HOUSE OF ASSEMBLY

Wednesday, 18 October 2023

The SPEAKER (Hon. D.R. Cregan) took the chair at 10:30.

The SPEAKER: Honourable members, we 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 both past and present.

The SPEAKER read prayers.

Bills

HERITAGE PLACES (ADELAIDE PARK LANDS) AMENDMENT BILL

Second Reading

Adjourned debate on second reading.

(Continued from 17 May 2023.)

Mr ODENWALDER (Elizabeth) (10:32): I move:

That this order of the day be postponed.

The house divided on the motion:

Ayes 22
Noes.....13
Majority 9

AYES

Andrews, S.E.	Bettison, Z.L.	Boyer, B.I.
Brown, M.E.	Champion, N.D.	Clancy, N.P.
Close, S.E.	Fulbrook, J.P.	Hildyard, K.A.
Hood, L.P.	Hughes, E.J.	Hutchesson, C.L.
Koutsantonis, A.	Michaels, A.	Mullighan, S.C.
Odenwalder, L.K. (teller)	Pearce, R.K.	Piccolo, A.
Picton, C.J.	Savvas, O.M.	Szakacs, J.K.
Thompson, E.L.		

NOES

Basham, D.K.B.	Batty, J.A.	Cowdrey, M.J.
Ellis, F.J.	McBride, P.N.	Patterson, S.J.R.
Pederick, A.S.	Pisoni, D.G. (teller)	Pratt, P.K.
Tarzia, V.A.	Teague, J.B.	Telfer, S.J.
Whetstone, T.J.		

PAIRS

Wortley, D.J.	Speirs, D.J.	Stinson, J.M.
Hurn, A.M.	Cook, N.F.	Gardner, J.A.W.

Motion thus carried; order of the day postponed.

PUBLIC FINANCE AND AUDIT (AUDITOR-GENERAL ACCESS TO CABINET SUBMISSIONS) AMENDMENT BILL

Second Reading

Adjourned debate on second reading.

(Continued from 27 September 2023.)

Mr ODENWALDER (Elizabeth) (10:38): I move:

That this order of the day be postponed.

The house divided on the motion:

Ayes 22
Noes.....13
Majority 9

AYES

Andrews, S.E.	Bettison, Z.L.	Boyer, B.I.
Brown, M.E.	Champion, N.D.	Clancy, N.P.
Close, S.E.	Fulbrook, J.P.	Hildyard, K.A.
Hood, L.P.	Hughes, E.J.	Hutchesson, C.L.
Koutsantonis, A.	Michaels, A.	Mullighan, S.C.
Odenwalder, L.K. (teller)	Pearce, R.K.	Piccolo, A.
Picton, C.J.	Savvas, O.M.	Szakacs, J.K.
Thompson, E.L.		

NOES

Basham, D.K.B.	Batty, J.A.	Cowdrey, M.J. (teller)
Ellis, F.J.	McBride, P.N.	Patterson, S.J.R.
Pederick, A.S.	Pisoni, D.G.	Pratt, P.K.
Tarzia, V.A.	Teague, J.B.	Telfer, S.J.
Whetstone, T.J.		

PAIRS

Cook, N.F.	Hurn, A.M.	Stinson, J.M.
Gardner, J.A.W.	Wortley, D.J.	Speirs, D.J.

Motion thus carried; order of the day postponed.

ELECTORAL (CONTROL OF CORFLUTES) AMENDMENT BILL

Second Reading

Adjourned debate on second reading.

(Continued from 17 May 2023.)

Mr ODENWALDER (Elizabeth) (10:42): I move:

That this order of the day be postponed.

The house divided on the motion:

Ayes 22
Noes.....13
Majority 9

AYES

Andrews, S.E.	Bettison, Z.L.	Boyer, B.I.
Brown, M.E.	Champion, N.D.	Clancy, N.P.
Close, S.E.	Fulbrook, J.P.	Hildyard, K.A.
Hood, L.P.	Hughes, E.J.	Hutchesson, C.L.
Koutsantonis, A.	Michaels, A.	Mullighan, S.C.
Odenwalder, L.K. (teller)	Pearce, R.K.	Piccolo, A.
Picton, C.J.	Savvas, O.M.	Szakacs, J.K.
Thompson, E.L.		

NOES

Basham, D.K.B.	Batty, J.A.	Cowdrey, M.J.
Ellis, F.J.	McBride, P.N.	Patterson, S.J.R.
Pederick, A.S.	Pisoni, D.G. (teller)	Pratt, P.K.
Tarzia, V.A.	Teague, J.B.	Telfer, S.J.
Whetstone, T.J.		

PAIRS

Wortley, D.J.	Speirs, D.J.	Stinson, J.M.
Hurn, A.M.	Cook, N.F.	Gardner, J.A.W.

Motion thus carried; order of the day postponed.

CONSTRUCTION INDUSTRY COMMISSIONER BILL

Second Reading

Adjourned debate on second reading.

(Continued from 22 March 2023.)

Mr ODENWALDER (Elizabeth) (10:46): I move:

That this order of the day be postponed.

The house divided on the motion:

Ayes 22
Noes.....13
Majority 9

AYES

Andrews, S.E.	Bettison, Z.L.	Boyer, B.I.
Brown, M.E.	Champion, N.D.	Clancy, N.P.
Close, S.E.	Fulbrook, J.P.	Hildyard, K.A.
Hood, L.P.	Hughes, E.J.	Hutchesson, C.L.
Koutsantonis, A.	Michaels, A.	Mullighan, S.C.
Odenwalder, L.K. (teller)	Pearce, R.K.	Piccolo, A.
Picton, C.J.	Savvas, O.M.	Szakacs, J.K.
Thompson, E.L.		

NOES

Basham, D.K.B.	Batty, J.A.	Cowdrey, M.J.
Ellis, F.J.	McBride, P.N.	Patterson, S.J.R.
Pederick, A.S.	Pisoni, D.G. (teller)	Pratt, P.K.
Tarzia, V.A.	Teague, J.B.	Telfer, S.J.

Whetstone, T.J.

PAIRS

Wortley, D.J.	Speirs, D.J.	Stinson, J.M.
Hurn, A.M.	Cook, N.F.	Gardner, J.A.W.

Motion thus carried; order of the day postponed.

ELECTORAL (TELEPHONE VOTING) AMENDMENT BILL

Second Reading

Adjourned debate on second reading.

(Continued from 16 November 2022.)

Mr ODENWALDER (Elizabeth) (10:51): I move:

That this order of the day be postponed.

The house divided on the motion:

Ayes 22
Noes.....14
Majority 8

AYES

Andrews, S.E.	Bettison, Z.L.	Boyer, B.I.
Brown, M.E.	Champion, N.D.	Clancy, N.P.
Close, S.E.	Fulbrook, J.P.	Hildyard, K.A.
Hood, L.P.	Hughes, E.J.	Hutchesson, C.L.
Koutsantonis, A.	Michaels, A.	Mullighan, S.C.
Odenwalder, L.K. (teller)	Pearce, R.K.	Piccolo, A.
Picton, C.J.	Savvas, O.M.	Szakacs, J.K.
Thompson, E.L.		

NOES

Basham, D.K.B.	Batty, J.A.	Cowdrey, M.J.
Ellis, F.J.	Gardner, J.A.W.	McBride, P.N.
Patterson, S.J.R.	Pederick, A.S.	Pisoni, D.G.
Pratt, P.K.	Tarzia, V.A.	Teague, J.B. (teller)
Telfer, S.J.	Whetstone, T.J.	

PAIRS

Wortley, D.J.	Speirs, D.J.	Stinson, J.M.
Hurn, A.M.	Cook, N.F.	Marshall, S.S.

Motion thus carried; order of the day postponed.

FREEDOM OF INFORMATION (MINISTERIAL DIARIES) AMENDMENT BILL

Second Reading

Adjourned debate on second reading.

(Continued from 2 November 2022.)

Mr ODENWALDER (Elizabeth) (10:54): I move:

That this order of the day be postponed.

The house divided on the motion:

Ayes 22
Noes.....14
Majority 8

AYES

Andrews, S.E.	Bettison, Z.L.	Boyer, B.I.
Brown, M.E.	Champion, N.D.	Clancy, N.P.
Close, S.E.	Fulbrook, J.P.	Hildyard, K.A.
Hood, L.P.	Hughes, E.J.	Hutchesson, C.L.
Koutsantonis, A.	Michaels, A.	Mullighan, S.C.
Odenwalder, L.K. (teller)	Pearce, R.K.	Piccolo, A.
Picton, C.J.	Savvas, O.M.	Szakacs, J.K.
Thompson, E.L.		

NOES

Basham, D.K.B.	Batty, J.A.	Bell, T.S.
Cowdrey, M.J.	Gardner, J.A.W. (teller)	McBride, P.N.
Patterson, S.J.R.	Pederick, A.S.	Pisoni, D.G.
Pratt, P.K.	Tarzia, V.A.	Teague, J.B.
Telfer, S.J.	Whetstone, T.J.	

PAIRS

Wortley, D.J.	Speirs, D.J.	Stinson, J.M.
Marshall, S.S.	Cook, N.F.	Hurn, A.M.

Motion thus carried; order of the day postponed.

PLANNING, DEVELOPMENT AND INFRASTRUCTURE (ADELAIDE PARK LANDS) AMENDMENT BILL

Second Reading

Adjourned debate on second reading.

(Continued from 27 September 2023.)

The Hon. J.A.W. GARDNER (Morialta—Deputy Leader of the Opposition) (11:00): I am pleased to speak in favour of the Planning, Development and Infrastructure (Adelaide Park Lands) Amendment Bill, which I understand the member for Bragg has introduced to this house having come from another place. I think all members should support the bill.

Mr ODENWALDER (Elizabeth) (11:00): I move:

That the debate be adjourned.

The house divided on the motion:

Ayes 23
Noes.....15
Majority 8

AYES

Andrews, S.E.	Bettison, Z.L.	Boyer, B.I.
Brown, M.E.	Champion, N.D.	Clancy, N.P.

Close, S.E.	Cook, N.F.	Fulbrook, J.P.
Hildyard, K.A.	Hood, L.P.	Hughes, E.J.
Hutchesson, C.L.	Koutsantonis, A.	Michaels, A.
Mullighan, S.C.	Odenwalder, L.K. (teller)	Pearce, R.K.
Piccolo, A.	Picton, C.J.	Savvas, O.M.
Szakacs, J.K.	Thompson, E.L.	

NOES

Basham, D.K.B.	Batty, J.A.	Bell, T.S.
Cowdrey, M.J.	Gardner, J.A.W. (teller)	Marshall, S.S.
McBride, P.N.	Patterson, S.J.R.	Pederick, A.S.
Pisoni, D.G.	Pratt, P.K.	Tarzia, V.A.
Teague, J.B.	Telfer, S.J.	Whetstone, T.J.

PAIRS

Stinson, J.M.	Speirs, D.J.	Wortley, D.J.
Hurn, A.M.		

Motion thus carried; debate adjourned.

Motions

LIMESTONE COAST MARINE RESCUE

Mr BELL (Mount Gambier) (11:06): I rise to move this motion in an amended form as follows:

That this house—

(a) recognises the important assistance professional and recreational fishers play in emergency marine safety situations in Limestone Coast waters; and

(b) calls on the state government to provide funding for a marine rescue squadron/association/SES marine unit, incorporating a rescue vessel, to be based at Port MacDonnell.

Upon entering the Port MacDonnell and District Maritime Museum, you will find the walls adorned with stories of more than 30 ill-fated ships that came to grief along the rugged local coastline during the late 1800s and early 1900s. This stretch of coastline was once known as 'the graveyard of ships', bearing witness to one of Australia's most devastating maritime disasters, in 1859. The passenger ship SS *Admella* tragically shipwrecked on a submerged reef off Carpenter Rocks, resulting in the loss of 89 lives. At the time, rescue vessels were dispatched from Adelaide and Portland. Over 160 years later, the region still relies on vessels from further afield for rescue operations.

In 2011, Port MacDonnell fishermen Gary Causon and Mark Moody were involved in a lifesaving mission, rescuing two men whose vessel had capsized 15 kilometres off Port MacDonell's coast due to a freak wave. After searching the treacherous seas for nearly four hours, Causon and Moody spotted the stranded men clinging to an esky in frigid waters. The two survivors, both standing six foot tall, were hauled aboard with great effort by the local fishermen and hurried back to shore.

Limestone Coast Superintendent Trevor Twilley credited Causon and Moody for saving the survivors. I quote:

Had it not been for the vessel *Remarkable* having gone out there to assist us in our coordination of the search then it's quite likely they may not have survived.

Gary Causon was hopeful that the incident would highlight the need for a full-time coastguard. He was quoted as saying:

I think it's well overdue. It's one of our busiest ports in South Australia and we have nobody. They've been relying on local people for 30-40 years to save people and it's time we had something done.

A series of public meetings followed, and a proposal for a marine rescue service was prepared by the District Council of Grant and presented to the state government at the time.

The proposal highlighted the significant recreational fishing fraternity, the large commercial fishing sector in the area and a predicted rising aquatic risk profile. This marked the beginning of what is now an 11-year campaign to establish an official marine rescue service in the Lower South-East of South Australia.

Since that event in 2011, there have been numerous instances where the community has depended on the goodwill of local fishers to assist in rescue operations, some of which ended tragically. In 2014, a luxury catamaran started taking on water off Port MacDonnell with two men aboard. A rescue call was put out and the two men were rescued from their life raft by a nearby commercial fishing boat.

Later that year, local fishermen were the first on the scene and assisted in the search for a missing snorkeller off the coast of Carpenter Rocks. Police later joined the search, but the man's body was sadly found washed up on the shore. In 2016, two recreational fishermen were rescued by another volunteer fisher when he spotted them treading water two kilometres off the coast of Port MacDonnell after their boat sank due to an anchor rope entangling the propeller.

In 2021, local fishers again were involved in the search for a 32 year old who went missing while snorkelling. He was unable to be saved. Just days later, Dale Brant and Rick Hill were checking their lobster pots when they were called upon to rescue five men who were hanging on the bottom of their overturned boat. All five men were treated for mild hypothermia.

The year 2022 saw another two incidents involving volunteer rescues. In April, two Carpenter Rocks fishermen aided in the rescue of two tourists whose dinghy had capsized. Then, in August, the call again went out to locals to assist an amateur vessel that had reported engine trouble. Charter fishing operators Jason Fulham and Tyson Kain answered the call. The rescue operation took almost five hours, with complications occurring on the tow back in. The damaged vessel began taking on water and had to be abandoned. During this process, the rescuers' own vessel suffered approximately $5,000 in damage.

These incidents are just a selection from the past decade in which professional and recreational fishermen have played a crucial role in rescue operations, with many others not reported publicly. There has been a longstanding agreement between local police and the community of Port MacDonnell to conduct these rescues, and the professional fishing fleet has always selflessly come forward to offer their time when they have been called to do so.

However, we cannot rely on the goodwill of people forever, plus expect them to shoulder the associated costs. Along with lost time and fuel, fishers are also shouldering a heavy liability burden. Rescue operations are outside the normal duties of both recreational and professional fishermen. Should something unforeseen happen during a rescue, can we guarantee that the insurance companies will step up to the plate? If professional vessels are damaged, who will compensate the fisher for lost earnings while the boat is on land being repaired?

This stretch of coastline has proven to be treacherous, yet the closest rescue vehicle is located in Kingston, a two-hour boat ride away. Not only are we relying on commercial and recreational vessels that are not designed for this purpose but we are also relying on local fishermen who have not been trained to perform rescues safely and who may not have the necessary equipment. It is important to emphasise that many of the local fishers are happy to volunteer their time, but they want to do it safely and not at personal cost and/or possible liability.

It is time to address this issue and establish a marine rescue unit at Port MacDonnell, equipped with a built-for-purpose vessel and trained volunteers. The District Council of Grant is a great supporter of this project, and has been actively involved over the past 11 years in garnering support for such a facility. They have provided in principle support with the provision of land, along with a commitment to assist with engaging community members.

In 2021, a meeting was held with the South Australian State Emergency Service and other key stakeholders to discuss the potential establishment of a marine volunteer rescue service. It is currently stated on the South Australian SES website:

VMR [volunteer marine rescue] have identified a lack of resources in the south-east…and are actively pursuing opportunities to remedy this situation.

It is evident that there is consensus on the need for a rescue service in the Lower South-East, yet we still have no dedicated marine rescue unit.

Just last week, Tumby Bay, a lovely town in the Spencer Gulf, took possession of its new rescue vessel, the *Yaragada*. This was a replacement for its existing 20-year-old vessel, and the updated design equipment will allow the volunteers to operate safely for longer periods in a wider range of weather and sea conditions. Whilst I applaud and congratulate this addition for the Tumby Bay district, and have no doubt that it is a vital addition for the safety of their community, I note that there is also an SES marine unit with a marine rescue vessel located at Port Lincoln, approximately 30 minutes away.

As I highlighted earlier, since the initial proposal was put to the government 11 years ago, there have been regular marine incidents that have involved fishers carrying out rescue operations. Both sides of government have had the opportunity to act on this proposal, but it appears budgetary constraints have halted the project from moving any further. With the rock lobster fishing season now underway and summertime approaching, let us hope that action is taken before a tragedy forces the issue.

Mr McBRIDE (MacKillop) (11:17): I also wish to stand and support the motion from the member for Mount Gambier and his amended version, and rise today to speak in support of the motion from the member for Mount Gambier to recognise the important assistance professional and recreational fishers play in emergency marine situations and the need for funding for a marine rescue squadron to be based at Port MacDonnell in the South-East of South Australia.

My electorate of MacKillop has hundreds of kilometres of rugged coastline and I am, along with the members for Frome, Flinders and Narungga, fortunate to have such a vast and beautiful region characterised by stunning ocean vistas. Many thousands of people are able to enjoy that coastline, whether it be through swimming, boating, fishing or the like.

Many people also rely on the coastline for their livelihoods, with hundreds of professional fishers operating businesses thanks to our abundance of seafood, including crayfish, tuna and shark. These businesses contribute millions to our economy through sales locally, nationally and internationally.

As we know, the ocean, while beautiful, can be extremely dangerous. Over the years, there have been dozens of examples of sea rescues. This is particularly prevalent in the South-East region due to the number of people who reside on or visit the coast and the unforgiving nature of our coastline, thanks to our proximity to the Southern Ocean.

Local councils have been calling for a dedicated marine rescue service to be based in the South-East for many years and, to date, nothing has happened. In the South-East, it is difficult to get exact figures on the number of marine rescues there have been; however, media reports highlight recreational fishing boat rescues that occur. This may be because of a mechanical breakdown, fuel issues or a swell flooding a boat.

There have also been many examples of divers getting separated from their boats, particularly between Kingston and Nora Creina, situations which often require search-and-rescue capabilities. There are examples of boats capsizing and occupants needing to be rescued, often by fishermen who are untrained, and possibly uninsured, for such rescues.

Currently in the South-East, the only official rescue boat is an SES vessel based at Kingston, so in the first instance the marine sector often has to rely on the goodwill and availability of commercial boats to voluntarily rescue those in need. This includes the South-East commercial lobster fleet, as long as they happen to be close enough and available with sufficient fuel.

These boats generally require 60 to 80 litres of diesel per hour, with more being used when towing another vessel in adverse conditions. These fuel costs are not covered by state government and are strictly voluntary. This means that fishers who go out to help can be out of pocket many hundreds of dollars—even thousands—with no compensation currently available.

When I think back to the very tragic disappearance of the Vandepeer family, I acknowledge and commend the local community's willingness to help in this desperate situation. For those of you in the house who do not know, Len and Annette Vandepeer and their son Doug vanished after launching their boat from the Cape Jaffa boat ramp in December 2016.

Their disappearance sparked an enormous sea and air search that went for several days. Involved in that search were a number of local cray boats and recreational fishers, who continued to search until it was obvious there was nothing more that could be done. I thank everyone who took the time to assist in that tragic search and use that as just one of the dozens of examples of how important a dedicated marine rescue service is.

As we know, regional communities rely on volunteers, and with such an enormous ocean their contribution in search and rescue is vital. Even minor calls for assistance can be costly. Breakdowns may require a tow. The closest vessel may be a fishing vessel, which has to interrupt its fishing schedule to go and rescue the vessel and its crew. If the rescuing boat is damaged during the rescue, then who pays? These are questions that need to be taken into consideration.

The dedicated Sea Rescue Squadron is based at West Beach. The squadron has flotillas in Adelaide, Wirrina, Edithburgh and the Copper Coast, all a world away from the South-East. In the event of an incident, the patrol boat is dispatched to the distressed vessel, where appropriate action is taken to ensure the safety of the vessel and the people on board. During the week, there are skippers and crews on stand-by, should an incident occur. When an incident occurs, the skipper and crew are activated, depending on the number of vessels required, and a rescue boat or boats are launched.

Again, I reiterate, this is fine when rescues are required in the metropolitan area, Wirrina, Edithburgh or the Copper Coast, but not helpful if a rescue is required in my region in the South-East Limestone Coast. As I said earlier, the South-East does have one marine rescue vessel available at Kingston, but given the SES also assists with road crash, storm damage and general rescues there is a risk that this vessel would not be available because it will not have the crew available to launch it. The SES vessel also cannot be launched from Kingston, as there is no boat ramp, further reducing its effectiveness, as it would have to be driven to Cape Jaffa to be launched. This again takes more valuable time, especially if a rescue is required in Carpenter Rocks or Port MacDonnell.

I urge the state government to fund a marine rescue squadron to be based in the South-East. It will not prevent the need for other volunteers to assist with their own vessels, but it will take the pressure off, with specially designed boats that are fully equipped to deal with sea rescues. Suitable locations could include Port MacDonnell, where there is already a commercial fishing fleet, all-weather launching ability and the highest likelihood of a rescue required due to the number of commercial fishers who reside there.

This would enable servicing an area including Beachport to the west all the way to the South Australian-Victorian border. Another option would be Robe, where there is also a commercial lobster fishing fleet and an all-weather launching ability and a marina. This would enable coverage from Kingston and Coorong all the way to Beachport.

We are heading into a very busy summer season. We have cray boats out catching their quotas and we have more fishers launching from our beautiful Limestone Coast waters and therefore more opportunities for people to get into trouble. In the event of a rescue, we need to have a dedicated service with a dedicated vessel or vessels ready to assist as quickly as possible. I commend the motion to the house and thank the member for Mount Gambier for raising such an important issue for our region.

Mr ODENWALDER (Elizabeth) (11:24): I understand there are more speakers, but I want to make a very brief contribution to this debate. I want to thank the member for bringing this motion. I know it is an issue he has raised with the minister and with the government, certainly in the house and I assume privately as well. I know there are particular issues. It is not just a general issue for you: there are some particular issues you are trying to address. I do have an amendment, though, and I would like to move this amendment now:

Delete (b) and substitute:

(b) recognises calls for a Marine Rescue Fund to ensure fishers are compensated for their services and time in situations assisting emergency services.

The amendment replaces (b), that is, the original (b); I think this debate is going to get a little complicated as we go on. If we consider the original (b) before I go on, and then we consider the amended (b) as put forward by the member for Mount Gambier, the government's response to that is that we do understand. My understanding from the minister and from reading what the minister said in *Hansard*, of course, is that we do understand the problem.

The amendment I have proposed simply does away with the intention to implement something immediately. That stands for both a fund but also now a kind of dramatic escalation from a fund to a dedicated squadron. I am sure the member can understand that there are all sorts of implications to that. There are budget implications and so on, insurance.

While we are on insurance, I also understand that the member has both publicly and privately—I assume privately, but certainly publicly—had conversations about the obligations of insurance companies in situations like this. When people, whether they are in a marine environment or any other environment, are involved in some sort of good deed—and these people do do good deeds—and they sustain damage to either a vehicle or their person, there are insurance implications for that. There are insurance claims that can be made, and I understand that has been the case in at least some of the circumstances to which the member referred.

I also listened carefully to the member for MacKillop's contribution. Again, I do understand that there are specific things you want to address in the South-East. I hope that conversations will be ongoing with government about ways that can be done, but I will not support a motion today that commits the government to either a new fund or a new squadron, whatever form that would take.

Responses to marine search and rescue incidents are conducted, as you will understand, Mr Speaker, under the coordination of South Australia Police. This is in accordance with the national search and rescue plan. Dedicated marine rescue is obviously under STAR Group, and it is based at Semaphore. Given the timeliness of mounting an effective response to marine emergencies is crucial to a successful outcome, there is a heavy reliance on the capability provided by the volunteer marine rescue associations, as the member for Mount Gambier has alluded to, and marine units of the SES, the State Emergency Service.

As a community-based volunteer organisation established by the Fire and Emergency Services Act 2005, the SES provides an emergency response service across the state. The SES also provides support for six independently incorporated VMR associations and their 14 flotilla and approximately 500 operational VMR volunteers. The VMR and SES marine rescue capabilities are distributed strategically throughout the state's coastal and inland waters.

I do take on board any problems and gaps—I know that the minister's office will be listening, and I am sure they are well aware of them—that may exist in those responses. I am sure they are working very hard towards whatever might be done to address those. Other key stakeholders and marine resources that can contribute to search and rescue activities include the Department for Environment and Water, Primary Industries and Regions SA (fisheries and aquaculture division), the surf lifesaving clubs, of course, and the Royal Volunteer Coastal Patrol.

From a governance perspective, the South Australian Water Safety Committee is chaired by the Chief Executive of the South Australian Fire and Emergency Services Commission (SAFECOM) and comprises representatives from both government and non-government agencies across the water safety spectrum, including SAPOL, SES and VMR. The role of the committee, as members would be aware, is to:

- provide a forum for sharing information on specific issues related to water safety and, where appropriate, formulate a process whereby cross-agency water safety matters may be addressed and resolved;
- identify opportunities for enhancing water safety outcomes; and
- work closely with local government, industry and the community on informing, educating and promoting water safety.

The urgent nature of most emergency scenarios, including those requiring a rescue component, means assistance may be provided by what we might call volunteers or good Samaritans. On such occasions, and from a marine perspective, assistance may on occasion be provided by professional and recreational fishers—and that is always appreciated.

While South Australia's dedicated marine rescue units are highly trained and should be the first point of call for on-water emergencies, any lifesaving or rescue effort that supports the safety of South Australians or those visiting South Australia is to be commended and, indeed, is a hallmark of a considerate community.

The government specifically recognises the assistance that professional and recreational fishers play in emergency marine safety situations, and also the detriment caused by insurance companies where they refuse or fail to reimburse such good Samaritans for vessel damage incurred during the course of such actions. The government does recognise the member for Mount Gambier's advocacy on this issue, as I said, and for his community, and will continue to work across agencies and across sectors to ensure the South-East has the best emergency response and community safety.

As I said, and I say to you, member for Mount Gambier, while I and the government do appreciate where this motion is coming from—I appreciate that there is a perceived need for extra assistance in certain areas and certainly support for those people who do give of their time and act as good Samaritans, whether it be in a marine environment or any other environment—the government cannot at this time promise or commit to a fund, as the original motion stated, or a dedicated volunteer squadron.

There are legal constraints that I do not pretend to understand to this matter as well, but I think the basic principle is that the government has heard this—I know that you have had discussions in the house and, I assume, privately—but cannot at this time commit to either a fund or a squadron.

I commend the amendment to the motion to the house. It does not change the original motion substantially, and I will be interested to see what the other side of the house has in terms of amendments to this motion as well. I commend the motion to the house.

Mr PEDERICK (Hammond) (11:32): I seek to support the motion but move another amendment from this side of the house. I do support, well and truly, the intent of the member for Mount Gambier in this motion, but I move to amend the amended motion as follows:

(a) recognises the important assistance professional and recreational fishers play in emergency marine safety situations in Limestone Coast waters; and

(b) calls on the state government to investigate a State Emergency Service marine rescue presence in Port MacDonnell and ensure there is adequate support for marine rescue services along the state's coast and inland waters.

The new amendment means that we are looking at not just the obvious need for rescue services in the Limestone Coast at Port MacDonnell but also for at least one replacement vessel in the seat of Narungga, as I am aware there is a need.

Mr Ellis: Try more.

Mr PEDERICK: More? We can have more if we want, he says. We must be certain that the people of the Lakes and River Murray are adequately resourced for rescue as well. I have spoken in the house here before about the rescue vessel that the Milang rescue group have put into action for the Lower Lakes, funded by the Freemasons. That vessel was worth over $300,000 and run by volunteers, but they have to find the fuel and the operating costs and the cost of running their facility. I wrote to the minister about this and he has given me several different ways to perhaps get assistance by having some cohesion with local SES groups, but I do not think that has been worked through yet.

In regard to the issue at Port MacDonnell, I have met with the emergency services people there, including the CFS and local government people in the Grant district council. This is a vital service for that area of coastline for the industries that work out there—the fishing industry, the rock lobster fisheries and the many people who use recreational vessels in the Limestone Coast.

In regard to current marine rescue arrangements in South Australia, there is a whole range of people who have a role in marine rescue. We have the Volunteer Marine Rescue network, which was established under the State Emergency Service, which currently involves the following organisations: the Australian Volunteer Coastguard, the Cowell Sea Rescue Squadron, the Royal Volunteer Coastal Patrol, the South Australian Sea Rescue Squadron, the Victor Harbor Goolwa Sea Rescue Squadron, and the Whyalla Sea Rescue Squadron.

There are also the South Australian SES marine units across the state, including at Kingston in the South-East. We also have recreational fishers who get involved in rescues, and professional fishers, and we also have access to Surf Life Saving South Australia's helicopter, jet boat and jet ski crews. There is also the SAPOL Water Operations Unit.

Total annual marine rescue statistics are not easily accessible; however, the SES Annual Report states that in 2020-21 there were 329 marine rescue responses from VMR organisations. It is also not known exactly how many marine rescues are conducted by recreational and professional fishers.

In regard to the assistance of fishers in emergency marine safety situations in the Limestone Coast—and these occasions come up because the closest vessel is at Kingston, which is about 200 kilometres away—there are no readily available statistics. Obviously, as the member for Mount Gambier has outlined, we are well aware of issues that have happened, but there are no readily available statistics on the number of marine rescues carried out by fishers in the Limestone Coast.

However, there have been obvious issues that have come up in the media about rescues in the South-East in that area. In August 2022, the South-East fishers called for a government-funded marine rescue service and compensation after a spate of emergencies in recent years, and again this past fortnight, including a rescue off the coast of Port MacDonnell.

In January 2017, a Port MacDonnell boat sank, prompting renewed calls for a marine rescue base in the region. An article also referred to a six-year campaign to see a marine rescue service based at Port MacDonnell since an incident in mid-2011 that saw two fishermen rescued by locals.

In August 2022, with a call for assistance for fishers, a news article suggested that local fishers are calling for a dedicated marine rescue service for the southern-most part of the South Australian coastline as well as compensation for rescues, including any damage sustained to property, and compensation for lost time. That article also included the following commentary from the member for Mount Gambier:

> [Fishers] are putting themselves at risk and it comes at great expense to themselves.

Still quoting the member for Mount Gambier:

> There should be some reimbursement, whether it's just fuel costs and equipment that is damaged, [that] should be covered—a bit of a thank you for providing the service.

The article also stated the member for Mount Gambier's intention to keep pushing for a dedicated marine rescue service. We are clear that we want to see more of an SES-focused marine rescue service going in to support a dedicated marine rescue vessel stationed at Port MacDonnell.

There would be some issues around supporting fishers and fishermen, even recreational people getting involved in rescues, because where would you start and stop with compensating volunteers, whether they are within marine rescue and other aspects of volunteering who are not similarly compensated? It would be difficult to manage, and there is talk about the funding costs from the government in regard to this.

However, I think that this fund—which obviously the government have not committed to, saying they will investigate the need for a fund—may lead to increases in taxes, noting that money is already collected from the public via the emergency services levy for marine rescue. It is my firm belief that that fund should be used to supply these rescue facilities, and it may not support a more appropriate outcome in the longer term.

In the longer term, we need to look at a State Emergency Service marine rescue presence in Port MacDonnell and ensure that there is adequate support for marine rescue services along the state's coast and the inland waters. That is absolutely vital, now that we have come out of COVID in

recent years, with the number of people, especially with recreational boating—whether it be offshore or inland—who are able to get out and about again. The weather is warming up and things will heat up as we head through the summer.

We are already deep into October and right through to March/April, to the end of the traditional ski season, we certainly need to make sure that we have the appropriate facilities in place along our state's coastline and in our river system to protect our community, our hardworking, taxpaying community. They are the ones who pay the emergency services levy that should be funding this marine rescue effort, whether it is at Port MacDonnell or other areas along the coastline, such as Yorke Peninsula, or whether it is on the River Murray or around the Lakes supporting the group at Milang. I support the amended motion.

Mr ELLIS (Narungga) (11:42): In a bit of a unique twist, I do not actually have an amendment to move; I was just intending to speak to the motion. Having said that, I am not entirely sure what iteration of the motion I am speaking to, so I will speak in generalities about the basic premise of the motion. In so doing, I support the member for Mount Gambier's intention not only to recognise the assistance that professional and recreational fishers give but also, more specifically, to highlight a gap in the sea rescue puzzle that we have.

He has highlighted the Port MacDonnell and South-East gap and made an argument as to why that is the most needy place. Whilst I do support the essence of the motion, I would argue that perhaps he has missed the most needy of all destinations on our coastline, that being Point Turton. I have made a number of representations to both the previous and current governments about how we might fix that gap. Members may or may not be aware that quite some years ago the Point Turton Royal Volunteer Coastal Patrol went out and, of their own volition, managed to secure a vessel that they intended to use to help make rescues in the waters off Point Turton.

They got off their backsides and went out and made sure they had access to a vessel and, in so doing, filled a significant gap. There is no other sea rescue opportunity between Port Victoria all the way around to Edithburgh, which is a significant coastline and quite some more distance by boat and a very popular fishing and tourism destination at the bottom of the peninsula.

They got off their backside and did that, but in doing so they ran into the wrath of the bureaucracy, who condemned their vessel for being too old—I think because it had a diesel engine, but I stand to be corrected on that—and limited it to one nautical mile offshore. Not being a boater myself, I am led to believe that is not where most of the rescues occur. They occur a bit further out, and if you are one nautical mile offshore you might well find it a bit easier to get yourself back to shore.

I would argue that is the most needy destination on our coastline. Perhaps I should amend the motion to include that as the most needy, but I hope that in considering the motion as put forward to the house the government also considers other destinations, like Point Turton, which have been the subject of numerous submissions from me. I know that most retiring vessels are sold to subsidise the cost of the incoming vessel, but the Wallaroo vessel, which is admittedly in a different squadron—Sea Rescue as opposed to the Royal Volunteer Coastal Patrol—I know is due for its periodic changeover, and it is due for an upgrade this financial year, I think.

Perhaps when that vessel is retired it might find its way to Point Turton, where it could be used by those volunteers to help achieve what they want to do. They have a healthy membership, they have a willingness to help and all they need is permission from the bureaucracy or a new boat to be able to do that. So here's hoping that with this motion passing it can trigger that action and we can get that gap filled.

The other point I wanted to make today is to highlight another part of the motion that perhaps has not been the subject of such a vigorous debate thus far; that is, in essence, this house is asked to recognise the importance of professional and recreational fishers. That is no more apparent than in my seat, which has a gulf on each side where numerous people make their living out of fishing. The marine scalefish fishery has been an industry that has been the subject of some hardship over the past five years.

Prior to the 2018 election, both parties committed to reforming the fishery and implementing a quota system. It was done and it was a painful process for some as the adjustment occurred and a number of fishermen chose to exit the industry—they were not awarded enough quota or they decided that it might be an opportune time for retirement or for whatever reason. It was quite a painful experience for a number of people, but there are a number of valuable community contributors who remain in the fishery who are doing a wonderful job and who have just been informed by this government that their licence fees will be hiked.

So, in addition to having gone through that extremely painful process of quota implementation, they have received notice recently that their licence fees will be hiked. I would like to give a couple of examples of real-world businesses and how it will affect them. I was contacted by one gentleman who fishes near the bottom of the peninsula. His current licence fees are about $5,940. He projects that his licence fees for the next financial year will be $31,903, so that is a 400 per cent increase on top of what he is paying already.

Another business called me (and I do not have such specific numbers for this one), and he estimates that his current licence fees are around $7,000 and that they will climb to about $30,000 in the next financial year. That second business reports a $50,000 taxable income so, when your licence fees make up approximately $30,000 of a fixed 50,000 taxable income, you can see how that might threaten the viability of that business.

After five years of hardship and being kicked repeatedly in the lower abdomen, we somehow come back to kicking the same industry again and again. The reason for that, in my view, is that South Australia is the only state that imposes the cost-recovery model on their professional fishermen. The marine scalefish fishers in South Australia—unlike every other state in this country—are funding the entire cost of the industry and the bureaucracy. That is not sustainable, and it was barely sustainable when we had heaps more fishermen in the industry prior to the buyouts and quota implementation. Now that there are significantly fewer, it is even more of a burden on those who have remained to fund the entire industry.

This is my call: in recognising the importance that professional fishermen play in our state in emergency marine situations and all other parts of community life, now is the time to change and move away from a cost-recovery model. We do not have the critical mass of fishermen there to fund it. They are doing their best to make ends meet as it is. Imposing significant licence fee hikes, such as the two examples I read out previously, is just not a sustainable model and I would urge the government to move away from that as soon as possible.

There are other ways to do it, and one that I consider to be attractive—and I am not putting this forward as the only option, but one that I consider to be attractive—is that fishermen could be charged a percentage of their gross value product. They could be charged a percentage of their GVP as is done in WA. Now this would mean that they pay for what they use, essentially. They are funding the product that they catch, and it would be a more equitable way of ensuring that those businesses that are, as I said, struggling to make ends meet remain viable, and can continue to contribute to our communities, and that they can also continue to supply our restaurants and our pubs and our fish markets with fresh fish, which I know the vast majority of this house thoroughly enjoys.

Here is my call to the parliament in recognising the importance of professional fishermen, to make change, to move away from the cost-recovery model, and to start helping this fishery rather than kicking it, because it has been a long five years for them, and now is the time that we can change and move away from that cost-recovery model.

In so doing, I have had cause to talk to quite a number of fishermen over the past couple of weeks about this and, just by way of warning to both sides of the house, one argument that really wears thin with people on the ground is when parties blame previous governments for mistakes. I am sure it happens after every election—it is not an indictment on anyone—it is just a fact of life that once you are in government people want to see the problem solved, not apportion blame to a particular party.

Here we have a problem that needs solving; hopefully, the government is up to it. I know there has been a report prepared, which is in the minister's possession, about options moving away from cost recovery. Hopefully, we see that report soon and we are presented with options that might

be better suited for our fishery, but something needs to change, and sooner rather than later would be better.

There is my plea, focusing on a different part of the motion and acknowledging the importance that professional fishermen play, but also making sure that we have another call-out for a boat or rescue vessel at Point Turton. It is well past time and those wonderful volunteers are getting quite desperate to ensure they have the proper equipment provided to them.

Mr HUGHES (Giles) (11:51): I will just add a few words to this as well, even though the coastal area that I have has been somewhat reduced by the last state boundary change. I have lost out on a fair amount of coast from between Whyalla and Cowell. Cowell is a fantastic fishing spot. If you have never had an opportunity to go to Cowell to go fishing, either within the close, sheltered waters or out in the gulf, I would suggest you do that. You will have a very successful outing.

