to the program of returning Aboriginal remains to country. Is that program on foot again? Is that program currently operating or is that still on pause while the staff matters are being sorted out?

The Hon. A. MICHAELS: No, that program continues, and the proposed structure actually included an increase in the number of positions that are responsible for the care of the First Nations collections, which include ancestral remains and secret and sacred objects. The Museum has confirmed, and I certainly concur with this, that it has no intention of reducing its commitment or services for First Nations communities and stakeholders. The Museum is very much a caretaker for what is a culturally and globally significant collection of First Nations material and it intends to maintain those services and the accessibility of the family history unit and will continue to do so.

The Hon. J.A.W. GARDNER: Are the people who have been doing that work still doing that work?

The Hon. A. MICHAELS: There is no change because of any structural changes. I do not know day-to-day movements of various staff members, but it is business as usual.

The Hon. J.A.W. GARDNER: I have just one more topic while we are on the Museum. In relation to the restructure project, I note that Dr Gaimster confirmed to the Budget and Finance Committee that DPC was providing a dedicated change management resource. In the house, I recently asked whether that was in the form of a dedicated change manager and at what cost. I got a response on notice from the minister recently. The minister said that under the service level agreement, there was the provision of strategic human resource industrial advice in relation to structural reviews, i.e. restructures. I think I have quoted the minister accurately there.

Can the minister articulate exactly what support was provided by DPC to the Museum for what has been described elsewhere by Dr Gaimster as a dedicated change management resource to support the restructure? I am wondering if it was a person on secondment, a grant or some other sort of provision? Did DPC pay for a third party to go and do some work with the Museum? In what way was that support provided?

The Hon. A. MICHAELS: The service level agreement that DPC has with the Museum provides corporate support, so it includes, as you mentioned and as I think was in my answer to you, the provision of strategic human resources and industrial advice. There was no additional cost to the Museum for those services provided by DPC. I understand the Museum may have engaged contractors directly, which I can separately take on notice in terms of if that was in fact the case.

The Hon. J.A.W. GARDNER: In doing so—I appreciate the minister taking that on notice—again I draw to the minister's attention Dr Gaimster's evidence to the Budget and Finance Committee of the parliament in which he said, 'The department has supported us to appoint a dedicated change manager, yes.' I appreciate the minister has the information that she has, but the quote from Dr Gaimster does not quite reconcile. There may be an explanation, and I look forward to the minister, I assume, taking that broad question on notice.

The Hon. A. MICHAELS: I will ask Mr Hunter to elaborate, if he is able to.

Mr HUNTER: The department has provided a range of change management support in the form of resources to the South Australian Museum, so whilst it is not a dedicated change manager person under that corporate services agreement that the minister described, we have provided change management support to the Museum in the form of the corporate services that the department provides to the South Australian Museum. So it may have just been characterised in a different way, perhaps.

The Hon. J.A.W. GARDNER: I thank you. I think it would be easier to picture if there was a person with expertise who was working on North Terrace at the Museum. That would be one thing. What you have just described as change management support in the form of resources or in the form of corporate services, does that mean there were some people on call within DPC available to the Museum if they had questions, or was it somebody who was leading a project for the restructure but sitting within DPC rather than sitting on North Terrace?

Mr HUNTER: The Department of the Premier and Cabinet provides people and culture support to the Museum under a service level agreement, so they are people embedded within the Department of the Premier and Cabinet who essentially provide that advice in relation to change management, industrial relations and those sorts of things to the South Australian Museum. They are not on secondment; they provide those services to them from the department.

The Hon. J.A.W. GARDNER: I think the confusion here must arise from the fact that the Museum minutes record that they were seeking a dedicated change management support, and Dr Gaimster, when asked, said that they had received a dedicated change manager. He said 'to appoint a dedicated change manager'. There may be, again, some other explanation. The sort of support you have just described does not sound like that, but maybe was there one specific person in DPC HR who was specifically dedicated to helping them, or from your understanding was the DPC support that more broad—

The CHAIR: I will leave this up to the minister's discretion, but the questions should be directed to the minister. I will not allow a conversation between you and the public servants. Thanks.

The Hon. J.A.W. GARDNER: Apologies.

The Hon. A. MICHAELS: Is there anything you are able to add to that?