Obviously I still have Whyalla, the northern coastline and some of the southern coastline in the electorate, and recreational fishing is a very important pursuit. Indeed, when the planets align, when I have some time off, the weather is right, and one of my sons is on the right shift—because I am going to bludge on his boat—we will go out and catch a few fish. I think it is important that we fund adequately those people who make that effort to be there as volunteers to carry out rescues when needed, and the funding does go into the facilities.

I guess I cannot complain about what we have in Whyalla with the air-sea rescue there. They have good facilities, and they have an excellent boat that is relatively new, and indeed it was used on the weekend as part of the mine rescue exercise competition that happened in Whyalla, some of which happened at the marina and the jetty, so there was an involvement on the part of a range of organisations, including a whole bunch of people from mining companies from around the state and interstate.

There have been examples in Whyalla where that voluntary effort has been incredibly important, especially when we had the tragic crash of the Whyalla Airlines plane where all those lives were lost. Within a very short period of time, a number of people and boats were mobilised—from recreational fishers, professional fishers and, of course, marine rescue, police, and a whole variety of other people out there—just trying to locate the plane. It represented a massive effort. Unfortunately, nobody on that occasion was saved. It is a very rare occurrence, but we do have those occasional occurrences when there are mishaps in the gulf and people need to be rescued.

One point made by the member for Mount Gambier was I think in reference to the rescue of a catamaran and the damage then done to the professional boat that brought them back in. It is entirely reasonable that there should be some compensation for that. The motion has changed somewhat, it became far more specific, so there is this issue with equipment. We need to fund good, up-to-date equipment and turn over equipment when it needs to be turned over.

There is a huge volunteer base in this state and other states across a whole range of services and emergency services, whether it is the Country Fire Service, the SES or the people who do marine rescue. There are issues when we talk about monetising volunteer effort. On another motion it was a bit different. It is one of those things where people are doing it because it is something that they want to do, they want to assist, and we need to ensure that there are mechanisms in place. But people are doing it not because they are seeking reward; they are doing it because of the intrinsic value of that contribution to community.

In saying that, and this is a little bit off track, some challenges have been faced in recent years by services like the Country Fire Service, by the volunteers in this state and the volunteers who go interstate. As weather events intensify, we need to seriously look at how we support volunteers who in some instances are now away from home for very extended periods of time, and all the consequences that flow from that.

As our weather systems intensify—and there might still be one or two deniers on the other side—we are in the midst of profound climatic change, and it is not going to get better. It is going to get worse as time goes on. I have a lot of sympathy for what happened in the unprecedented fires in Canada, both the extent and the length of time over which they happened. It is not a wake-up call, because we have already had multiple wake-up calls, but there are still some people asleep. We do

not want to monetise volunteer effort, but we need to make sure that real support mechanisms are in place.

If the call on volunteers is going to be very extended to the point where they are close to breaking point, that is an area that needs some serious consideration. Indeed, I asked the question of the emergency services when they appeared before the Economic and Finance Committee about what were the trendlines, and they said, 'No, the trend is intensifying.' That is something that we need to be very mindful of.

I pay credit to the volunteers in my region who are there day in, day out, week in, week out, looking after the safety of others on the waters. Of course, very few professionals now operate out of Whyalla, but we do have a lot of recreational boats. There used to be significantly more visitors prior to the snapper ban. That was a ban that I would argue—as I am sure the previous minister would argue—was needed. We need to take a conservative approach when it comes to managing our fisheries, but I am told by my son that there seems to be a lot of snapper out there at the moment. When the ban is over, there is going to be a flood of people back to Whyalla looking for snapper.

The capacity to ensure that people can go out on the water and be safe is important. There is no doubt that there are gaps around the state that need to be funded and other elements that need to be made available. We should look at how best to plug those gaps.

I am happy to be contradicted—maybe there are more netballer or soccer players, I do not know—but the figures still indicate that people engage in recreational fishing, not necessarily often but on a reasonable basis and not all on the water, and it is still one of the biggest recreational pursuits in this state and around the country. It is something that makes a significant economic contribution to regional communities. I know that once upon a time I used to be a very frequent traveller to the West Coast to go camping and fishing. It is important that we ensure that equipment is up to date and we have support mechanisms in place that show our appreciation of the voluntary effort that is performed by many people in this state.

Mr WHETSTONE (Chaffey) (12:01): I would like to rise to make a brief contribution and support the initiative of this motion. I rise in support of the member for Hammond's amended motion because I think it covers a much broader range of the issues on water, not just marine waters but also inland waters, and how vulnerable boat users can be when they get themselves in distress or into a sticky situation that might need either a rescue or support.

It is important that all marine areas have satisfactory safety standards and satisfactory support. As a very keen, avid recreational fisher and as a former minister for fisheries, I have seen only too well some of the situations and strife that the commercial sector right along the coastline in South Australia but also visitors and tourists as recreational fishers get themselves into not only in the marine situation but in inland waters. A lot of it is ignorance. A lot of it is that they are ill-prepared or not aware of what situations can arise and how some of those emergency situations can turn into a catastrophe, a loss of life and also a very costly exercise not only for the commercial sector but for the recreational sector.

As the member from Mount Gambier has said, he is looking for more consideration to be given at Port MacDonnell. The member for Narungga is looking after his patch down at Marion Bay and Point Turton. I am sure that many members in this place who have coastline in their electorate are looking for better support in emergency situations.

I, too, have been out in a recreational situation where recreational fishers have looked after their neighbour—fishing neighbour, you might call it—when they need a tow in because of a breakdown or malfunction. Normally it is kosher to swap a carton of beer for a tow, and it is happy days. But when you get yourself into an open sea situation, like potentially what will happen at Port MacDonnell, Marion Bay, Ceduna or any of our open coastline, it becomes a financial compromise, whether it is a commercial fisher or a recreational fisher. In some cases it is not just about boat malfunction or breakdown, but it can be crew who have become very ill. That is when we sometimes see air rescue or sea rescue play a role.

What we must also understand is that on inland waters there are a number of situations that have arisen over time. I guess the most recent flood would highlight the situations on the Murray,

where we have seen emergency service vessels being put out there either to rescue or to help with something that has arisen, through no fault of a boat operator, in an inland situation.

We all need to understand that governments have a role to play. I notice that the government have taken away the words 'state government' in terms of assistance. Well, I think that is really shirking a responsibility. State governments have a role to play. I see that, over time, state governments have diversified some of the funding that has gone into marine funding, whether it is the South Australian Boating Facilities Fund, whether it is the emergency services levy, or whether it is cost recovery.

I would like to reinforce what the member for Narungga has said, which is that we have a model that is broken. The cost-recovery model, particularly in commercial fishing, is definitely a broken model. It is just that: cost recovery. What we are seeing is government departments that are realising what the cost of operating a commercial sector is, and then they just share it up within the licences. We have seen, over a much-needed reform into the commercial scalefish sector, that there are many fewer fishing licences now, by over some 100 licences. That cost recovery is now being shared by a very few commercial operators.

As we have seen, a 400 per cent, 500 per cent or 600 per cent increase in that cost recovery is now going to put further pressure on the viability of a wild catch commercial sector and what it will mean for the availability of those very businesses that are out on the water and that are being called for in an emergency situation. If we are going to have fewer boats on the water, there will be less opportunity for those very same vessels to respond to an emergency situation. That is nowhere more evident than in the South-East, where it is open coastline, open water.

We see a number of situations that arise every season, where boats have to be towed in or have to call for assistance under duress. I think it is the role of government, whether it be federal or state, to come to some form of an understanding of what their responsibility is, instead of hiding under a desk, which they are currently doing.

In the short time that I have left, I must say that it is an opportune time to acknowledge some of the volunteers who are out there in our SES inland marine units and some of those paid marine and fisheries officers who are out on our waters, making sure that people are compliant and making sure that vessels are safe and are being managed in a safe and proper way.

I guess it would be improper to claim that the commercial sector would be operating in an improper way, but I cannot say that for the recreational sector. There are many who are inexperienced. A lot of those vessels that sit in a shed in for most of the year all of a sudden get brought out for holiday time, with a lack of maintenance and with a lack of preparation. We will then see those very boats putting human lives at risk, whether it is being stranded at sea or being unfamiliar with the weather conditions. It happens, and it potentially happens on a daily basis.

So it is about the volunteer rescue network. For many of us who go out and use marine radios, when we are going out we like to check in with some of the volunteer marine radio operators. I know Garry at Tumby, Carol at American River, John at Ardrossan and Peter at Ceduna. They are a few of the volunteer radio operators I have conversed with, and I thank them for their tireless effort in making sure that people radio in when they are heading out and radio in when they are coming back to the jetty or the ramp or the marina of whatever description to help keep our waters a safer place to operate.

It is also important that we make sure our tourists, recreational marine users and boat users in both the marine and inland environments all have licences. Something I have watched over a long period of time is that we are not seeing fisheries officers or marine safety officers going out into a regional setting and doing licence tests. I know that there are a number of young boat operators, particularly in the Riverland, who do not have the opportunity to come down to Adelaide to sit for a licence test, so they are operating a boat without a licence. That is the responsibility of the government. The presence of marine fisheries officers is not only in marine waters; it has to be in inland waters too.

I must say that, with the South Australian Boating Facilities Fund, we must do more with the support for our marine and inland water operators. We have seen money that should be used for

boating facilities now being used for channel markers and lighting for channels, so I think it is important that we put a perspective right across the board. I do support this motion, but I think it needs to be extended and I think the government needs to take more responsibility.

Time expired.

Mr BELL (Mount Gambier) (12:11): I would like to thank the speakers from MacKillop, Elizabeth, Hammond, Narungga, Giles and Chaffey. If my understanding is correct, we will be voting on the Liberal amendment to the amendment and then we will go to Labor's amendment and then maybe eventually to the original amendment. I think I am correct.

The SPEAKER: The question has arisen as to the correct method for resolving amendments to amendments. I turn to Blackmore, which states:

> As a proposal to amend an Amendment introduces a fresh subject for consideration, the new Question thus created must be disposed of by itself.

Blackmore goes on:

> The original Question is, for the time, laid aside until this new Question is settled. All confusion is thus avoided, the ultimate adoption of the first Amendment not being proposed until it has assumed that form in which the House is prepared to accept it as an Amendment to the original Question.

It follows that the amendment moved last in time is to be resolved now, that is, the amendment moved by the member for Hammond. The question before the chair is that the amendment to the amendment moved by the member for Hammond be agreed to.

The house divided on the member for Hammond's amendment:

Ayes 14
Noes.....24
Majority 10

AYES

Basham, D.K.B. (teller)	Batty, J.A.	Bell, T.S.
Cowdrey, M.J.	Ellis, F.J.	Gardner, J.A.W.
Marshall, S.S.	Patterson, S.J.R.	Pederick, A.S.
Pisoni, D.G.	Pratt, P.K.	Teague, J.B.
Telfer, S.J.	Whetstone, T.J.	

NOES

Andrews, S.E.	Bettison, Z.L.	Bignell, L.W.K.
Boyer, B.I.	Brown, M.E.	Champion, N.D.
Clancy, N.P.	Close, S.E.	Fulbrook, J.P.
Hildyard, K.A.	Hood, L.P.	Hughes, E.J.
Hutchesson, C.L.	Koutsantonis, A.	Michaels, A.
Mullighan, S.C.	Odenwalder, L.K. (teller)	Pearce, R.K.
Piccolo, A.	Picton, C.J.	Savvas, O.M.
Stinson, J.M.	Szakacs, J.K.	Thompson, E.L.

PAIRS

Speirs, D.J.	Wortley, D.J.	Hurn, A.M.
Cook, N.F.	Tarzia, V.A.	Malinauskas, P.B.

The member for Hammond's amendment thus negatived.

The house divided on the member for Elizabeth's amendment:

Ayes 24

Noes.....14
Majority 10

AYES

Andrews, S.E.	Bettison, Z.L.	Bignell, L.W.K.
Boyer, B.I.	Brown, M.E.	Champion, N.D.
Clancy, N.P.	Close, S.E.	Fulbrook, J.P.
Hildyard, K.A.	Hood, L.P.	Hughes, E.J.
Hutchesson, C.L.	Koutsantonis, A.	Michaels, A.
Mullighan, S.C.	Odenwalder, L.K. (teller)	Pearce, R.K.
Piccolo, A.	Picton, C.J.	Savvas, O.M.
Stinson, J.M.	Szakacs, J.K.	Thompson, E.L.

NOES

Basham, D.K.B. (teller)	Batty, J.A.	Bell, T.S.
Cowdrey, M.J.	Ellis, F.J.	Gardner, J.A.W.
Marshall, S.S.	Patterson, S.J.R.	Pederick, A.S.
Pisoni, D.G.	Pratt, P.K.	Teague, J.B.
Telfer, S.J.	Whetstone, T.J.	

PAIRS

Wortley, D.J.	Speirs, D.J.	Cook, N.F.
Hurn, A.M.	Malinauskas, P.B.	Tarzia, V.A.

The member for Elizabeth's amendment thus carried; motion as amended carried.

MULTICULTURAL COMMUNITIES COUNCIL OF SOUTH AUSTRALIA

The Hon. J.A.W. GARDNER (Morialta—Deputy Leader of the Opposition) (12:22): I move:

That this house—

(a) recognises that the Multicultural Communities Council of South Australia has been supporting migrant communities and people from culturally and linguistically diverse backgrounds since it was established in 1995 but that its roots stretch back to the 1970s;

(b) acknowledges that MCCSA now represents 120 multicultural organisations and delivers a wide range of programs to increase the capacity of its member organisations and advocates for the needs and aspirations of CALD organisations, communities, and individuals;

(c) notes that MCCSA is the multicultural coordinating partner for the Department of Human Services' Community Connections Program and supports people from new and emerging communities to increase their independence and build stronger social and community connections; and

(d) notes the significant positive impact that MCCSA has made towards building social cohesion and enhancing multiculturalism and interculturalism in South Australia.

It has been a journey and I want to recognise the individuals who provide so much support at board level and executive level of the council, beginning with their patron, the Hon. Hieu Van Le AC, former Governor of South Australia, a man who along with his wife, Lan—and their story is known by generations of South Australians—was somebody who could come here from Vietnam on a boat with nothing but a suitcase full of dreams, be welcomed in Darwin Harbour with a 'G'day mate,' and then become South Australia's Governor, Her Majesty's representative in South Australia. Continuing to give back to the country, as he does every day, one of his roles is as patron of the Multicultural Communities Council.

I recognise the Chairperson, Miriam Cocking; Deputy Chairperson, Dr Ian Harmstorf OAM; and Treasurer, Silvio Iadarola, one of the first members of the community and the Italian community to welcome me as a candidate for Morialta in 2008, as he welcomes everybody. I have no idea

whether Silvio voted for me but, as he does with all political candidates, he is a very welcoming person. I thank Silvio for that on the record. I do not mean to undermine the significant efforts of Miriam and Ian by singling out Silvio, but there was a certain kindness that he did me for which I am very grateful.

Also on the board are Eduardo Donoso, Lenard Sciancalepore, Malgorzata Skalban OAM, Manju Khadka, Nasir Hussain, Patrizia Kadis and Rajendra Pandey—Raj is also a member of the South Australian Multicultural Commission—and Suren Edgar.

The team at the Multicultural Communities Council is led by one of my constituents, Helena Kyriazopoulos OAM. It was wonderful to see her honoured for her significant work over a number of years advancing multiculturalism in South Australia in the Australian honours lists in the last couple of years. I also recognise their other staff: Julie Hoare, Kristin Johansson, Vicky Arachi, Annie Barone, Florine Fernandes, Geoffrey Brown, George Gouzounis, Hanaa' Grave, Katherine Greer, Lena Gasparyan, Ling Giang, Luis Cohen, Maggie Asaad, Milan Andelkovic, Omar Ahmad, Perrin Abbas, Savry Ouk JP, Sharyn Mooney, Sisaleo Philavong, Somi Lindsay, Stefano Pratola, Ukash Ali Ahmed, Veronica Davila, Victoria Tairli and Xiaohui Liu, better known as Abby to many. I recognise all of their significant work.

This is a group of people who support communities in South Australia, a particularly valuable resource for communities with elements of vulnerability, whether that is new arrivals or communities, indeed, supporting more elderly South Australians or other South Australians that need that extra level of support. The services they run are significant, with more than a dozen different programs for a wide range of communities, filling niches where government might act but, indeed, where the Multicultural Communities Council has filled those niches—that NGO service being able to more readily and more quickly adapt to meet those needs—and supporting more than 100 community organisations around South Australia.

The needs of newer migrant communities often differ from more established communities, and the Multicultural Communities Council looks to be agile in identifying those needs, advocating to government but also suggesting and, in certain cases, providing and supporting in relation to those needs.

I want to commend the council for its work. Its foundations, as the motion said, started before its initial introduction in 1995. Its roots stretch back to the 1970s, a time when the nature of migration to South Australia and to Australia was changing dramatically. I just want to conclude with a couple of minutes reflecting on the way our multicultural society and immigration policy in Australia has changed since federation.

It is, of course, to our shame as a nation—although we were not necessarily the only country that did not have modern values such as we would identify as appropriate now, and we were not the only country to be doing this in 1901; but when we federated the White Australia policy was our formal immigration position. This was based on policies that were in provinces—our states—prior to this, as a result of Victorian miners being very, very discriminatory towards Chinese miners in the 1850s and Queensland policy settings relating to Pacific Island labourers in North Queensland.

So when we came together as a country in 1901, along with discrimination against Aboriginal South Australians there was also discrimination in our immigration policy against non-European settlers. In 1901 the Immigration Restriction Act included, for example, the dictation test that was in operation for more than five decades and is understood to be something of a stain on our character as a nation, certainly in the way that it was implemented to discriminate against non-European migrants. Sad to say, it was reinforced during the Second World War by Prime Minister Curtin who in many other ways was, of course, a very fine leader—but on this he was very wrong.

I put this history because I think our next prime minister, Prime Minister Menzies, was erroneously described—and assumed, I think, by many—to have instituted the White Australia policy. Indeed, while he did, of course, have values that were of his time in many ways, it was under the Menzies government that the White Australia policy started to be dismantled.

Indeed, as early as 1949, immigration minister Harold Holt, who plays a starring role in this chronology a little bit later, took the first steps towards the dismantling of the policy and towards the

modern immigration program that we have now when he took 800 non-European refugees after the Second World War and also made it clear that Japanese war brides, as they were then known, were able to become part of Australia.

In 1957, the rules were changed again for non-Europeans with 15 years' residence to be given citizenship. That was a step, but we were still a long way from parity, given that five years was the time that European residents had to wait. Fortunately, in 1958 further steps were taken under then immigration minister Sir Alexander Downer, a predecessor of the Alexander Downer who served more recently as foreign minister. In that year, 1958, the act was changed. References to race were removed and the dictation test was finally abolished.

More work needed to be done and, indeed, it was later—closer to the Harold Holt government—when the update of the non-European policy was undertaken so that it was to be based on the suitability of settlers, and then formal abolition of the White Australia policy took place under the Holt government. Temporary residents were offered citizenship after five years, European or non-European alike.

Gough Whitlam took some further important steps in 1973 as Prime Minister. Time for residency was reduced from five years to three years. Rather than there just being no formal discrimination against non-European settlers, as was the abolition of the White Australia policy, Whitlam took that one step further and had the policy that there was a proactive non-discrimination requirement. Indeed, at that time we ratified some of our international treaties.

However, in practice, unfortunately the impact—and this was felt certainly by Vietnamese migrants and refugees to Australia—was that the overall immigration intake was lowered significantly, so in practice the numbers were going down despite those steps forward. That was addressed further under Malcolm Fraser between 1975 and 1978. We saw a significant rewrite of our immigration policy which has formed the basis of subsequent Labor and Liberal immigration policies over the decades since.

Through this time, there was a change in the way that Australia presented itself as a country. It was the work that was not just undertaken by prime ministers or immigration ministers who changed the law—and we can pat ourselves on the back all we like for changing the law to what it should have been in the first place—but I would like to pay tribute to those people who came to Australia with a suitcase full of dreams, or maybe a suitcase full of clothes, or whatever it might have been. People came to Australia in a range of different circumstances, whether they were fleeing war zones, seeking economic advancement, looking for a job opportunity, or indeed just looking to reconnect with family.

There are hundreds of different reasons that people have been coming to Australia in waves of migration. What they have in common is a desire to build better lives for themselves and their families. What they have in common is that they have individually, and collectively as communities, enhanced our country, enhanced Australia, made our country better, made our country stronger, and made our country and our state and our communities better to live in.

I am so pleased that my family will grow up in the multicultural Australia that we now cherish and must take every opportunity to seek to protect. I am so encouraged that this is a policy that has shared bipartisan support now for decades. Indeed, in South Australia our governments, successive governments, each government builds on the legacy of the last in supporting multicultural communities more effectively.

I look forward to the contribution these communities will continue to make, particularly supported by the Multicultural Communities Council of South Australia, who we are acknowledging in this motion. I commend the motion to the house.

The Hon. Z.L. BETTISON (Ramsay—Minister for Tourism, Minister for Multicultural Affairs) (12:34): I rise to support the motion brought forward by the deputy opposition leader. The Multicultural Communities Council is an incredibly important association here in South Australia. They had their formation in the 1970s and had the name for quite some time since then, to now be an association with 120 members. They have been growing their numbers and have people and associations connected with them who arrived many generations ago as well as new and emerging communities.

I would like to thank Miriam Cocking, President; Dr Ian Harmstorf OAM; Helena Kyriazopoulos OAM, Chief Executive Officer; the MCCSA Board and their staff; and volunteers, for their ongoing commitment to empowering our multicultural communities across South Australia. One of the key things they do is build relationships and ensure we have very strong connections with our diverse communities.

Funding from the South Australian government comes in a block form as one of our core funded areas, but the majority of their funding comes from the federal government. Over many years, funding has supported operations, programs and initiatives. Looking at their most recent annual report, they are involved in many different things. In 2021-22, they had 36 programs and projects, 125 member organisations, 31 boards and committees, eight advocacy submissions, five research collaborations, and 798 hall and training rooms utilised.

This is one of the key things about their location in Gilbert Street, that the groups associated or connected with them or that have membership can also have access to those meeting and training rooms. They also had 207,000 online interactions, 259 partnerships and collaborations, and 140 volunteers. As we remember all too well, that was during our COVID-constricted times, but the diversity of the areas they are involved in is extensive.

Some of those programs include the multicultural youth Reconnect program. We know that sometimes there are generational issues and trauma people have experienced, and disconnections between grandparents, parents and children. The youth Reconnect program supports families to find common ground between those different generations.

They have a Carer Gateway program to support people in their caring roles, and social support groups particularly for people who have been here for a little bit longer than the new arrivals but who still want to find those areas of connection and have that community contact. Playgroups are another area catering for young parents, and the Community Visitors Scheme and the transport scheme attached to that are other ways of connecting communities. They have a lot of mentors who are volunteers and who speak a diversity of languages who go out and support them as well.

I was thrilled, just a few years ago, when they took their intercultural training, called CulturalQ, and put a lot more effort and time into setting that up to make it available to go out to different organisations and public and private companies to talk to them about cultural competency, to have what are sometimes quite difficult conversations, to have people open up. Often we see an unconscious bias, people not even realising that some of their actions or policies may not include everyone in their workplace.

They have a men's group as well, where a diversity of people, new arrivals and people who have been here for many generations come together. Of course they have a culturally and linguistically diverse Ageing Well Network. Those are just some of the programs that they have here.

I did want to talk a little bit more about a new program that is funded for MCCSA through the South Australian government, called the community boards and governance program. This enables MCCSA to provide tailored advice and case management, talking about the role of boards and governance.

Most of the associations are incorporated under the Associations Incorporation Act 1985. You can be incorporated. You sign up to it, but then what is expected of you as a board? It is about not only how you act as a board but how you lead, develop, support and advocate for your community. This was specifically some program funding in addition to that core funding. That additional $16 million that we have put into multicultural affairs over four years has enabled this program to go ahead. It was an election commitment, and I am so pleased that MCCSA is rolling this out.

When they are looking at this community, they want to talk to people about language and communication, so they provide training materials in multiple languages, if need be using interpreters and translation and utilising culturally appropriate communication strategies. Looking at cultural norms and practices, we know that there are differing values and practices related to governance, and it is important to understand and respect these cultural differences when delivering the training,

with a focus on cultural sensitivity and inclusivity promoted throughout this government's programming.

Looking at trust and mistrust, building trust within the community is crucial for effective governance training. Often, people experience historical or systemic mistrust towards institutions and authorities and so they take their time to establish those relationships. We know that there are power dynamics with boards and committees, looking at cultural and social hierarchies and how they can influence this. Gender and diversity is an area that should be considered within governance training, as well as of course religious and spiritual considerations. Some communities have specific practices that impact their governance structure and decision-making.

That is why having this tailored advice and a case management way of supporting them is really important. In the past, when we have talked about governance programs, we have often done them in group settings, where we invite everyone in and talk to them about governance, but it is often hard for people to ask those individual questions. There might be a situation within their own group around people who are divisive, who have said, 'No, this is what you do and this is what you don't do.' They need to be able to ask those questions directly.

This program, which is new and, as I said, was an election commitment run by MCCSA, means that you will have these facilitators who will provide accessible and pragmatic learning experiences. These will be individualised training programs, with mentoring. There will be some guest speaker presentations as well. Participants are going to learn about the incorporations act and constitutions, compliance responsibilities, effective board administration and meeting management, having a conversation about the role of office bearers and who you are going to look for to take those roles as well.

They will also learn about best practices, policies and procedures, such as risk management and work health and safety, financial management, accountability and reporting, and of course grant applications. Often, communities are keen to go for either a Celebrate Together or an Expand Together grant, but of course you must acquit that grant according to the conditions. If your organisation does not acquit that grant, then you will be prevented from applying for further grants in the future. Often, it is that conversation or walking alongside a community when they apply for a grant and they acquit that grant that builds the strength and capacity for them to go on further.

We know that communication often needs to be enhanced between board members, organisations, government agencies and stakeholders. There are responsibilities for each and every one of the office bearers in an incorporated association. We need to make that clear. Managing community expectations is another issue. Any of us who have been on a board know that that can be difficult. Stakeholders who are not involved in the board often have very strong opinions on what the board should do.

Across the multicultural divide, of course, we do a lot of work with volunteers, engage with the broader community and also look at network opportunities. As we know, it is a membership-based organisation with 125 members, as I have said. How can we do some cross-understanding and cross-connections and find mentors, maybe from a different culture, more established, who have gone through some of these challenges before? As I said, we rise to support the motion. They do great work, and we are delighted to continue supporting MCCSA.

Motion carried.

OZASIA FESTIVAL

Mr BATTY (Bragg) (12:45): I move:

That this house—

(a) notes that OzAsia Festival will return in 2023 from 19 October to 5 November 2023;

(b) celebrates OzAsia Festival as Australia's leading arts festival engaging with Asia; and

(c) commends the artists and those involved in organising the OzAsia Festival.

With OzAsia, Australia's leading arts festival engaging with Asia, kicking off tomorrow, it is an opportune time for this parliament to commend all those involved with organising the festival and

wish them all the very best of luck for the next couple of weeks but, more importantly, to encourage all South Australians to make the most of all that this wonderful OzAsia Festival has to offer over the coming couple of weeks because there really is something for everyone.

It very much showcases Asian culture in all its forms, whether it is music, dance, theatre, visual arts, literature or delicious food. It is a feast of culture from various artists from right across Asia and indeed the world, masters of their craft who we are very lucky to have in South Australia on our doorstep. I would love to stand here and spruik every event that is on offer at the OzAsia Festival over the coming couple of weeks, but I have agreed to speak for just a short time only. The truth is, there are far too many to mention. Indeed, there are too many Adelaide premieres to even mention.

I for one am particularly looking forward to attending the official opening of the OzAsia Festival tomorrow night, where we will enjoy a performance of *tiaen tiamen* by the Bulareyaung Dance Company, which promises to be a great show. There are many other community events that are taking place throughout the next couple of weeks, including the Moon Lantern Trail, which is a brilliant and free event and very enjoyed every year. The Lucky Dumpling Market is always a very enjoyable time. I think I ate my own body weight in dumplings last year. The final few days of the festival will see In Other Words, which is OzAsia's landmark weekend of everything literary.

I encourage all South Australians to enjoy all these different aspects of OzAsia. It is going to be a lot of fun over the next couple of weeks. I think more importantly it is an important opportunity for us to continue our engagement with Asia, for us to celebrate rich and diverse multicultural communities, particularly those with Asian backgrounds, whether they be Indian, Indonesian or, in my own electorate increasingly, Chinese. One in 10 of my residents in Bragg speaks Mandarin or Cantonese at home. It is a great opportunity for us to celebrate this rich and diverse multicultural society we live in.

In closing, I want to acknowledge some of the people who have put the festival together, including Annette Shun Wah, the artistic director; Douglas Gautier AM, the CEO and Artistic Director of the Adelaide Festival Centre; and Joon-Yee Kwok, the executive producer. I want to acknowledge and thank all the contributors from across the state and across the world. We are so lucky to have this talent in South Australia, and I cannot wait for the next couple of weeks.

The Hon. A. MICHAELS (Enfield—Minister for Small and Family Business, Minister for Consumer and Business Affairs, Minister for Arts) (12:49): I also rise to speak in support of the member for Bragg's motion and thank him for bringing it to the house. Of course, OzAsia is one of South Australia's most iconic cultural festivals and tomorrow night I have the pleasure of officially opening 2023 OzAsia.

It truly is a festival for a modern Australia. It celebrates, obviously, our Asian communities and artists here in Australia, and also our deep connections with our Asian neighbours. It reflects our contemporary culturally diverse country. OzAsia really is one of Australia's pioneering cultural events. The Adelaide Festival Centre's commitment to the festival is a testament to its leadership in both cultural innovation and in delivering its core mission, which is arts for all—something that I frequently speak to the chair, Hieu van Le, and Douglas Gautier about.

This year's festival is extra special. It is in the Adelaide Festival Centre's 50th anniversary year and it will see 300 artists from 13 countries over 2½ weeks. We have the spectacular Moon Lantern Trail which returns and, in particular, I am looking forward to seeing a new lantern by South Australia's Jaydenlee Tong which reflects his Aboriginal and Chinese heritage.

As well as providing fabulous experiences for festivalgoers, OzAsia does very important work in supporting South Australian Asian artists. It really does provide an invaluable opportunity for them to appear in the program and work with and learn from some incredible visiting international artists. The Malinauskas government is a very proud supporter of this key event in Australia's cultural calendar. A big congratulations goes to OzAsia's creative director, Annette Shun Wah, and her team of dedicated staff who have put together an incredible program for this year's OzAsia Festival.

Like the member for Bragg, I am particularly looking forward to opening night tomorrow night. *tiaen tiamen Episode 1* by the Bulareyaung Dance Company is a work that reflects the Paiwan people's culture, who are the indigenous peoples of Taiwan. It has been described as avant-garde,

creative and futuristic. The dance company has a stellar track record in creating works for Taiwan's Cloud Gate Dance Theatre and New York's Martha Graham Dance Company. It is a story rooted in tradition about the survival of Paiwan culture and looking to the future to ensure that the culture continues to flourish. It is a particularly apt piece for our time right now to have that open the OzAsia Festival this year.

What is so great about this festival is the continued collaboration with our multicultural groups in South Australia. OzAsia really gives these important groups a platform to share their culture with the wider South Australian community. In 2022, we welcomed 175,000 attendees through the OzAsia Festival, and we are very proud to continue the funding to support the festival running again this year.

Our multicultural community has always been one of our state's richest and best assets, and we want to make sure that it is showcased to the wider community. Hopefully, with some good weather, we are expecting up to 200,000 visitors to OzAsia 2023. I look forward to South Australians immersing themselves in Asian and Asian-Australian culture. I look forward to again enjoying all the great experiences that the OzAsia Festival has to offer. I commend this motion to the house and again thank the member for Bragg for bringing it to us.

Motion carried.

TAFE SA

The Hon. B.I. BOYER (Wright—Minister for Education, Training and Skills) (12:55): On behalf of the member for King, I move:

That this house—

(a) acknowledges both the Malinauskas and Albanese Labor governments for their strong backing of TAFE;

(b) congratulates the Malinauskas Labor government on being the first state to sign up to the interim National Skills Agreement in 2022 that delivered 12,500 fee-free VET places to South Australia, with 10,500 going to TAFE SA; and

(c) welcomes the strong commitment to value and invest in TAFE SA as a high-quality and respected VET provider for the South Australian community.

The timing of this motion is fortuitous in the sense that just yesterday the Premier and I were joined by the member for Adelaide outside Adelaide Botanic High School—in fact, the part of the school that is being extended or upgraded to accommodate another 700 students from the start of term 2 next year—to talk about the announcement made in the last 24 hours by the Prime Minister, the federal Minister for Skills, Brendan O'Connor, the Premier of South Australia and me.

The announcement was for a $2.29 billion agreement over five years to provide 150,000 subsidised training places for this state, which is an enormous uplift in terms of new money over and above the number of places we would be offering in South Australia had we not signed this National Skills Agreement, which I would like to remind the house is actually the first of its kind in a decade.

Unfortunately, the former state government could not find their way to reaching agreement with the former federal government on a national skills agreement, so I am very pleased that, in a very short period of time, we have actually signed two National Skills Agreements. The first agreement, which is referred to in this motion, is for twelve and a half thousand fee-free places for South Australia, ten and a half thousand of those to be delivered by TAFE and 2,000 to be delivered by a range of for-profit and not-for-profit training providers. I am pleased to inform the house that they have basically all been used; in fact, I think at the last count 12,400 had been accessed, which is fantastic news.

Most pleasingly, though, and the question that I always ask when I visit any training campus, and in the context of the motion that we are debating here today, whenever I visit a TAFE campus, I always approach any students who are studying by virtue of accessing a fee-free course to talk about how important it was that it was free in terms of their ability to access it and to actually undertake the course. It was my desire and the federal government's desire that these fee-free places were able to

attract people who would otherwise not be able to afford a course, instead of simply attracting people who would have otherwise paid a subsidised rate.

I am pleased to say that the feedback was overwhelmingly that it was the difference. In fact, I was at the TAFE SA campus in the city just this morning to talk to some students who are studying cybersecurity and ICT, including a number who were studying a cert IV under fee-free TAFE. I asked both those students, 'How important was it to you that the course was free?' and they both said, without any encouragement from this minister, that they would not have been there if it were not for fee-free. To me, that is a wonderful thing to hear and shows the importance of this. I seek leave to continue my remarks.

Leave granted; debate adjourned.

Sitting suspended from13:00 to 14:00.

Parliamentary Procedure

PAPERS

The following paper was laid on the table:

By the Deputy Premier (Hon. S.E. Close)—

Criminal Investigation (Covert Operations) Act 2009—SA Police Annual Report 2022-23

Parliamentary Committees

ENVIRONMENT, RESOURCES AND DEVELOPMENT COMMITTEE

Ms STINSON (Badcoe) (14:00): I bring up the second report of the committee, entitled Urban Forest Interim Report.

Report received and ordered to be published.

LEGISLATIVE REVIEW COMMITTEE

Mr FULBROOK (Playford) (14:01): I bring up the 31st report of the committee, entitled Subordinate Legislation.

Report received.

Mr FULBROOK: I bring up the 32nd report of the committee, entitled Subordinate Legislation.

Report received and read.

Parliamentary Procedure

VISITORS

The SPEAKER: I see in the gallery students from Tyndale. I think they are guests of the member for King and the member for Wright. Welcome to parliament today. It is an absolute pleasure to have you with us.

I also see Dr Lisa Murphy, CEO of the Stroke Foundation of Australia, as well as Professor Tim Kleinig, Head of the Stroke Unit at the RAH. Welcome to parliament today. We are much appreciative of your efforts. I understand that you are guests of the minister.

And, if I am not mistaken, it may be the former member for Adelaide, Mr Michael Pratt, present in the gallery as well. Welcome to parliament.

Question Time

ABORIGINAL REMAINS, RIVERLEA PARK

The Hon. D.J. SPEIRS (Black—Leader of the Opposition) (14:05): My question is to the Premier. Is the Premier meeting with Natasha Wanganeen and, if so, will the Minister for Aboriginal Affairs be joining as requested? With your leave, sir, and that of the house, I will explain.

Leave granted.

The Hon. D.J. SPEIRS: During the ABC's *Q+A* program on 9 October 2023, the Premier committed to meeting with Natasha Wanganeen and other representatives to discuss concerns relating to the Aboriginal burial ground, which was identified at the site of the Riverlea Park development.

The Hon. P.B. MALINAUSKAS (Croydon—Premier) (14:05): I am meeting with Ms Wanganeen—I understand it is scheduled on Wednesday 25 October. That is what my diary says. The second part of the question was?

An honourable member: Will the Minister for Aboriginal Affairs be there.

The Hon. P.B. MALINAUSKAS: I have requested that a range of officials be there from the Department for Aboriginal Affairs. In terms of the attendance of the Minister for Aboriginal Affairs, that will be a matter for him, but what I would say is this: I have no requirement or expectation on the Attorney-General to be at that meeting, particularly given some of the remarks that were made by Ms Wanganeen during the course of her appearance on *Q+A*.

ABORIGINAL REMAINS, RIVERLEA PARK

The Hon. D.J. SPEIRS (Black—Leader of the Opposition) (14:06): My question is again to the Premier. When was the Premier informed about the presence of an Aboriginal burial ground at the Riverlea Park development?

The Hon. P.B. MALINAUSKAS (Croydon—Premier) (14:06): I am happy to get some advice for the Leader of the Opposition in regard to that question. In regard to Riverlea more broadly, as was identified in the Legislative Council yesterday through a ministerial statement provided by the Minister for Aboriginal Affairs, the discovery of the remains was first made on 27 April earlier this year.

On 6 June this year, in accordance with the wishes of the Kaurna Yerta Aboriginal Corporation, I understand that a direction was subsequently given under the Aboriginal Heritage Act. Clearly, at some point between 27 April and 6 June, the government was formally advised of that discovery at Riverlea.

AUDITOR-GENERAL'S REPORT

The Hon. D.J. SPEIRS (Black—Leader of the Opposition) (14:07): My question is again to the Premier. Is the Premier aware of the Auditor-General's comments relating to government infrastructure projects and transactions and, if so, does he agree with them? With your leave, sir, and that of the house, I will explain.

Leave granted.

The Hon. D.J. SPEIRS: In the Auditor-General's 2023 annual report, he states:

> …I am unable to form an opinion on the extent to which transactions associated with [those approvals] were undertaken properly and in accordance with the law.

Those approvals include:

- over $20 billion worth of public spend and include the new Women's and Children's Hospital;
- the north-south corridor Torrens to Darlington project;
- the transfer of land at Festival Plaza;
- the Adelaide Aquatic Centre replacement; and
- the Hydrogen Jobs Plan, amongst others.

The Hon. S.C. MULLIGHAN (Lee—Treasurer) (14:08): Well, in short, yes, we are familiar with those comments from the Auditor-General, and the Auditor-General makes those comments in the broader context of his wanting access to all of the detail of cabinet submissions that sits behind the government's decisions to authorise expenditures on those projects. Of course, there is a

difference of opinion about whether the Auditor-General for audit opinion purposes needs evidence of the decision being taken—

Members interjecting:

The SPEAKER: Order!

The Hon. S.C. MULLIGHAN: —and authorising the appropriation and expenditure on those projects and, of course, whether the Auditor-General is wanting to make himself familiar with other much broader detail in respect of those projects.

SUPER SA CYBERSECURITY INCIDENT

Mr COWDREY (Colton) (14:09): My question is to the Treasurer. Has a cybersecurity incident occurred at Super SA?

The Hon. S.C. MULLIGHAN (Lee—Treasurer) (14:09): Yes, it has. I was advised late last week that an external—

Members interjecting:

The SPEAKER: Order! The Treasurer has the call.

The Hon. A. Koutsantonis: Calm down.

The SPEAKER: Order!

The Hon. S.C. MULLIGHAN: Yes, I am aware of a situation where a service provider to a number of government agencies—including but not limited to Super SA—had its cybersecurity breached and data was taken from that firm.

I understood that that breach happened affecting—and I am happy to provide the details to the member—a number of agencies, as I have said, beyond Super SA. My first thought was and remains in these situations whether people who may have been impacted have been alerted to this occurrence and, in the event that they are being alerted, are they given the appropriate information about what this means for them and whether any remedial action needs to be taken and how remedial action is to be taken.

I remain extremely disappointed, as some of us I know in this place, as well as many thousands of others South Australians, have been impacted by these situations in the past. These cybersecurity breaches can be extraordinarily damaging to individuals' and businesses' capacity to go about their normal daily lives, including, for example, the very significant breach that happened a number of years ago—involving, again, an external party to government, Frontier—which impacted I think more than 80,000 staff records across the public sector.

Several thousand impacted people still remain, to different extents, locked out of some of their personal accounts, for example, provided by federal government agencies. I know this too well because I happen to be one of them as one of the people impacted by it. For me, the impact is mostly frustrating; for others, the impact is actually quite significantly damaging to their capacity to go about not only their normal daily lives but sometimes their livelihoods.

What it demonstrates I think to all of us is that not only external providers of services to government but government agencies need to do a much better job of, firstly, trying to insulate themselves as best they can against these attacks in the first place and, secondly, responding to them in a timely, thorough and appropriate way. I have to say in response to the member for Colton's question that I am not convinced that the response from government agencies—let alone from the external third-party provider here—has been timely, has been thorough and has been casting a mind as quickly as it should to the impacts to be borne by people who might be impacted by it.

It's simply not good enough. This is not the first time this has happened in government—it's happened under the previous government and it's happened under this government. The way in which government responds to this needs to improve because, on these sorts of occasions, it is letting thousands, sometimes many thousands, of South Australians down and that is simply not good enough.

SUPER SA CYBERSECURITY INCIDENT

Mr COWDREY (Colton) (14:13): My question is to the Treasurer. When did the cybersecurity incident occur, when was the Treasurer informed and when were impacted individuals informed?

The Hon. S.C. MULLIGHAN (Lee—Treasurer) (14:13): I will take some of the detail of this on notice but, to the best of my recollection now, the cybersecurity breach I think happened nearly two months ago. As far as I am aware—and, again, I will check all these dates and provide them to the house—I think I was advised late last week. Treasury is not the lead agency for cybersecurity management in government but, regardless, as a minister responsible for a government agency that had its data potentially breached to not be told for that length of time is, quite frankly, unacceptable. I find it unacceptable to me, but that's in my capacity as a minister responsible to this house for the affairs of that agency. More to the point, it's unacceptable to the people who have had their information accessed or information breached, or who have had their livelihoods impacted.

I am sorry if I seem agitated or frustrated, if not angry about this episode, but, as I said, this is not the first time it has happened in this state, it is not the first time it has happened to public sector agencies, and it is clear to me as a minister that government agencies still are not responding to this in a way which is appropriately timely, thorough and meeting the needs of people who may have had their data accessed.

SUPER SA CYBERSECURITY INCIDENT

Mr COWDREY (Colton) (14:15): My question is again to the Treasurer. When was the cybersecurity incident discovered, and how many current or former public sector employees have been impacted by the cybersecurity incident?

The Hon. S.C. MULLIGHAN (Lee—Treasurer) (14:15): I thank the member for Colton for his question. They are appropriate questions and they deserve a thorough and accurate answer, and I will provide those to him. But I hope that I have made it clear to him and to the rest of the house that it is my understanding that the breach happened at least in the first instance sometime ago, and certainly sometime before I was advised.

The other agencies or the people responsible for ICT or cybersecurity management in those agencies may well have been advised in a more timely manner. Regardless, that doesn't excuse the basically unacceptable situation that at least this minister, if not other ministers of those other agencies, weren't appropriately advised at the time in real time so we could do what we are here for and make sure that the way in which government agencies are responding to this is appropriate, timely and thorough.

My understanding is, given the number of different agencies and hence the number of different types of records that were accessed, that there was potentially a significant number of South Australians who had their data accessed, but I will come back and provide the particulars and the specifics on how many that is and, in particular, what type of data that might be. I would expect that, given the effluxion of time since this incident occurred, there should have been a thorough reconciliation of that by now.

SUPER SA CYBERSECURITY INCIDENT

Mr COWDREY (Colton) (14:17): My question is again to the Treasurer. What steps has the Treasurer taken since being informed of this cyber incident?

The Hon. S.C. MULLIGHAN (Lee—Treasurer) (14:17): My understanding is that the lead agency for responding to the cybersecurity breach is that business unit within DPC which is responsible for the government's across-government cybersecurity and ICT coordination efforts. I certainly made clear to my department that I expected that we firstly would have a thorough understanding for all of the agencies that were impacted about what the breach was, how many people were impacted, what notification had been taken not only to those agencies but more specifically and more importantly to those South Australians, or indeed other parties, if there were other parties, but particularly to those South Australians who might have had their data accessed.

As I referred to I think in my first or second answer on this topic, it was able to be made clear to people who may have been affected what steps were being undertaken to firstly secure or resecure their data and, secondly, provide them avenues to make sure that they could go about securing their own personal information or their other data which might have been accessed. If there were remedial efforts that needed to be taken—either by the government agencies, by the service provider or the individuals themselves—that all of that was being set out. So my initial reaction was going to the heart of those issues, putting those questions, making those demands to my department.

SUPER SA CYBERSECURITY INCIDENT

Mr COWDREY (Colton) (14:19): My question is to the Premier. When was the Premier informed of this cybersecurity incident, and what steps has the Premier taken since being informed?

The Hon. P.B. MALINAUSKAS (Croydon—Premier) (14:19): Thank you to the member for Colton for the question. I am advised that my office was first advised on 12 October, and I understand there have been a range of protocols that have been followed since that discovery took place, as per the arrangements that are in place when such a breach occurs.

SUPER SA CYBERSECURITY INCIDENT

Mr COWDREY (Colton) (14:19): My question is again to the Premier. Premier, what agencies have been affected, and when was the Premier planning to make a ministerial statement?

The Hon. S.C. MULLIGHAN (Lee—Treasurer) (14:19): As I said, I am happy to come back to the member for Colton and provide a list of the agencies that were impacted. Without having the information in front of me, my recollection is not necessarily that DPC was one of the client agencies, or that the Premier's department was the client agency, but certainly, conversant with the member for Colton's first question, Super SA certainly was. So that is why I guess the first response was: what steps is Super SA taking to advise their members as well as the other client agencies? I am happy to provide that detail to him. These are important questions.

SUPER SA CYBERSECURITY INCIDENT

Mr COWDREY (Colton) (14:20): Supplementary: what was the nature of the data that has been stolen?

The Hon. S.C. MULLIGHAN (Lee—Treasurer) (14:20): As I said, I am happy to provide that. I haven't got that in front of me, but these are important questions and they deserve a—

Members interjecting:

The SPEAKER: Order! Member for Hartley! Member for Chaffey! Member for Colton!

The Hon. A. Koutsantonis interjecting:

The SPEAKER: Order, member for West Torrens!

Members interjecting:

The SPEAKER: Order! The Treasurer has the call.

The Hon. S.C. MULLIGHAN: I am not sure why this is eliciting this response from the opposition. These are appropriate questions.

Members interjecting:

The SPEAKER: Order!

The Hon. S.C. MULLIGHAN: These are—

Members interjecting:

The SPEAKER: Order, member for Colton! The Treasurer has the call.

Mr Cowdrey interjecting:

The SPEAKER: Order! Member for Colton, you are warned.

The Hon. V.A. Tarzia interjecting:

The SPEAKER: Order! The member for Hartley is warned. The Treasurer has the call.

The Hon. S.C. MULLIGHAN: Thank you, Mr Speaker. These are appropriate and serious questions; they deserve a thorough, appropriate and serious response. I don't think that I have been evasive in my responses. I have been pretty forthcoming by making it clear up-front. It's certainly my initial reflection that this has not been—

Members interjecting:

The SPEAKER: Order!

Mr Cowdrey interjecting:

The SPEAKER: Order! Member for Colton, you are warned for a final time. The Treasurer has the call.

The Hon. S.C. MULLIGHAN: If you are not interested in the answer, don't ask the question.

ESTABLISHMENT OF ADELAIDE UNIVERSITY

Mr BROWN (Florey) (14:22): My question is to the Premier. Can the Premier update the house on any proposals to create a new university in our state?

Members interjecting:

The SPEAKER: Order!

The Hon. J.A.W. GARDNER: Point of order, sir.

Members interjecting:

The SPEAKER: Order, members to my right! The member for Morialta on a point of order under 134.

The Hon. J.A.W. GARDNER: Thank you, sir: government business before the house. We expect to be talking about the committee of inquiry into the university bill.

Members interjecting:

The SPEAKER: Order! That may be. There is some force in the matter that the member for Morialta has raised with me. However, I do observe that it has been government policy for some time since the government in fact became the government—in fact, it was the opposition's policy, taken to the election, that there be an amalgamation of universities in South Australia, and on that basis I am going to turn to the Premier.

The Hon. J.A.W. Gardner interjecting:

The SPEAKER: Order! Well, that may be, member for Morialta, but the Premier's answer of course will inform the question that you put, or the standing order that you have raised.

The Hon. P.B. MALINAUSKAS (Croydon—Premier) (14:23): Thank you, Mr Speaker. I thank the member for his question. The member for Florey has a passion and an enthusiasm to make sure that future generations of South Australians get access to the highest quality education options anywhere in the land.

What I am very pleased to report to this house, and to the state more broadly, is that the state government is now confident that this parliament, in due course, will be able to contemplate, consider and ultimately pass legislation to establish a new university here in South Australia, a new university that brings together two fine establishments—the University of South Australia and the University of Adelaide—in order to be able to achieve a range of benefits and outcomes for the people of our state.

I won't talk to the independent inquiry that the parliament has undertaken, as that is currently before the house, but what I can say is that there has been a thorough public examination of all of the evidence around what the virtues are—what the challenges are, but also what the virtues are—of a university amalgamation.

What we now know, from a range of interest groups and a range of representations from experts right around the state, and indeed around the country, is that by bringing these two institutions together, we can achieve a range of high-quality outcomes. The first one is unlocking a lot more R&D in our state. R&D is critical, not just for the students who participate within it but for our economy more broadly. R&D means innovation. Innovation improves productivity. Productivity improves people's wages and outcomes for their lives.

This is exactly what we need to be doing more of as a state to improve our position in terms of labour productivity, moving up the value chain of labour, so that more South Australians can have better, more secure well-paid jobs from a wider variety of backgrounds, which is another key benefit of the university amalgamation.

This new university—particularly on the back of the construction of the financial support that the Deputy Premier and the Treasurer have been central to putting together—means that more young adults from a wider variety of backgrounds, whether it be from low-SES backgrounds or regional communities across the state, will have the opportunity to get access to a university education.

As a government, we firmly believe that you don't have to go to university to get a good job and you don't have to have a degree to have a good life, which is why we have already announced the biggest investment in skills education, free TAFE and technical colleges at our schools. But it is also true that if you do go to university and you do get a good degree you are in a strong position to be able to set yourself up for a high-quality career, and university education is central to that.

We don't just want more kids getting degrees, we want more kids from more backgrounds getting access to higher education, which is why we pursued this policy. More than that, we know that there is in the order of a $500 million economic boost to the state on the back of international students increasing in number here in South Australia, which brings a range of benefits that have been well documented in this place for some time.

I look forward to the introduction of this legislation to this parliament and I look forward to the opportunity to work with the opposition, which I acknowledge has had an open mind about this proposition, to make sure we get a good outcome for the state—doing something big and bold and ambitious to set us up for the long term.

SUPER SA CYBERSECURITY INCIDENT

Mr COWDREY (Colton) (14:27): My question is again to the Treasurer. Has the government conducted contract management activity or risk assessments of third-party providers in compliance with the South Australian government's data security and storage requirements? With your leave, sir, and that of the house, I will explain.

Leave granted.

Mr COWDREY: The Auditor-General, in his 2022 annual controls opinion report, stated that insufficient checks of the organisation's data security and systems were being undertaken by the South Australian government.

The Hon. S.C. MULLIGHAN (Lee—Treasurer) (14:27): In short, yes, across government there is a significant amount of effort on making sure that agencies are putting a much stronger focus on contract management.

For example, if you have a look at the Auditor-General's Report, he raises significant concerns about the contract that was entered into, I think in November 2021, with Ventia, a significant facilities management company appointed by the previous government to undertake facilities management across a range of agencies. Certainly, the experience to date from the client agencies, let alone the people that those agencies are meant to be providing services to, is that that contract has been very difficult.

Specifically, in relation to the member for Colton's broader line of questioning which is about the cybersecurity breach, I am advised that it occurred—again, as I said before—in a third-party provider for services to governments agencies. It was a call centre, and the call centre was contracted, as I am advised, by Super SA to assist Super SA field phone calls from Super SA

members who were impacted by the 2019 cybersecurity breach. It is still being investigated why that call centre provider had retained data on its systems relating to managing that particular agency's client relations task in relation to the 2019 much broader Frontier cybersecurity breach.

As far as I am aware, the contract that engaged that call centre, which has been the subject of this specific cybersecurity breach the member for Colton's questioning relates to, was engaged to deal with those inquiries back from the 2019 cybersecurity breach. That raises, we could all understand, a series of further questions: what requirements are there for these agencies to not continue holding government data on their ICT systems after they complete doing work for government?

The member for Colton might recall that this was the source of the Frontier cybersecurity breach in 2019 that caused the data of tens of thousands of public sector workers and former public sector workers to be breached. That payroll data had been kept on Frontier's networks for a period of time longer than it should have been, and it seems this same issue has arisen again in the same context of dealing with the customer inquiries from that same cybersecurity breach.

It is absolutely clear that the way in which these incidents have been managed is not good enough because it is causing the exposure of South Australians' sensitive data to be exposed to illegal access. The point that sits behind the member for Colton's question—what activity is now ongoing across the public sector to review the requirements of these contracts—is a good question because government agencies are having to review the stipulations they have in these agreements with third-party providers to make sure this sort of thing doesn't happen.

CYBERSECURITY

Mr COWDREY (Colton) (14:32): My question is again to the Treasurer. Does the Treasurer have a plan to secure the personal details of South Australian government employees?

The Hon. S.C. MULLIGHAN (Lee—Treasurer) (14:32): The member might recall that not only did my previous answer mention that we have a central agency that tries to provide a policy framework and a consistent effort across government to secure information across government networks but recently, in the budget I released on 15 June, we provided a further $200 million for these efforts across government not only to harden the government's cybersecurity but also to rapidly escalate and accelerate the replacement of government ICT systems, some of which are very long in the tooth and, because of that, are often more exposed to cybersecurity threats.

So, yes, we do have a plan. That plan is being supported by hundreds of millions of dollars of additional new money, new investment, to make sure that we continue taking those steps to minimise these risks going forward. I should say to the house that every business operating in Australia at the moment is not only at risk but also under threat from these sorts of cybersecurity attacks.

They are incredibly sophisticated, they are incredibly damaging, they are sometimes incredibly expensive to rectify. That is why, within the first 18 months of coming into government, we have not only elevated this issue but made sure we are responding to it in a meaningful way and putting very substantial additional funding into those efforts.

ADVANCED MANUFACTURING

Ms STINSON (Badcoe) (14:34): My question is to the Deputy Premier. Can the minister update the house on the government's commitment to advanced manufacturing in South Australia?

The Hon. S.E. CLOSE (Port Adelaide—Deputy Premier, Minister for Industry, Innovation and Science, Minister for Defence and Space Industries, Minister for Climate, Environment and Water) (14:34): I am delighted to inform the house that today South Australia's Advanced Manufacturing Strategy was released. It has been a while, I think something like 11 years, since we last had a manufacturing strategy for South Australia. Of course, as a manufacturing powerhouse in the country—at one point having the highest per capita production of manufacturing in Australia—we have suffered from the decline in manufacturing overall in Australia as so much was offshored.

We are now, I think, poised on the verge of a resurgence and re-industrialisation of South Australia but on quite a different basis, one which embraces low to zero carbon product and emissions and a profile for electricity generation that has been the great legacy of previous South Australian governments as well as the current one, harnessing the power of that for being able to sell products overseas.

There is also increased complexity in our economy, harnessing again the investments made right from early childhood through to technical colleges through to the skills agreement that was signed off in the last couple of days and also even to the point the Premier was making about the merger, increased complexity in our research and commercialisation capability at the university level. All of that captures a much more sophisticated manufacturing sector and therefore advances productivity and also an increase in our standard of living.

This strategy has benefited from the input of a lot of people from industry and also the academic world and people who have worked in industrial policy for a long time. It has at its core the desire to see that South Australia has a shared vision and focus across industry, academia, education, skills and training and also government so that we are all pointing in the same direction and trying to capture as much value for the state as possible.

We lost the car industry some time ago, which was very sophisticated, very large, internationally recognised high-end advanced manufacturing. It was really driving a lot of manufacturing capability in this state. No-one can forget when Spring Gully was the beneficiary of people who worked at Holden in being able to make a much more lean production system so that it was able to steer away from what looked like bankruptcy. It is just one simple example of the way in which very high-end manufacturing capability in its staff was able to help other manufacturers.

Having lost that, we are now having to refocus the basis of our manufacturing economy, acknowledging the very important role of defence but also space, biomedical and some other manufacturing sectors. This manufacturing strategy highlights a number of areas that require concentration.

There is investment; innovation; capability—of course, we all know the challenges in finding a skilled workforce for manufacturing, as for most other sectors; markets, making sure that we are targeting the markets that are most interested in the kind of manufacturing we are capable of; workforce, again; and, of course, the circular economy, harnessing our capabilities in recycling as well as the full circular economy so that we are fit for purpose as markets are increasingly demanding in zero carbon, in being nature positive and in being able to demonstrate the circular economy.

We are in a good position in South Australia, but we cannot be complacent. It requires a concerted effort, ideally across all sides of politics but certainly across industry, academia, training providers and government.

SUPER SA CYBERSECURITY INCIDENT

Mr COWDREY (Colton) (14:38): My question is again to the Treasurer. Why has the Treasurer not made a public announcement about the cyber incident? With your leave, sir, and that of the house, I will explain.

Leave granted.

Mr COWDREY: In 2021, after a three-day delay, the now Treasurer issued a press release, stating: 'Steven Marshall needs to explain why he kept a major cyber attack against the South Australian government secret.'

Members interjecting:

The SPEAKER: Order! The Treasurer has the call.

The Hon. S.C. MULLIGHAN (Lee—Treasurer) (14:38): As I explained to the member for Colton, as soon as I was advised I was demanding that my agency take what steps it—

Members interjecting:

The SPEAKER: Order! The member for Morialta is warned. The Treasurer has the call.

The Hon. S.C. MULLIGHAN: As I said, as soon as I was advised, I was demanding that my department was putting in place those steps to notify as soon as possible those people who were potentially impacted by this cybersecurity breach, and also that they were doing so so that they knew what the next steps were both for them, if they wanted to find out more information, if they wanted access to the IDCARE provider which again was used in the past in previous cybersecurity breaches, but also that the agency was able to articulate to people who were potentially impacted what steps that agency was taking in deference to that. My first thought was to make sure that information was provided as quickly as possible to those people who were impacted and I think that that is absolutely appropriate.

Members interjecting:

The SPEAKER: Order!

Parliamentary Procedure

VISITORS

The SPEAKER: Before I call the member for Narungga, I recognise the presence in the gallery of John and Barbara Richards, and Ray and Ellen Wood, guests of the member for Newland. Welcome to parliament.

Question Time

YORKE PENINSULA MINING

Mr ELLIS (Narungga) (14:40): My question is to the Minister for Energy and Mining. Can the minister provide an update to my constituents as to the status of the Rex Minerals proposal? With your leave, sir, and that of the house, I will explain.

Leave granted.

Mr ELLIS: Constituents of mine received notice in April that the roadworks required to be completed prior to mine commencement would start in May. To date, six months later, no work has occurred whatsoever.

The Hon. A. KOUTSANTONIS (West Torrens—Minister for Infrastructure and Transport, Minister for Energy and Mining) (14:41): That is unacceptable. If the member's community was promised something by Rex Minerals and it hasn't been delivered, that is not good enough, and I share his frustration.

Mining companies and the mining industry as a whole often talk at length about multiple land use frameworks and social licence. When mining companies make promises, they should keep them. Having said that, mining companies work in a very different and fluctuating economy. When commodity prices fluctuate so dramatically, it can make it very difficult to raise capital, it can make it very difficult to procure services.

In the current employment market in South Australia, having the lowest unemployment rate in the state's history, the state is faced with a unique challenge that we have not faced before. It's not that there is no demand for work; it's that it's hard to find the workers that we need to do the work. I suspect that what has occurred here is that there probably are roadworks that are funded by Rex Minerals and that they are looking for contractors to do that work and, given the demands we are spending on road maintenance, it's probably getting harder and harder to find the contractors to do that work. But what I undertake to find out is exactly what has happened, what has gone wrong, and give the member and his community a fulsome answer because they deserve it.

The Yorke Peninsula Rex Minerals deposit is an excellent deposit of copper that will help grow our state, grow our royalties base, create jobs on Yorke Peninsula, and of course copper is a commodity of decarbonisation and is growing in demand each and every year. There is no forecast over the next four, eight, 12, 20 years where the world will see copper demand decreasing. Copper demand is going to be growing exponentially and, because of the impacts of climate change and the need to carbon-abate, copper and electrification are going to be critical.

So I will get to the bottom of this for the member. I know he is passionate about making sure his local community are serviced and serviced properly. I know that from the correspondence I get from him and the number of times he calls me about particular roads in his electorate. I will chase this up and get him a detailed answer.

Parliamentary Procedure

VISITORS

The SPEAKER: Before I call the member for Flinders, I acknowledge the presence in the gallery of representatives of the Hindu and other temples association, guests of the Minister for Multicultural Affairs. Welcome to parliament.

Question Time

PUBLIC HOUSING

Mr TELFER (Flinders) (14:43): My question is to the Minister for Human Services. Has there been an increase in antisocial behaviour in public housing? If so, why? With your leave, sir, and that of the house, I will explain.

Leave granted.

Mr TELFER: *The Advertiser* has reported freedom of information data showing that the number of antisocial incidents has increased by 25 per cent in the last financial year.

The Hon. N.F. COOK (Hurtle Vale—Minister for Human Services) (14:44): Thank you for the question, to the member for Flinders. The vast majority of people in public housing live quiet, peaceful lives and create no problems for themselves or for other people. They are good tenants. Many have lived there for decades. We have a small percentage of clients who really need a lot of input and support in their tenancy. We have made no changes to our antisocial behaviour policy, the very same policy and actions that were in place under the previous government. I understand that there has been an increase—

Mr Telfer interjecting:

The Hon. N.F. COOK: Do you want to listen or do you want to just rabbit on?

The SPEAKER: Order! The minister has the call.

The Hon. N.F. COOK: Well, he asked the question and then talks—

Members interjecting:

The SPEAKER: Order! Minister, there is no need to respond to interjections.

The Hon. N.F. COOK: As I said, the vast majority of tenants lead very peaceful lives and are not an issue in their communities. Many people are very grateful to have the offer of public housing and, given the number of people who need public housing, that is why we are investing nearly a quarter of a billion dollars extra to the building program.

What we saw happen under the previous government—I will provide just for context—was a year-on-year cut of $20 million to the budget, culminating in a loss of nearly 200 staff over the four-year period of the Liberal government—in the previous four years. We have been working really hard with Housing SA to look at different ways that we can support tenants who have challenges and do need extra support.

The FOI, I understand, talked about data over a period of about 10 years. I understand there was an increase in the year that is being talked about but, to reassure the member, there has been no policy change in how antisocial behaviour is managed. I think people know that the Labor government is here to listen. We are responding when issues are presented to us, and you would be well aware because when you have contacted me I have contacted you straight back. When you have done it, when you have done it, and when you have done it, I have contacted you straight back and we act as soon as we possibly can.

I visit homes with other members, as I am going to do with another member over there in there in the next few weeks, to try to support the work that is being done. I accept that there has been an increase in the number of reports, but I also know that there are changes and investments being made into public housing, not just the asset but the people who are working there, in order to provide a service to the community.

PUBLIC HOUSING

Mr TELFER (Flinders) (14:47): My question is to the Minister for Human Services. How many vacant public housing properties have been upgraded under Labor? With your leave, sir, and that of the house, I will explain.

Leave granted.

Mr TELFER: The Labor 2022 policy commitment was to upgrade 350 houses that currently sit empty.

The Hon. N.F. COOK (Hurtle Vale—Minister for Human Services) (14:47): I don't have the number for today but I believe the number out of the 350 commitment is somewhere around 80-odd. I will just remind members what the program commitment included, because that is one component of it. There were close to 200 properties empty at a point of time within the previous government. Our empty properties now sit in the 1,600s.

We know that there is a huge demand on housing generally and I and the Minister for Housing and Urban Development, the Treasurer, and the Minister for Small and Family Business are working at pace to deliver a program that will provide us with more homes—nearly 1,150 actually—than would have been under the Liberal government, had they stayed in. We stopped the sale and then invested at the start to build—

Members interjecting:

The SPEAKER: Order!

The Hon. N.F. COOK: We stopped the sales that were baked into—

Members interjecting:

The SPEAKER: Order! The member for Morialta is warned. The minister has the call.

The Hon. N.F. COOK: We have stopped the sales that were baked—

Mr Brown interjecting:

The SPEAKER: The member for Florey!

Members interjecting:

The SPEAKER: Order! Minister.

The Hon. N.F. COOK: We have stopped the sales of public houses that were baked into the forward estimates by the previous government. Along with—

Members interjecting:

The Hon. N.F. COOK: No, the Marshall government—

Mr Brown interjecting:

The SPEAKER: Member for Florey!

The Hon. N.F. COOK: Long may it go into the—

Members interjecting:

The Hon. N.F. COOK: I know you have forgotten.

Members interjecting:

The SPEAKER: Order!

The Hon. N.F. COOK: Everybody else has forgotten too, thank goodness.

Members interjecting:

The SPEAKER: Order! Member for West Torrens! Member for Florey!

The Hon. J.A.W. Gardner interjecting:

The SPEAKER: Member for Morialta!

Members interjecting:

The SPEAKER: Order! Minister, you have the call.

The Hon. N.F. COOK: There were sales that were baked into the forward estimates by the state Liberal government. It took us some time and a great deal of effort to actually change the dial on that, to turn that around, to stop that happening, and in total where it's around 580 plus 564, if I remember the numbers correctly, it will deliver an increase of 1,144 on the estimate that would have been there had you stayed in. Now, we are really pleased that that has—Mr Speaker, I know you have left the dark side. It's not you. It's via you to over here—

Members interjecting:

The Hon. N.F. COOK: The dark side.

Members interjecting:

The Hon. N.F. COOK: Yes. It is. It's great news. So we have made a commitment to increase public housing, and that is what we are doing. The number of builds is increasing exponentially because of the effort now being put in not just by the state government but the federal government where we have the Social Housing Accelerator program that needs to be committed to and spent over the next couple of the years, and we will see hundreds of homes as a result.

Then also after that we have that next pipeline due to the Housing Australia Future Fund. It means that we, as a Labor government, can do what governments should be doing and that is investing in public housing. I understand us to be nearly a quarter of the way through on that commitment already, and about 180, which is around about a third of the way through, on the new builds in terms of them being contracted, under construction or completed.

ECONOMIC RECOVERY FUND

Mr FULBROOK (Playford) (14:52): My question is to the Treasurer. Can the Treasurer update the house on the Economic Recovery Fund?

The Hon. S.C. MULLIGHAN (Lee—Treasurer) (14:52): Indeed I can. It gives me great pleasure to report to the house that today the Deputy Premier and I, as she alluded to in her answer, were present at a breakfast where not only was the Advanced Manufacturing Strategy released but the government was also able to announce that the first rounds of the Economic Recovery Fund are being deployed.

Mr Cowdrey: It took a while. It was meant to be months ago.

The Hon. S.C. MULLIGHAN: The member for Colton says, 'It took a while. It was meant to be months ago,' and indeed he is correct, and the reason why it has not been done to date is because, when we committed this funding from opposition when we committed that we would need an Economic Recovery Fund to help sectors of the economy recover from the period of COVID, we did not anticipate that the state's economy would perform as strongly as it has over the last 18 months—lowest unemployment rate on record.

Members interjecting:

The SPEAKER: Order!

The Hon. S.C. MULLIGHAN: The lowest unemployment rate on record—958,000 South Australians in work, tens and tens of thousands more than in March last year; an improved participation rate, the highest levels of private new capital expenditure on record, and very strong population growth as well. So, if you are looking at providing supports to facilitate economic growth

and recovery you probably do not need to deploy it in the middle of the most substantial economic boost that this state has seen for a very, very long time.

However, as I have said to this place every time I have reported that the state's economy is performing very strongly, we should not assume that these extraordinary economic achievements are going to continue unabated into the future. There are gathering global and national economic headwinds—not only caused, of course, by soaring inflation across our country, and indeed across most economies in the world, and the resultant extraordinary rapid increases in the Reserve Bank's cash rate and the resultant increase in interest rates on South Australian and Australian households and businesses, but we are seeing, of course, not only more localised geopolitical tensions but more global tensions occurring.

All of that creates at the very least headwinds of uncertainty, if not real economic headwinds. We are already starting to see softening of economic data here in Australia, particularly the value of building and construction work done and dwelling approvals and so on. Now is a good time to be deploying supports to South Australian businesses that have a mind to expanding their operations to employing more South Australians into the future.

Our first two rounds, as the Deputy Premier was alluding to before, go to manufacturing and advanced manufacturing, and she has articulated thoroughly why that is a good prospect, but also tourism. While our state has been shooting the lights out in tourism figures particularly over the last 18 months, while we have led the nation in terms of providing major events and attracting more people to South Australia, we have also identified that we want to see more tourism infrastructure established particularly across regional South Australia.

The tourism side of the Economic Recovery Fund we hope will see businesses looking to expand tourism accommodation in regional centres and perhaps infrastructure to support tourism experiences like cellar doors. People can nominate their projects up to December 15, and the information is available on the government website.

STATE PLANNING COMMISSION

Mr BATTY (Bragg) (14:56): My question is to the Minister for Housing and Urban Development. Is the minister aware of comments of the State Planning Commissioner at the Environment, Resources and Development Committee and, if so, does he agree with those comments? With your leave, sir, and that of the house, I will explain.

Leave granted.

Mr BATTY: On 28 August, the chair of the State Planning Commission told the Environment, Resources and Development Committee: 'Height is no issue, so you could build 30 storeys in Glenside and not upset anybody.'

The SPEAKER: Before the minister speaks, I do observe that that is the way to deal with standing order 97. Well done, member for Bragg.

The Hon. N.D. CHAMPION (Taylor—Minister for Trade and Investment, Minister for Housing and Urban Development, Minister for Planning) (14:57): I wasn't aware of the comments by the chair of the State Planning Commission, but he is a very good chair of the State Planning Commission and is endeavouring through a whole range of mechanisms—the Greater Adelaide Regional Plan and a whole range of work—and the State Planning Commission has probably never been so busy because what we are endeavouring to do is to resolve a housing crisis in this state at the same time as having thoughtful, well-done community planning.

That is why we have done the expert panel. That is why we have the Greater Adelaide Regional Plan and that is why there is a great deal of discussion out there in the community. Of course, the chair of the State Planning Commission is part of the ongoing discussion, so there will be a lot of commentary. What I am not going to do is give a running commentary on everything everybody says.

Members interjecting:

The SPEAKER: Order!

The Hon. N.D. CHAMPION: But what I would say is those opposite left us with a housing crisis with a zero per cent rental vacancy rate in the regions—

Members interjecting:

The SPEAKER: Order!

The Hon. N.D. CHAMPION: A zero regional vacancy rate in the regions, a zero policy response, a 0.3, a 0.4 per cent—

Members interjecting:

The SPEAKER: Order! Minister, please be seated. There are interjections to my left and right. I see the member for Morialta and I anticipate standing order 98.

The Hon. J.A.W. GARDNER: Standing order 98 requires the minister to respond to the question, which was about 30-storey buildings in Glenside.

Members interjecting:

The SPEAKER: Order! I will listen carefully. I have standing order 98. The minister has the call.

The Hon. N.D. CHAMPION: Well, Speaker, you can't talk about one area and one bit of density—

Members interjecting:

The SPEAKER: Order!

The Hon. N.D. CHAMPION: —without talking about the whole city. You can't do that. You can't say, 'I don't want density here, but I want affordable housing somewhere else.' You can't do that. We were left—and it's an important thing to say—a 0.3 to 0.5 per cent rental vacancy rate in the suburbs and a 1.2 per cent vacancy rate in the city. To resolve the housing crisis, we are going to have to have density somewhere in the CBD—

Members interjecting:

The SPEAKER: Order!

The Hon. N.D. CHAMPION: —and that's one of the reasons the government has been out there doing projects like—

Members interjecting:

The SPEAKER: Member for Chaffey!

The Hon. N.D. CHAMPION: —the Franklin Street bus station, doing projects like the West End Brewery.

Members interjecting:

The SPEAKER: Minister, please be seated. There are a number of—

Members interjecting:

The SPEAKER: —order!—interjections to my left. The minister needs to be heard.

The Hon. N.D. CHAMPION: Thank you for your protection, Speaker. Those opposite want to run around the place, running all sorts of nimby-style campaigns across the city, and we know they say no to a women's and children's hospital, they say no to economic investment in terms of the universities—

Members interjecting:

The SPEAKER: The member for Schubert is warned.

The Hon. N.D. CHAMPION: —they say no to housing. That's what they say: 'No, no, no, no, no.'

Members interjecting:

The SPEAKER: Member for Newland!

The Hon. N.D. CHAMPION: That's why we've got a housing crisis—

Members interjecting:

The SPEAKER: Member for Badcoe!

The Hon. N.D. CHAMPION: —because people are saying no.

The Hon. A. Koutsantonis interjecting:

The SPEAKER: Member for West Torrens, order! The member for Hammond has the call.

FLOOD RECOVERY FUNDING

Mr PEDERICK (Hammond) (15:00): My question is to the Minister for Climate, Environment and Water. Has the minister advocated to the commonwealth government on behalf of farmers and landowners to urgently expedite the release of funds to assist with ongoing flood recovery works, in particular to restore irrigation activities?

The Hon. S.E. CLOSE (Port Adelaide—Deputy Premier, Minister for Industry, Innovation and Science, Minister for Defence and Space Industries, Minister for Climate, Environment and Water) (15:01): The parliament will be aware that the government is contemplating a report that was undertaken under the leadership of DPC as the recovery agency but with the engagement, of course, of the Department for Environment and Water and also Primary Industries, South Australia, to look at the immediate levee repairs that have been occurring, but also then the subsequent levee repairs to determine, first of all, to what extent to bring it up to 1974 levels, or other agreed levels, and also to agree on the ownership of those levees.

As part of addressing the options that have been presented through that report, there is engagement with the commonwealth in determining whether that might be one of the sources of funding that's available.

FLOOD RECOVERY FUNDING

Mr PEDERICK (Hammond) (15:02): My question is to the Minister for Climate, Environment and Water. Will the government expand eligibility for flood recovery grants to include irrigation trusts? With your leave, sir, and that of the house, I will explain.

Leave granted.

Mr PEDERICK: Irrigation trusts are unable to apply for any of the funding grants that are available and, as a result, they cannot afford to fix the trust-owned infrastructure to get the vital desilting works on channel infrastructure.

The Hon. S.C. MULLIGHAN (Lee—Treasurer) (15:02): I thank the member for that question. It's a good question because, during the course of the flood recovery effort, we have made a series of decisions to change some of the allocations of funding that we had made previously to address the more pertinent needs of the community. In fact, I think it was only last week or the week before that we made a further amount of funds available for dewatering purposes, which I know is not what the member asked for, but it does, I guess, respond to the query of whether the government is going to be open-minded and flexible about how we deploy these funds. We do that as quickly as we are able to.

Part of the challenge is that some of the funds—not all of them, but some of the funds—in the overall recovery effort are provided by the commonwealth. We do need to seek their approval if we are looking to deploy some of that funding. In particular, in relation to the issue that the member raises, and I think he wrote to me about it last week, we are chasing that issue for him and hopefully we can do something that will address that particular need. We do understand it's a serious issue for those people who are impacted. It is urgent and we will try to respond as urgently as we possibly can to it.

ADELAIDE VENUE MANAGEMENT

The Hon. V.A. TARZIA (Hartley) (15:04): My question is to the Minister for Tourism. Why did the former chief executive of Adelaide Venue Management, Anthony Kirchner, depart the organisation? With your leave, sir, and that of the house, I will explain.

Leave granted.

The Hon. V.A. TARZIA: *The Advertiser* reported on 29 September 2023 that Hindmarsh Stadium boss, Anthony Kirchner, was sacked after the Victorian fan ban fiasco.

Members interjecting:

The SPEAKER: Order, member for Elizabeth!

The Hon. Z.L. BETTISON (Ramsay—Minister for Tourism, Minister for Multicultural Affairs) (15:04): Thank you very much for the question. The AVM (Adelaide Venue Management) made a decision, and that decision was made public. The state government was not informed about that ban. I don't agree with the decision, and we spoke, as did the chair of AVM, at that time. Regarding Mr Kirchner and his now no longer being the chief executive, that is subject to legal proceedings and I am unable to talk any further about that.

Grievance Debate

SUPER SA CYBERSECURITY INCIDENT

Mr COWDREY (Colton) (15:05): What we have seen in question time today are damning revelations from this government. I stress that only on questioning from the opposition have the Premier and the Treasurer revealed what appears to be a significant cyber event and data breach within the South Australian government.

What has the Treasurer told us under questioning today? That he was notified last week. The Premier's office was notified on 12 October, but what communication has been provided to the public? Absolutely nothing. This government is addicted to secrecy. Why did it take the opposition coming in here and asking questions for this matter to come out into the public, into the light? Where was the Treasurer? Where was the Premier? No ministerial statement, no press release, no press conference—nada, nothing, crickets from this government.

The first set of questions that need to be answered are immediate and are about those who have been affected. How many current or former public servants have been affected by this cyber incident? What agencies have been involved? When did the event occur? What data has been compromised? More importantly, what needs to be done to assist those public sector employees who have been affected by this incident?

The second set of questions that the government needs to answer are around who knew what and when and what steps are being taken by the government and the ministers involved—the Premier and the Treasurer—since they found out. What has been laid bare is the Treasurer's rank hypocrisy. In a press release from 2021, the now Treasurer demanded an explanation for a three-day delay, but now the shoe is on the other foot and a week is fine: 'It's fine. Just trust us, nothing to see here, everything is fine.'