Mr HUNTER: No. I think you have described it accurately in terms of there are a range of people within the department that provide change management services, and the change management services have been provided in that way rather than a dedicated person.

The Hon. J.A.W. GARDNER: Thank you. I apologise: I did not mean to direct it to the officer. On the same budget line, page 30, grants and subsidies, but on a different topic, in relation to the Adelaide Festival did the Adelaide Festival overrun its budget last year? I have been advised it has been told the festival has to make significant savings for the next festival.

The Hon. A. MICHAELS: For this financial year, if you are referring to the 2023-24 financial year, we still have five days left, so I do not think their financial statements would have been prepared yet. I am not able to answer that question at the moment.

The Hon. J.A.W. GARDNER: Can I ask: has the minister received any advice or feedback? Notwithstanding there are five days left within which there may be some remarkable efficiencies that might yet be achieved, has the minister received any advice or feedback that the Adelaide Festival may be at risk of overrunning its 2023-24 budget and therefore having a corresponding challenge in meeting a reduced budget in 2024-25?

The Hon. A. MICHAELS: I am advised that the department is not aware of any, and I am not aware of any advice coming through on their budget situation at the end of this financial year.

The Hon. J.A.W. GARDNER: Let's hope it is just a rumour then. Has the Adelaide Festival reported a shortfall in sponsorship or the loss of any major donors ahead of the 2025 Adelaide Festival? If that is something that has come back to the minister or the department, are they giving consideration to making up such a shortfall from a significant multiyear sponsor?

The Hon. A. MICHAELS: I will take that on notice. I am aware that there may have been a couple of sponsors—I do not know the total figure—who may have had concerns with the Writers' Week program. It was not with this festival we have just had. I think it was the one before but I can take that on notice.

The Hon. J.A.W. GARDNER: We will move to a different line, if we go down three lines from grants and subsidies to the net cost of providing services. Did the minister attend the Cannes Film Festival this year?

The Hon. A. MICHAELS: I did.

The Hon. J.A.W. GARDNER: Can the minister advise what other destinations she travelled to on this trip and what the purpose of the travel was?

The Hon. A. MICHAELS: I can. The 2½ days at the Cannes Film Festival was with programming run by the Adelaide Film Festival. We had an Adelaide Film Festival spotlight down at Cannes. We took 10 South Australian filmmakers to the market at Cannes, which was an amazing opportunity for those filmmakers. There was a screening of five works in production there. It is, I would say, the largest and most important film market in the world, and so to provide those filmmakers with that opportunity—I have spoken to one of them in recent days who was there who was very appreciative of the opportunity.

Of the five works in progress, one was *Kangaroo Island*, we had Timothy David there; there was *Lesbian Space Princess*, we had Emma Hough Hobbs and Leela Varghese there; Sandy Cameron presented *Mockbuster*. Ben Golotta presented *The Iron Winter* and Kelly Schilling presented *With or Without You*. There were also a number of workshops that were organised by Mat Kesting at the Adelaide Film Festival, with people from South by Southwest, the Cannes Film Festival. There was certainly a good deal of networking and learning provided to those filmmakers who were there. The other filmmakers there were Travis Akbar, Lisa Scott, Josh Trevorrow, Matt Vesely and Nara Wilson. Nara was the one I spoke to the other day.

There was the Cannes element, and there were four or five days in the United Kingdom, particularly at the Hay Festival in Wales where we had an Adelaide writers spotlight in the Hay Festival. Again, that was a fantastic opportunity to feature Adelaide Writers' Week in what is, I think, the most prestigious of literary festivals around the world. We had a focus on Adelaide Writers' Week which included a range of sessions within their writers week, including our own Pip Williams who had a session in there for *The Dictionary of Lost Words*. Of course, we have had the State Theatre production of that and I understand film rights have been acquired by another incredible South Australian producer, Lisa Scott, through her Highview Productions company as well.

Certainly that trip was well worth the spotlight internationally on the global stage for our Adelaide Writers' Week festival and our film festival, which I think really to me indicated how well known we are for our arts and cultural sector around the world. I think it is a good thing for us to know that we are held in in such high regard by some of these globally renowned festivals.

The Hon. J.A.W. GARDNER: I appreciate the minister's detailed description of the trip. Can the minister advise whether, within that itinerary, there were speeches and public engagements where the minister had the opportunity to personally sell and spruik South Australia to the world or, indeed, give media interviews?

The Hon. A. MICHAELS: Yes. I had a media interview in London, and I spoke at an Adelaide Film Festival breakfast at Screen Australia, which has a base at the Cannes Film Festival. I was also able to introduce, on the stage, a panel that included former Prime Minister Kevin Rudd, who talked about his new book on Xi Jinping. I took that opportunity to encourage all those in the audience to come to Adelaide in March for our Writers' Week.

The Hon. J.A.W. GARDNER: The mind boggles. Who travelled with the minister and what was the total cost of the trip?

The Hon. A. MICHAELS: Ms Becc Bates, who is sitting right next to me, and my chief, Joel Wemmer. We will proactively disclose those costs as soon as we are able to, within the period that is required.

The Hon. D.G. PISONI: Minister, are you able to advise what the private spend on film production was for the 2023-24 year, and what are you expecting for the 2024-25 year in South Australia?

The CHAIR: Are you referring to a particular budget line, member for Unley?

The Hon. D.G. PISONI: Yes, that is budget line—if you could help me there, John?

The Hon. J.A.W. GARDNER: It is on page 29, in the objectives. It is Creative Industries, and that goes specifically to film, noting that the DIIS Creative Industries portfolio has been MoG'd into this page. I think the Treasury papers are certainly—not identifying too many highlights, but under the net cost of providing services, which was the current line, it includes the operation of engagement with the film festival and the SA Film Corporation, I understand, certainly in terms of policy advice.

The Hon. A. MICHAELS: Can I get clarification from the member on what his question was?

The Hon. D.G. PISONI: There is a 10 per cent rebate that is paid for South Australian productions to people who are producing films here, and there is a budgeted amount allocated for that. The question is: how much private sector investment did that fund generate for film production in South Australia in 2023-24, and what are you expecting it to generate in 2024-25?

The Hon. A. MICHAELS: We do not have that information for 2023-24, given that the year has not finished yet, and I am not sure we have any budgeted figure for 2024-25 for what is leveraged privately, so I am not able to answer that question, I am afraid.

The Hon. D.G. PISONI: Usually there is an estimate provided in the budget papers for the current year. Do you not have an estimate?

The CHAIR: I think the minister has answered the question.

The Hon. A. MICHAELS: Yes. If you can point me to that.

The Hon. D.G. PISONI: In the budget papers, for every other portfolio there is an estimate of what has been spent.

The CHAIR: You are asking how much private money has been leveraged on the back of some government spending, and the minister has indicated she does not have that.

The Hon. D.G. PISONI: Yes, because there is a consequence.

The Hon. J.A.W. GARDNER: May I—

The CHAIR: I think your colleague is trying to help you, member for Unley.

The Hon. D.G. PISONI: It is relevant because there is a consequence of how much government made, and companies have private money. I find it extraordinary that the minister is not able to answer the question as to what the estimate is for the year for that allocation of the 10 per cent rebate that matches that private spend.

The Hon. A. MICHAELS: I do not have that information available to me.

The Hon. J.A.W. GARDNER: I go to page 31, the performance and activity indicators. On the same point, previously in budget papers, before the machinery of government change, DIIS Creative Industries had performance indicators. They have not carried over into the new presentation under Arts SA. Previously DIIS had an indicator number of creative projects supported and a number of creative industry events, programs and seminars. Was it an oversight that they have not been carried over, or was it an active decision and will they be returned next year?

The Hon. A. MICHAELS: I will get Ms Bates to explain.

Ms BATES: While in the Department for Industry, Innovation and Science, all of those activity indicators were individual projects supported through the Music Development Office, whereas the reporting through Arts South Australia and DPC does not itemise all of those grants in their programs. To do that for one program, without doing it for all the programs, would not have been a true representation of that budget line. The activity indicators were specific to the St Paul's Creative Centre, which closed.

The Hon. J.A.W. GARDNER: St Paul's no longer existing has an impact. I make the point that on page 31 we have the number of paid seats and unpaid seats at Country Arts SA attendances. You get the sense that the department can create whatever indicators it wants, but maybe more important than that is the grants and subsidies line, which we have spent a lot of time on, so I will go back to it.