This government will be held to account, but the South Australian public needs to understand just how addicted to secrecy this government is and how much further it extends. It extends to the Auditor-General being denied access to appropriate documentation to be able to confirm that approvals have been undertaken in accordance with the law for $20 billion worth of public spend—$20 billion worth of public money—on the biggest infrastructure projects and transactions in the state over the last 12 to 24 months.

Those projects include the new Women's and Children's Hospital, the north-south corridor project, the transfer of land at the Festival Plaza, the Adelaide Aquatic Centre replacement, the Hydrogen Jobs Plan and many, many more. This government needs to come clean because keeping secrets only leads to people asking more questions. More importantly, when you ask questions, the first and paramount one is: what else are they trying to hide from the South Australian people?

NARUNGGA ELECTORATE

Mr ELLIS (Narungga) (15:09): I thought I would speak about a couple of community events that I have had the great privilege of attending and that have been held in my electorate recently. I will start with the wonderful Paskeville field days, a biennial event that was held on 26 to 28 September—again, another fantastic show. It is difficult to explain the true scale of the event to those in this house who have not had the pleasure of visiting; it is truly a sight to behold, and it is difficult to explain the number of site holders with all the exhibitors, machine salesmen and all the other people there. Again, it was another massive year, and I think it might have been the biggest one yet.

It was wonderful to go there, and we had a stall as well in the Cyclone Pavilion. Unfortunately, it once again fell on a sitting week, so I was only able to attend on the Wednesday. It might be something I have to chat to the government about in a couple of years' time to make sure that we can line it up so I can attend all three days. I would like to take the opportunity to congratulate Greg Stevens, the chair for this year's iteration, as well as Peter Anderson, the CEO, on another wonderful event. As I said, it is an extraordinarily large event run, by and large, by local farmers and volunteers, who do a fantastic job marshalling the troops and getting it all organised every other year. Well done to them.

They have a little bit on their plate, too, because there is a new admin hut coming. The old one burnt down a few years ago, and it has been a years-long project to try to get it replaced. However, I can report that it is on its way and that it will be modelled to look as though it is a silo—built by Ahrens to make it look like it is a silo—and it should house all the administration. It will be a wonderful addition and will mean they can get out of the transportable they have been living in for the last few years and have a proper admin hut to run the event from. I know that the organising committee is very much looking forward to that. I would like to once again congratulate them on another wonderful event at the field days.

The next one, which I was unfortunately unable to attend due to illness, was the Stansbury 150th birthday, and a number of towns are celebrating this birthday coming up. Stansbury had the anniversary of their proclamation on Friday 29 September and then it was a multiday event running through to the Monday. Unfortunately, I was unable to get there—as I said, I was a bit ill—but the opening was at the Stansbury Bowling Club on the Friday night, I believe, with a big event at the town oval on the Sunday, with seaside markets, some classic cars, food and drinks and live music.

It was a really wonderful event and I know that the organisers were truly happy with the turnout, and I would like to congratulate those on the organising committee. Maxine Cooper, Sue Oldfield, Don McPhee, former mayor Ray Agnew—wonderful to see him—and Raelene Modra did a fantastic job organising that really big multiday community event. I know Maxine has said, 'It was fantastic to see so many people of all age groups gathered on our oval. Our little committee worked hard and it all came to fruition beautifully.' Congratulations to that organising committee.

Finally, I had the great privilege of attending the 150th birthday of the Edithburgh jetty recently, which was a tremendous event. I was talking to one gentleman at the conclusion of the formalities on the Saturday and he estimated that there might have been 1,500 people there. It was a really remarkable turnout. It was wonderful to get the opportunity to congratulate the organising committee, led by Nola O'Connell, at that event and to help her unveil a new statue of Edith the horse, named after the town of Edithburgh

Edith was made by Nola's brother, who used a whole heap of old farming equipment and tools to create this wonderful Clydesdale statue, which is truly a sight to behold. If you are driving through, I would urge you to stop on the foreshore. Edith the horse is now positioned in front of the museum and is pulling a restored jetty cart, which was wonderfully restored by the Ardrossan Community and Men's Shed, so it is truly a sight to behold now with that wonderful statue there of Edith and the restored jetty cart.

Congratulations to Nola O'Connell and her wonderful committee. It was a truly exceptional event. I know they had a gala dinner on the Saturday night, which I was unable to attend, and then the markets were on the Sunday, which I am led to believe were another rousing success. We have had a few significant community events in our electorate recently, and I know that more are coming up. The Ardrossan community are planning and preparing for their 150th birthday in the coming weeks

and if it is anything like those two previous birthdays, as well as the field days, it sure will be a wonderful event and I cannot wait to get there and attend.

INDIAN COMMUNITY

The Hon. V.A. TARZIA (Hartley) (15:13): Today, I rise to talk about the absolutely amazing Indian community in my electorate of Hartley. As we know, this time of year is certainly a time of festivity as the Indian community celebrate occasions like Deepavali and Diwali. We know that the Indian community are a hardworking, aspirational and dedicated group of people and ever growing as well. I have had the absolute privilege over the years of attending many Indian festivals in my own electorate and also right across the state. I have also had the privilege of visiting India on three occasions and, on the most recent visit, actually being able to meet Prime Minister Modi, which was a real privilege and honour.

India is the largest democracy in the world and has the largest middle class in the world and, as a country, it certainly presents as an opportunity to South Australia. The Indian community here continues to enrich our state, and it has been a real privilege to be able to share in many wonderful memories with my local Indian community.

In fact, today in the parliament we shared in a Diwali celebration, and I thank the government for the bipartisan manner in which that was supported and for putting on such an occasion here in the parliament. I also recently attended a Deepavali celebration at the Adelaide Showgrounds that was held by the Hindu Council of Australia, and I thank them for their hospitality.

There were thousands of people there that day, and it is amazing to see the growth in the Indian community here in South Australia. As I said, the Indian community is a hardworking, vibrant and aspirational community, and it certainly enriches the wonderful mosaic we have here in terms of our multicultural society as well.

I made the point, at such a celebration, that they say in India that when a child is born they are also born with a cricket bat in their hands. It seems to be the case at the moment, because they are doing very well overseas in the world championships, the World Cup. The first cricket bat I bought for my son was an Indian cricket bat, and I am pleased to say he now uses it as well.

There are a whole range of Diwali and Deepavali celebrations happening; some are happening in the Riverland, some are happening out near Murray Bridge, some are happening in my own electorate, and some are happening in the various temples that exist around town. They certainly present an opportunity for the spirit of Deepavali and the spirit of Diwali to be celebrated as well.

I want to take this opportunity to wish everyone celebrating a happy Deepavali and a happy Diwali. May light shine over darkness in their life, may knowledge shine over ignorance, and may hope shine over fear in their lives as well.

I also want to thank the president of the recent organisation, Dr Viral Jani, the vice president Mrs Vani Shukla, and the hardworking executive committee members as well as the volunteers organising the celebration I attended recently. We are also seeking to host a celebration in Campbelltown in the not too distant future, and that will be absolutely fantastic.

There will also be an opportunity in the local community to participate in the rangoli design competition. This is a fantastic initiative. You see this right throughout not only India but also amongst Indian families here in South Australia. Not only will you see that decoration but you will also see celebrants illuminate their homes, their temples, their workspaces, with diyas (which are oil lamps), candles and lanterns. In Hinduism, in particular, they also have a ritual oil bath at dawn each day of the festival.

Diwali is also marked with fireworks and the decoration of floors with rangoli designs, as I said. You can see those rangoli designs; when I am out and about doorknocking in my own electorate I can actually see those.

In wrapping up, I would like to wish everyone who is celebrating a happy Deepavali and a happy Diwali. I hope that light continues to shine over darkness in the lives of the residents and also across the Indian community throughout the world. It has been an absolute pleasure and honour to be able to get to know many of these families, to see them grow and progress, and it has been

fantastic to see the Indian community thriving here in South Australia. I wish them all the very best for the future. I will continue to support them as long as I am the member for Hartley, and beyond that as well.

FLINDERS RANGES WATER QUALITY

Mr HUGHES (Giles) (15:18): I rise today to talk about some of the water issues in my electorate, specifically the water issues in the community of Quorn. These issues are not just isolated to Quorn; Quorn shares the issues when it comes to water quality with the communities of Wilmington and Melrose. Quorn has the largest population in the Flinders Ranges, sitting at some 1,300 people. Wilmington and Melrose are significantly smaller. They all suffer from very poor quality water.

I know that the Flinders Ranges Council has been beavering away for many years trying to get this issue addressed, and indeed it was addressed in Hawker, which is part of the Flinders Ranges Council. I think Pat Conlon was the minister at the time, and Hawker ended up getting a desal plant. When it comes to a community like Quorn, it is not so much a desal plant that is needed but a connection to the system that serves Port Pirie, Port Augusta, Whyalla and other regional communities.

SA Water have yet again knocked them back just recently when it comes to an improvement in the services, even though they identified that it is a priority. The Flinders Ranges Council have written to the Essential Services Commission to see if there can be a reconsideration of this decision, otherwise it is going to be yet another four years before the potential to get a guernsey is going to happen.

There is a long-term plan for improving drinking water aesthetics at Quorn, Melrose and Wilmington. The use of the word 'aesthetics' is interesting because the poor water quality goes way beyond mere aesthetics. The plan has several important points. Quorn is identified as the priority across South Australia across all communities identified. Customer satisfaction with overall water quality was the lowest amongst Quorn residents compared with other regional communities. Residents from Quorn are the least likely to use mains water as their primary drinking source; in fact, only 3 per cent of the population dare to drink the water from the tap.

Issues with hardness, salinity and damage to pipes are some of the main concerns for the residents. It is not just damage to pipes: it is damage to plant and equipment for households and for businesses. For 53 per cent of respondents from Quorn, if water quality were to improve, their use of mains water would increase. Quorn was the most heavily attended session during the community sessions that SA Water had, so there was a large turnout, which is a reflection of the concerns that the community have.

They identified that basic stuff like replacing taps, replacing air conditioners and replacing other equipment at houses and businesses is commonplace and far more so than in other regional communities. Residents in Quorn report a much higher incidence of having to replace pipes and plumbing both inside businesses and their houses. Using their mains water they are not able to grow their gardens in Quorn, so there is that overwhelming reliance on rainwater. A number of comments were made in response to the SA Water survey, and some of them touch on health issues:

> My son has constant skin infection from the terrible quality water, I have lived in a lot of places in Australia [and] it is by far the worst here!

Another respondent said:

> We cannot drink our tap water; our laundry machine has been already replaced once this year due to white chemical build up. We can only give our pets bottled or rainwater…it is honestly unacceptable and makes me feel like moving away from Quorn.

Someone said, 'I feel sick when I drink the water,' and the list goes on, so there is a real issue. It needs to be addressed, and it will come at a cost, but that cost can be amortised over many years. The people of Quorn deserve better than they are getting, as do—I will let the member for Stuart talk on this—the communities of Melrose and Wilmington.

GREATER ADELAIDE REGIONAL PLAN

Mr BATTY (Bragg) (15:24): I rise to speak about a topic that is very important to my local constituents, which is planning and urban infill. It is particularly timely to be talking about these issues, with the South Australian State Planning Commission currently seeking feedback on their new Greater Adelaide Regional Plan discussion paper. This is a discussion paper that has been released and is intended to help determine what the Greater Adelaide region might look like over the next 30 years for the needs of our current communities and our future communities and where and how we should grow as a region and a city.

The paper includes some suggestions about how we can reach the estimated 300,000 additional homes that Adelaide will need by 2053 and where and how these will be built. That is a mammoth task: 300,000 homes by 2053 to be built right across South Australia. I am the first to recognise that the only way we can solve what is a housing crisis is by very quickly and very dramatically increasing the supply of housing across the state. So I do not think this debate should ever be lazily reduced to labelling people nimbys or yimbys or any other form of imby.

Indeed, it should be about encouraging a discussion about how we can encourage the right development in the right places, and to that end I wanted to make some comments on what this discussion paper means for my constituents locally in the eastern suburbs. The paper identifies Glenside, which is a suburb in my electorate, as a strategic infill area. It also identifies Greenhill and Kensington roads, which are two major thoroughfares through the middle of my electorate, as corridor investigation areas.

What this means—strategic infill areas and corridor investigation areas—is the potential for more urban infill and more high-rise development in suburbs like Glenside, Frewville, Rose Park, Eastwood, Dulwich and Heathpool. Indeed, on 28 August, the chair of the State Planning Commission told parliament's Environment, Resources and Development Committee, and I quote: 'Height is no issue, so you could build 30 storeys in Glenside and not upset anyone.'

I put that quote to the minister today in question time and I asked him whether he agreed with those comments, and the response I got really was quite extraordinary. First, he labelled me and my constituents as nimbys for merely asking a question about what his own State Planning Commissioner stated only a couple of months ago. Then he said that they have to go somewhere, these 30-storey buildings have to go somewhere. Seemingly, what this Labor government have their eye on is Glenside for the first of their 30-storey towers to try to solve their housing crisis.

I think the minister is very badly mistaken if he assumes that no-one will be upset with 30-storey high buildings in Glenside. It is about 20-odd storeys more than the current planning rules allow for, by the way. I think many in my community will be upset at the prospect of 30-storey buildings in Glenside because we know that unrestrained urban infill, which is the policy of successive Labor governments, can erode the character of our neighbourhoods.

But perhaps more importantly it can also put very significant pressure on public infrastructure around that area, whether that be our roads where we already see significant problems with congestion and particularly car parking, whether that be our open space where we are already desperate for more in the City of Burnside, or whether that be our schools where I note that every single school in my electorate is currently at or over capacity, and that is before the minister's 30-storey building in Glenside goes into place.

This week, I have written to all my constituents in the local area to bring their attention to this current consultation. I am encouraging them to read the paper, to understand what the Labor government is proposing for our area and to have their say. I encourage everyone to have their say now before the planning rules are rewritten by this Labor government, just as John Rau did in 2017, and their neighbourhoods are changed forever.

LIGHT ELECTORATE

The Hon. A. PICCOLO (Light) (15:29): Today, I would like to take this opportunity to congratulate a whole range of community organisations which have had some successful events in my electorate. The first organisation I would like to thank is the Motivate Dance Studio. Recently, I had the pleasure of attending one of two concerts held by the studio. The studio, which only started

in the past 18 months or so, has grown from strength to strength. It has members who are younger than those who attend school, to those in their 80s.

The concert was very professional, with a combination of music, dance and storytelling, and it was very impressive. They have some dancers who participated in the recent national schools championships. I hear that they are moving to larger premises soon, to Tiver Road at Evanston South, because of the growth in membership of the dance studio. I would like to take this opportunity to thank all those involved in organising the concert at the studio because it was an impressive performance, and I must confess it did exceed my expectations in a very pleasant way.

Also recently, I attended an event held at the STARplex Gawler stadium at Evaston Park, an event organised by the South Australian Wheelchair Basketball Association. It was marketed as a 'come and try' and was basically an event to highlight the various parasports available for people to participate in. Part of it was just to promote the various events and the various ways that people who might be living with disability can participate in sport, but also these are some of the sports that lead to the Paralympics.

An important part about para-sports is that while people who are eligible must have some sort of disability, people locally can actually participate in the various para-sports events as well, which helps us to also gain a better understanding of some of the challenges and barriers that people living with disability face. I watched the basketballers play and they made it look very simple, but when I joined them I must confess I found out how difficult it can be and it was very impressive how fit they were. Hopefully, some of these players will play in the Paralympics down the track. I congratulate the South Australian Wheelchair Basketball Association on hosting the event and, hopefully, people will participate further.

I would also like to congratulate the Gawler Quilting Circle which coordinated the most recent Gawler Textile Art Weekend on the weekend just gone. The Quilting Circle had a number of sites with a number of activities and exhibitions. The Gawler Quilting Circle had exhibitions at the Gawler and Barossa Jockey Club and at other locations. They also had an exhibition called *Spring into Quilts* with a whole range of quilting materials.

The Embroiders Guild had an exhibition at the South Australian Country Women's Association in Tod Street, and Kornacraft, suppliers of a lot of quilting material, had an exhibition called *Say it with Flowers*, and the Zion Quilters had a theme of Country Fabric 'n' Things, and there were other events as well. This event just highlights the various textile industries in our community and how community organisations can help them to flourish.

I would also like to put on the record my congratulations to Dr Bruce Eastick, who until recent times was, amongst other things, the Chairman of the Gawler Community Retirement Homes. I would like to thank the Gawler Community Retirement Homes for the important work it does in providing accommodation to seniors, particularly those people who have low incomes, and making sure that people have appropriate accommodation.

An occasion was held to announce the naming of the Bruce Eastick Complex at the facility in recognition of Dr Bruce Eastick's 50 years' contribution to this organisation. As we know, Dr Eastick was involved in parliament—as Speaker in this place and a former member for Light, and he was also a former Mayor of Gawler—and numerous other organisations. In addition to the 50 years' contribution he has made to this organisation, his whole adult life has been of service to the community, both pre and post parliamentary service.

I understand that he is turning 96 very shortly, and I would like to put on the record my birthday wishes to Dr Eastick and thank him for his unparalleled contribution to our community.

Bills

HYDROGEN AND RENEWABLE ENERGY BILL

Committee Stage

In committee.

(Continued from 17 October 2023.)

Clause 4.

The CHAIR: Member for Morphett, it does not mean you have to ask questions on clause 4. That is where we are up to, but you can actually jump to a later one if you like.

Mr PATTERSON: As a lead-off, certainly between the draft bill that was put out for consultation and this final bill that has come in here there have been a few additions. One of those is the associated infrastructure activity, which talks about equipment, whether it is constructed, installed or operated and associated with hydrogen generation, so whether that is a hydrogen power plant, ports and wharves, desalination plants or any other infrastructure associated with other regulated activities.

Could the minister talk through a little bit about the consultation process and why it was arrived at to specifically put this in here. A question related to that specifically is in terms of transmission lines, which could be considered associated infrastructure. Will transmission lines be considered associated infrastructure and, if so, whether that is all transmission lines or a subset of transmission lines that involve getting it from electricity generation to hydrogen generation?

The Hon. A. KOUTSANTONIS: In short, yes, transmission lines are associated infrastructure, absolutely. The feedback we received through consultation indicated that a separate licence was required to provide flexibility for proponents in how best to develop their projects.

There was an interest in the licence type that could be held by another licensee while coexisting and overlapping with other existing licences. An associated infrastructure licence provides ancillary and support to deliver a project like transmission infrastructure, access road and worker accommodation, things that you would feasibly think you would need to build this infrastructure. That is what the associated licences would be.

Feedback received during consultation indicated, as I said earlier, that further scope of the bill is expanded to include hydrogen power plants, ports, desalination for the purpose of hydrogen generation and other infrastructure that are best captured under separate licences or existing licences. The licences that you would need to build this infrastructure will be regulated under this act. Is that the point you are looking for I think?

Mr PATTERSON: Yes. As a supplementary, I want to talk about transmission lines. I know, for example, the primary purpose of the desalination plant is supplying water. Is the primary purpose of the transmission lines that this would consider to be generating hydrogen, or is it potentially Project EnergyConnect? Could that be classified as associated infrastructure and therefore that is licensed under this act and under the associated infrastructure activity?

The Hon. A. KOUTSANTONIS: I am advised that any transmission line associated with renewable energy can be covered under this act. A transmission line from a wind farm to an electrolyser is covered under this act; from a wind farm to a desalination plant, covered under this act. Any form of renewable energy that has a transmission line, the associated licensing for that is covered under this act.

Mr PATTERSON: I have a supplementary to do with transition, just to clarify. For example, for a wind farm to connect to the substation but then goes into the broader grid would be counted, as opposed to potentially, like I said, Project EnergyConnect where you have a mixture of renewables and gas fired.

The Hon. A. KOUTSANTONIS: I think regulated assets under a RIT-T NEM process are separate from this but, yes, a transmission line from a renewable energy project to a substation—which could be a regulated asset or might not be a regulated asset—will still be covered. This is meant to be a 'cradle to grave' solution for all these assets.

Mr PATTERSON: It is quite detailed in terms of talking through who the different owners of land are—for example, 'a person who holds a pastoral lease' or 'a person who is lawfully in occupation of the land', or 'a person who holds a resources tenement'. When it comes to granting licences for different multiple use, how does the minister determine who the ultimate owner of the land is in the event that there are overlapping tenements or pastoral leases or claims on the land? Will this act have primacy or potentially other acts?

The Hon. A. KOUTSANTONIS: I am advised that they are all owners of land. Does that give you the answer you are looking for?

Mr PATTERSON: I understand that they are all owners because we are trying to have multiple land uses. It comes when there is competition, potentially, where, with the same patch of land, you might have an explorer who has gone in there and has a licence to explore and you have a renewable energy company coming in and they are trying to explore. How do you determine who gets the first claim on a piece of land if there is competition for that particular spot?

The Hon. A. KOUTSANTONIS: All owners will be considered, but the minister will ultimately make the determination and there will be a process in place. There will be an auction, a tender process and it will be an orderly process, or have I misunderstood your question?

Mr PATTERSON: Potentially. I am not interested in just renewable energy companies competing as part of a competitive tender. It is where there are mining explorers, pastoral leaseholders and renewable energy companies. Potentially, they are under different acts and you might not be the minister for that act. This is just to give clarity in how you see that process working.

The Hon. A. KOUTSANTONIS: I will give you a long answer to a very important question. Before any activities can begin, licensees will need to enter into an access agreement with affected pastoralists. The access agreement must address access to the licensed area and infrastructure in the licensed area, with the exploration, construction, installation and operation and decommissioning of infrastructure. Access agreements must also address compensation that is payable to the pastoralists resulting from entry to and use of their lease.

These access agreements will be critical in ensuring an ongoing constructive relationship established between pastoralists and renewable energy. The bill stipulates what access agreements must contain at a minimum, such as compensation. It does not limit what can be agreed—so there is a base not a ceiling; there is a floor, not a ceiling. Pastoralists are free to negotiate with licensees on matters that they see fit.

Owners of freehold land will maintain their existing rights and negotiate and agree to terms with developers regarding access to their land. These processes have been in place for over 15 years and they are unchanged. Resources tenement holders will be issued a notice from a HRE (hydrogen renewable energy) act licensee informing them that they are to commence operations on land where a resources tenement exists. So there is the pastoral leaseholder, the mining tenement, and now we have an overlap.

The tenement holder will have rights to object to the work if activities will materially diminish the rights of the tenement holder, with the bill and future regulations to determine what the ERD Court can consider when resolving an objection. If there is an objection between the mining tenement holder and a HRE licensee holder the ERD Court will decide the outcome of that, which is best practice. Any project on native title land will be required to enter into a native title agreement which satisfies the requirement of the Native Title Act, which is a commonwealth piece of legislation.

Using a very poor analogy, 'I love all my children with equal love and affection,' and I will let a third-party independent body assess the access regime if there are objections without trying to diminish anyone's rights in this bill.

Mr PATTERSON: Again, another competing interest. Back to the associated infrastructure, it talks about 'ports, wharves or jetties associated with the import or export of hydrogen or renewable energy', and I compare that to a desalination plant where its primary purpose is supplying water to hydrogen. Potentially, does this allow a port whose main primary focus might be for importing or exporting other minerals and goods—for example, you have Port Bonython jetty that may be associated with diesel and crude oil, or you have a grain port, and then there might be potential for hydrogen to run there too, dual use, but of a minor nature—does that then bring that whole licensing on that port under this act or would they operate concurrently with your other portfolio?

The Hon. A. KOUTSANTONIS: That would depend; this is chicken and egg. If you are going to start exporting hydrogen off a port that already exists and exports grain, there are existing arrangements in place for grain. They would set up some sort of licensing arrangement, some sort

of commercial agreement with another producer. They are done commercially. We would issue them a licence. We would not attempt to take over the entire port and then have a reverse licensing option.

An AIL covers all infrastructure other than primary infrastructure for the generation of hydrogen renewable energy. Therefore, an AIL covers all infrastructure associated with incidental to necessary for primary infrastructure for the generation of hydrogen renewable energy. Notably, all infrastructure associated with, incidental to or necessary for the primary construction or generation of hydrogen renewable energy is still to be encompassed in the hydrogen generation licence or renewable energy infrastructure licence, if the licensee chooses.

An AIL merely provides the flexibility to hold this licence separately, where that is desired or required under the circumstances, such as where a different party will be providing any associated infrastructure to the primary operation. So I do not think it impacts. But I suppose the only question I would have that I would get to the bottom of between the houses is: if you have licensed to solely export hydrogen and then you want to do a sublease to export grain, what occurs then? I would imagine there would be the existing licence and framework in place there for exports, and the Harbors and Navigation Act, or whatever the appropriate legislation is that covers that.

In terms of competing interest, we have been very careful to make sure that we do not overlap, overlay or create any bureaucracy that is unnecessary, and people's rights are entrenched.

Clause passed.

Clause 5 passed.

Clause 6.

Mr PATTERSON: This deals a little bit with what we were talking about before, about how this bill interacts with other acts. Certainly, you can see that it will have to interact with the Mining Act, for example, and the Petroleum and Geothermal Energy Act. Talking with stakeholders on pastoral lands, which are quite fragile environments—and certainly for freehold land you need to take into account its fragility as well.

The point is that our industries, our primary industries, generate massive economic benefit for the state, and what we do not want to see is the potential for renewable energy companies to come onto these lands, being probably not as familiar with them as the pastoralists might be, and inadvertently introducing pests or diseases onto the farming enterprises. I say 'inadvertent' because no business would deliberately do that, but that could then impact on the profitability of these lands. So my question is: has the minister considered to also take into account other acts, such as the biodiversity act and even commonwealth acts as well?

The Hon. A. KOUTSANTONIS: The current reference is clause 6, which we are talking about. It ensures that the other acts that we have operate in conjunction with this act, the HRE act. It does not limit the operation of the Environment Protection and Biodiversity Conservation Act 1999 and it does not limit the operation of the Native Vegetation Act 1991, so they do not need to be listed.

I know you are proposing an amendment. We think it is unnecessary and we will not be supporting it, on the basis of the advice we have received. I think the concern you have is valid, but it does not cease the operation of the other acts that deal with your concerns. Therefore, it is redundant. You have to remember, this act does not operate in isolation from every other act in South Australia. The statutes are the statutes. If you are operating under the HRE act you must still take into account the Native Vegetation Act and you must still take into account the Environment Protection and Biodiversity Conservation Act, which deal with your concerns. This does not limit the application of those two acts on activities that are regulated under this act, so we are covered.

Mr PATTERSON: The point would be, though, that of course the act would take that into account, but we are looking to ensure that the minister is explicitly taking it into account. I think your reference was to subclause (1) as opposed to subclause (4), where you would actually force the minister. Because there are a number of actions that the minister would be taking, it would be prescient for the minister to actually have that front of mind, as opposed to, 'Yes, I've got these other acts. Of course ministers understand the other acts they are working under.' However, explicitly putting it in the bill may well make it a higher order of thought for the minister when they are deciding

on actions, because there are actions the minister can take over and above their department and the public servants.

The Hon. A. KOUTSANTONIS: This gives me no head of power at all to ignore the Native Vegetation Act or the Environment Protection and Biodiversity Conservation Act, so I cannot ignore them. The agency that would be advising me about any activity or licensing would have to give regard to all actions being in line with these other acts. It would be like saying that we would have to list every statute to make sure we do not act corruptly.

I know the point you are trying to make. I understand it because it is so important for primary producers, pastoralists and farming communities in terms of the importance of biodiversity, and for other communities it is about native vegetation. But this legislation does not allow me, gives me no head of power, to push aside the Native Vegetation Act or push aside the Environment Protection and Biodiversity Conservation Act.

Mr TELFER: So, just following on from that then, are you saying that without the aspects of the three that are in there— the (a), (b) and (c)—you think the HRE would potentially take precedence over them? My reading of it is you have to take into account the provisions; so, in case it impinges on these existing pieces of legislation, you have to take it into consideration. I would not read that it would have power over and above those three pieces of legislation in particular.

The Hon. A. KOUTSANTONIS: I am not a lawyer, but if your train of logic is correct, we would have to list everything in the statute book in the act. What we are saying here is that the acts that are currently referenced in clause 6 are referred to in order to ensure that they cooperate in conjunction with the new hydrogen and renewable energy act. If your train of thought is correct, we would list everything in the statute book.

Mr Telfer: I am just wondering why you have listed those three.

The Hon. A. KOUTSANTONIS: Because they are the specific acts that have to operate in conjunction with this act, so they had to be named.

Mr TEAGUE: We have just heard about the reasons why those three acts have been referred to specifically, and we have those acts that are referred to in subclause (3). Firstly, perhaps: is the rationale for the listing of those acts in subclause (3) that those are acts under which the most concurrent parallel licences are going to be issued, and hence there is a particular overlap with those pieces of legislation?

The Hon. A. KOUTSANTONIS: Let's work backwards. Subclause (4) references actions that are referenced in acts in subclause (3) that must work in conjunction with the new HRE act, so they are there for consistency. As I said earlier, there is nothing in this bill that gives me a head of power to disregard any other act either, so they have been put in place for an approach of consistency because of what is outlined in subclause (4). They are referencing the acts that are mentioned in subclause (3).

Mr TEAGUE: That sort of adds to it. To put it bluntly, why is the government referring to the acts that it is in subclause (3) and not, as the minister has indicated, the whole catalogue? Why that group of acts?

The Hon. A. KOUTSANTONIS: The advice I have received from my officers is that the acts that have been mentioned also interact with the HRE act, and that is why they have been mentioned.

Mr TEAGUE: Perhaps I can put it this way: working backwards, as we have been, if we go back to subclause (2), the grant of a licence under this bill is said not to take away other rights, and then we have the specific reference to those acts in subclause (3). Take the rights of the minister under the Aboriginal Heritage Act, section 30, for example, to acquire land, as it interacts with the Land Acquisition Act, and particular reference might be had to section 13.

I am trying to get a sense of why is it not a necessity to refer to those powers, for example? Is there any risk that by so limiting the reference in subclause (3) there is some kind of limit imposed on the powers conferred under the Aboriginal Heritage Act, for example, as I have perhaps exemplified? That is not intended to be exhaustive.

The Hon. A. KOUTSANTONIS: The advice I have given the house I think has covered this. Maybe it is my inability to explain it articulately that is the problem. If that reasoning were the case, we would list every statute in the book. I am not trying to be difficult about this, but that is the advice I have received.

The HRE act specifically interacts with the pieces of legislation we have listed. If the train of thought is, 'Well, then why not any other act that could have an impact?' then we would list all of them. There is no head of power for me to disregard any of those acts, so I have been told it is unnecessary. That is the advice of parliamentary counsel, that is the advice of my agency and the Crown Solicitor's Office and that is the advice the government has accepted.

I suppose we get back to intent here: is the government's intent to subvert the Native Vegetation Act or push it aside, or to push aside the Environment Protection and Biodiversity Conservation Act or the Aboriginal Heritage Act? The answer to that is no. There is no head of power in here that diminishes any of those powers, otherwise you would just mention all of them and would have to continue adding to them whenever any new piece of legislation was in place.

That is the advice I have. I cannot add to it any better. I imagine there is a drafting legal consistency here that parliamentary counsel and Crown law are looking for, and we have delivered it.

Mr PATTERSON: I move:

Amendment No 2 [Patterson–1]—

Page 14, after line 40 [clause 6(4)]—Insert:

and

(d) take into account—

(i) the objects of the *Environment Protection and Biodiversity Conservation Act 1999* of the Commonwealth; and

(ii) the objects of the *Native Vegetation Act 1991*.

I thank the minister for providing some degree of clarity. It just becomes differing views or opinion in terms of how to safeguard some very important areas to the state, which are also very fragile. I just re-emphasise, really, the importance of agricultural land to the state and the potential for the introduction of pests and diseases onto that land and the devastating effects that could have, in a way, by having the minister consider the objects, as the amendment says, of the commonwealth Environment Protection and Biodiversity Conservation Act 1999 as well as the Native Vegetation Act.

Granted, the minister says they are bound by them, but it would also give comfort to pastoralists, who are seeing projects come onto their land, that they would have that extra degree of protection, hence the reason for putting it into that subclause, following on from the first three in subclause (4) around the Dolphin Sanctuary, the marine park and the River Murray Protection Area. This would really add to and give a completeness to where we are, again, looking at putting significant renewable energy infrastructure in the regions and ensuring that we continue to have that social licence, that it is not the regions bearing the brunt of an energy transition.

Amendment negatived; clause passed.

Clause 7.

Mr PATTERSON: Clause 7 relates to the minister and exploring renewable energy resources. As a broad-based question, could the minister explain the process that this section involves, because it has the minister going off exploring for renewable energy resources. At the same time, further in the bill we are considering private enterprise doing the same. How do you see this working? What resources would be required, and how detailed is the exploration that would occur? Is it more a desktop study, or is it actually going to the point of putting up masts, getting wind speeds and the like?

The Hon. A. KOUTSANTONIS: That is a good question because it is important. Members of the parliament who were here between 2014 and 2018 might remember that in the 2016 budget I announced a very large aeromagnetic survey of about $20 million across the north of our state. They

were low-flight aeromagnetic surveys that were trying to detect iron ore or magnetic anomalies. That led to the direct discovery of Oak Dam, which is alongside Olympic Dam. That was government-funded exploration that was then made available to existing tenement holders or, potentially, the government could put out its own tenements to auction on the basis of that information.

This gives us the ability to do the same thing but with solar and wind. Yes, it could be a desktop analysis based on Bureau of Meteorology advice. It could be putting up masts and getting some initial government assessments about wind speeds and what the solar resource is, what the haze content is, understanding access and potentially surveys of native vegetation and Aboriginal heritage to understand whether or not it would be prudent to make this a REZ.

That is the type of exploration we are talking about, then the government would put that information out as part of an auction package. It would say, 'Here is a tenement. Here is the pre-competitive data that we have collected on behalf of the South Australian taxpayer, making it freely available,' which is what a geological survey does all the time, and this is no different.

To take another step back, what I am attempting to do is normalise the exploration of wind and solar the way we do it with petroleum, geothermal and minerals. The same issues are there: land access, identifying a resource, building infrastructure. The difference here is what the resource is, but the regulatory approach should be similar, and we have not had that so far. What we have had is basically the planning act delivering renewable energy rather than looking at this as an energy resource the way we look at gas or petroleum or the way we look at copper, uranium, gold, silver or iron ore.

That is the approach that I think is best to operate within renewable energy. So, yes, the government will want to be conducting some pre-competitive data, but it could be desktop analysis. You know what the budget process is like. You go to the Treasurer and say, 'I want $50 million for PACE or for pre-competitive drilling,' or, 'I want it for aeromagnetic surveys,' and you get $5 million or you get $50 million; who knows? It depends on what the budget position is at any one time.

So we have a broad scope here where we can do desktop analysis, we can put masts up and that can inform us, but ultimately we would expect the private sector to be doing a lot of this as well. This is just to help inform us. It is no different from running an aeroplane over the Cooper Basin or any other basin where you might think there could be potential.

Mr PATTERSON: In regard to private enterprise doing it as well, and it might be a question further down in the bill, at the moment the private investors who are looking at this resource would probably want to do their own work beforehand.

The Hon. A. Koutsantonis: Exactly.

Mr PATTERSON: Does this bill allow private enterprise to go off and explore areas outside a release area? Essentially, if there is not a release area at the moment and they think, 'This is actually a good one. I want to be able to convince the government to consider this,' and the government for whatever reason has not been able to look at that area, they can go in and still do their research as well. They are not precluded from doing that by this.

The Hon. A. KOUTSANTONIS: Yes.

Mr PATTERSON: That was a supplementary. Is the government allowed to explore for renewable energy resources only on designated land, or is the government or the minister also able to look at freehold land and potentially say, 'Right, actually from our desktop analysis, we think that that is highly prospective,' or 'We know there are already wind farms in place not far away.' Can the minister then say, 'I am exploring on that'? Maybe if you could talk through the process of what agreements would need to be put in place with a freehold landowner before the minister could go on there, if in fact they need to do that, or can the minister just come in and do it regardless?

The Hon. A. KOUTSANTONIS: Yes, we can do it on freehold land if necessary, so maybe we could conduct a survey for a road if necessary, the same way we could conduct it. It is even in the piece of legislation here under clause 7 in division 1, which provides:

(2) At least 14 days before the Minister or an authorised person undertakes an activity on land under subsection (1), the Minister or authorised person (as the case may be) must give notice to the owner of land—

(a) describing the area of land on which the activity will be undertaken; and

(b) describing the activities proposed to be undertaken on the land.

So, yes, but in practice what I imagine will happen is it would be more likely to be desktop analysis, and from a desktop analysis you might then want to move to putting up a mast to see whether or not other areas are suitable—so yes. But in terms of the areas we are targeting, it is basically Crown land.

Mr PATTERSON: Just in terms of the freehold landowner—and it is unlikely, so I do not necessarily think this would happen in practice—potentially, does this legislation allow a minister to want to gain access to freehold land and provide notice and within 14 days be able to put up infrastructure, masts, etc. on freehold land without the freehold landowner having a right to veto and say no?

Equally, the data that is collected on that freehold landowner's property, the government I am assuming would have rights to that data. What if the freehold landowner had already done their own research and was looking to shop that around to companies? Would this undercut or provide a competitor to the freehold landowner's right to go about and maximise the potential of their land, which includes the wind and sun?

The Hon. A. KOUTSANTONIS: There are two things there. The first is that my guess is that freehold landowners would probably want the government to spend the money themselves on a pre-competitive data because we would not get the rent from that, it would be the landowner because it is freehold land. Why would they not want taxpayers spending that money? Why would they want to do it themselves? If a landowner has already done that pre-competitive data themselves and have an access arrangement with someone else in place, then it would just be the licensing program that would be in place for us.

What I am more interested in is knowing where the resource is. If an entrepreneurial farmer has already done this work, tick, great. We cannot compete with them. This is not a matter of the government putting its own government-owned wind farm on their land. Ultimately, if any access arrangement is to be put in place for the final infrastructure, there needs to be the licensing and the rent and the compensation all put in place for the freehold landowner. This is just for the pre-competitive data.

I suppose the question then becomes: would there be competing pre-competitive data between the freehold landowner and the government? I can see no scenario where that would be cost-effective or necessary for a government to do—none—why would we? Why would we spend money to find pre-competitive data if the freehold landowner has already done it? It would be wasting money.

You would take that money, if you had a budget to do that, and you would go to an adjoining property or somewhere else where you suspect, from a desktop analysis that there are exceptional resources for wind and solar. You would then do an assessment on that and then the freehold landowner would have to agree an access arrangement for any development that occurs later, and they would be the beneficiaries of it, not the government.

For a pastoral leaseholder or a Crown lease or a perpetual lease, or whatever the type of arrangement where ultimately the government is the owner of the land, that is a different arrangement. But I cannot see a situation where we would be competing with freehold landowners. I am trying to think of a scenario where we would compete if they had already done a pre-competitive data, and my instincts are that we would just say, 'Fantastic; you've got it. Off you go.' Why would we try and stop them?

Mr TELFER: I am going to focus on the 14 days. As someone who represents a large swathe of freehold area and someone who has also watched closely the mineral exploration—and I know that you have done the same, and a committee of the previous parliament considered submissions from landowners on the challenges of short time frames for access onto land, and that is with a form 21, previously for a mining exploration, which is 21 days. This is seven days less than that.

The concerns I hear are from landowners about the 21 days, especially if it is presented to them at a busy time on the land. My concern is around the 14 days. How was it that you came to this

number? It is not just about a representative of the department getting their Kestrel out and measuring the wind or digging up a bit of soil, there is the capacity to be able to construct, install, operate and maintain infrastructure on land within a two-week period. For dynamic agricultural businesses, in today's age, to have to deal with a situation like that—which is beyond what their ordinary scope would be—within 14 days, I worry is way too onerous in a shorter time frame.

The Hon. A. KOUTSANTONIS: The understanding I have is that it is because it is so low impact. The shorter time frame is because it is not drilling holes or bringing in heavy equipment, it is low impact activity. But I go back to my original point to the shadow minister. You can catastrophise anything, right? Are we going to turn up right in the middle of lambing or right in the middle of shearing or right in the middle of harvest? That is not how it is going to work.

It has happened, when there were private operators who have turned up and who want to run their agenda on their exploration licence and their timetable, I agree. I am not saying it has not happened, but we are here talking about the South Australian government and the Department for Energy and Mining. We are not talking about a private operator. They are very, very different bodies.

I do not see a concern with this, but I am happy to look at this between the houses if members think that this is frightfully invasive. I do not think it is, and to be entirely frank this is just about pre-competitive data. It could be as simple as driving a vehicle up to the top of a hill for a while and then leaving it. There is no drilling, there are no impacts, there are no work camps, there are no generators. There are different types of impacts. Mining, yes, it is a different type of impact which can be very intrusive. This is low impact which is why they have come to the 14 days.

Mr TELFER: Minister, I would encourage you to relook at that 14 days because although you talk about low impact there is an intrusion on private land. You have heard submissions with the mining stuff. Even if it is a department representative coming on to land and doing measurements it is intrusion onto private property. I would encourage you to do so in between the houses if it is the will of the minister and the parliament. Subclause (3) states:

> The Minister or an authorised person need not comply with subsection (2) if it is not practical to do so.

It is pretty ambiguous. I am trying to understand and ascertain what 'if it is not practical to do so' might look like because my concerns about 14 days are heightened. This is basically saying, 'Well, we don't need to do 14 days if it is not practical for us to do so.' What circumstance would you see that impracticality coming in?

The Hon. A. KOUTSANTONIS: To find the landowner. I cannot find them. They have gone on holidays.

Mr TELFER: Holidays is a genuine one?

The Hon. A. KOUTSANTONIS: Yes.

An honourable member interjecting:

The Hon. A. KOUTSANTONIS: I know. There are a number of acts in this parliament that allow third-party access onto private property throughout metropolitan Adelaide and in regional South Australia. It happens all the time, and we even allow for the forcible removal of people from private property in emergencies. We are talking about low-impact activities here. This is a regime that is already in place and understood for other activities, and this is just mirroring that and mirroring what is low impact. I do not see this as being controversial, but I understand the sensitivities around freehold land, I absolutely do, because I think it is vitally important that freehold land be respected.

There are a lot of sensitivities around this and that is why I am flexible, but this is low-impact activity. To be honest I do not see this as being used that often but it should be there. It is a good power for the government to have, because there could be opportunities that could be missed out on that we need to make sure are viable to people. We spoke about this yesterday. The opportunity to diversify people who are working land and give them other forms of income that is potentially not as intrusive as mining, that can generate good incomes and droughtproof communities and help them hedge against lower commodity prices and fluctuations in those commodity prices and costs is a good thing.

I think that one thing we in the parliament all agree with is that farming communities have a special place in our economy and they do it exceptionally tough, as opposed to other economies where they are heavily subsidised. In this country they are not. There needs to be always a mind to making sure that we are sensitive to their concerns but also that we maintain their profitability and their ability to survive. From my perspective, multiple land use frameworks are a way of keeping farmers on the land. That is the way I view it. I know that there are some communities where this is not embraced and in other communities that are more marginal it is absolutely embraced.

It is very difficult to have one law to govern everyone when you have all these different views. For example, I know in the Adelaide Hills there is very little appetite for multiple land use frameworks because of the high yield, high value that they are able to achieve. In marginal land where rainfall is scarce and dryland farmers are at the mercy of the weather this type of diversification is welcomed. There are other parts further south where they are not. So, it is a balance, but we cannot give people the right to veto, either. Whatever the outcome of the initial low-impact activity, ultimately those landowners are the ones who negotiate access agreements, not the government.

Mr TELFER: I just want to unpack this a little bit more. You talk about not wanting to give landowners the right to veto. I understand that in the sense of a mineral below the ground, that there is always an understanding with freehold land that that is owned by the state. Above that, I think the freehold landowners would never have contemplated that what was above the soil was something that was a government-owned asset.

The other aspect here that I want to try and understand—and I understand the reason why it is not in the legislation and that it will probably be in the regulation or the operation of the legislation itself. But can I get an insight from the minister as to the actual, practical process if there was a scenario where someone representing the minister or the minister himself would be going to a landowner. Will that be comparable to a mining lease arrangement where there is a form presented to a landowner?

Will there need to be specification of exactly what the department are going to do on the land? You have the six different points of what could happen. Do they need to specify: 'When I come onto your land I am going to explore and conduct tests on the land,' or, 'I am going to construct infrastructure,' or, just simply, 'I am going to take photos.'? What is the process for landowners practically having to deal with the minister or his representative coming to their property and wishing within 14 days to have access to that freehold land?

The Hon. A. KOUTSANTONIS: Through the regulation process, we will be developing the guideline which we will be adhering to. The reason I am doing this is that I am a big believer in voluntary codes, but we will be regulating ours. For example SACOME, which is the mining industry, have a code that they want people to follow on access so we have an obligation to be best practice when it comes to this. This is the type of thing that we would like engagement from farming communities about how this works and what information they need. This is an opportunity for us to develop something in conjunction with regional communities and farming communities about what they feel is best practice.

The 14 days has been arrived at because it is low impact. If this was, 'Sorry, you have to shut down all farming operations and move out of your property for the next six months,' it would be a different obligation on the state, but it is not any of that. It is low impact and we will work up a guideline once the legislation is passed. I know that is probably cold comfort to members, but that is modern legislating. It is not done to try to override communities. It is done because we actually want to go out and talk to people so we do not prescribe it before we speak to them about, 'What do you think you should be given in advance before we turn up?' It could be different for different communities and different for different types of practice, so we want to speak to them about this. That is why we are going to have a very robust consultation period afterwards.

But I accept and I am acutely aware of the difference in ideology between the two sides about access to private farmland when it comes to mineral assets and ownership by the state. I know that there have been attempts previously to give rights of veto and the like to farming communities and farmers who own freehold land about access to land in terms of mineral rights, and that is something we cannot agree to.

What we are attempting to do here is give the state the ability to access in a low-impact way freehold land to get an understanding of what the resource is. Ultimately, if there is any engagement with any private provider to build any infrastructure, that access agreement, that compensation, that rent is negotiated with the landowner and they are the beneficiaries.

To give you another analogy, this will be the equivalent of farmers owning the mineral rights—not the state, but they own the mineral rights—and the state simply wanting access to find out what mineral was under the ground. Once we find out what they are, we publish them and any development that comes from that development of those mineral rights goes to the freehold landowner. If I brought that legislation in, I reckon you would be carrying me on your shoulders for the next 15 years. That is all we are doing here with renewable energy.

This is not about the long arm of the government kicking in the door, wanting to know what your pronouns are. This is about the government saying, 'We think you could have an opportunity here to value-add to your business through renewable energy. We are going to act to legislate it.' I am just trying to speak to the regional block in language they understand. I think this is an opportunity for people to actually get a benefit from government exploration.

Mr PEDERICK: I appreciate where we are going on this, but is the government thinking of working with Rural Business Support and financially supporting that group and the Landholder Information Service, which is absolutely vital, I have found, in recent times in the communication between potential mining operations, potential exploration operations in mining? It obviously takes if not all the heat then most of the heat at times out of conversations.

When people get forms that they have to respond to in whatever time line—I think in mining it is 42 days—it can be very confronting. I know the very good staff of this service run an exceptional service in taking the heat out of this, so I guess what I am asking is will you be supporting them financially and making sure that they are fully briefed identical to the mining/farming discussions?

The Hon. A. KOUTSANTONIS: That is an excellent question and, through no fault of the member, we had this discussion yesterday—

Mr Pederick: I'm sorry.

The Hon. A. KOUTSANTONIS: —that's fine—and absolutely we are expanding it to include information about the HRE act and the implications for freehold landowners and pastoral leaseholders and communities. It is absolutely an excellent service; I think it was introduced by the previous government. It works very well to lower that heat at the initial phases, but ultimately people have their own subjective views about land access. As I said in my earlier example, this is a little bit different, where the rent and the benefit actually lie with the freehold landowner rather than with the Crown.

Mr TEAGUE: To pick up from where the shadow minister left off in terms of structure, we are at part 2 of the bill and we are commencing with what is described and headed as 'Preliminary investigation of renewable energy resources'. By the time we get to clause 10, and then clause 28 relevantly perhaps, given that the focus over the last little stretch has been on the freehold land, one of the purposes of this preliminary investigation of renewable energy resources that the minister might be undertaking—or to read the subclause, 'the Minister or a person with the written authorisation of the Minister'—is that this leads to a clause 28 declaration of a special enterprise licence or, more routinely, for other land it is likely to lead to a declaration of a release area. That is the structure of the bill, is it not?

So what the freehold landowner has to be concerned about is the clause 7 activity, that range of activity, and then what that leads to if those activities bear fruit. Bear in mind, the corollary to clause 7 is the clause 8 arrangement, where the minister more routinely, perhaps, issues said licence to somebody else to do this—a licence they need to comply with on pain of a $250,000 fine if they do not, and so on. So clause 7 and clause 8 are working as the minister version and then the private version—one and the other.

For freehold purposes, what that is leading to is a clause 28 declaration, and for everyone else it is leading to a clause 10 declaration. Not to put too fine a point on it, given that the minister

has recited subclause (2) and, as the member for Flinders has said, all this is done on 14 days' notice if it is practical and, if it is not, then at no notice.

Perhaps to put it bluntly, this clause is really establishing about as carte blanche an arrangement as one could possibly imagine. It is saying that the minister—or anyone, actually, provided the minister is authorising them—can go onto any land at all and can bring whoever and whatever they want with them onto that land. Maybe, if you are lucky, the owner gets 14 days' notice, but only if that is practical, and then they can do basically anything—and anything that is not listed within paragraphs (a) through (e) can be regulated later.

I hear the minister, and that is all helpful to have on the record, and it may be that it is helpful that this is headed as 'Preliminary investigation of renewable energy resources'. From the trouble that has been taken to set it out in the context of the act, it is clear that it would appear to lead to a clause 10 outcome or a clause 28 outcome. Perhaps I could put that in terms of a question: would the minister agree that that is an accurate characterisation of the clause? In particular, will the minister agree that the clause on its face actually permits the minister to do pretty much anything at all in respect of this bill, which has been given the acronym of HRE, without really any constraint?

The Hon. A. KOUTSANTONIS: No, not even close. No, it does not. This is for preliminary activity. This is not a licensing program; this is just pre-competitive data. Any access to go on private land is negotiated by the freehold landowner, and there is a licensing regime for that, which they must go through themselves. I cannot force them. I can only force them if it is of state significance.

Mr Teague: That is the clause 28 point.

The Hon. A. KOUTSANTONIS: Yes, but that does not lead to the other. They are not automatic—if you get access, therefore anything can happen. There is a whole series of hurdles between the two, and it is not a fair characterisation to say that simply by allowing the state to conduct preliminary investigations on your property you will then be coerced into a process. You have to meet all these thresholds.

Remember, the level of investment here is going to be overwhelmingly behind the meter on Crown land for the purposes of beneficiation of iron ore. There will be some people who will be looking to put electricity into the grid; I do not believe they are of state significance. State significance is a serious project that meets certain thresholds, so I disagree with that completely. That is not the scenario.

The government does have the power to compulsorily acquire properties to build roads or to build hospitals. We have this power. It is not new, it is not unique, we have done it before. Members opposite brought in legislation to compulsorily acquire beneath the surface for the first time and did so on the basis of no compensation, despite the landowner owning that land beneath them. Let's not get carried away here. We can catastrophise anything. We can convince ourselves of anything. That is not our intent.

Mr Teague interjecting:

The Hon. A. KOUTSANTONIS: No. I think the summation that the member made—and we are going to enter some sort of political debate now for the next hour and a half over this, which is fine. We will have to sit late to pass the legislation.

Ultimately, the state is not seeking this head of power to coerce people into anything. As I said to you earlier, this is the equivalent of people actually owning the mineral resources beneath them. They do not currently own the mineral resources beneath them, hence a lot of the reasons why we get a lot of the 'lock the gate, off my farm' access issues—because there is a third party receiving a private benefit from freehold land that you own. Here, in this scenario, the benefit goes to the private landholder. They are two fundamentally different principles.

The process that we are regulating here is for an orderly regime. The bill has not been designed to force anyone who owns freehold land to do anything. They still have to have an access arrangement in place, which they will negotiate, and then only if it is of state significance can they be compelled. I suppose we are here on a unity ticket on the north-south corridor, we are on a project

of state significance and we are closing businesses and moving people out of their homes. People have not blinked in this parliament over that.

I think we are making a bit of a mountain out of a molehill here. However, I accept that members opposite might not agree with the 14 days. I have undertaken to have a look at that. I have undertaken to work with the opposition about the criteria for information about what activity will be undertaken. I am happy to commit to all that, but I disagree with the characterisations the shadow attorney-general has just given to the house. That is not the advice I received from my officers. It is not the advice I received from Crown law. It is not the advice I have received from DEM about the implications of this access. It does not automatically lead you down a path to clause 28.

Mr Teague: I didn't say that.

The Hon. A. KOUTSANTONIS: Sorry, I thought you did say that. Yes, the state wants the ability to identify, if necessary, strategic resources—and we do that now with mining, petroleum and geothermal.

Mr TEAGUE: Let's all do our best to avoid any sense of catastrophising. That might be necessary down the track. The idea is to try to understand the structure of the bill and to work through what it says on its face and then how that is fitting in in the context of the bill.

Perhaps if I put it this way: would the minister agree with the proposition that, in order to get to a point where a special enterprise licence might be issued pursuant to clause 28, your likely pathways to having the information with which to make such a grant are going to be via clause 7 or via clause 8? Those are the means by which you undertake your preliminary investigation. Those are the means by which you obtain the necessary information—and we can deal with it at clause 28, of course.

In terms of understanding the structure of this, this comes at the commencement of part 2, which is all about preliminary investigation. This governs how you undertake the preliminary investigation, and clauses 7 and 8 are the means, public and private, by which that is undertaken. Those are the pathways by which you get to clause 28; is that right?

The Hon. A. KOUTSANTONIS: No. If we execute an access of 14 days to do preliminary data—and let's take the hypothetical situation the member has just announced—after that information is made available there would need to be a special enterprise zone over the top. But there is a licensing process between that, and that licensing process would need to fail; there would need to be a complete breakdown. The other hurdle it would need to pass is that it would need to be of state significance. So the hurdles keep on climbing. Ultimately, at the end, the beneficiary is the private landowner, not the state.

Mr Teague interjecting:

The Hon. A. KOUTSANTONIS: But it is important, because access—

Mr Teague interjecting:

The Hon. A. KOUTSANTONIS: I have just told you what the advice is that I have on the structure. There is a licensing process that the shadow minister is skipping right over, and ignoring everything else that is in the act that would require any proponent to negotiate with the freehold landowner.

Mr Teague: I'm trying to cut to the chase.

The Hon. A. KOUTSANTONIS: 'Cut to the chase'—it is the old saying about the London Tube and the gap: 'Mind the gap'. The gap you are talking about here is very large; the gap here is massive. The gap you are admitting is the massive regulatory overlay that we have got between pre-competitive data, a licence negotiation, and an access regime being negotiated, that falling over and then the state deeming—through a whole series of other tests—that this is of state significance. Ultimately, anyway, the beneficiary is who? It is the objector, not the state. It does not go to general revenue: it goes to the freehold landowner.

There are protections throughout this process to make sure that freehold landowners are not only the beneficiaries but that rights are not diminished. You might argue that having someone

access your land with 14 days' notice is a diminishing of rights, but it is low impact and there is a whole series of other acts that allow access to land for less. This is not about the enjoyment of private property for a third-party benefit.

The principle here is sound. The protections are robust. I think this is a piece of legislation that will be used by governments of both political persuasions, a piece of legislation that will be mimicked and copied around the country, if not around the world. I do not say that arrogantly; I just think that people are going to look at this and think, 'Why haven't we done this ourselves?'

I go back to my fundamental principle. Around Australia renewable energy is being regulated as if it is the development of a house or a shed, not as if it is an energy source or a product or a commodity. It should be regulated that way because there are some parts of land that have better sunshine and better wind than others, and some land that has more copper occurring naturally underneath it than others. We should be regulating this in a way that is consistent with that. The difference here is that we do not own the resource; that is the difference.

I do not think there are any private rights that have been weakened to the detriment of the freehold landowner. In fact, I think this is one of those rare occasions where we can tick a box saying win-win.

Mr TELFER: Subclause (1)(f) provides, 'undertake any other activities [of] a kind prescribed by the regulations'. Does the minister envisage any particular other activities? I understand it is a catch-all subsection. What other activities would be envisioned, would be included, in this sort of thing? Looking at the previous five, they are pretty specific with what you would think for someone trying to ascertain the opportunities for renewables. What could fall under that category (f)?

The Hon. A. KOUTSANTONIS: It is a good question. I think it is for technologies that have not yet been discovered. There could be new forms of detection that we could be using, new activities that we have not contemplated. Again, for the regulations and the guidelines, we will negotiate with the appropriate professional associations that cover farming communities and we will give them comfort about that access regime, but it has to be low impact as defined in the act.

Mr TEAGUE: I think the minister described the sort of entry onto land that is contemplated there in clause 7 as being akin to all sorts of entry onto land that happens routinely. One thinks of a spectrum, from a meter reader in the old days to those who give notice that they are going to come and trim trees that are on their way to getting too close to wires, that sort of thing: 'If you do not do something about it, we will be coming on and doing what we need to do to comply with the statute.'

We are clearly at some part of the spectrum that is a fair way away from just coming along with your badge and saying, 'Here I am, reading the meter.' On one view, given that there is the possibility to bring your assistants, your vehicles and your equipment and conduct tests, take samples and all the rest of it, it could involve quite an involved point of interaction with the land. As I have said, on the face of the clause, it permits all sorts of things to be done. The minister has protested at length here, and we have all that on the record, that what it is all about is obtaining this early-stage data.

Is there any comfort that the minister can provide, along the lines of what we have heard about what the regulations might comprise, about how the minister anticipates this occurring? The minister is not going to be getting around in a car in the state, rolling up and doing this. Is the minister going to undertake some kind of council-style engagement of a single enterprise that one might expect to be finding in different regions of the state? Is that the intent, or is it likely to be done routinely?

Is this a sort of backup for the occasion when the clause 8 licences are not functioning and the minister thinks, 'I need some money out of the budget to go and do this,' or are we going to see it established, regions and operator engaged and then the range of activities that are the subject of this notice that might reflect something in the code? Is there any meat on that bone at this point?

The Hon. A. KOUTSANTONIS: I cannot speak for what is going to happen in 20 years from now, but from my perspective, if we did do exploration on freehold land, which I probably suspect in the initial tranche we will not—

Mr Teague: The question is for all land.

The Hon. A. KOUTSANTONIS: Yes—the way it would operate is we would have a guideline developed about how we access. We would have a code of conduct, how people would behave on land, pastoral lease and freehold land: making sure gates are closed, not interfering with lambing or shearing. Like we were talking about yesterday, it is being sensitive to the needs of what primary producers and pastoralists are actually doing on their land. We would do that.

I would envisage that it would be a government contract to a private provider who would be doing this work on behalf of the government. We do not have the expertise in-house. It would potentially be someone else. It could be the geological survey; I do not think so. My guess is, if we were putting up masts, we might contract the Bureau of Meteorology to do this work for us to be able to identify wind resources, which I suspect would probably be the private provider I am talking about. It would be the BOM. They obviously monitor rainfall, they obviously monitor weather patterns.

A lot of that data can be used as pre-competitive initial data, but the problem of course is that that data is not sufficient to warrant investment, so it would simply be about getting a rough order of magnitude idea of a resource. It is defined as being low impact, so there is that protection for landowners. This is a very difficult debate to have because subjectively whenever the government gives itself the power to enter your private property, emotions run high. I am not saying your emotions are running high. I am just saying—

Mr Teague: I am just asking about whether there is a plan now as to how that might work. It need not be. I am just asking.

The Hon. A. KOUTSANTONIS: There will be a plan; we have not developed it yet. My instincts are that most of that pre-competitive work will be done on Crown land, on pastoral leases, because they are the areas we will be identifying. This act is specifically targeted at Crown land, and we incorporated freehold land for the appropriate reasons we think are to make it a one-system approach to the entire state. I think it is good that way.

But our main focus will be on pastoral lease and Crown land, which is to the west of Port Augusta and Whyalla, potentially to the south of Whyalla depending on the resource. Obviously there is the Port Bonython development. We are very keen to make sure that they get access to it, which is why there have been sensitivities about native vegetation, about heritage, so we are dealing with all these things.

In terms of private property and freehold land on Eyre Peninsula and Yorke Peninsula and the other parts of the state that are actively farmed, I suspect my long-term horizon is almost no work will be done on those properties at all in terms of what the government is doing. We are more interested in targeting the large vast amounts of pastoral lease to try to avoid as many complications as possible because we think the resource is better there.

It is probably not a good enough answer to cover the question you have asked, because I do not have the information in front of me. As I said, a code of conduct and an understanding of how we will operate will be set up and we will obviously follow it.

Clause passed.

Clause 8.

Mr PATTERSON: In regard to the Renewable Energy Feasibility Permit, it does state that it must not be issued in respect of an area that constitutes designated land. I am to take it that this applies to the Renewable Energy Feasibility Permit, so on freehold land. Whereas later on, if you want to look for feasibility on designated lands, it uses the Renewable Energy Feasibility Licence. In terms of this permit here, maybe if you could explain how you see this process working, and does it replace an existing process around feasibility on freehold land—or any other lands, if I have made a mistake and there are other lands it applies to?

The Hon. A. KOUTSANTONIS: The advice I have received is that the purpose of a Renewable Energy Feasibility Permit is to authorise feasibility activities on the areas of land that are not designated land, replacing the requirement for a feasibility licence. Unlike a Renewable Energy Feasibility Licence, a permit will not confer an exclusive right to undertake feasibility activities. This

is because it is not considered appropriate for potentially large areas of freehold land, for example, to be exclusively allocated, given the comparatively small area required to set up fixed structures for collecting feasibility data.

Feedback indicated that the permanent structure is more akin to the early development stages of a project on freehold land which the government is seeking to preserve. Does that answer your question?

Mr PATTERSON: Yes, mostly in substance. The other question was about what current process it replaces. How does the existing process work? If a freehold landowner or a company who is invited onto the land asks, 'Can I look for a wind resource? or, 'How does the solar look here?' what process would they be required to use at the moment, or is there, in fact, any process? Maybe there is not.

The Hon. A. KOUTSANTONIS: My understanding is that it is a bilateral agreement between the landowner and then there is the PDI Act and council approval. It is considered like a development, in the same way that you would consider building a shed or a fence. It is regulated through the PDI Act, I imagine, so it is basically through the planning laws.

Mr TELFER: Minister, this probably covers these three or four clauses and is really around the process for the exploration and designation of renewable energy areas. I have had conversations with renewable energy project proponents, and the bit of concern or uncertainty they we were speaking to me about was the fact that, if it is totally reliant on the government to do the exploration or the designation of zones, does the minister think it would be a disincentive for private industry to be proactive in looking at potential areas for installation of such generators?

At the moment, you have a proactive proponent that is looking at an area; if they were to be doing that, then they would have to come to the government and then the government would basically open it up for anyone else, so the effort that a company would put in would be then giving the opportunity to open the door for other proponents. Does the minister think that this could potentially diminish or undermine the private exploration, which is what some of the companies have said to me?

The Hon. A. KOUTSANTONIS: I am very concerned about that as well, which is what I have been struggling with here. This is a short answer to a big problem: everyone I speak to now says that this could be a disincentive to entrepreneurial action for behind-the-meter large-scale generation. There is one problem: in the past 20 years, there has been no large-scale development of behind-the-meter renewable energy, but there is plenty being done elsewhere because elsewhere there are requirements to develop—here there are none.

The number of times I have had someone in my office say to me, 'If you open up this area for petroleum activity, it will be another Moomba.' They get a piece of acreage and 18 years later they are knocking on my door and saying, 'Can we have an extension? We haven't drilled any holes. We have done a lot of desktop analysis,' and their tenements are shrinking. What we are attempting to do here is to say, 'I do not want people to be able to lock up pristine pieces of land'—and when I say pristine I am talking about solar and wind resource—'and then develop somewhere else where there is a subsidy or where there is a requirement to act or you will lose your tenure'.

Currently, there is no act from the government that requires activity to occur or you lose your tenure. You might lose your development application licence, but you do not lose tenure. What I want is for people to act, and if they do not act and do not meet work programs they leave. Yes, if you are an existing person who has been circling in South Australia, signing up agreements but you have not built anything yet and you have not done anything yet, this act could be seen as a threat. But if you want to build something and you want to do something, this is exactly the act that you want because it funnels all the approvals to one minister and gives you a start to finish approval process right throughout the whole length of it. So it gives you investor certainty from start to finish.

My view is that if people are complaining, well, they would, wouldn't they? You would know from your own community how many large-scale renewable resources have been built in Flinders that are behind the meter (and when I say 'large scale' I am talking gigawatt scale renewable resources) powering and feeding industrial activity—none.

Mr TELFER: The operations and the exploration of the department under this bill, as you said previously, could well be at the vagaries of the Treasurer as to the amount of resources they are given to explore potential sites. In terms of the amount of exploration of potential renewable zones, if you are given a big cheque you can go out and do the whole state, but if you are given a small one you just do a small amount.

With these arrangements in place, is there an even greater onus on more resources being given to the department, because it is potentially only the department that is going to be doing that first step into trying to designate a zone, rather than a company that is trying to be proactive, because a company being proactive would then have to go back to a competitive process?

Do you understand what I am saying? It is just a risk that may or may not be borne out, but the potential for private exploration or private survey work being done to try to ascertain a resource may have that diminished because of these arrangements.

The Hon. A. KOUTSANTONIS: On freehold land, private operators and investors can be as proactive as they like. There is no inhibition from us. On pastoral lease and Crown land, I know of at least 13 Crown leaseholders who have bilateral arrangements lined up already because of the vast amounts of renewable resources they have on their pastoral lease.

That resource is known, so we do not need to do the mapping there. We know where it is. We have BOM technology, we have the BOM data and we have our data. We know that the private sector is crawling over it constantly trying to sign this up. What we want is investor certainty, a road map, an investment time frame and certainty. I do not think the vagaries of budget will be an impact here because, let's face it, South Australia's capacity in peak is 3.3 gigawatts or thereabouts.

We are talking about developments that are 20 gigawatts, that are a percentage of the NEM that would have been unheard of and unthinkable in Playford's time—that we would be building that type of capacity here in this state. However, you have to overproduce renewable energy because you cannot store it. We are talking about one, two, three, four gigawatt developments that could take five, six, seven years. In terms of time frame, we have plenty of runway, plenty of time and plenty of development.

What I want to make sure about is if we have someone turn up and say, 'Well, right, here's our deposit. We're prepared to spend $1.5 billion to build a renewable plant. We want to go here, but there is a bilateral agreement between the Crown leaseholder and some European investment fund that has exclusivity for 20 years, and they are going to be charging us for access to their land because they have exclusivity at a point where the megawatt per hour cost of us paying rent to them—a royalty to them rather than to the state—means that the power that we are regenerating will make the production of hydrogen uneconomic and therefore we cannot beneficiate the iron ore,' or they deliberately push it up.

The same thing happens in the Mining Act and the Petroleum and Geothermal Energy Act. There are people out there who hold tenements of land who spend their minimum programs waiting for someone else to feed in and pay them a royalty, but they are not actually developing it. It is the vagary of our system, and because it is a different type of commodity that has different fluctuations in price we tolerate it because it actually does develop the minerals.

With renewable energy, it is different. We cannot have people locking up this land hoping someone else is going to develop it and they are farming through me, because their agreement on pastoral leases will not be with the Crown leaseholder; the licence will be issued by me. There will be a work plan, so I will be able to sieve out who is serious and who the tyre kickers are, or who the opportunists are who are just trying to lock up land, prepared to pay pastoral leaseholders hundreds of thousands of dollars to lock up this land in the hope that one day someone else develops it and they get paid a royalty for doing nothing.

There needs to be an ordinary rollout of renewable energy. We need to make sure that the land we control and the resource on it is developed systematically. We develop it properly, close to initial transmission lines, so we are not adding cost and burden, so it is able to be beneficial to the grid and to behind the meter and gives us more control. With a complete free-market approach, there

is nothing wrong with the alternative either. You could quite easily throw this act away and say, 'I will leave it all up to the private sector, but here is your licensing arrangement for electrolysers.'

I will let pastoral leaseholders do deals with infrastructure funds and capital funds around the world to build renewable resources, but there is no work program, nothing. The could sign a bilateral agreement and just sit there and wait for someone else to build the electrolyser, for someone else to build the transmission line.

Mr Teague: It sounds like Mount Barker.

The Hon. A. KOUTSANTONIS: Yes, exactly. It is a lot like Mount Barker, so that is what we are trying to avoid. I am prepared to acknowledge that there are gaps in the way renewable energy has been developed. Remember, this renewable energy is different from what we have done traditionally. Traditionally, we built wind farms and solar arrays to plug into the grid to run around the NEM. This is behind-the-meter stuff.

We are talking about, 'I want to make hydrogen. If I buy the power off the grid at the scale I want, I am going to need three gigawatts. You don't have enough supply in the NEM for that. I would be reliant on other private providers building that renewable energy and then bidding in or doing a power purchase agreement. That will take too long, so I will build the renewable energy. I will build the electrolyser.' They feed each other and the cost of the capital is low enough and the power generated is cheap enough to make the hydrogen affordable to be able to be used to reach that magic $2 mark per kilogram.

That is what we are trying to incentivise here. We are trying to give people investor certainty that they can get to it, so it is different. I do not think it is going to be at the vagaries of the Treasurer and pre-competitive data because there is so much land that has already been identified that, if we develop just that land, we are talking nearly half the NEM of capability on the land we have identified already, let alone the $20 billion the shadow minister talks about that will come off when Project EnergyConnect is up and running, which I doubt very much.

Mr PATTERSON: To round it off, the minister may want to go and explore on freehold land. Will the minister, when exploring for renewable energy resources, be required to get renewable energy feasibility permits?

The Hon. A. KOUTSANTONIS: I would be using clause 7, which we have just agreed to.

Mr TEAGUE: I hark back to the reference to tyre kickers yesterday. We get to clause 9 in a minute, when we talk about the term of these licences being five years and renewable. I do not see it on the face of clause 8—it is not exclusive—but what is to stop the issue of this licence being used as a tyre kicking exercise for a period of up to five years, albeit with whatever as yet undisclosed conditions that might be determined the subject of subclause (6)?

The Hon. A. KOUTSANTONIS: It is a difficult question to answer because private capital does need time to line all its ducks up, right? You do need time to get the appropriate arrangements in place, you will need to do exploration to work out where to put the mast and you also need time in advance to negotiate access agreements. There might be times where the land is inaccessible because we have an arrangement in place, that there is lambing going on or shearing going on, or movements of stock going on, so you can't presume that the land will be available for development 24/7.

Mr Teague: Was it five years?

The Hon. A. KOUTSANTONIS: We chose five years because five to seven years is generally a time when you think people can start to finish, get to a FIP position where they can invest. I think that is a reasonable time. To be honest, maybe we should have made it three, maybe we could have made it seven—it is always difficult to know. The previous government made it 18 years for mineral tenements. So it is difficult to know what time frame to give private capital.

Given the nature of the auction process that we are going through, I think you will be able to sort out the tyre kickers because you are entering into an agreement. Ultimately, I have the power and, if they are not meeting a work plan or whatever they promised in their tender process, they could be in breach of their licence conditions.

There are many ways for us to stop this, but there is no perfect system anywhere in the world that guarantees development of land once you are licensed to do it, because the world gets in the way. Things happen: commodity prices could drop, power prices could suddenly drop throughout Australia because of the cessation of hostilities around the world, gas could start flowing freely again, gas prices could plummet—there is an oversupply of gas in the world and prices could drop dramatically. That could change the investment time frame. There are a lot of things here contingent on it, so we chose five years.

Mr TEAGUE: That is fine. I suppose given what has been quite a lengthy description of the locking up via bilateral agreements, and the potential for loss and adhocery in all of that, why is this necessarily so much better? Does it not just smack of the minister deciding to pick the winners? Bearing in mind this is not a designated area, it is a discrete area of freehold land that may or may not be interesting, and so on, why isn't it just the minister picking winners in respect of these licences?

If there are said conditions, and there is a pretty good series of examples that the minister has just talked about, that is the vagaries of the global market, why could not the counter-proposition be put that these sorts of—I do not know how to describe them; they have been described as these great big looming behemoths around the world that might just revel in doing bilateral agreements, locking up land and then seeing all of us high and dry and with nothing happening. Surely that is not an accurate reflection of the global marketplace.

It forces the reason why these entities entering into the arrangements, which is because they want to take advantage of exploiting the asset when the market conditions are right, over that kind of period of time. It boils down to why is the minister's deciding to pick all the winners inherently so much more productive than leaving that to the market to determine, including as to the owner or leaseholder of the land, as the case may be, relevantly the owner for the purposes of clause 8?

The Hon. A. KOUTSANTONIS: I think the shadow minister has fundamentally misunderstood this, because a permit cannot be issued unless the applicant has negotiated land access with the landowner. I cannot force them unless it is of state significance. So it is not me picking winners; it is allowing the market to do its job. I am talking about land that we own, so there is a difference. For freehold land the applicant needs a renewable energy feasibility permit, and the permit cannot be issued unless the applicant has negotiated land access with the landowner. So it is not me interfering there, but when it comes to pastoral lease and Crown land it is different, and that is what I have been talking about.

Mr TEAGUE: I do not know if it is a continuation of the second one or the third, but perhaps it does not matter because we can take it up in clause 9. Partially, for the freehold owner, they need to have married up with someone who is acceptable, but it is still going to the minister as the new gatekeeper in terms of where this goes. Maybe it is not entirely picking winners—the minister is not doing the work, in that sense—but why is the imposition of this comprehensive gatekeeping more desirable than letting the market determine those arrangements from one parcel to the next?

The Hon. A. KOUTSANTONIS: It is currently regulated under the PDI Act. This is not a deregulated activity. You cannot just put a wind farm anywhere you want. I think you misunderstood what you just said. Currently, the development of renewable resources on private land is regulated by the PDI Act. We are moving that into the HRE act. That is sensible and there is, I thought, bipartisan support.

I heard from your comments: why do this? We are doing this because we do not believe that renewable energy should be regulated under the development act. It should be regulated under an energy act. We are bringing that into the 21st century with what I think are world best practice regulations that will hopefully outlive this government, and the next and the one after that, like the Mining Act has for over 50 years—it serves the state well. We cannot continue to have renewable energy being built under a development act in the same way you would build a shed. You have it regulated under an energy act administered by the energy minister. I think that is pretty sensible, routine and mainstream. There is nothing radical about it.

Clause passed.

Clause 9.

Mr PATTERSON: Just to continue with the renewable part of it, I understand we have already talked at length about the term, and I am mindful of that. This is really more to get direction on what is in the bill and what may potentially happen in practice. To have the permit in the first place, as per clause 8:

> …the applicant has, or will acquire, a right or interest in respect of land comprising the proposed permit area...

So they want to put a mast up, they have gone off and got permission from the freehold landowner and then the minister said, 'Yes, you can have it.' We come to five years and still want to explore for renewable energy. You would think the proponent who is exploring for renewable energy would ask the landowner, 'Can I continue on?' But it seems absent in this clause that, when the minister makes the decision to renew, they should still ensure that the applicant has a right or interest in the land in the unlikely event that there is a disagreement and the freehold landowner says, 'Actually, this is not what I wanted.'

The Hon. A. KOUTSANTONIS: The advice I have is that subclause (3)(b) provides:

> (b) must be accompanied by any other information that the Minister may require.

I would have thought that it would be pretty clear, but I accept the point that you are making, that in that there would be an agreement with the landowner.

Why would a minister agree to renew a licence if it had not been developed? I cannot see a scenario that would be beneficial to the government to renew a licence on someone who has not developed the land and the landowner wants them off. Why would I renew it? I would get the information from the landowner there. Subclause (4) provides:

> (4) The Minister must not renew a renewable energy feasibility permit unless the Minister is satisfied that the applicant for the renewal has met the criteria prescribed by the regulations for the purposes of this subsection.

That also requires agreement with the landowner that they have an interest, so I think it covers it, but is the opposition saying that they want more clarity there, or are you okay with the—

Mr Patterson interjecting:

Mr TELFER: Subclause (4) talks about the criteria prescribed. What is envisioned by the minister in terms of what those criteria may encompass? Has that initial work been done? We have talked about the vagaries between legislation and regulations as something which there is probably a little bit of uncertainty about.

The Hon. A. KOUTSANTONIS: We will consult on that. The licences and permits within the bill have been designed in consultation with industry to achieve a balance between current practices and requirements to avoid land banking by developers. The terms are intended to allow sufficient time to conduct the necessary activities under the relevant licence while removing the risk of land banking activities.

We will consult once the legislation has passed as we are developing the regulations. Again, high on that consultation list are the representative bodies and professional bodies of pastoralists and farming communities, regional communities and, ultimately, the parliament. I think that covers it, but I am not sure that answers the question.

Mr TELFER: Will there be a project checkpoint? The way I am reading it is that the criteria prescribed within the regulation, before there is a renewal of a renewable energy feasibility permit, have to be potentially trigger point criteria that the minister takes into account. Has that work been done?

The Hon. A. KOUTSANTONIS: Five years is a long time to get your mast readings. I would have thought it would be unlikely to get renewals if you were not going to the next stage. That is my view, but I am not going to be minister forever. Someone else might have a different view, but my view is that we have given enough time here for people to have certainty. There are large parts of land, there are weather fluctuations, climate change is occurring, and you might want to leave them up for four years in a row to see what the variations are throughout changes in seasons or changes from La Niña to El Niño, so you want to be able to get an idea of what is going on.

This has been developed in consultation with industry. We think we have found the sweet point; we might not have, but this is how you make sausages. It is difficult to know that five years is enough. I think it is, but if they have not worked it out after that then it would be unique, I think, to renew, but there could be extenuating circumstances.

Mr TEAGUE: I projected into clause 9 a minute ago, so I might refer back to clause 8. There have been a couple of references to misunderstanding, so let's just be clear on this point about picking winners. In terms of clause 9, I understand the whole landing on five years. When it comes to the renewal, you have assessment criteria about relative performance. If the committee permits, I will refer to subclause (5)(a) of clause 8 in this regard.

The minister has said he is not picking winners because the threshold needs to be established first; you have to have your landowner married up to the applicant and only then can the minister say, 'Alright, sounds good. Here are the subclause (6) conditions, and it's going to be five years.' That is the way 8 and 9 work together.