The grants and subsidies line of \$135 million for the budget, the year ahead, the \$133 million for the year last year, is basically the sum of the arts line from last year and the Creative Industries line from last year, albeit that I think Creative Industries was MoG'd on 1 October. So, the first couple of months of last year the Creative Industries expenditure would not be reflected here. I think it is reflected and represented in the DIIS line.

The Hon. A. MICHAELS: I think it has transferred over.

The Hon. J.A.W. GARDNER: Okay. So that is basically the sum of DIIS Creative Industries plus Arts SA?

The Hon. A. MICHAELS: Yes.

The Hon. J.A.W. GARDNER: The grants and subsidies would be the budget line specifically the member for Unley was referencing before. I wonder whether, given that Creative Industries has previously captured the information in relation to the amount of subsidised work generating private funding and film—and I imagine there would be an expectation going forward that it would be the same—would the minister perhaps be able to take the member for Unley's question on notice on the basis of its being part of that budget line?

The Hon. A. MICHAELS: I can take it on notice and provide an answer if we are able to, absolutely, or any other information that might be useful to the member for Unley in terms of government investment, given that we do not have the private investment figures. It might not help the member, but for the SAFC-ABC partnership, which we funded \$5.2 million originally—and there

is an additional \$7.2 million in this year's budget—in that first round of \$5.2 million I am advised the fund injected an estimated \$21.8 million into the state's economy across production, post production, digital, video and visual effects, the PDV. It supported 328 South Australian screen jobs across six ABC productions, completed or underway, in the state, and that was the first stage, the original \$5.2 million. I do not know if that may assist the member.

The Hon. J.A.W. GARDNER: I have a question on a new topic. Same budget line, grants and subsidies: State Opera is about to celebrate it is 50th year. Can the minister advise what plans, if any, the government has to support State Opera to celebrate its 50th year, noting that last year I think we had a bit of extra support for the Festival Centre. In fact, the government heralded its funding for the fire safety improvements to the Festival Centre, also being a celebration of its 50th year. Does the government have any plans to support State Opera in its 50th year and the programs that will be available in 2026?

The Hon. A. MICHAELS: Yes, the 50th year for State Opera is in 2026. I had a recent meeting with Mark Taylor and Ashley Miller, Chair of the State Opera, in the last couple of weeks discussing plans for their 50th so, yes, they will receive government support. They obviously have their operating grant. I am very pleased to announce the Arts Investment Fund as well, an extra roughly \$5 million a year that will talk to our cultural policy that is coming out. I am sure that when State Opera comes to us with their plans in more concrete form we will be able to support them.

The Hon. J.A.W. GARDNER: Can the minister advise whether funding from that Arts Investment Fund will be able to support State Opera to continue producing the three major productions per year it currently does? From what I have heard from at least one member of the State Opera board, the State Opera, under its current funding, may have to reduce from three productions to two, given cost escalations in recent years.

The Hon. A. MICHAELS: We will continue to work with State Opera, and I engage with them quite closely. Unfortunately, I was not able to go to *Candide*, which I understand was an excellent production—it was whilst I was overseas—but we will certainly continue to engage with State Opera. The guidelines for the Arts Investment Fund are being worked through at the moment, so I await receiving a draft of those. However, we will certainly continue to engage with State Opera. They do excellent work and I fully support them, particularly going into their 50th year. It will be an exciting time.

They do excellent work, particularly in our regions as well. We recently had them out in the Limestone Coast at a number of schools with *The Frog Prince*. They do engage and work quite closely with getting regional tours out, and with Country Arts as well. The education department provided a grant for *The Frog Prince* performance down south in the Limestone Coast. They do excellent work.

The Hon. J.A.W. GARDNER: I go to page 15, Investing expenditure summary. Tarrkarri, the Centre for First Nations Cultures—which we understand has been put on pause—identifies that in 2023-24 there is an estimated result suggesting that \$20.7 million has been expended on that project. Is the minister able to advise what that \$20 million was spent on?

The Hon. A. MICHAELS: I am not, because that program sits with the Premier.

The Hon. J.A.W. GARDNER: In relation to Tarrkarri, are the investing and the operationals sitting with the Premier, and none with Arts?

The Hon. A. MICHAELS: None with Arts.

The Hon. J.A.W. GARDNER: So the minister has not been involved in discussions with philanthropists or business or private partners over and above whatever the Premier has been doing?