Given that (5)(a) is at least in part prospective, is it not one distinct possibility that a great big applicant comes along to the government and says, 'Rightio, we want a clause 8 permit for the five years and we want it over all this land, because we have a pretty good idea it is worth doing preliminary work on, and we will get the necessaries from the freehold owners. We want you to give us the go-ahead for that.'

I ask it in the context of clause 9 perhaps, when it comes to renewal, because in an evolving market it might be that there is a small group of them to start with and it might be that the government is saying, 'Well, we're finding that one of these applicants is proving themselves up as a good, cooperative partner of government, and we would really like to give them the go-ahead in terms of renewal. We are looking out for how they are going. They may have made less progress in some areas than others, but we like them because of the overall view.'

I am trying not to make this 'government picking winners' bit too pejorative. Are there virtues in the government having this so-called A to Z, one-stop shop approach? It may well find that over the journey the government is acquiring greater knowledge about who the good proponents are, so if one comes along seeking renewal you will know a bit about them because they made some progress the subject of another licence, they have not done much the subject of this one—and on you go. I ask it in the context of (5)(a) because it is prospective to some extent.

The Hon. A. KOUTSANTONIS: They will have an arrangement in place with the private landowners.

Mr Teague interjecting:

The Hon. A. KOUTSANTONIS: Only if they negotiated it with them. I am not picking the winners. The landowner can say, 'I'm not doing a deal with this bloke. I prefer someone else.' It is private land. They have to arrange an access agreement. They have to get arrangements in place and agreements.

I can give you plenty of examples in the last four years of governments standing up with very large proponents, like Trafigura promising a $750 million investment in Port Pirie in an electrolyser. Where is it? I also know of very large applications; for example, the previous government gave licensing to Venice Energy to build an import facility for petroleum. Where is it? That was not done through a competitive process, that was not done through a regulated process: that was done through the development act, where people just turn up and say, 'I want to do X.'

What I am trying to do here is avoid that picking of winners, where we actually have a process in place that takes government out of picking the winners. However, ultimately, if there is someone who has an agreement with a landowner, and it is on private, freehold land, and they have asked for a renewal and everyone is in concurrence and there are vagaries about why it is happened, then, yes, you would permit it.

If we think that the land is developable and that they are just paying the private landowner a bonus to lock it up because they have capital invested somewhere else and they want to move it here later, we will make a decision on that basis. I would act on the advice of my agency, the same

way I do with my petroleum and geothermal licensing, the same way I do with my mining licences. That is how government works. We set up the framework, then we have the independent Public Service look at the way these are operating, then they give advice to us about whether it should be renewed or otherwise. We set up the framework, we are ultimately the decision-maker, but I have trust in the rigour of the legislation and the regulations that will be developed, which parliament can disallow.

I have faith in the consultation process, and I have faith in my independent agency to give me the advice that I need to be able to administer it. I very rarely disagree with the independent advice—just once, on Bird in Hand, which you opposed.

Mr TEAGUE: That is a pretty good example right there. I was about to say, lucky we have such a fantastic department, and we do. It is great that we do.

The Hon. A. Koutsantonis: What is your point?

Mr TEAGUE: The minister said he is relying on the department and acts on the department's advice but for one pretty glaring recent example. Nothing that the minister has just said is contrary to the scenario that I posited a minute ago; that is, in the context of all this evolving, a situation—in fact, it seems to me as or more likely—in which a proponent for a region who has no particular idea as to who all the individual freehold landowners are in the region rolls up to the minister for the licence that is the subject of clause 8.

For the purposes of this clause, we will talk about it in renewal terms. The proponent says, 'I'm a great big applicant, and it does not make any difference to me what this 2,000-acre property is over here and what that 3,000-acre property over there is and what those 1,500-acre blocks next to it are. I'm not interested in that. I'm interested in doing what I do, which is looking at the region as a whole and looking for the necessary licence.'

We are only at the top of part 2, talking about this preliminary work, so it makes sense for that proponent, that applicant, to come along to the minister and say, 'I will get the necessary rights by negotiating with the freeholders, and I'm capable therefore of satisfying the minister, via the advice from the brilliant department that we have, that this is a good thing to do.' The minister might well be then willing to say, 'Okay, I will grant that, subject to conditions in subclause (6), including that you get those necessary rights within a very short period of time,' etc.

Therefore, it stands to reason that it might be a situation in which the minister is determining the rollout of this preliminary work, in what the minister might own as a coherent way, in which all these freeholders are effectively being approached by the same applicant. If there is the odd one that does not grant the necessary access, they might be an outlier and they might be the odd one and so on, but the rest of the region is covered efficiently. Is that not a realistic scenario, therefore is not the proposition that the minister is in the business of picking winners also a realistic scenario?

The Hon. A. KOUTSANTONIS: Your point is that if everyone agrees, I am picking a winner. It just does not make any sense; I am sorry. The landowner still needs to agree, and I need to see evidence of it. It is in the act. I need to see evidence of it. Any minister would need to have evidence of what an application for renewal is claiming. They cannot just assert it and hope that we do not check. Of course, we would check. If your proposition is that if every landowner agrees that they want to continue with this one proponent then I am picking a winner on freehold land, that is not right. I do not know what point you are trying to make. The only way I would be picking a winner is if I said, 'The only person you can be negotiating with is company X.' That is me picking a winner.

But private landowners coming to me and saying, 'We all agree we want this company to do this work,' that is not me picking a winner; that is, the freehold landowners picking who they want to be doing the work. So I think we are on a different—I must have dramatically misunderstood what it is you are saying because I do not see the point here.

As a protection for freehold landowners, I would need to be satisfied that they do agree with the proponent who has the existing licence who is seeking a renewal. Before a permit can be granted, there must be an agreement with the landowner; it is freehold land. I am not sure how I am picking a winner here. I disagree.

Mr TEAGUE: Just to be clear, before you grant the licence there need not be an existing right of access or agreement or anything on the face of it. You need to be satisfied pursuant to subclause 5 of the range of criteria subject to subclause 5. There is no difficulty there. You need to be satisfied that that will occur.

The Hon. A. Koutsantonis interjecting:

Mr TEAGUE: Yes. The minister must before issuing a Renewable Energy Feasibility Permit be satisfied that the applicant has or will acquire a right or interest in respect of land comprising the proposed permit areas sufficient to undertake the feasibility activities authorised by the permit. So the point is—and I realise we are moving on to renewal—at the clause 8 stage, why would it not make sense for the great big applicant to roll up—I mean, freehold land—

The Hon. A. Koutsantonis interjecting:

Mr TEAGUE: Yes.

The Hon. A. KOUTSANTONIS: Okay.

Mr TEAGUE: Yes, therefore it is not the scenario of a whole lot of freeholders rolling up to the minister and saying, 'Hey, guess what? We all agree.' It is the other way around.

The Hon. A. KOUTSANTONIS: I see.

Mr TEAGUE: It is the proponent coming to the minister and saying, 'Guess what? I will offer them something they cannot refuse.'

The Hon. A. KOUTSANTONIS: That is a good point. If 'or will' was insisted on by parliamentary counsel because I need to be satisfied that there is agreement, I need to provide evidence that there is agreement. So it is the way parliamentary counsel wanted it drafted.

The scenario that you have envisaged I cannot ever see happening because it would be a scenario where I would be assured without having any evidence from a private landowner from a proponent that they can get agreement without any evidence. So I would need to see evidence that they can get agreement. If your question is: can I simply be satisfied that at that moment in time they could get agreement, issue them a licence, then they do not have agreement and they can move on and do this work, no. That is not the advice I have.

So the way you have articulated it, I understand now what you mean. There could be a company that comes to me and tries to assure me that they have the agreement of the vast Yorke Peninsula and they have exclusive rights over everyone in Yorke Peninsula and everyone agrees and they play promotional videos, whatever it might be, and say yes we have agreement, that is not sufficient evidence. I would need evidence of that and I could not issue them a licence unless I had sufficient evidence that they had agreement.

So I do not see that scenario playing out. That is on the record. I now understand what your interpretation was, but I have been advised by my officers that that is the way that parliamentary counsel insisted on the drafting. I do not think that scenario could ever play out.

Clause passed.

Clause 10.

Mr PATTERSON: In terms of this release area, again, as you have said, this bill is really focused heavily, especially in the first instance, on pastoral lands. Maybe if I could comment on some of the stakeholder feedback in regard to this, stating that the only stated consultation requirements for pastoral land is with the minister responsible for the administration of the Pastoral Land Management and Conservation Act, going on then to say that insofar as by having that as the only requirement that approach essentially treats pastoral lessees as if they have no substantial interest in the land.

The Hon. A. Koutsantonis: Other than the pastoral lease.

Mr PATTERSON: Yes, other than the pastoral lease. The point was made that their objective opinion is that this is plainly contrary to the historical nature of the pastoral lease and its

role in the development of the pastoral sector since the early days of the colony of South Australia. They went on to say that this position is reinforced by the very liquid and negotiable values of pastoral lease properties. They are making the point that it is a stable and enduring form of tenure.

It is their opinion that consultation with pastoral lessees should be mandatory and certainly should occur before there is any proposed declaration. It goes to the point here, in subclause (4), who the minister must consult with before declaring it a release area. It seems to be that the minister must consult with, really at a political level, either the minister—in the case of pastoral land—the minister responsible for the administration of the Pastoral Land Management and Conservation Act. So why does the bill not include engagement with, not all pastoral lease holders but those pastoral lease holders who are affected and over which the release area would sit when it is on pastoral land?

The Hon. A. KOUTSANTONIS: It is important to remember that the hydrogen renewable energy act does not remove any existing rights of pastoralists regarding developments occurring on their leases. Pastoralists do not have an approval right of development of renewable energy on their leases, which mirrors the current role afforded to pastoralists. Before any release area or infrastructure licence can be issued on pastoral land the minister for the HRE act, the energy minister, is required to seek concurrence of the minister for the Pastoral Land Management and Conservation Act. This is a joint approval at the very beginning, as opposed to where it was previously, at the end.

The joint approval is to ensure that any decision made with the objects of both the pastoral act and the HRE act in mind is to ensure that projects can uphold the expectations of all stakeholders. If an activity that I wanted to do in the HRE act precludes completely the activities of a pastoralist, the minister who is in charge of the pastoral leases has a right of initial veto to protect the interests of the people you are arguing for now.

If I wanted to overturn that I would—in other parts of the legislation the PDI Act has been deferred to me for development approvals, you would have had that power given to me as the HRE act minister, where I would have decided whether or not the pastoral lease applications can coexist with the HRE act, but we have deliberately not done that. I will be entirely frank: the reason we did that is that I knew that the opposition would be very, very interested in protecting the rights of pastoralists.

An honourable member: You would hope so.

The Hon. A. KOUTSANTONIS: Yes, you would hope so. It depends on which Liberal Party you are talking about, yes. Anyway, I was pretty sure that there would be an interest in protecting pastoralists and their applications.

If you got the objects of the pastoral act and the HRE act, you need to have the concurrence of both ministers before you could proceed. I accept that in the Labor government, as opposed to a conservative government, there might be different views on this. It is just politics, right? But I had left that in there deliberately so that your constituents—when I say your constituents I also mean the constituents of the member for Giles—have the comfort in knowing that they still have a dedicated minister who is there to decide that the objects of the act that governs them is at the beginning of the process and not at the end. That is why the amendment that you filed initially we will not be accepting, because I think we have covered—I know, I have disappointed you, and I do not like disappointing you.

Because of that process in the beginning that we have left in place deliberately, we are placing another burden that is unnecessary in my view. The minister must, before declaring a release area if any part of the proposed release area compromises pastoral land, consult with the Pastoral Board. I have to consult with the minister first, to make sure it is consistent with the objects of the act. I have done that already, deliberately. You might note that other ministers have moved their heads of power into this act and handed them over to the HRE act, but we have not done it here, deliberately, and it is at the beginning of the process. That is my explanation.

Mr PATTERSON: To that point, when we move onto subclause (6)—and I think this is where the focus comes and the amendment that I propose eventually does land—it talks about before declaring a release area you might look at a piece of land and I would expect, as you have stated, that, before I go to all the effort of putting it out there and doing the work to see if this area should be

declared a release area, I might like to talk to the minister in charge of the Pastoral Land Management and Conservation Act for that area just to make sure I am not going down a dead end.

After going through that process and continuing on and saying, 'Okay, we have looked at the wind here based on the minister potentially exploring for energy resources,' and thinking, 'This is highly prospective and it seems like there is appetite from the renewable energy industry around developing this,' should not the pastoralists who will ultimately be impacted down the track by the issuing of licences at the very least be consulted to find out that maybe not all of this release area should be used because there are high-value areas in that pastoral lease or in that region for pastoral land compared to lower ones?

I would have thought that would be explored by undertaking consultation. You might well answer that you do have to undertake consultation required by the regulations in a manner prescribed. So potentially, it could be put in regulations. The point of the amendment, really, is to make it clear as part of a legislative requirement—as opposed to a regulatory requirement—that the pastoralists, the lessees, and also the Pastoral Board are consulted. The reason is that it takes away that political perception as well because you have two ministers who may have dinner tonight next to each other but then have to lock horns around whether to declare it or not.

Then you have the Pastoral Board who are slightly independent and then the pastoral leaseholder to whom the minister might grant the lease, but surely they are independent. That is where we are getting to, but this makes it explicit as opposed to taking it on trust. You stated that you will not accept it, so I asked for an answer why we could not put it explicitly, but as part of that answer you might also like to answer whether it is the intention of the regulations to prescribe consultation with pastoralists and as you are formulating those regulations consult with the pastoralists and the Pastoral Board.

The Hon. A. KOUTSANTONIS: The answer to the last part of that question is, yes, the regulations will prescribe the manner with which we consult with pastoralists. I have gone a step further than you. I have given the minister for pastoral leases a right of veto. I am going further than you are and I did that in anticipation of your concerns because before any release area licence can be issued, I need the agreement of the minister for the Pastoral Land Management and Conservation Act.

Mr Patterson: That is why I did not take that out.

The Hon. A. KOUTSANTONIS: But it is there. There is no greater protection than having the minister who is in charge of the pastoral leases having the right to say no. Consulting with the Pastoral Board will not change anything. Consultation with the pastoral leaseholder should occur and it is going to occur. Of course it should occur. We need it to occur. It does not serve my purposes not consult with them. What you have here is that at the very beginning I need their concurrence otherwise it does not happen. So I am 'out-conservativing' you. I have gone further right than you on this because I thought that is what you would have wanted. But if you do not want it, I am happy to take it out. Give it all to me—no problem—because, trust me, that was my initial instinct on this.

Mr Teague: It's like committee by negotiation!

The Hon. A. KOUTSANTONIS: My view was that the Liberal Party cannot stop me from passing this in the lower house, but it makes intuitive sense, because of the history of pastoral leaseholders and their management of the land, to make sure that before anything occurs you have the concurrence of their minister.

Mr Teague: And them.

The Hon. A. KOUTSANTONIS: You want to give pastoralists the right to veto?

Mr Teague: No. I want to give them the right to be consulted.

The Hon. A. KOUTSANTONIS: They are going to be consulted; I have already said that. They are going to be consulted.

Mr Teague: Why not put it in the legislation?

The Hon. A. KOUTSANTONIS: It will be in the regulations like all consultation is. Clause 10(6) provides:

> (6) The Minister must, before declaring a release area—
>
> (a) give notice in writing of the proposed declaration in the manner prescribed by the regulations; and
>
> (b) undertake consultation required by the regulations in a manner prescribed by the regulations.

I am putting it in the regulations, and I have given the minister who is in charge of pastoral leaseholders a right of veto. If you want me to take it out, I am happy to. Do you know what? You have convinced me. What I will do here is I will draft an amendment that gives me the right to negotiate with myself about a release area, but then I will put a legal obligation for me to consult with pastoralists about people coming on their pastoral lease. Is that what you prefer? No. My plan is better because it gives your constituents more of a say, and I did this because I knew that is what you would want.

Mr PATTERSON: Thank you for putting up that straw horse and smashing it down very easily, because at no stage—and let's make this clear—did we say that we were not happy with subclause (4) about consulting with the minister. That is absolutely fine. You have conflated too.

The Hon. A. Koutsantonis: No, I haven't.

Mr PATTERSON: As I said, I was just trying to reinforce and bolt on in subclause (6), but let's move on. I want to get clarity because that was not answered in the argy-bargy. In picking a release, how will consideration be given to declaring release areas depending on if pastoral land is of low value or for pastoral, environment or tourism value compared with high value for those three examples? Going on, in terms of the size of these release areas and the boundaries, maybe if you could give a bit of an idea of how big you expect these release areas to be, and will the boundaries go along pastoral lease boundaries or span across numerous pastoral leases?

The Hon. A. KOUTSANTONIS: The identification of releases will be informed by formal consultation requirements with co-regulators, native title holders, landowners (including pastoral leaseholders) and impacted communities. A pre-competitive, multicriteria analysis will ensure the most appropriate areas for the pastoral land and the state's waters for renewable energy developments are identified in consultation with native title holders, pastoral lessees and other landowners. The process will consider existing land uses as well as environmental, heritage and cultural sensitivities.

People are not going to invest in large-scale liberal resources that do not meet ESG criteria, so we just make sure that we take care of that at the beginning: hence, pastoral lease consultation native title consultation, heritage consultation to be all up-front so we avoid all the problems that are occurring in other jurisdictions on this. Consultation will identify potential social, environmental and economic impacts, including the benefits and risks, and provide an opportunity for stakeholders to share thoughts on what renewable energy development can mean for them.

The ACTING CHAIR (Mr Brown): Any further questions?

The Hon. A. KOUTSANTONIS: Just to close out on that, Chair—my apologies for interrupting your flow—we have no information on the size of release areas at this stage as yet.

Mr Patterson interjecting:

The Hon. A. KOUTSANTONIS: The question, Chair, was: could a release area straddle multiple pastoral leases? Yes. Could it be bounded by one pastoral lease? Yes. Could it be multiple but not including the entire pastoral leases? Yes. But we have not designated those areas as yet.

Sitting suspended from 17:59 to 19:30.

Mr TEAGUE: I suppose there is a question that is best not to go unanswered, and that is, given the declaration process and the land for which it is intended, a bit like we have seen in the introduction of other potentially sweeping designation processes, why is it that the minister would not just go ahead and declare the pastoral area as a whole as designated land, given that here we are

against the background of consultation that apparently has taken place for the purpose of the whole pastoral area, and just treat those categories of land as one or indeed any other broad-based approach? We have already heard that it is not going to be pastoral lease by pastoral lease and so on. What really is the driver of the boundaries of any particular designation process?

The Hon. A. KOUTSANTONIS: The pastoral area is already designated land. The government already is the owner of that land, and that is why we are targeting that land.

Mr TEAGUE: That is not an answer to the question. That might be a statement of the legally obvious. Put it this way: is the minister going to rule out making a declaration as to designated land that is broad-based as to pastoral land generally or a significant portion of it? If not, then what is any anticipated process for defining, or is there absolutely no area in mind at this point, and it could be anything from a few hundred square metres to the whole state?

The Hon. A. KOUTSANTONIS: It is defined in the act. All pastoral land is designated land.

Mr TEAGUE: That is true. I may have misspoken. The point is about the release area. We are on clause 10. If I might rehearse the questions, the obvious point is, in respect of the designated land, why is it in principle or in practice that the minister would not declare a release area comprising the entirety of the designated land? If it is to be a portion, then what thought, what planning, what guidance can be given as to why a particular area might be in the frame? As I say, it is clearly not something that is naturally bounded by one particular pastoral lease or any other kind of existing boundary line. What is the rationale, if any, to delimiting an area any smaller than the entirety of the pastoral lease area?

The Hon. A. KOUTSANTONIS: It would devalue the proposition. We would choose areas close to infrastructure and we would do the body of work that would identify what we think is consumable according to our estimations of what the private sector capacity is. We would take that on advice, and we would consult as well with proponents and leaseholders. Obviously, as the landowner, we would make our own assumptions about what we think is consumable and developable at any one stage. We do not want to devalue the market, and we also want to see that there is a potential for appropriate construction, so we will do it on that consideration.

Mr TEAGUE: By reference to subclause (7), what we see introduced there is the requirement now for tenders to be let, pursuant to the next clause, clause 11. I do not have the *Hansard* yet, but my recollection is that the minister's observations in respect of the granting of licences pursuant to clause 8 was that there are tenders involved and crosschecks and all the rest of it. That is on the record, and I stand to be corrected. I think it is clear enough that the only time that tenders kick in is at the time and in respect of land that has been declared. Is that correct?

The Hon. A. KOUTSANTONIS: I think, if you read clause 10:

> The Minister may, by notice in the Gazette, declare an area of land comprising designated land specified in the notice that the Minister considers to be suitable for the operation of renewable energy infrastructure to be a release area.

The ACTING CHAIR (Mr Odenwalder): Your final question on this clause.

Mr TEAGUE: To be really clear: therefore, any indication in respect of a tender process being involved for the purpose of clause 8 was a matter of the minister misspeaking, and that is not the case. We are not in a tender environment in terms of clause 8. In fact, it is one of the distinguishing factors of the difference that applies, and one of the purposes of declaring a land area is that you then bring on the clause 11 tender process. Given that we have a variety of different kinds of tenure, the point is that the declaration is the thing that is triggering the tender process for the purpose of this act.

The Hon. A. KOUTSANTONIS: Clause 8 is about feasibility permits, not tender processes.

Mr McBRIDE: Sorry for not being here earlier. I hope I am not going over old ground, but can the minister tell this chamber of parliament, with regard to the release area, if native title is obviously always going to be considered does he foresee where native title might get in the way of any developments? If so, is there any mechanism to help the process through when all negotiations with native title could be exhausted?

The Hon. A. KOUTSANTONIS: Before any licence is issued, they must have native title agreement. This does not displace the Native Title Act, so the same processes that would occur in any other development must occur here first before any licences are issued.

Mr McBRIDE: Thank you, minister, for that answer. Something has come to my knowledge, and I wish I had had it earlier. I am bringing it up late, and obviously I had other means of asking this earlier, but where native title has overlap between one native title group and another, and there become two native title holders over land or a pastoral lease, it causes a great deal of complication. I will be honest with you, minister, I actually hope that you might be able to streamline this process because it can actually mean that one Indigenous group will be fighting with another group, and that is not constructive for good outcomes. It can be one clan against the other and upmanship and one can be white-anting another clan so that one does not get one over the other and so forth.

I am just wondering, minister, if maybe there is a way with this release area, or even anything in this that I have not seen, to help this process because I know there are developments right now—right now, today—where native title is being worked through like it has to, recognising the original landowners, and it is such a crossover and mixed bucket and bag when two tribes or clans or families have tenure on one spot and no agreement can be found.

The Hon. A. KOUTSANTONIS: I am not sure this answer is going to satisfy the member, but we have thought about this as a strategy. The release areas could encapsulate only one native title claimant's area in a pastoral lease, therefore you are only dealing with one group. If native title is contested and it has not been awarded by a Federal Court or settled that is a different process, but I think the strategy would be that we could release areas where it is not in dispute.

As I said earlier and I will say again, we are talking about hypothetical investments. These investments will come. We know there are people who are interested in this land. We know people will be interested in developing gigawatt-scale developments. We are talking long time lines. We are talking large-scale developments and I think there is ample time for us to sort these problems out in advance, but I think a staged approach would deal with the member's concerns.

Mr PATTERSON: I move:

Amendment No 3 [Patterson–1]—

Page 18, after line 10—Insert:

(6a) The Minister must, before declaring a release area, if any part of the proposed release area comprises pastoral land, consult with—

(a) the Pastoral Board established under the *Pastoral Land Management and Conservation Act 1989*; and

(b) the holder of a pastoral lease in respect of the proposed release area.

I know the minister has tried to provide some comfort by saying that consultation will be within the regulations. This amendment just seeks to make it a little bit more explicit.

Amendment negatived; clause passed.

Clause 11.

Mr PATTERSON: We have calls for tenders for the renewable energy feasibility licence. Maybe if the minister can shed some light on what the selection criteria will be that are applied to the competitive tendering. At the same time as this, to speed things up, will this take into account any negotiations or agreements that have been put in place between the renewable energy proponents and the negotiations that occur with native title holders and pastoral lessees? The reason being that some of the feedback is that, if there has been some pre-work done with pastoralist leaseholders and native title holders, that might give some comfort to the minister making a decision that we know there is going to be broad agreement with the landowners and this renewable energy company.

The Hon. A. KOUTSANTONIS: The criteria will be set out in regulations. It is intended that the criteria will be developed in consultation with relevant landowners to ensure that only the best applicants with high-calibre technical or financial or operational capabilities will be able to undertake feasibility studies and exploration activities. I expect that proponents will have to demonstrate, among

other things, their ability to successfully negotiate agreements and build relationships with landowners, which I think takes into account the question you just asked, including native title, as well as the overall social, economic and environmental benefits their project will provide to the state.

Remember that this is the same department that regulates mining leases, mining tenements and petroleum geothermal tenements and licences, so there is a corporate knowledge here that they will apply using that criteria that we will develop through the regulations.

Mr PATTERSON: Of those regulations, subclause (2)(e) provides:

(e) may specify criteria prescribed by the regulations against which applications will be assessed…

Could I confirm whether there will be specific regulations written for a particular release area, or are they more broad-based regulations that say, 'These are the selection criteria, it doesn't matter if it's for this release area or another one,' or are they specific to a particular release area? So what we would find is for each release area the minister puts up, there would then be some regulations saying, 'For this release area, these are the criteria'?

The Hon. A. KOUTSANTONIS: You are absolutely right: there will be specific regulations for each release area as well as a broad-based principle approach. For every release area there will be regulations in place for that release area.

Mr PATTERSON: In terms of the call for tenders and the minister awarding the tender, again, why is it that there does not seem to be a requirement to consult with the pastoral leaseholder, or the native title holder for that matter? In this clause, why is there no legislated requirement to consult with pastoral lessees or the Pastoral Board, in fact, before awarding that tender?

The Hon. A. KOUTSANTONIS: That is all dealt with in the previous clause where the minister for pastoral leases is consulted first, where that meets the objectives of the act, and of course the consultation with the pastoral leaseholders will be dealt with in the regulations.

Clause passed.

Clause 12.

Mr PATTERSON: In terms of regulated activities, we have talked a lot about pastoral land, of course, but then there is also the potential for these activities to occur in coastal waters as it states in subclause (1). Could the minister provide information around state waters and what that entails, with a specific focus on the gulfs? Three kilometres from the coastline around the normal coast is, I think, one aspect, but the other is within the gulfs where you have a bit more service area, particularly Gulf St Vincent where you have metropolitan Adelaide and towns all around there.

If there were regulated activities in coastal waters, what considerations would there be regarding the distance of any wind farms from the coast, how high they might be and the impacts on the marine environment?

The Hon. A. KOUTSANTONIS: There are a couple of things I want to say about this. I am not a big fan of offshore wind farms. I think there is ample opportunity to develop onshore wind farms in South Australia. Offshore wind farms should be an option of last resort. I think it is pretty fair to say that is my general view about licensing offshore wind farms. I think they are more expensive, they are a lot more difficult to get off the ground and add a lot of cost and burden, and the remediation is something that I am always very concerned about, post the life of a wind farm.

In my mind, I have scepticism about the compatibility of offshore wind farms in South Australia in comparison to onshore wind farms, given the cost differential and the availability of land and connection to transmission lines in South Australia. If it were just up to me and no-one else, offshore wind farms would be the last developments that I would be approving once all the vacant land in South Australia had been developed. I am not convinced that offshore wind farms are commercial and practical for South Australian waters. That is point 1.

Point 2 is that, like any other development, we would develop a code of practice about line of sight, impact on shipping channels, impact on recreational swimming and recreational fishing, remediation—all of those things that you would think about in any development. We would develop

a code of practice for that in advance through the regulations to make sure that we are able to deal with it. But I do not expect any time soon, as minister, to ever be approving an offshore wind farm.

Mr PATTERSON: Should this bill pass through parliament—I do not want to presume how things will go in the upper house—and then you are crafting regulations, would it be fair to conclude that when you are doing regulations, potentially, you would not cast your mind to putting regulations for coastal waters to start off with?

The Hon. A. KOUTSANTONIS: No, I think it is important that we do get the science right. I do not think the science is going to change that much on codes of practice for how you build offshore wind farms. We need to get that right, so I think there is no reason why the department cannot do that work. I do not envisage there being a release area while I am minister for offshore wind farms. I just do not think that is what the people of South Australia want, and I think there is ample opportunity onshore for us to deal with that.

Obviously, I know that there are people who approached the previous government about offshore wind farms in the Spencer Gulf. They entertained them. I am not as receptive to those calls. There will be a concurrence of onshore wind and solar resource together with proximate transmission lines, ports and planned industrial developments in the Upper Spencer Gulf.

It is unlikely offshore releases will be declared in the near future. I just cannot see a scenario where I would do that anytime soon. I just do not see the value in it. The value in offshore wind farms is more in Victoria than it is here given the social licence issues in Victoria rather than here. So that is not a fight I am interested in getting into.

We will develop, firstly, an offshore wind policy in conjunction with coregulators, including the commonwealth government, because the commonwealth government are very keen on offshore wind farms. We will obviously consult with impacted stakeholders to guide consideration of potential future offshore renewable energy release areas. But it is fair to say we will do that work, but you probably will not see that anytime soon here in South Australia.

If information comes to hand that says that there is a particular resource offshore that is remarkable, economic and ticks every box, I will look at it. But given the size of South Australia and the population density in the state—there is so much easily accessible land, onshore and close to transmission lines—I just do not see the economic virtue in pursuing offshore wind farms immediately.

Mr McBRIDE: Can the minister let us know whether marine parks have been determined as either no-go zones or opportunity zones for wind farms? Is there anywhere in marine parks and the act that is there for marine parks—I was of the understanding they are about the fish species, the protection of biomass in our South Australian waters. May I add, with my own lack of knowledge, perhaps the reference that if a wind farm was put in a marine park that I would describe as a bit like a seafloor desert then it may actually add to some biodiversity rather than take away from it.

The Hon. A. KOUTSANTONIS: In the definitions of designated land, marine parks are excluded.

Mr McBRIDE: When you say they are excluded, have you written it into the act? I cannot read it or have not seen it already, or is it that you have not just actually written it down to exclude them in the first place? When you say you exclude them, are you excluding them because you now want to exclude them or were they excluded before, when the marine parks legislation was first created to protect biomass in the oceans?

The Hon. A. KOUTSANTONIS: At clause 4(1) there is a definition of 'designated land' and it excludes marine parks. It is clear in the act.

Mr McBRIDE: I would like the minister to help us out, if he could. First, he has admitted that the commonwealth government is very much in favour of wind energy in the ocean or sea, and we know that there is perhaps greater energy to be created out at sea just because of the fact that out on the sea there are wind strengths without any obstacles in their way. So we have a greater generation of power at sea, and we know that out at sea there is no rental that I know of, compared to land-based wind farms, where we have to pay landowners.

The Hon. A. Koutsantonis interjecting:

Mr McBRIDE: I am going to be listening to your answer, so you will inform me. I believe there is no rental out at sea for wind generation, when you put your wind turbines out at sea. Another point I might add is that the sea is perhaps a more reliable source of wind energy, which the rest of the world is capturing. The commonwealth government is in favour, but we have a state minister who is conservative, or concerned—as he is allowed to be. He may say that we have a vast area of undeveloped or untouched land mass in South Australia, but he might also be turning his back on some very good energy sources in the ocean.

The Hon. A. KOUTSANTONIS: I have never been called conservative before. The member makes an excellent point. European nations are turning to offshore wind for all the reasons the member just outlined, and one he did not mention: social licence. In densely populated areas like Europe, where almost every inch of available space is taken up by a form of activity, whether it is forestry, farming or living, renewable energy is very difficult to roll out, and they are looking for their offshore resources.

The cost of offshore compared with onshore is about 3:1. I did not realise this, but the Minister for Transport and Infrastructure owns the seabed in state waters, which I thought was an interesting point. I did not know that.

Mr McBRIDE: A wealthy landowner.

The Hon. A. KOUTSANTONIS: You know that feeling, don't you—and, like you, I inherited it. I am not opposed to offshore wind farms for the reasons the member has just outlined. There are a number of benefits, but the cost curve of developing offshore wind farms compared with onshore wind farms in a state like South Australia makes it really uneconomic.

I am not saying I am opposed to it, but if I held an auction tomorrow I do not think there would be a flood of respondents attending for offshore wind in South Australia that would benefit South Australian activity. Near the Victorian border, absolutely. Why? Victoria is going to be short of power very soon, and there are a lot of behind-the-meter operations that need to be operated by those developments. In my opinion, the low-hanging fruit, as it were, is onshore wind.

There was a proposition put to us earlier: 'Why don't you just do the whole state at once? Just do everything; go out to the market and let the market choose which parts they want and do it all now.' My view is that, like any tender, you choose the areas that are most likely to be developed first, that have the most value, that are most likely to anchor and get development and capital put into it. You develop those, and they will then secure further development, and you grow it.

It is like grabbing a dent in space. Once you get the one gigawatt behind-the-meter development funding fuelling an electrolyser, you will get symbiotic developments alongside it that will also help get further renewable resources built to fund electrolysers, to decarbonise iron ore, to decarbonise steel and export that.

The propositions that you are talking about—offshore wind—are generally not about running a behind-the-meter operation that would run a particular facility, whether it be a glass factory or a steelworks or an electrolyser. They are generally designed to pump into the grid and then there would be a power purchase agreement to operate a smelter, or something else like that.

In my view, they are not as advantageous as what we could do right now to the west of Port Augusta and Whyalla, where we have over a billion tonnes of known magnetite resource that has the ideal composition to be in direct iron reduction plants and electric arc furnaces, where we can decarbonise our iron ore using hydrogen instead of coking coal, and we can export that iron ore to other jurisdictions and they can decarbonise their steelworks.

We have added complexity to our economy. We are building smelters. We are complicating the workforce, so it is getting higher paying jobs for doing more complicated things. Instead of just digging up the ore and shipping it to Japan and Korea and China for them to add value to it and for us to buy it back, we are actually adding value to it here and selling them a more valuable product.

Why can we do that? Because, for the very reason you just talked about, they cannot build the renewable resources that we can. They do not have the coincident sun and wind; we do. If we

are able to harness our renewable energy and produce cheap power behind the meter—so it is not in the National Electricity Market; it is separate from that—you can run an electrolyser, produce hydrogen at low cost, and replace coking coal with hydrogen. Hydrogen is green; it has no carbon emissions. Beneficiate iron and you get iron that is now green; there is no carbon in it. You can put it on a ship, send it to Japan in a decarbonised product. Remember, Japan, Korea and Europe are all bringing in carbon abatement rules at their border.

The question this country needs to answer is—and I said this earlier yesterday—are we going to export green fuel or green products? I say green products, because the jobs are here. Green fuels mean the jobs are abroad. I want the jobs here. I want the jobs in Whyalla, Port Augusta, Port Pirie, Roxby Downs. That is where I want the jobs. That is the strategy.

Offshore wind: yes, absolutely. If some proponent comes to me and is desperate to build a wind farm offshore to pump into the NEM through some sort of hedge or offset for their gas-fired power station or the like, we will look at it, but our main focus is onshore wind.

The ACTING CHAIR (Mr Odenwalder): Member for MacKillop, I understand your second question was a bit of a clarification, so I will allow you one more quick question.

Mr McBRIDE: Thank you, Mr Chairman. It is not that I am going to be calling or catching out the minister's response, but just to give clarity for what he has said. I appreciate it. I like the fact that I have called him conservative, because he is almost conservative in his visionary aspect of magnetite, Eyre Peninsula, Whyalla, Port Augusta, renewable energy. He would rather see jobs in South Australia, not exporting fuel; he wants processed product. They are Playford-type visionary ideas. He is not the first one, but at least he is picking up some really good ones from someone who did lead the state to where we have got to today.

There are a couple of things I would like to add, that I would like him to give consideration to. One of the things that I have seen and understand is that we as politicians are never going to be the best judge of economic outcomes. We as politicians and parliamentarians are never going to be the best judge of where the best dollar is, even though the minister said going out to sea is a 3:1 extra cost. I get that, but the market must determine this, and I would like to see the minister have more of an open mind to this energy grid that we are going into in the future, not knowing where we really end up, and where the market forces actually will fall.

Why I say this is that if we are going to have a renewable power base, diversity is number one, otherwise we are going to have expensive batteries or other sorts of stored energy instead. Think about a 30° to 40° day in South Australia with basically northerly winds. We have all probably used solar. The sun goes down, so we need some wind, but there is no wind because there is no real cool change. But I can tell you that out at sea you might have 10, 20 or 30 knots still blowing on the seabed, sea floor or ocean floor. He is the new land baron of South Australia, we are led to believe, as he owns the South Australian waters.

The Hon. A. Koutsantonis: Sea floor.

Mr McBRIDE: Sea floor; thank you. Not the waters: the sea floor. I hope that he will be engaging and positive and will assist developers with this potential opportunity with renewable energy out at sea. The reason I have had to ask this, for more clarity, is that we had a proposition down near Kingston, where there is a wind farm that had to be moved further out to sea because the developers were not allowed to put it in a marine park.

I know that the marine park we are talking about is nearly like a sea floor desert. The Minister for Energy and Mining and DPTI, as that new baron, owns a bit of perhaps worthless sea floor out at Kingston that grows a bit of seagrass. You would be lucky to find a fish sometimes. By the time you put some infrastructure out there, you might find it is almost like an artificial reef, and we might have more biomass out there because of the wind farm rather than if there were no wind farm.

Because the government decided that wind farms are not allowed to take place in marine parks, the wind farm is going to move further out into federal waters. It will be harder to service, but there is also going to be a slight benefit because it is going to pick up even greater wind strengths further out to sea, if this wind farm does go ahead. My real proposition here is some of the language that the minister used. Ninety per cent of it is music to my ears. As I said, it is almost like Playford-

type, visionary-type stuff around what hydrogen might mean for Whyalla and what it might mean for Eyre Peninsula.

But I also think that, when he is singing the praises of these new propositions and proposals, we do need a good diversity of energy, and the ocean may have a strong role to play. Even though it may go against the social licence, I can assure you that the Kingston council and many of my Kingston folk—not all; it is not 100 per cent across the board unanimous, but many of the people in the township of Kingston—would like to see a wind farm out from its shoreline, producing power into a grid that might be idle when there is no other wind anywhere else but off Kingston.

The Hon. A. KOUTSANTONIS: As a young boy, I remember going fishing. Given it is parliament, I can say who it was: my family. There may or may not have been washing machines go offboard, trying to create artificial reefs.

Mr Patterson: At least it wasn't concrete boots.

The Hon. A. KOUTSANTONIS: No. Wind farms today are not necessarily bolted to the floor. Some of them are only floating. So in terms of the biomass opportunities, depending on the development, it may or may not be an opportunity, but marine parks have been declared for a reason. They have been declared because scientific experts have told us that those areas are important for breeding and life cycle, and there is a large industry in the South-East that is quite supportive of rock lobster and other forms of aquaculture that does not want to see that disturbed by developments on the sea floor or in the ocean.