The Hon. A. MICHAELS: No, I have not.

The Hon. J.A.W. GARDNER: Can I just clarify: the assistant director who was originally employed on the Tarrkarri project, is that position also under the Premier's responsibility or Arts SA?

The Hon. A. MICHAELS: The Premier.

The Hon. J.A.W. GARDNER: Do we know if that director's employment is continuing?

The Hon. A. MICHAELS: I am not aware either way.

The Hon. J.A.W. GARDNER: On the same page is the Cultural Institution Collections Storage. I am relatively confident that still remains within Arts SA?

The Hon. A. MICHAELS: Yes, it does.

The Hon. J.A.W. GARDNER: Excellent. Is the minister able to advise us of the most recent advice the minister has regarding completion dates and the facility being able to actually take and store the collections?

The Hon. A. MICHAELS: The estimated completion date for the facility is in December 2025. I want to actually thank Mr Hunter, who has done a lot of work with the project steering committee to rescope. At the March meeting of the project steering committee, there was an agreement on endorsing the rescope facility, which now allows the recommencement of the design changes and the project delivery.

DIT has negotiated a two-year extension on Netley Commercial Park with the facility to be completed in, as I said, December 2025, and the collections to be relocated to the new building by June 2026. But I am very pleased we have an on-budget solution to the cultural storage facility now.

The Hon. J.A.W. GARDNER: What is the cost of the extended rental of the existing location, and who is bearing that cost?

The Hon. A. MICHAELS: As I understand, those cultural institutions that are storing their items at Netley Commercial Park will continue to pay rent over that period of time and come within their existing budget.

The Hon. J.A.W. GARDNER: Is the minister able to advise whether that rental is at the same rate as it was up until 30 June (as in next week), which is when they were supposed to be out originally? We have a two-year extension. Is the two-year extension at the same rate that it has been or has there been the escalation in cost there that everyone else paying rent seems to have had?

The Hon. A. MICHAELS: We can provide information. We would have to get that from the DIT as they negotiated the lease, but we can certainly take that on notice and provide that information to you.

The Hon. J.A.W. GARDNER: The minister said that the project has been rescope. Is there a difference in the amount of collections material and the volume of collections material from the original plans, or is the project being rescope in different ways? Are the institutions able to still have all the stuff they expected to be in the new facility in the new facility or are they going to have to come to some other arrangement for some of their collection?

The Hon. A. MICHAELS: The original design had collections from Netley Commercial Park, Netley 262, the North Terrace locations and the AGSA southern store. This revised design will cover the collections from Netley Commercial Park within the scope of the project.

The Hon. J.A.W. GARDNER: So what is the impact then on not being able to transfer the collections from the other sites, and which institutions use those rented facilities that they are going to still have to keep using now?

The Hon. A. MICHAELS: The AGSA southern store is an AGSA-owned property, so that will continue, and I do not think there is much concern about that. In fact, I think the view is that it aids risk minimisation by having multiple storage facilities, so that situation is quite appropriate. Netley 262 contains collections from various cultural institutions and that will remain.

The Hon. J.A.W. GARDNER: I think all of them have something there.

The Hon. A. MICHAELS: Yes, so that will remain.

The Hon. J.A.W. GARDNER: I now move to page 29 and the highlights, particularly in relation to the Artists at Work Taskforce, to address working security. Has the minister met with this task force, how many people are on it and how often has it met?

The Hon. A. MICHAELS: I have. I went to what must have been their first or second meeting. I have met with them. I think there are 27 members of the task force. It was being chaired by Alison Lloyd-Wright, and I want to thank Nick Linke, who was a member of the task force and who has now been appointed as Chair for the remainder of the task force work. So there are 27 members and yes, I have met with them. What was your other question?

The Hon. J.A.W. GARDNER: How often has it met?

The Hon. A. MICHAELS: It has had four meetings so far.

The Hon. J.A.W. GARDNER: When will it conclude its work?

The Hon. A. MICHAELS: I am advised there are two more scheduled meetings. They will then work on their recommendations and provide that to me in due course, but I do not have a fixed date for that.