That is not my opposition. I am not prohibiting offshore wind farms. I just think the most economically efficient investment, from what I have seen, and I assume the market acts rationally—I accept this contradiction. If I was a Victorian energy-intensive business, it makes sense to make an irrational decision and build an offshore wind farm than an onshore wind farm because the regulatory burden is lower in Victoria offshore than it is onshore, especially in commonwealth waters, given Victoria's predilection for banning anything that might be different or new—whether it is unconventional gas, whether it is conventional gas, whether it is any other form of development.

That contagion has spread through to South Australia in some parts of the state, through your former party, and I understand why they would want to do that. But if you are acting economically rationally and you have a development that you want to build, you would probably go to Port Augusta or Whyalla. I am not ruling out people building offshore wind farms. If that is what they want to do, we will facilitate it as long as they meet all the appropriate approvals. In terms of us releasing areas in advance, I do not see the overwhelming urge or need for it.

There are two reasons for that. The first reason is that the shadow minister for energy has promised me that the moment Project EnergyConnect is connected it will unleash $20 billion worth of renewable projects along that corridor between South Australia and New South Wales—$20 billion. You will not be able to drive to Broken Hill without going through a wind farm or a solar array there are that many being built because of Project EnergyConnect that has cost Australia $2.6 billion.

Forget that it is running behind schedule, forget that it has blown up over a billion dollars, forget that there is massive social unrest in New South Wales about it being built and being finished. I have been promised $20 billion worth of development in South Australia as a result of that—$20 billion—which is nearly 20 per cent of the state's gross state product; it is massive, massive. And that will be happening any moment now, won't it?

An honourable member: Some of it's already happening.

The Hon. A. KOUTSANTONIS: Some of it's already happening—it's all done, it's all finished! Then, of course, there are our aspirations, which were shared by the previous government, Port Bonython, and of course what we are doing with this. I hope we do get massive investments and I am not anti offshore wind farms; I am prepared to be surprised.

Mr TEAGUE: I am glad the member for MacKillop is here because, apart from what really sounded a lot like an extended second reading debate about the merits of various directions that might be followed and all the rest of it, we are here analysing the minister's legislation in draft. The

whole structure of said legislation is around designating land, and one of three key categories is South Australian waters, the owner of which, as the minister has pointed out, includes owners by virtue of statute, and here we are in clause 12 talking about the activities that might be regulated activities on the coastal waters of the state.

In the circumstances of the minister's remarks, I suppose the question might be asked whether the minister is indicating that he is predisposed to specifying criteria in clause 11(2)(e) that are going to make some sort of economic feasibility test as part of the criteria in the tender and that someone who wants to engage in the space that is one of three categories of area of designated land might be somehow confronting a minister who is predisposed to make decisions that are, on the face of it, without any foundation in the act, then it is perhaps good to know that. The question is: why are we covering that area at all?

Just anecdotally, to go broadly to the member for MacKillop's observations, we had a debate earlier about the *Admella* disaster in 1859, when a vessel was stuck on Carpenter Rocks for weeks and the greatest loss of life in colonial history occurred because for months on end off the south coast of South Australia the wind blows pretty ferociously. I am no expert on what is going to present itself as a feasible option.

The only humble point I am making in the context of a committee stage of legislation that we are debating is that we have had this legislation roll up here and we are expected to debate it into the late hours of the night and it has, up front and centre, a structure that—and, sure, we have spent a lot of time expressing concerns about the way it might impact on pastoralists and pastoral land—includes as one of the three categories South Australian waters.

Is the minister contemplating carving all that out of the bill and presenting to us something that does not cover all those areas because the minister is predisposed to the uneconomic nature of it all? That is the question, I suppose.

The Hon. A. KOUTSANTONIS: I do not want to cause quarrels in the house but, given the remarks about pastoral leases and freehold land, it seems now that fishers and aquaculture producers are held by some members of this house in a different purview from pastoral leaseholders. This is no different from any exploration area. People apply for feasibility licences, they are issued, they do their exploration. They then make an application to the minister and it is assessed on its merits.

As I said in my previous response, in terms of people who want to access offshore wind, I am not opposed to it. There is no ban. In my time in this parliament, the only time I have seen an activity banned completely has been by members opposite when they banned unconventional gas in the South-East. It was not based on any science; it was based on votes. I will base my approvals or otherwise or denials on science and the advice of my agency.

Mr TEAGUE: To be clear, because we can do away with the inference and innuendo and all the rest of it, what we are talking about is what is on the face of the bill, and what is on the face of the bill is one category of area of the state. The straight up and down question is: in the absence of any specified criteria for economic assessment—I am reassured by what the minister has just said about assessing applicants for licences—is the minister giving an assurance that there are no as yet undisclosed economic assessment criteria that we are going to somehow find included in the criteria that is going to mean that an applicant in respect of any one of those categories of land or sea (let's treat them all equally) is not going to be presented with some sort of superadded bar that we have not heard about because it is not there on the face of the legislation?

The Hon. A. KOUTSANTONIS: No.

Clause passed.

Clause 13.

Mr McBRIDE: I have a question in regard to clause 13(1), maximum penalty: $250,000 or imprisonment for two years. Can the minister inform the house, in regard to that penalty, how significant it is compared to the development and the capital cost of any development? Also, being the devil's advocate and perhaps being mischievous-minded, I might be very happy if my

development is making $10 million a year in renewable energy because we have got it so right, because we are going to produce car hydrogen, because we are going to produce green iron ore and product and we are going to be visionary like our minister. The $250,000 might be small fry. I am just wondering how much of a deterrent that will be for any really profitable business.

The Hon. A. KOUTSANTONIS: We have tried to align it with the Mining Act. That does not prohibit any penalties applying from other acts where there are breaches: native vegetation, this act, the environment biodiversity act, SafeWork, the EP Act. There are a number of acts that would apply that could have penalties in place more than just this, but we have based this on the Mining Act.

I take your point. A $250,000 fine on a multinational, multibillion dollar company does not touch the sides. We also want to incentivise smaller companies doing the same activity. We do not want to destroy them either. Two hundred and fifty thousand dollars is a lot of money in anyone's language, but context is everything and I accept your point.

Mr McBRIDE: I really do appreciate the answer. If this was me and I was the minister and I was rolling out something that is meant to be a penalty for BHP or someone who owns 30 wind farm towers on the Limestone Coast, for the one with 30 towers on one farm $250,000 is going to be a big hit, but for a BHP type sized company $250,000 is irrelevant.

I think the minister or the government should have a percentage clause in there where the fine is a percentage either of the investment or the sort of returns that these investments can make, because then it would be a real deterrent if they are not going to comply. That would be my suggestion and that is my question to the minister: why has the government not considered a percentage fine that covers the large end of town, rather than just putting a fine in place for the small end?

The Hon. A. KOUTSANTONIS: Comrade, we agree with you. The Labor Party has long believed in progressive penalty regimes, where people who are able to pay more, pay more, and people who are less able to afford penalties, pay less. It is very difficult for us to legislate because we do not have access to income tax assessments on a state-based regime—that is for the commonwealth, and obviously there are appropriate privacy provisions in place—and it is very difficult for us to charge that.

There have been lots of debates internally in the Labor Party over the last 40 years whether or not we should bring in that type of thing. It has always come back to a flat rate. Regardless of your ability to pay, the value of that payment remains fixed. So you are right, you have rightly pointed out a discrepancy in the way we fix penalties.

If you are a small business, a sole enterprise, a one-person operation, a $250,000 fine is a lot. If you are an ASX listed top 100 company, it is not. I accept that. However, ESG and other reputational damage on companies—whether it is a $5 fine or a $250,000 fine—depending on the nature of the fine, can have devastating impacts on a company. I put to you that mining companies or any company that damages heritage and the environment, whatever penalty you set, the reputational damage done to them after, regardless of the monetary penalty imposed, is far larger. Reputational damage is everything. If you do not believe me, ask Alan Joyce.

Clause passed.

Clause 14.

Mr PATTERSON: Just in regard to the hydrogen generation licence, from my understanding it applies whether it is designated land or freehold land, because subclause (2)(a) states 'that the applicant for the licence has, or will acquire, a right or interest in respect of land', so that talked to when it was freehold land. Would that then mean if it is on designated land that the right to get access would be given by the minister?

The Hon. A. KOUTSANTONIS: The generation licence is not an access to land licence, so if you are able to get agreement with a pastoral leaseholder, you agree your access regime and you apply for a hydrogen generation licence, that portion of the pastoral lease will be extinguished, a licence will be applied for that portion and there will be a new negotiation in place for the hydrogen generation licence.

These are some of the anticipated questions that the department think you might want to ask. Why does the hydrogen generation licence not confer access? Access rights are modelled on the transmission pipeline licensing provision of the Petroleum and Geothermal Energy Act requiring an interest in land being acquired by the applicant prior to grant of a licence. Any such use considered not to be compatible with the overlying land use, such as pastoral, agriculture or other industrial purposes, therefore conferring rights over other land use and HGL activities, is not deemed appropriate and considered best left to the applicants who acquire the land in an appropriate location best suited to address any such potential incompatible land uses.

If there is a portion of land where you want to build your hydrogen production facility, that would be excluded from the pastoral lease. There would be a value looked at that. That would form part of your compensation and you would be given a separate licence for that land.

Mr PATTERSON: So effectively that part of the pastoral lease would be resumed back to the Crown in a way? In terms of the size of that, it talks about five kilometres. I note that the hydrogen generation licences that were similarly proposed in the former Petroleum and Geothermal Energy Act that was brought in by the former government is, on the surface, in terms of the five kilometres. So when we are talking about hydrogen that is generated through natural gas, or potentially coal seam gas, that does not count the fact that there could be gas basins underground not proximate to the five kilometres. It is more: this is for the plant and equipment that goes to build the hydrogen that is on that land.

The Hon. A. KOUTSANTONIS: Yes.

Mr TEAGUE: In light of the minister's answers, 14(2)(a) as it relates to pastoral leases, where do we see how that works? That is a formulation that is in the same terms as 8(5). I heard the minister to say that when granting a generation licence over a pastoral lease you would effectively extinguish the pastoral lease in respect of that area. Let's say it is five square kilometres. Where do we see that set out, and how does that relate to 14(2)(a)?

The Hon. A. KOUTSANTONIS: It starts with negotiation with the pastoral leaseholder. They negotiate the land that they want to have access to. Once there is agreement, we work out the value from negotiations by the pastoral lessee and the proponent. That area is excised from the pastoral lease, it returns to the Crown and the licence is granted.

Mr TEAGUE: My point is that clause 14(2)(a) does not seem to say any of that, so I am just wondering where we see that. All that clause 14(2)(a) says is that the minister needs to be satisfied in the same terms as the minister is satisfied under clause 8(5). So this whole idea about extinguishment of pastoral lease, and negotiation and so on, is that just a thing that someone sort of anticipates might happen? As I say, I might be slow off the mark.

The Hon. A. KOUTSANTONIS: You will see a number of amendments to the Pastoral Land Management and Conservation Act 1989; there were consequential amendments there. That gave us the ability to have the same retrospective meanings of the Hydrogen and Renewable Energy Act 2023 and define what facilities are, wind farms and the wind farm licence, which includes a hydrogen generation facility licence. It has the same retrospective meanings as the Hydrogen and Renewable Energy Act 2023. I understand that once it has been excluded, the licence is awarded. Under the consequential amendments, the advice I have is that it is incorporated into the pastoral lease. It is almost a return back to the pastoral leaseholder but for a different use of that land.

Mr TEAGUE: I do not mean to take up the committee's time, and I am certainly not intending to be asking any more than my share of questions, but that is not what I read in clause 14(2)(a). Clause 14(2)(a) talks about what the minister must be satisfied about before granting a licence. The minister has now in a number of different ways—I am not really clear what applies—talked about what might be the process for what we will call the acquisition of the necessary interest. My question remains where we see that machinery occurring. As I say again, clause 14(2)(a) talks about what the minister must be satisfied of. It does not deal with how the applicant might achieve that necessary status and, in turn, how the minister might be satisfied that that status has been achieved.

The Hon. A. KOUTSANTONIS: I understand the process for the resumption of land back to Crown land is outlined in the pastoral lands management act, so it is with reference to that. The

process is laid out there; we make reference to that act. If the hydrogen generation licence is awarded and no activity occurs, nothing is built, that then reverts back again—it is surrendered and goes back to the pastoral lessee—but the process that you are looking for is in the pastoral land management act. So we identify the land, there is negotiation with the lessee, licences are issued, the resumption is outlined in the pastoral land management act, which we make reference to in associated amendments. From there—that is the process—a licence is issued, a facility is built under the licence conditions. If the facility is not built, not fulfilling the licence conditions, it returns to the pastoral lessee.

Mr McBRIDE: Could the minister please explain to me how many developments are in South Australia that he believes are of energy production that are of five kilometres squared, and why is it that he as a minister believes that it needs to be of that size? It really equates to about 2.2-something kilometres by two-point-something other kilometres, and there are not too many production systems I know in South Australia that would match that sort of size anywhere.

The Hon. A. KOUTSANTONIS: We are putting up to five square kilometres, so it does not have to be five square kilometres. It is not a minimum. It is up to that size.

Mr McBRIDE: In regard to the size, on the whole idea of clause 14—Hydrogen generation licence, I can imagine that the minister is trying to cater for a massive, hopefully beneficial and profitable business out from Whyalla and Port Augusta. He talks of the hope of renewable energy on Eyre Peninsula and the like, but does it also then cover the idea of small micropod hydrogen production in the APY lands, with a small solar unit, three or four container units making electricity, making hydrogen in these smaller, isolated townships, like in the APY lands? Do they all fall under the same category?

With the scenario of a small pod on the APY lands that I am hearing American companies are interested in doing, they bring the technology to South Australia. They may even come to a town like Bordertown, where the electricity grid does not quite meet the town's needs, and they are talking about a solar hydrogen miniplant. Is that licence that is required for the little township of Bordertown going to be the same licence and approval process that is required for the potential at Whyalla for magnetite and iron ore?

The Hon. A. KOUTSANTONIS: We are looking at a minimum of five megawatts. That should cover off your concerns. Technological changes could change that, but I just point out that the reason we are doing this is for the very reasons you have just articulated—to make it easier to make the investment, not harder. We are not adding regulatory burden; we are removing it. We are streamlining it, in my opinion. I think we are making it easier now with this one-stop shop.

Mr McBRIDE: I have one final question. In regard to the size of the large installations, and I know I cannot see all the conditions that will sit behind the approval process for the minister, can the minister inform us of his knowledge—and if he does not know, he can take it on notice or tell me later—of the sort of distance these hydrogen production developments will take place from family homes, suburbia, regional suburban towns like Whyalla, for example? How far away do they have to be so that people can have faith in the safety of such a volatile product as hydrogen? Obviously, we would not want it in somebody's backyard. What is the comfort or confidence that we can have that all South Australia's residents right now feel safe about this type of new energy and development around hydrogen?

The Hon. A. KOUTSANTONIS: We will develop a code of conduct and a prescribed process through the regulations about safe distances. The exact term is the environmental impact protection assessment criteria. We will consult on that. We will go out, and we will talk to regional communities. We will talk to all the professional representative bodies of regional communities. We will talk to CSIRO.

We will talk to developers of this technology about what is safe, remembering of course that there is already a 1.4-megawatt hydrogen electrolyser operating right now in Tonsley, distributing hydrogen into people's homes in South Australia as we speak, being burnt in gas burners, in gas heaters and in gas hot-water systems. There is a bit of confusion about the volatility of hydrogen. It is not to say that it is not volatile. All combustible gases are volatile, and we need to regulate for safety, and we will regulate for safety. Safety will not be compromised.

Clause passed.

Clause 15.

Mr PATTERSON: In regard to the term of the licence, it states in subclause (1):

A hydrogen generation licence may be granted for a term determined by the Minister…

A lot of the other licences have set time limits, after which they can be renewed. Could the minister give an explanation as to why, for this particular licence, it was deemed to be determined by the minister? Subsequently, for what lengths of time do you envisage these licences being granted?

The Hon. A. KOUTSANTONIS: First and foremost, it is flexibility. Unlike exploration, this is actually a facility that is operating. Why would you determine it? It would be so that the minister would have the flexibility to say that you could have a 10-year licence, or the right of renewal, or a 20-year licence. We would look at any other operation and work out what is feasible for them and what would make it investable with the safety criteria that are in place. It is basically giving the government as much flexibility as possible. Often we tie ourselves up with regulations, and I think, on something like this—given that it is plant equipment that is already built and that we are operating—it would be good to have as much flexibility as possible about the term of the licence.

Mr PATTERSON: Granted. You could also say, when we have the renewable energy infrastructure licence, that they are also plant and equipment—there is substantial investment in there. Maybe the difference, potentially—and you could talk to this—is that it is established, so they know the lengths of time, potentially; and maybe with hydrogen you have electrolysis or steam reformation, different types. Maybe that is the reason, or is it just because hydrogen is quite a new industry in terms of generation? Maybe we do not have a reliable baseline to determine what the lifetime of this plant equipment is because maybe they have not been built yet.

The Hon. A. KOUTSANTONIS: Yes, you are absolutely right on every single count. This is a new industry, and flexibility is going to be very important for us to be able to move quickly. Why tie ourselves in knots on a time frame here, on this type of technology, when the only way you could change it and not give the minister any flexibility is to come back to the parliament? I think it makes sense, given everything you have just said, to have as much flexibility as possible, given this technology is new, it is evolving, it is changing constantly and there will be innovations, no doubt.

For example, just off the top of my head, there may be a massive breakthrough in technology five years from now. Do we want to issue a 35-year licence? Would you not want to have flexibility to say, 'Your licence expires now. We want to use different technology'? Or perhaps, potentially, it could be that an investment time frame is needed for a payback to get the size and scale we are looking for. Like an indenture, you have flexibility. That is what the act is attempting to do. It is very important that the minister has flexibility in this respect, as opposed to prescribed areas everywhere else. This is one clause I really do want bipartisanship on from the opposition because I think this is important for both of us in the long term.

Clause passed.

Clause 16 passed.

Clause 17.

Mr PATTERSON: In regard to the renewable energy feasibility licence, what protections will be afforded to mineral title holders within the proposed licence area? I am also making a comment to the fact that you have the same minister in charge of both the renewable energy feasibility licence and the mining tenement holder as well.

The Hon. A. KOUTSANTONIS: There would be negotiated access regimes and notice of entry requirements in place for people who have mining tenements. If the HRE act overlaps with a mine there will be notice of entry requirements in much the same way. Mining operators know how this works because they apply them to farming communities, so this would be applied to them now. If there is a dispute, there is the ERD Court.

Mr PATTERSON: To confirm, you put a right of entry notice for the mineral tenement holder. Would that be equally the same with the pastoral leaseholder as well? Is there any consultation? It

seems there is not with the pastoral leaseholder before a renewable energy feasibility licence is awarded.

The Hon. A. KOUTSANTONIS: It is an access agreement with pastoral leaseholders, but for mineral tenements it is a notice of entry.

Mr PATTERSON: So there needs to be an access agreement in place for feasibility licences, not just infrastructure licences?

The Hon. A. KOUTSANTONIS: Yes, that is right.

Clause passed.

Clause 18.

Mr PATTERSON: In terms of the term, you can have five years for any case other than on waters. Maybe if you could provide the committee information as to why there was a difference in the times for a proposed licence on waters compared to others?

The Hon. A. KOUTSANTONIS: Lead times developing offshore are a lot longer. It is different equipment and it is more expensive. They need different times and that is why. It is just through the consultation process and listening to industry. It is a different requirement, so they need longer.

Mr PATTERSON: When it comes to the renewal process, bearing in mind these might be on pastoral land, what considerations will be in place to extend these licences and will the pastoral leaseholders be consulted as part of the extension, or do they have any rights of objection?

The Hon. A. KOUTSANTONIS: We will prescribe the criteria in the regulations and, of course, there is always the access agreement. We can go back to the access agreement. I think this is where multiple land use frameworks fall over a lot because there are a lot of people who want the government to set out the criteria for the entire step of the negotiation. I expect freehold landowners and pastoral lessees to enter into negotiations and discussions about access arrangements. I expect them to be engaged in all of this. I do not think they can outsource it to the government.

If they are concerned about their lease operations—about lambing and shearing and stock moving, all of those things that are important to pastoral leaseholders—they need to engage on it. If they are not interested in it and they do not want to engage on it, you do not want me deciding it. I am not on the land. We are trying to give them maximum flexibility. I think we have this covered, to be honest.

Mr TEAGUE: In terms of the term—and we have had some consideration of the likelihood or relevance of coastal waters applications and I note there is the difference in term between the two, for what that is worth—it sounds like the minister is anticipating that the period in (1)(a) might not be called upon as presently advised. In terms of the licence that it is covering, I note that in 17(1)(b)(i) there is the express reference to the conferring of an exclusive right. So, is there anything through the term or the renewal for these purposes that differs from the terms that might be applied to the identically named permit in clause 8?

The Hon. A. KOUTSANTONIS: Permits in clause 8 are for freehold land, and these are for pastoral.

Mr TEAGUE: So it is true to say that there is an express reference here to the exclusivity. Is that somehow meaningfully distinguishing it from the terms in clause 8? Am I reading that correctly, that the licence that might be renewed under clause 18 is an exclusive licence necessarily, whereas a licence in clause 8 need not be? Is there any reason for that?

The Hon. A. KOUTSANTONIS: I am advised your explanation is correct.

Mr Teague: Is there any reason for that?

The Hon. A. KOUTSANTONIS: On freehold land, they will be able to negotiate with whoever they wish. On pastoral leases, there is a competitive process, and once the competitive process is completed they will have exclusive rights. That is the difference.

Clause passed.

Clause 19.

Mr PATTERSON: In regard to the description in subclause (1) of a renewable energy infrastructure licence, subparagraph (iii) provides:

(iii) store, transmit or otherwise convey energy obtained from a renewable energy resource…

We have an associated infrastructure licence, which talks through that associated infrastructure, yet here with renewable energy infrastructure it seems that also has the opportunity to have associated infrastructure, unless you can clarify otherwise. Does that take into account transmission lines, batteries and those sorts of mechanisms, and why would they be countenanced for this licence as opposed to associated infrastructure, if that is the case?

The Hon. A. KOUTSANTONIS: I am advised that you are correct and that the associated infrastructure allows for that. The associated licensing allows for those outside that designated area.

Mr PATTERSON: I am just thinking that through before going further. To get back to the question, and I know I am maybe going over a bit of old ground, a renewable energy infrastructure licence is quite substantial and has a term of 50 years, so it is quite a substantial capital outlay and asset that would be on designated land including pastoral land.

Before this licence is awarded, is there an opportunity for consultation with the pastoral lessee? I know you say there can be an access agreement, but is there the opportunity for the minister to consult with pastoral leaseholders? If this is a competitive process—granted, you would have had to have the feasibility licence beforehand, and that is why I felt it was so important to consult with the pastoral lessee because ultimately, at the feasibility stage, that then flows through to now having infrastructure built on pastoral land.

Is there a way to have consultation with the pastoral leaseholder such that, even if the area you are considering may be situated in one particular spot—and the example given to me was where you have stock that use the prevailing winds to be able to smell where water is, and if there is an obstruction in the way, potentially that can affect their path to water. However, if the prevailing wind does not blow in another part of the pastoral lease—maybe it is some distance over—then that will be perfectly acceptable to have big infrastructure placed on that land, hence, again, the question around how and where and is there the potential for consultation with pastoral leaseholders prior to the minister awarding this licence.

The Hon. A. KOUTSANTONIS: Good question. If there is disturbance and it does impact, compensation would be paid, and that would be negotiated through the access arrangements. If, as you laid it out, the infrastructure was being built here, downwind or upwind or whatever the scenario you painted was, and the pastoral leaseholder said, 'Well, that will result in X, Y and Z detriment to me,' that would be negotiated in the access arrangement, and the loss of the ability to enjoy their pastoral lease would be negotiated in their cost recovery.

It seems pretty obvious to me what would happen then: if something like that was occurring, through the access requirements negotiations—if that scenario was laid out—you would move the infrastructure. If it could not be moved, the proponent would need to pay, otherwise, they would not be granted an access licence. Why would we be unfair and sterilise the pastoral lease?

There are protections here. Like I said earlier, we can catastrophise anything, but I think we have the appropriate preventative measures in place to make sure that the objects are first met, the access arrangements are negotiated and agreed and then they go to development.

Mr McBRIDE: In regard to infrastructure, poles and wires in particular, recently—and it has been talked about in the parliamentary chamber—and I will even go further back to say that we know that perhaps decisions made through the nineties by a conservative government might not have been the best thing for our state in selling off some of our infrastructure like we have. But if there are going to be new poles and wires put into the system for new renewable energy projects, can these poles and wires stay outside the current poles and wires network? How do they integrate into the poles and wires network that is already in the state?

May I then also add, which you may also be aware of, minister, that a lot of our infrastructure in terms of poles and wires is aged. It is 40 to 60 years old. We know that on high wind days—we heard the other day that Ceduna was cut off from its power because of a wind event and that the wire infrastructure might not be in as good a condition as it was when it was first built.

So can you please allude, in regard to the poles and wires, to how the connection between these new developments and energy systems is picking up and working with the old system? Do they then have to be integrated into any sort of contract that exists today with poles and wires?

The Hon. A. KOUTSANTONIS: An excellent question, as usual, from the member for MacKillop. When he speaks, I listen. Behind-the-meter infrastructure is not part of any regulated asset base. In plain English, that is the responsibility and ownership of the proponent, and you and I are not paying for it in our bills.

When it interacts with grid infrastructure, AEMO will regulate and license it, AER would do its thing and there would be a cost implication there, and the proponent would be forced to pay for those connection costs unless there was a determination by the minister or AEMO or AER that that would be borne by everyone through regulations. So you do not have to worry about that infrastructure being paid for by constituents.

The other point is that we do not get any benefit off it either because it is not part of the grid. These are the things we would have to balance up, and it would be on a development by development scenario, which we will assess as we go through this process.

Mr McBRIDE: One of the things that has come to me about these renewable developments—be it hydrogen, solar or wind farms—is that the LGA, the Local Government Association, in South Australia is very keen to be part of this. When I say this, I also have sympathy for the government of today in the sense that it does want to start renewable energy, it wants to get it out there and make it as unencumbered as possible, it wants to make it as profitable as possible, it wants it to produce as much power as possible, perhaps even as quickly as possible. We do not want different levels of bureaucracy getting in the way of this process.

However, what was pointed out to me just recently is that, particularly down in the intensive world of the Limestone Coast—where we are seeing wind farms and solar developments potentially coming into practice, as well as the Lake Bonney wind farm, which is nearly 20 to 30 years old now—the council has not been able to participate in any of the revenue that has been created by this energy.

Local government is saying that it only wants 0.1 per cent, it only wants this small drop, and that it misses out because this land is sometimes no longer under its full agricultural capacity—or whatever pursuits the land was used for, although it is usually agriculture. Local government is saying it needs to have its little piece of the pie as well, and I am just wondering what the minister believes around the licensing and authority, how the LGA can participate and be part of this benefit without hindering it, without slowing it down. As I will attest, we want to see these developments as quickly and as profitably as possible without another level of government perhaps highjacking the system or fleecing it for income or revenue and making it harder.

The Hon. A. KOUTSANTONIS: More excellent points made by the member for MacKillop. I agree with what he is saying; however, behind the technology and behind the investments I believe it should be rateable for the benefit of local government areas and investment in local communities. That is not yet the policy of the South Australian government, and that will go through the normal procedures. But the member for MacKillop's advocacy is one that we listen to. I am a supporter of it, but it does have its downside and its implications. This is an ongoing piece of policy work, and I thank the member for his advocacy.

Mr McBRIDE: With the licensing system and the infrastructure licence—and I am just going to pose an overall question to the minister at the end of what I am about to say. But can I just say that I was fortunate enough to have a briefing. As a member of the Liberal Party I was not accustomed to briefings. But I have very much appreciated the briefings that I have received through the Malinauskas Labor government. They have been very, very informative. I have been allowed to ask

questions, seek answers, raise my concerns and then understand the way the government is trying to move forward in running the state.

The area of MacKillop and the Limestone Coast is very much looking forward to renewable energy wherever it may roll out. The large business of Kimberly-Clark is totally reliant on LPG and the gas line, and is one of the biggest gas users on the Limestone Coast, making tissue paper in a very competitive and tough market. They want to be carbon neutral within a certain period; that is the goal of the international business Kimberly-Clark. They are now moving towards hydrogen, and want access to renewable energy. There are a lot of other businesses that want to do that as well, such as Teys Brothers at Naracoorte, using methane. We have Blue Lake Milling at Bordertown, which is already producing methane but cannot produce electricity for anywhere else because the grid cannot cope with it.

We also have the JBS meatworks in Bordertown. I am not sure where they are, but no doubt they will have methane and generation of power and other opportunities that all these sorts of acts and all this legislation will help and assist. I know another one I also want to add. As people would know, the Minister for Infrastructure and Transport is now known as a sea floor land baron, I have a bit of a title like that thrown at my name for our pastoral pursuits, and can I say that we are very much looking forward to renewable energy in the arid lands.

We are seeing the sort of investment out there that we used to see in the mining industry when mining, minerals and so forth were found, where we always worked well with mining companies. We always tried to do what we could to assist, because they brought in the roads, they brought in infrastructure, they brought in the people. I cannot see anything different from this Hydrogen and Renewable Energy Bill 2023 that it will not do. Right away, right across the arid lands, right out to the APY lands, there will be opportunities for this bill to be rolled out that will change the landscape for the arid lands, but not only that right down towards our neck of the woods in the Limestone Coast.

When I was privileged enough to have that briefing, it was said to me that we want to simplify this process, we want to make this process move as fast as we possibly can, but obviously put in all the preventions, regulations and legislation that are required so that we do not have cowboys doing things to the detriment of anyone else. Not only that, we do not want to see developments being tied up and sat on, denying this state moving forward, as we see with mining leases. They are captured, sat on, waiting for their lucky day when someone else will do the work while I just lock that land up for a rainy day.

I am very much excited by the fact that there are some deadlines in the licensing system here. There is an opportunity to keep things moving and flowing in a speculative world, an ever-changing world, and all I can say is that I think it is a very exciting period that we are looking towards with this Hydrogen and Renewable Energy Bill.

My question to the minister is: with his strong advocacy, where does he think that this bill will end up in his political career? It has to be his answer, because I do not know where that is going to extend to. Will it be off the ground, and how long will these sorts of projects take to get going, considering things such as the industry talking to him around the consultation that took place, the way he has written it, and the way it has been put in place, so that this scenario is not bogged down by regulation or speculators.

The Hon. A. KOUTSANTONIS: I thank the member for his question. I have been in parliament a long time—26 years this year—and I have seen government regulation work for good and work to the state's detriment. The reason I am proposing this legislation is that we are using not-fit-for-purpose legislation to roll out the biggest transition in human history. We are using the Planning and Development Act to roll out renewable energy, and it is wrong; it is not fit for purpose. But for a part of it, there are fundamental questions that we have not answered as a state in terms of legislation. Where should renewable energies be built? When should they be built? What kind should be built? How should they be used? This bill does a lot of that heavy lifting.

Behind-the-meter development of renewable energy on Crown land that has pastoral leases on it is basically deregulated, by and large. That is not a criticism. It is just a state of affairs. Someone could make an argument that in that deregulated system someone will develop a large grid scale

renewable venture that will fuel an electrolyser to decarbonise iron ore. I put this to the member: look at a map of South Australia. Look at Whyalla, look at Port Augusta, look to the west of it. To the west of it are some of the world's largest known magnetite resources that are picture perfect for direct iron reduction to be beneficiated into green iron.

Below it are the best renewable resources in the world, as there are above it. On either side of these deposits are the best solar and wind resources in the world. You have a steelworks that is indentured. There is a port. The steelworks and the iron ore mines are linked; make no mistake, that was a policy of the Weatherill government that, through the receivership of Arrium, our job was not just to keep the steelworks open but to keep the iron ore mines and the steel processing linked. Anyone can export iron ore, but making steel is hard. They are to remain linked.

If all the renewable resources that are going to power that decarbonisation are locked up and held by foreign interests without government oversight, regulation and the ability to pull those licences and pull those agreements, they will decide the time line and the cost of our renewable energy and the cost of our hydrogen. They will determine whether or not we add complexity to our economy, and they will determine whether or not we export decarbonised iron ore.

The reality that I want to bring about is that we determine our future on Crown land. We determine who gets to develop it. We determine that through a competitive process. We are not going to be picking companies: we will hold a competitive process. The best ones will float to the top, and we will set work permits and time lines in place and have the ability, of course, to throw them off if we need to.

If we had let things go as they were, the companies that had signed bilateral agreements under the previous government with pastoral leaseholders—and again, this is not a criticism of the current opposition, I just do not think that they saw what was happening. If you allowed them to sign these bilateral agreements with pastoral leaseholders, there were vast amounts of renewable energy that were locked up—areas, resource—and they would have determined what the cost is of that power, therefore what the cost is of the hydrogen, therefore the viability of green iron.

What we are doing with this legislation is applying market forces throughout that entire thing so we get the lowest cost at every single juncture because over the top hangs the sword of Damocles, which is us, issuing licences, renewals and operational licences, hence the flexibility, hence the licensing regime, hence the tender process. That gives us the best opportunity to meet this aspiration.

Will it happen? Yes. Hope is not a strategy. I do not believe in hope: I believe in planning for the future. You plan, you work hard, you execute a plan and you hope it works. We are executing a plan on the basis that we have the best renewable resources in the world, we have the best magnetite resources in the world, and we already make steel, which is a big tick already there. I think we can export green iron. That is what we are trying to do.

Clause passed.

Clause 20.

Mr PATTERSON: In terms of the term of this renewable infrastructure licence, originally in the draft it was 40 years and now it is proposed to be 50 years. I am interested to get feedback on the reason around that. It is also interesting that, further to that, it says 'or such longer or shorter term determined by the minister'. In a way, that harks back to our discussions around the hydrogen generation licence, where it could be granted for a term determined by the minister. In essence, it feels like that is very similar because, if it is shorter or longer, it is a term determined by the minister. Maybe you could give some direction to the committee around that.

The Hon. A. KOUTSANTONIS: Through consultation, we came up with a 50-year number, but if they are not operating any longer why should they maintain a licence? It just makes sense to remove the licence so it gives us that ability to move if we need to. Give them the operating licence, but if they are not operating they could lose their licence. I think that is a good power to have.

Mr PATTERSON: So this is more a commentary around that because you do have later on that ability to cancel licences. This basically says, 'We will hold it for 50, but you are warned that if you go out of business or what have you we are not just going to keep the licence,' as opposed to

the scenario where, at the start of the licence process, you say, 'I know I'm working with 50, but I think I will change it to 20,' or, 'I will put this one at 70 at the commencement.'

The Hon. A. KOUTSANTONIS: I think what the department is attempting to do in this clause is give the minister of the day maximum flexibility on the basis of the size and scope of the investment, so I think it makes sense.

The CHAIR: Member for Morphett, do you wish to ask another question? You still have another one.

Mr PATTERSON: No.

Mr TEAGUE: Just to bookend that, the member for Morphett, the shadow minister, might have run out of the allocation. The minister's first answer was that you might be able to cancel a licence if the licensee is not active or coming up to scratch. To be clear, that has absolutely nothing to do with 20(1), which talks about the term of licence as issued, so it is a term specified in the licence when you are granting it—so I am clear in the context of the answer—and there might be some utility in specifying a notional period of 50 years. If there is, I am not aware of it, but are we not to read 20(1) as being basically that the licence is issued for the term that the minister determines?

To the extent that it is 50 years, there may as well be a note on the legislation that says, 'Unless something surprising happens, it's going to be something like 50 rather than three or five or seven, but it's basically up to the minister.'

The Hon. A. KOUTSANTONIS: Yes.

Clause passed.

Clauses 21 and 22 passed.

Clause 23.

Mr PATTERSON: With the associated infrastructure licence, just to confirm, you have your renewable energy licence, and that is over a particular area, and it could have batteries and transmission lines or associated infrastructure. Is this licence in a different geographic area from the renewable energy infrastructure licence and does it require a renewable energy infrastructure licence to actually get permission? You could not just come up with an associated infrastructure licence totally as an island with no interaction with any other licences.

The Hon. A. KOUTSANTONIS: It could be a separate entity, but it needs to be related to renewable energy and hydrogen. Does that answer your question? What is your concern about the nature of the associated infrastructure licence?

Mr PATTERSON: Just to make sure it is not a standalone infrastructure licence. You might have all your renewable energy infrastructure, as you have said, west of Whyalla, but then all of a sudden someone wants to come up with an associated infrastructure licence on the Limestone Coast—not related to all that, they just say, 'We would like to put in a battery', because that is associated, or, 'We would like to put in a transmission line.'

The Hon. A. KOUTSANTONIS: No, it would need to be in conjunction with the regulated activity that is going on now. You could not use it as a shortcut to another licence.

Clause passed.

Clause 24 passed.

Clause 25.

Mr PATTERSON: This clause talks about facilitating the establishment, development or expansion of enterprises that are of major significance to the economy of the state. Can the minister define what 'major significance' means? Is that going to be put in regulations? How do we arrive at something of major significance, or is that at the minister's discretion?

The Hon. A. KOUTSANTONIS: Ultimately, it will be up to the Governor. I understand how this works. It will be on recommendation from the minister or Executive Council, so that means it will

need to be cabinet that makes that recommendation. Ministers cannot go to Executive Council on their own, other than the Attorney-General or the Premier.

Whether a project is of major significance to the economy or not depends on the nature and the scope of the project. I am not going to confine the government of the day on today's view of what a significant development is. I think we should keep that flexibility in place for future governments, but the threshold there would be the Governor and the cabinet. It will not be left to a minister on their own, because ministers on their own cannot go to the Governor. To go to the Governor through Executive Council you need to go through the cabinet process.

Mr PATTERSON: In terms of this licence, it can be on freehold land, designated land or coastal waters. Certainly, you can understand why on these designated areas—you have talked about the massive, behind-the-grid renewable energy projects that could result up in these designated land areas, and we have talked through that ultimately the Crown owns the land on which they will sit, compared with freehold land. We have this big wide South Australia in terms of land.

It seems, though, that with this special enterprise licence comes great power and the potential to override and effectively veto freehold landowners, whereas previously there needed to be an access agreement. As we go further into the bill, that does not seem to be the case, so there are real concerns around what this could entail for freehold land. There are benefits, maybe, compared to risks, as well.

The question would be: if this licence was granted on freehold land, what impacts have been considered, both on the specific landowner and—if it is of state significance, you would expect it to be large—on the local broader community? It is not just the freehold landowner that would be impacted by that.

The Hon. A. KOUTSANTONIS: That is a good question. I will not lie, I struggled with this too. There is one fundamental difference here: we are not compulsorily acquiring land. While we are denying the landowner use, or determination of the use, of that land for the purposes they would want, they still retain ownership.

With any other project of state significance, we would take that land off them, compensate them for it, they would lose ownership of it and we would build our infrastructure, or we could regulate and allow another piece of infrastructure to be built in its place, of which the person whose freehold land was taken off them would be denied the value of that new development.

Here, there are thresholds that have to be met and at the end of all those thresholds the landowner still retains their land. There are no compulsory acquisition powers in this act. So what is an example? Pumped hydro. Someone might own freehold land where there is an area of state significance that could allow pumped hydro at a large scale and it would have to be of state significance.