The Hon. J.A.W. GARDNER: It may just be an oversight, but I note that there is no target listed on page 29 in relation to delivering outcomes from the task force. The task force is now meeting. It will produce a report, but is the government preparing to deliver any practical outcomes from their work? Is there any budget to deliver on outcomes of the work of this task force?

The Hon. A. MICHAELS: Yes, we are going to, obviously, wait for those recommendations to come through before we can give consideration to them.

The Hon. J.A.W. GARDNER: When does the minister expect that she will respond to whatever recommendations are produced by this task force, noting that I asked a similar question two years ago and she was hoping that it would be by the end of the 2022-23 financial year?

The Hon. A. MICHAELS: Yes. As I said, we have the two additional meetings. They will work on their recommendations and provide that to me, and we will then consider those recommendations. I do not have a time frame, but certainly we are keen to see some practical outcomes from that task force.

The Hon. J.A.W. GARDNER: I have some questions about indexation supplementation. It is on Budget Paper 1, page 4, or otherwise we can stay on page 30, grants and subsidies. How many arts organisations received supplementation for indexation funding last year, and are they all captured in the new policy for the years ahead?

The Hon. A. MICHAELS: Those ones that received a supplementation from DTF were the Adelaide Fringe, the Adelaide Symphony Orchestra and the Australian Dance Theatre. They received supplementation from DTF.

The Hon. J.A.W. GARDNER: Just those ones and not the others?

The Hon. A. MICHAELS: Not the others for the 2022-23 financial year. We were able to provide in this current financial year a bonus payment to effectively equate to that supplement that those other organisations were not eligible for.

The Hon. J.A.W. GARDNER: Is it the government's position then that those arts not-for-profits will not be part of this group of social services providers that have received this ongoing benefit?

The Hon. A. MICHAELS: We have the eligibility criteria that have been determined by DTF, which has limited the number of arts entities that are within scope to receive the supplement. Of course, they received the indexation of 2.5 per cent and that continues. Those guidelines and the eligibility criteria are within DTF. We will obviously consider any support we are able to fund that would assist those organisations in due course.

The Hon. J.A.W. GARDNER: In relation to the Arts Investment Fund, the minister said earlier that the guidelines were still being worked out. This is Budget Paper 5, page 56. Have there been any criteria established for this fund? Is it expected that there is going to be an application process? If so, when will funds be available for application?

The Hon. A. MICHAELS: Yes, what we want to see from the Arts Investment Fund is targeted investment in strategic conditions across the arts, culture and creative industries sector. It

is a substantial amount, I think, of about \$5 million a year, so \$780 this current financial year ending in five days' time and \$4.8 million in 2024-25. That is indexed and ongoing, which is of great benefit to the arts, to get that new money. We will feed into the outcomes we would like to see from the cultural policy that is still being worked on at the moment.

What we do want to see are applications coming in that speak to what is coming through—I think I can say this—on the cultural policy which is the sector's and the public's desire to see arts for everyone, everywhere. So we want to be working on those guidelines to ensure that they are encouraging accessible artistic opportunities, potentially youth arts and other strategic investments that talk to the cultural policy and what we are trying to achieve with that. Those guidelines and the governance structure are being worked on at the moment by DPC. We are working on the basis it will be something like the Digital Investment Fund so that recommendations are made to me for a decision.

The Hon. J.A.W. GARDNER: Page 29.

The CHAIR: Very quickly, member for Morialta and, if I could be so bold, very quickly answered, minister.

The Hon. J.A.W. GARDNER: Thank you. Regarding the targets in relation to the arts, culture and creative sector policy, when is that work concluding and have any—and, if so, how many—stakeholders provided feedback to the minister with concerns about that policy?

The Hon. A. MICHAELS: In terms of numbers of engagements, we had a series of face-to-face and online workshops where there were a total of 238 people engaged. We went out with a YourSAy survey and received over 1,600 survey responses from that, and we also received 80 written submissions. The department is working through that at the moment. Later this year, we will be able to release the cultural policy.

The CHAIR: The allotted time has expired. I declare the examination of the proposed payments for the Department of the Premier and Cabinet and Administered Items for the Department of the Premier and Cabinet complete. I thank the minister. I thank the advisers. I understand you have somewhere important to be, but thank you for coming in. The committee stands adjourned until 9 o'clock tomorrow.

At 17:01 the committee adjourned to Wednesday 26 June 2024 at 09:00.