I do not imagine 200 or 300 megawatts being of state significance. I am talking gigawatt scale here. It would need to be of state significance and you would need to convince the cabinet of that—all the cabinet—and then the Governor. At the end of all that process, the landowner still retains ownership of the land, so whatever is built there, they will enjoy a benefit of in terms of whatever agreements have been put in place to make sure that they are compensated.

It is not a compulsory acquisition. They retain ownership, and this is the case for any project under the HRE act. A special enterprise licence can be used when a landowner does not give consent for a project to occur on their land. However, the project represents such a major significance to the state and its economy that the minister, the cabinet and the government would have to deem it appropriate to grant a non-consensual licence over the land to allow the project to proceed again and only if it is in the state's best interest.

As with other aspects of the bill, we do not want to restrict its application by prescribing the limits and the definition of major significance to the state. We retain that flexibility. I know that is controversial but, in my view, if we did not have this power you would see a lot of projects in the state not being developed. The difference with those other projects is that we have taken ownership of the land and denied them the value of that land ongoing and just compensated them at that very moment.

On the advice of the cabinet, the Governor will be required to determine if the proposal meets the high threshold in the bill and therefore warrants the grant of a non-consensual licence. Freehold landowners can continue their existing operations within the special enterprise licence area—so as far as they can coexist with the activities—and they will also be entitled to any compensation fees to other benefits as they would for any other licence type, even if they object to the project.

It is a significant head of power that the act is granting to the minister, the cabinet and the Governor, but it is a high threshold and, ultimately, the protection here is we are not denying the person the enjoyment of the development of that land and the benefit that development will bring, even if it is at odds with the development that the freehold landowner may have wished to enjoy on that land. I accept that this is difficult, but I also think it is important for the social cohesion, for the appropriate application of the act across the state.

Mr PATTERSON: Thank you for that explanation. It seems to me that if something is of such big state significance—looking at the types of renewable infrastructure we have now and the fact that they would be on freehold land—you are talking about a gigawatt, but more than likely it would not be wind turbines because surely there would be land elsewhere where there would be a freehold landowner next door who would take it.

I feel that the infrastructure that would be put on of state significance would be quite substantial to more than likely deny use of that land by the actual freehold landowner, so if it was a massive solar farm or if it was hydrogen generation or the like. So really we are getting into the realms of how the land, if it was of such state significance, could well be acquired anyway.

You have talked about the north-south corridor and how, yes, that involves acquiring land and acquiring businesses' land, and acquiring homes, which is terrible. That is a great power that a state has, and it does that because the benefit to the state is so much more, but it has a material impact on those who are acquired. I would say, in this case as well, if something is of that state significance that it is going to occur on freehold land, then it could well have the powers for compulsory acquisition as opposed to this licence. To have that hanging over freehold landowners is just another impost.

The Hon. A. KOUTSANTONIS: The only other time the state allows third parties to use compulsory acquisition powers is ETSA, as I understand it, the regulated monopoly assets that were privatised: gas pipelines and transmission lines, distribution lines, substations and the like. They were able to access state provisions to compulsorily acquire a property from freehold land. At the time, that was controversial, and the arguments were, 'Why would we allow a privately owned foreign company to have the power of compulsory acquisition over our private citizens?'

What I am doing, because I was part of that debate, and what I am saying is: it will not be the state which is building these developments; it will be a private operator. I am not prepared to confer that right on private operators to have the ability to compulsorily acquire freehold land, but what I am prepared to do is give the state the ability to license over that freehold land, with a freehold landowner retaining ownership and being compensated appropriately, ongoing, for use of their land, which I think is a better outcome.

I bet you, if you ask any South Australian who had their land compulsorily acquired since the privatisation of ETSA to put a substation on their land, if they would have liked to have kept that land and be paid an annual rent for the substation being on there, what do you reckon they would have chosen? Rather than the compulsory acquisition to a foreign-owned, foreign-based company that uses state legislation to compulsorily acquire private land introduced by your party.

I accept compulsory acquisition is a massive power. I do not like using it. I hate using it. To give you some philosophical background, I am on the wing of the Labor Party that believes in the primacy of the right to own private property. The Labor Party had a massive split in the twenties and thirties about two wings: one not believing in the right to own private property and those of us who did. You can imagine which sides they were.

I am a big believer in the right of private ownership of property, hence no compulsory acquisitions in this power. I do not like the idea of someone being able to, on the basis of state significance, use a state power—a state power—that will not result in the land ending up being owned

by the state, but by a private company having rights over private property, and the ability to compulsorily acquire it if they can convince a government that this is of state significance.

So what I have done is say, 'You can't compulsory acquire it. We will grant you a licence. You maintain ownership.' That is a better outcome for the landowner, in my opinion. Ultimately, of course, the landowner can choose to sell, if they want, but they cannot be forced to. They can maintain property rights, and I would have thought—and I mean this with all due respect—any good conservative would prefer this option rather than the ability to allow a third party like Premier Olsen and Treasurer Lucas did when they allowed foreign-owned dictatorships to have compulsory acquisition powers over South Australians.

The CHAIR: You have met your quota. Is this a supplementary?

Mr PATTERSON: It is in regard to that.

The CHAIR: Okay.

Mr PATTERSON: So the thrust of this act is to try to unlock designated land and having a special enterprise licence apply over that land. You can understand that perfectly. This is then dragged in, as you said, to try to have it go over the whole state. The objection is that if all the work is going to be done up there, that is where we should say these special enterprise licences go. It encourages the unlocking in those areas whereas now, potentially for other reasons, it may be that freehold lands extinguish native title, so it is harder to get through. There are things like that. So rather than have Damocles' sword hanging over the freehold landowners where there is high use, we should be trying to encourage that into the designated lands and, as a comment, over it.

The Hon. A. KOUTSANTONIS: That is a perfectly legitimate argument for the opposition to make, and it does make logical sense. You said in your remarks, 'Why don't we just have the power to compulsorily acquire rather than having this?' My point is, I think we both agree that there is potential for developments of state significance on private land that need to be developed.

There could be freehold land over salt caverns that are a no-brainer for hydrogen storage and hydrogen production at that level—store it in the salt caverns—and the landowner might disagree and not give access; it is freehold land. There are two options for us: one option is that we give a heads of power to a third party who is not a government agency, not the Crown, to compulsorily acquire our citizens property for their development, or we license it or they can sell it voluntarily through negotiation. I think this is a good outcome, a good solution.

I accept what the shadow minister is putting forward. I had difficulty with this as well. I am not a fan of these types of powers over private property, which is one reason I made a long argument about compulsory acquisition powers in 1999 that the then Liberal government introduced for foreign-owned entities to have powers over our citizens, which I think, quite frankly, is obscene and they should not have, but they do. So it is important that we come up with a system that I think deals with it, and deals with it appropriately.

So, yes, in a bilateral negotiation over an access agreement, if the proponent is saying, 'This project is of state significance; I am going to go to the government and argue that it should be declared a program of state significance so I can get access to your land,' the landowner has the ultimate protection. Yes, you might win that argument, but you still need to negotiate an access agreement with me and I retain ownership of my land. You cannot take it off me. You can enjoy its use, but you cannot take it off me. That is the difference and I think that is a good protection.

Mr TEAGUE: I just say for the record that I think there were three scenarios posited by the minister, but there is a fourth that the minister has not noted and that is that the state in those circumstances does the acquisition and then holds the land and then rents it out. I do not know if that has been contemplated.

The topic I want to cover for this purpose is: given how fraught and serious and heavy all this is, and given that it is a discrete part of the bill, without referring to it of course we have had legislation earlier in this session that has been directed at providing pretty heavy ministerial powers directed at a particular purpose to achieve a particular end: the building of a pretty significant hospital and the moving of police barracks for that purpose. In the circumstances of this being included in the bill, is

there even a remotely worked-up case that is in prospect that this is going to serve, or is it purely about providing structure in principle for what might come five, 10 or 20 years down the track?

The Hon. A. KOUTSANTONIS: It is the structural integrity of the bill to make sure we can deal with scenarios that come before us. In that option 4 that you were talking about, where the state would acquire it, I would have to create a new head of power within the act. We only have the ability to compulsorily acquire under certain circumstances—for the need of a road. Of course, as you would know, one of the reasons you could object under our compulsory acquisition powers is that the road might not need that property, and I think also for hospitals. We do not have the heads of power here. The other point is we usually only use those heads of power to compulsorily acquire when it is for our own use. This would not be for our own use. This would be for a third party's benefit.

I have some sympathy for John Olsen and Rob Lucas over that head of power that they gave to SA Power Networks, because what is the alternative? The alternative is that they cannot compulsorily acquire to build substations, and they have to go through a voluntary process, and who wants a substation built next to them? No-one. It is the same with transmission lines and the same with distribution lines.

So these heads of powers are needed but, because it is not the state doing it for its purpose but for a third party's purpose, I think the ultimate protection to the landowner is having no compulsory acquisition power for the state over that land, so they retain ownership, which gives them ultimately leverage within any negotiation, and ultimately legal leverage because they are the landowner. If they are in dispute about the rent, the compensation, the loss of use, loss of enjoyment, whatever it might be, they have access to the courts for remedy. If I gave compulsory acquisition powers to the proponent if I declared a project of state significance, they would lose all that, other than the right to acquire it, so I think it is a good outcome.

Mr PATTERSON: I move:

Amendment No 4 [Patterson–1]—

Page 30, line 38—After 'access to' insert 'designated'

Amendment negatived; clause passed.

Clause 26.

Mr PATTERSON: In subclause (2) with regard to consultation, what will the consultation time frames be?

The Hon. A. KOUTSANTONIS: What we intend to do is obviously consult to try to work out the appropriate time frames for consultation, and I am open to suggestions from the opposition on this. Ultimately, we will go out again, like I said earlier, to all the professional representative bodies, all the organisations, local council, and ultimately the opposition and members of this house about what is the appropriate consultation time. We were talking about six weeks for the regulations, but I am not quite sure what we would put down here, whether it is 14 days, 21 days or longer. I am happy to discuss that either between the houses or at the end of the process.

Mr PATTERSON: Again, just to confirm, it seems here that for a special enterprise licence the proponent, if they are not the landowner, does not need to demonstrate a right to access to land.

The Hon. A. KOUTSANTONIS: Sorry, can you repeat that?

Mr PATTERSON: The renewable energy proponent who is wanting to set up a special enterprise does not need to demonstrate to the minister a right to access to land if it is on freehold land. They could say, with no evidence, 'We think this block of land is adequate.' The normal course of events would be that they would negotiate with a freehold landowner, but could it be the case that a proponent could bypass that and not have to demonstrate right of access and could present to the minister and effectively talk through a special enterprise, with a freehold landowner being unaware?

The Hon. A. KOUTSANTONIS: The next clause deals with this. Clause 27(5) provides:

The Minister must, before determining to consult with a proponent under subsection (3), be satisfied that the proponent has taken reasonable steps to obtain any permissions, authorisations, consents or other approvals from an owner of land or any registered native title claimant (including the grant of a right or interest in land sufficient to carry

out the enterprise) as would be required for a grant of another licence or a permit under this Act in respect of the enterprise.

Mr PATTERSON: I have a further question regarding the special enterprise licence and the competing land uses—so again with mineral tenements as well. When considering the special enterprise licence—where the Governor must, via cabinet recommendation, consider if it is in the state's interest and if it is of major significance—how are the interests of other potentially impacted land users taken into account as part of this process, because you may have other mineral tenements, etc., in place at the same place?

The Hon. A. KOUTSANTONIS: I am advised that they would still be required to do their notice of entry provision, as they would with any other licence, so I am not sure that that scenario can actually occur.

Clause passed.

Clause 27.

Mr PATTERSON: In regard to the concept phase, in subclause (3):

…the Minister may, in the Minister's absolute discretion, consult or refuse to consult with the proponent in relation to the application.

What grounds does the minister see for the minister refusing to consult with the proponent?

The Hon. A. KOUTSANTONIS: If there is a scenario where I do not believe that the development has any chance of being considered of state significance, why would I consult on it?

Mr PATTERSON: Further to that, subclause (6) talks about the circumstances where the minister can just cease consultation. Is that just with the proponent or could that potentially be with the freehold landowner or with the local community as well? If you could clarify the consultation powers of the minister to consult. Sorry, it is in subclause (7); I apologise.

The Hon. A. KOUTSANTONIS: Just the proponent.

Clause passed.

Clause 28.

Mr PATTERSON: Regarding the special enterprise licence, we talked about it in broad terms at clause 25 but now in particular at clause 28. Under this section, what protections do freehold landowners have in regard to a special enterprise licence being on their land?

The Hon. A. KOUTSANTONIS: Obviously, we have to consult beforehand and, of course, there is no compulsory acquisition powers on freehold land, so it is the ultimate protection. Does that answer your question?

Mr PATTERSON: Again, this is just questioning along the lines of consultation, in subclause (5) it states:

(5) Except as provided for in this Subdivision, and despite any other provision of this Act or any other Act or law, the Minister is not required to consult with, or obtain the agreement of, any other Minister, or require any other permission or authorisation under any other provision of this Act or any other Act…

In terms of that, does that give the minister effectively unfettered powers to be able to apply a special enterprise and disregard other acts?

The Hon. A. KOUTSANTONIS: No, it does not confer unlimited power on me, as much as it would be nice. I still have to go through the process of going to the cabinet and the Governor and have it declared. I cannot do this before that. I think this just clears up my ability to issue this licence.

Mr PATTERSON: Maybe if you just expand a little bit more on that last statement where it says it makes it clear that you can issue this licence. I take it from that that what you are saying is that the minister in charge of this act is the one who makes the call on this and you cannot have another minister granting a licence. It surprises me that that is a possibility because does that mean that is a possibility with other licences? I would not have thought so.

The Hon. A. KOUTSANTONIS: This is just clarifying that I am the minister issuing this licence, as opposed to having to consult with any other minister. If it is over a pastoral lease, I would have to consult with that minister, but on freehold land the process, as we discussed earlier, is that you go to the cabinet. Once you have passed the cabinet threshold, you go to the Governor. You pass the Governor threshold. Once the Governor threshold has been passed and it has met those criteria, I can exercise my powers under subclause (5). I cannot exercise my powers under subclause (5) unfettered without having gone through the other steps first.

Mr McBRIDE: I thought I was finished for the night, but I have a very interesting question about existing licences. This is not to suggest that my support for what we are doing tonight has not changed, but there may be just a little bit of an issue here.

I have a little bit of invested interest perhaps or knowledge of the way this process works in the arid lands. I have noted that, when a pastoral lease has a wind farm proposal put on it and the wind farm proposal could definitely go ahead and the wind farm proposal will be massive—I think they are talking 1,200 fans out west of Whyalla and Port Augusta and it is those same properties that this wind farm could be situated on and it will be a number of pastoral leases because not one pastoral lease will fit all 1,200—it will rule out those farms from working with carbon sequestration because carbon is not recognised as a land use.

Yes, grazing dorper sheep is a land use, but under your act, which is why I brought it up in existing licences, for a farm to pick up one fan or maybe 400 fans, although this is not us—I know there is a property up there that will cater for that sort of size—they will not be able to participate in carbon sequestration because the wind farm does not recognise carbon sequestration as a land use. Apparently, it says to me that we need consent for that from the Crown lands minister or the Department for Environment and Water, and it has not been given, and so there is a problem with the bill here.

On my understanding, and in the way that someone has contacted me about this, the Hydrogen and Renewable Energy Bill needs to allow for carbon sequestration because it is a change of land use. It is not a land use that I think would be understood yet, but I am assured that this has huge potential. Properties cannot be locked up totally for carbon sequestration. They certainly can have areas, and it is a new land use and function of the arid lands. It is all about locking up certain areas from sheep, particularly, but also goats, and allowing vegetation to get to two metres high or greater, and that vegetation then becomes part of a carbon capture program on the world market—certainly met by Australian standards.

It is my understanding that it has been made very difficult by this Hydrogen and Renewable Energy Bill. If you could elaborate, minister, it would be appreciated.

The Hon. A. KOUTSANTONIS: Again, the member for MacKillop is on the money, worrying about his constituents. The good news is that the government encourages both large-scale renewable developments under the proposed HRE act, and carbon farming projects under the commonwealth Carbon Credits (Carbon Farming Initiative) Act 2011, for their mutual benefits under one multiple land use framework.

Under the Carbon Credits (Carbon Farming Initiative) Act, HRE licences have no rights of objection to a proposed carbon farming project, so there is no veto there. However, for all Crown lands, the consent of the Minister for Climate, Environment and Water as the owner of the land is required for a carbon farming project to proceed, hence there are some restrictions that apply to the project area. But in terms of this act we are doing absolutely nothing to inhibit that, and we are allowing multiple licence frameworks over it.

To date, the minister has given consent for carbon farming projects on pastoral leases to proceed subject to the excision of pending and current production licence areas under the Mining Act, unless approved for inclusion in the project by the tenement holder. I envisage that a similar policy will be applied for proposed infrastructure areas under the HRE licence. Where it is necessary to clear areas on an existing carbon farming project for future HRE infrastructure development, compensation is payable. The project area may need to be adjusted and any carbon credits that are lost reconciled with the Clean Energy Regulator.

The amendment of carbon farming areas over time to allow higher value land use is recognised under commonwealth policy, and the release area process in the bill will be used to identify areas of carbon farming activities—both current and planned—when determining areas that are suitable for renewable energy, should carbon farming activities pose challenges to renewable energy operations, and these will be reflected in the modelling and mapping of release areas.

I hope that gives some comfort to the member for MacKillop. Ultimately, as with any activity on a pastoral lease, any other activity on it must be approved by the appropriate Minister for Environment and Water who is the minister covering the Pastoral Land Management and Conservation Act.

Mr TEAGUE: I have a quick question on subclause (3). You have a rather precise provision there in terms of the prohibition against the minister granting a licence for a specified time of 28 days. Is there any particular reason for there being a gap in time—not very much of a gap, but a gap in time? Is there any particular purpose that is serving?

The Hon. A. KOUTSANTONIS: It is to make it consistent with the Mining Act, I am advised.

Mr TEAGUE: I refer to subclause (7). We had the debate focused on clause 20 a minute ago about 50 years—but it might be less, it might be more, so why stipulate? And here in sub (7) we see that the 'special enterprise licence will be granted for a term determined by the Minister.' As we say, there is no indication that one is identifiable or in prospect—that would serve as an example—but are we to understand this as being in the 50-year category rather than the three, five, seven year type category?

The Hon. A. KOUTSANTONIS: I think the whole point of the flexibility here is the nature of the development, so it could be anything. We want to give as much flexibility to the executive government at the time to be able to grant these licences for a period of time that it sees fit and revoke these licences or extend them. It is just giving maximum flexibility to try and encourage investment and give certainty. You might argue that it would be better to put a date and a time frame in there, but in this case Crown law and the department have decided that it is best to give the executive government maximum flexibility.

Mr PATTERSON: I move:

Amendment No 5 [Patterson–1]—

Page 33, after line 7—Insert:

(1a) The licence area of a special enterprise licence must comprise only designated land.

This has the effect of inserting a new subsection (1a) which specifically says that the licence area of a special enterprise licence must comprise only designated land.

Amendment negatived; clause passed.

Clause 29.

Mr PATTERSON: Maybe just to get some information around this clause here, because this is quite a powerful clause, really, in terms of the whole act, because it seems to basically allow the minister to exempt a special enterprise licence from compliance with the provision of this act. So it really is an extraordinary power that is given now to these special enterprise licences; hence the hesitation that these can be put on freehold land. With that in mind, maybe the minister can explain what would be the reasoning for putting such a power into the act for a special enterprise licence, which is already large?

The Hon. A. KOUTSANTONIS: A hypothetical example I can give you is a pastoral leaseholder refusing to negotiate an access agreement, refusing to allow access to land, refusing to cooperate in any way. This gives us the power to introduce a special enterprise licence—to exempt it from part of the act.

Mr PATTERSON: So is that once it has been granted and you allow time for the access agreement to be made, or is this at the time of granting of a special enterprise licence the minister can also, I think by putting a notice in the *Gazette*, actually say, 'This enterprise licence doesn't have to comply with certain sections.'?

The Hon. A. KOUTSANTONIS: The protection was put in place. Clause 29(2) of the bill provides:

An exemption or modification cannot be granted or made under this section in respect of the application of the following provisions of this act:

We cannot grant an exemption for part 4, division 4, which is environmental approvals and compensation. Compensation is clause 79 in the next part 5. So, the protection is in place there. We cannot override environmental approvals and we cannot override compensation negotiations or compensation that is being paid. This is to stop someone from attempting to veto a process.

Clause passed.

Clause 30 passed.

Clause 31.

Mr PATTERSON: In regard to licences, will a licence fee be charged on these licences and, if so, is it looking at being cost recovery or is it cost plus? Could you give me a bit of an indication of what that fee might be?

The Hon. A. KOUTSANTONIS: The best regulatory principles are full cost recovery. That is something I certainly support and I am sure the Treasurer would support and the shadow treasurer would support. That is a good process to make sure that we get adequate regulation.

Mr PATTERSON: Taking it from that example, there would not be an onerous charge. It would not be a large charge; it would be—

The Hon. A. Koutsantonis interjecting:

Mr PATTERSON: —cost of regulation, yes. You would not think it would be a big impost in relation to the size of these projects. In terms of freehold land, will there be licence fees also charged for licences on freehold land?

The Hon. A. KOUTSANTONIS: Yes.

Mr PATTERSON: What is the current situation in terms of freehold land?

The Hon. A. KOUTSANTONIS: The current situation is now that you can do whatever you want, at any size you want, anywhere you want, and the only reference to the state is the PDI Act and AEMO.

Mr Teague: And the minister, with respect to pastoral land.

The Hon. A. KOUTSANTONIS: Of pastoral leases, but in terms of wind farms generally it is on freehold land, generally it is along transmission lines and there is no reference to the energy minister.

Clause passed.

Mr PATTERSON: I do not have any questions through to clause 35. I just note there is an amendment at clause 35A, so in terms of that amendment do we note all clauses up to 35 and then do the amendment afterwards, or do we go to 34?

The CHAIR: We can go up to clause 35.

Clause 32.

Mr McBRIDE: I am just trying to get some clarity as early as possible so it can be considered. I am sorry that it is late notice, but when you are dealing with these new big opportunities, as the western areas of Port Augusta and Whyalla are, can I just ask the minister to give me some clarity, please. With this renewable energy bill, what I believe is happening right now is that this bill, when it rolls out onto a pastoral lease, will talk about a wind farm and allowing it to occur and will talk about perhaps even hydrogen production and a solar farm to occur, but what it does not say, unless I have not read the literature and I am missing it, is that it can also occur with carbon capture on the property or about to go into carbon capture.

My understanding is that with that process in unison, occurring together, they are not talking to one another. There is no correlation together occurring, so they are locking heads, this process of wind farm development plus carbon capture at the same time. There is some pushback—my understanding is the Department for Environment looks after pastoral leases—because the wording in here does not say that both a wind farm and carbon sequestration can occur together.

Either one starts first—carbon sequestration—or the wind farm has already started and carbon sequestration can follow after that. My understanding is they are being locked out because there is no connection. Could you please give clarity to that, minister?

The Hon. A. KOUTSANTONIS: That is not right. They are not locked out. As I said in my previous answer to you, I detailed to the house that the HRE act and the commonwealth—you are talking about carbon farming now. As I said to you earlier, the commonwealth Carbon Credits (Carbon Farming Initiative) Act 2011 and the HRE act give no licensee a right of objection—none. However, on pastoral leases, any activity that is not pastoral lease related needs the permission of the relevant minister. I think that is what you are talking about.

Clause passed.

Clauses 33 to 35 passed.

New clause 35A.

Mr PATTERSON: I move:

Amendment No 6 [Patterson–1]—

Page 36, after line 21—Insert:

35A—Applications relating to pastoral land

If an application for a licence, or for the renewal of a licence, relates to an area of pastoral land, the Minister must, before granting the application, consult with—

(a) the Pastoral Board established under the *Pastoral Land Management and Conservation Act 1989*; and

(b) the holder of a pastoral lease in respect of the licence area (or proposed licence area).

The clause is principally geared around if there is an application for a licence. It picks up on the concerns of some of the pastoral industry around consultation and their, I think, quite justifiable request that they be consulted and have it explicitly put into the act as opposed to leaving it open to regulation. Rather than having to do this amendment for every single licence, it is put in division 3, which is common provisions. It says that, if there is any application for a licence or a renewal of a licence relating to an area that is on pastoral land only, the minister must, before granting that application, consult with both the holder of the pastoral lease and the Pastoral Board.

The Hon. A. KOUTSANTONIS: I understand what the shadow minister is attempting to do. The government does not support this amendment for a clear reason, that the minister for the pastoral act has a concurrence power at both release area stage and for any infrastructure licence to ensure that the views of pastoral communities and stakeholders are considered in any decision. Go back to first principles. Before anything happens, you need the concurrence of the relevant minister. I think that gives the ultimate protection.

Mr TEAGUE: Back to first principles: each pastoral lease is different. Sure, they are all governed by the minister in terms of necessary permissions, but they are all different. The first question is: in line with first principles, what is the harm in introducing a requirement—it is not terribly onerous—to introduce that more specific form of consultation? If the minister is keen to give the reassurance that the minister is there, responsible for them all as a whole, alright; that is a common obligation. But here there is likely to be a situation where there is one pastoral lease, or perhaps two or three neighbouring ones or whatever, that will have no doubt specific matters of relevance. What is the harm?

The Hon. A. KOUTSANTONIS: It is a good question. In considering the amendments, I had a detailed discussion with my department about them. This was the response that they gave me,

which I think stands up to scrutiny. They say that clause 10(6) of the bill requires the minister to undertake consultation in the manner prescribed by the regulations before declaring a release area. It is our intention in those regulations to ensure that pastoralists are consulted extensively at the release area stage—tick. Back to first principles, right?

Mr Teague: Take this on trust.

The Hon. A. KOUTSANTONIS: Yes, but this is now modern legislation and we do not prescribe every single detail. The bill also provides for consultation and a proposed environmental impact report at clause 61(4) and at the approval stage of the statement of environmental objectives at clause 63(3). I go back to my first—before anything happens, the minister for the pastoral act has a concurrence power which is the equivalent of a veto on any activity on pastoral leases.

As far as I am concerned, we are doing all of this anyway, and after being assured by the agency about the provisions in the act, if we did not work backwards, first and foremost a minister who has been gifted custodianship of the pastoral lessees in this parliament has a right of veto. They can say no. You then have the other prescriptions in the bill on the statement of environmental objectives (SEOs) and then at the release stage, and then clause 10 which requires me to undertake consultation in a manner prescribed by regulations.

Given that I am required to consult under clause 10(6)—and I am not a lawyer—I suspect, given what has occurred in the High Court about consultation, you would be a mug not to do it. We are going to do it, and we are planning on doing it, and we are putting it in the regs, and we are going to consult with pastoralists. I pushed pretty hard on the agency about this, about why not just accept the amendment, but there are five stages here where consultation is happening on pastoralists, on activity, and then we added in a sixth. I do not think it is necessary.

I completely understand the motivation of the opposition and I do not begrudge it to you one bit, because I thought, 'Why not? What is the harm? We are going to do it anyway, why not put it in the act?' But we are doing it anyway, so why put it in the act?

Mr TEAGUE: I hasten to say, what would I know? It was put to me yesterday afternoon, and queried whether I had read the thing or not, and this afternoon I have been told I am asking too many questions. Clause 10(6)(b) refers to the regs, and our shadow minister has been pretty comprehensive in his treatment and informing colleagues about the fact that there is a fair bit that is left to the regs here, and that is one key part of it. Just for mine, it is important that we have that indication from the minister on the record.

Sure, there is an argument that you do not include every last particular in the act when regs can do some work, but pointedly among those five steps that the minister has described and the High Court's treatment about regulations, nowhere do we see any direct reference to an obligation to consult with the holder of a pastoral lease. I am with the minister in terms of my query about the necessity for that absence.

The fact that the minister has given the indication that we will find it set out in all its relevant clarity in the regs is comforting for me, and hopefully it is comforting for the house and for those pastoral lessees, and I guess we do not have any option but to move the amendment and leave it at that for the time being, but I commend the shadow minister for bringing the amendment to the house.

New clause negatived.

Clauses 36 to 40 passed.

Clause 41.

Mr PATTERSON: In terms of an access agreement, we have talked before about some of the licences needed before entry onto designated land that requires an access agreement. My query was, previously the minister said that if you have a renewable energy feasibility licence there would have to be an access agreement in place before works could go on there; however, it seems to me that clause 40 does not seem to allow for that. It talks about renewable energy licences to the extent that the area comprises designated land—I suppose just clarification that that would mean the feasibility licence.

The Hon. A. KOUTSANTONIS: Yes. The renewable energy licence is defined at the beginning of the bill, and that includes feasibility licences.

Mr PATTERSON: I have one more question on clause 41, and that is the discussion that pastoralists have that, as part of the access agreement, it lays out in subclause (2) that the access agreement must address the range of matters there. One point put quite strongly from the pastoral industry is this aspect that at present, certainly in terms of coming up with agreements, there is the ability for the pastoralists to come to some sort of rental agreement with the renewable energy proponent. They are very interested in seeing that ability to negotiate that continue.

In their feedback with the department, the way that it has been approached by this bill is that because it is silent it does not preclude that from happening. However, when a licence has been granted and we are sitting down negotiating an access agreement, there are fears that unless there is an explicit requirement to have that matter considered—because the pastoralist is only negotiating with one proponent, and that is the one that has been awarded the licence—that may reduce their ability to have a benefit such as rent considered in the access agreement.

My question is: why does this clause not actually specifically address that matter as a matter to be addressed as part of an access agreement?

The Hon. A. KOUTSANTONIS: They do not own the land. How can they charge rent on land they do not own? Why would the state confer that right on a lessee? That does the taxpayer no good. Pastoral leaseholders are not the owners of the land and they are not conferring a right to access the land, and it is not appropriate for pastoralists to receive any rental payment. However, the bill does provide for payments in the form of compensation for pastoralists through the negotiation of an access agreement—but they do not own the land. It is not theirs; they have a lease.

The equivalent would be that you have a rental property that you have leased out to a tenant, and that tenant then puts a mobile phone tower in the backyard and receives a benefit, not you. It is not going to happen. This is no different. However, I agree they have a lease to run pastoral activities. If those pastoral activities are inhibited, they are to be compensated for it. If there is a loss of enjoyment of that land for pastoral activities, they are to be compensated for it. It needs to be dealt with, and they need to organise access agreements and compensation. But rental pastoralists do not own the land and the government is firm on this. They are not freehold landowners. Freehold landowners are free to charge rent as they see fit because it is freehold land.

Mr PATTERSON: If I could state their concerns around that: the present act that deals with putting wind farms on pastoral properties is the Pastoral Land Management and Conservation Act and in that it specifies that a rent can be levied by the government, but 95 per cent of that rent has to then be given back to either the pastoralist or the native title holder.

There is that expectation and we might not call it a rent per se, but what it is recognising is that they are the stewards of that pastoral land and the lease fee that the pastoralists pay takes into account the fact that not only are they using that land, they are also providing a service to the government by making sure that that pastoral land—which is in quite a fragile environment—is well cared for.

As I said previously in my contribution, for these pastoral leases over time, their tenure is very secure and stable for that reason and, to some extent, they are viewed as more than just a tenant. You say they have no right to levy a rent, but rent is a benefit. It is a way of coming to some sort of access agreement with the pastoralists that takes into account their land and the fact that over history they have curated that land for the benefit of them of course to run their stock, but also for the government as well.

They feel quite strongly that there should be some mechanism for them to enjoy a benefit over and above compensation; the reason being that when you look at just the raw land, say if it is a wind turbine, the actual surface area of that turbine and the protector around it in relation to their pastoral lease is probably very small, and so the compensation just on pure land terms is potentially negligible compared to the previous act where they had an opportunity to negotiate terms and benefits over and above compensation just for that land.

The Hon. A. KOUTSANTONIS: We are not diminishing their ability to do what they have been doing. In your own words, it is very stable and they do good work for us and they get a return. The bill does prescribe a minimum on what an access agreement must negotiate, not a ceiling, and the minimums are compensation, and acts as both parties to the area. It does not limit what can be agreed and pastoralists are free to negotiate with licensees and other matters that are required to facilitate access.

The expectation is that licensees and pastoralists will collaboratively engage early in a productive and ongoing manner in order to successfully coexist for the life of the project and, as such, will at least impact the activities and operations carried out by each party. So practically this means that access agreement discussions will be likely encompassed but not limited to such matters as: stock movements; important events; seasonal and stock cycles such as breeding, lambing, calving, marking, shearing; protection of water sources; fencing; use, installation, maintenance, housekeeping, management, remedying access roads; use construction maintenance; any regenerative practices and biosecurity measures that are required.

No activities can commence until an access agreement is in place and it is in the interests of parties for negotiations to be fair, reasonable and efficient to support and enable multiple land use coexisting enterprises, but they are not freehold landowners. Nothing you say will change that. Nothing I say will change that. They are not freehold landowners. The state is. I agree that we do want to see this rental benefit, if there is one, go to the benefit of regional communities, and not just in one particular area but more broadly. There have been a number of members here who have argued that there should be a broader benefit for local communities.

I do not think there is a benefit for the state as a whole to see all that rental go to someone who has a pastoral lease. If we impact their pastoral lease, they should be compensated for it because they have a lease with the government—absolutely. That does not give them freehold land rights. If you want to give them freehold land rights, that is another piece of legislation and, no doubt, eventually you guys will try that and we will oppose it but, ultimately, this is where we have landed, and I think it is fair and reasonable.

We do not want anyone who has a lease with the government to—if they lose the enjoyment of their lease as a result of the activities we have, they should be compensated, no problem. But what you are asking for is above and beyond that, to say 'and also, any rental payments to go to the lessee', as if they are the freehold landowner. We disagree.

Mr PATTERSON: I think how I should couch it is that 'they have an existing right to'. In the pastoral land management act it says that 95 per cent of rent collected by the government goes to the pastoral leaseholder. That is part of the process, and I am not advocating that the pastoral leaseholder gets all the rent. My point would be—and you do not necessarily have to answer this because you have answered it, but just to, I suppose, give nuance to your comment—I am not trying to say the pastoral leaseholder gets all the rent. No-one else does: the government does not, the native title holders do not, nor am I saying that the native title owners should get all of that. It is trying to come up with some sort of balance.

Having a clause, like an amendment I have proposed, would allow for some form of that, where there is some equity there, which takes into account, I think, benefits for everyone because these have the opportunities—as with freehold landowners—to help droughtproof these properties as well. It seems to me a win-win whereby yes, money can be collected and put into the Pastoral Land Management Fund, money can be collected and put into the broader region by government, and money can be collected by the pastoral leaseholder to then help droughtproof their land.

I am certain prospective renewable energy companies would see that as a benefit as well, and a way to promote them as being a so-called good citizen in terms of the pastoral leaseholder and to give them that opportunity. So I think that is the nuance here as opposed to your proposal before.

The Hon. A. KOUTSANTONIS: I do not want to take issue about this with the shadow minister because I know what he is attempting to do is to ensure that there is a benefit for everyone, but so am I. My first principle here is that they are not worse off. I suppose your argument is, through

the Chair, that you say that they are worse off because they receive 95 per cent of the rent now. That is your argument?

Mr Patterson interjecting:

The Hon. A. KOUTSANTONIS: Exactly, right. So my view is that the benefits for pastoral leaseholders here are multiple land use frameworks, which could see improvements to the ability of fencing, road maintenance, compensation, and I keep on going back to the access agreements. The access agreements are not going to be cheap for the proponents. I have to balance this up between the access agreements and what they will negotiate, and once they finish negotiating the access agreements, 'Oh, now let's talk about the rent,' so I think—

Mr PATTERSON: But this is part of the access agreements.

The Hon. A. KOUTSANTONIS: Yes, but access agreements have to be negotiated, and compensation will be negotiated, and we are setting a floor, not a ceiling, on what they can negotiate. So we are leaving it up to them to go off and negotiate this with their proponents. The government has a different position from the opposition on this. I apologise for that, but this is what the cabinet has decided, and we are sticking to it.

Mr TEAGUE: This takes us back to yesterday. The example was given by the minister that someone is running cattle/sheep on their pastoral land and they get the knock on the door and they are offered $200,000 to give exclusive rights—I think I am faithfully paraphrasing the minister—and that person might find that attractive. What do you know then, the land is locked up for a long period of time after the minister has agreed, and the minister said yesterday, 'Then the land has gone and we can't have that.' So the whole idea of having this regime is to create a single point of contact and a regulated environment in which everybody benefits.

I think what we are now starting to hear loud and clear is that, in that example, the pastoralist does not get the $200,000 anymore. The pastoralist gets zero because—

An honourable member interjecting:

Mr TEAGUE: —yes, I think so—on what the minister has just described, a leaseholder does not have the necessary bundle of property rights that entitles them to rental. I do not want to raise the spectre of the looming High Court challenge here, but let me say one thing really clearly: leaseholders have a fairly substantial bundle of rights and—

The Hon. A. Koutsantonis: They have property rights, do they?

Mr TEAGUE: They have property rights, absolutely they do. They have property rights; they have leasehold property rights. They are real rights.

The Hon. A. Koutsantonis: Yes, they are—leased, not freehold.

Mr TEAGUE: Yes, that is right, they are not freehold. A leaseholder has certain real property rights, the freeholder has certain real property rights and, sure, they can be distinguished one from the other. I am not here to give lectures to the minister. I am just indicating that you should not be surprised if the High Court takes a bit of an interest in what might be deprived from leaseholders based on what they currently enjoy.

But I just take the house back to what the minister said yesterday afternoon by reference to that example of the pastoral leaseholder who gets the knock on the door and accepts what I understood to be an example provided to the minister that was an undervalue provided by the sophisticated behemoth global operator who gives effectively a peppercorn that appears to be a lot to the pastoralist, and the pastoralist accepts it. Let's be really clear: the effect of the characterisation the minister has put on this, and the outcome of this bill for the poor old pastoralist, is that the pastoralist is cut out of the $200,000 or any amount that otherwise might have been received.

We heard the contributions of the member for MacKillop in the course of the debate about welcoming those outside operators who have come, particularly the mining exploration that comes with the roads, the development, the things that are welcome on pastoral country, and that is fine. That is one thing, and that is access.

But in the particular circumstances where there has been a longstanding practice as the shadow minister has described, you have a pastoral leaseholder who holds a real bundle of property rights, surely the effect of this bill, without the amendment that the shadow minister has indicated, is depriving those pastoral leaseholders—not to mention Crown perpetual leaseholders, who have a slightly and significantly different bundle of rights—from rights that they currently enjoy today. Let's be really clear about it.

The Hon. A. KOUTSANTONIS: The government does not say that pastoral leaseholders do not have a right to operate a pastoral lease. If anything in this act diminishes their ability to run a pastoral lease, they are compensated and there are requirements to make good, so their enjoyment of their pastoral lease should not be diminished.

Mr TEAGUE: Just to be really clear, this is not in a vacuum and hence the references to retrospectivity and the imposition of a new regime that takes away rights that currently exist. At the moment, if the pastoral leaseholder wants to do something requiring ministerial approval, the pastoral leaseholder goes and seeks ministerial approval, and they get it or not. When they get the approval, on they go in accord with their rights as pastoral leaseholders. They are not just squatters moving through the country. They are not just drovers who manage a mob of sheep or cattle as they get around on the surface. They hold real property rights.

We can have a difference of view. There is no difficulty about that, but it is good to be clear about what that is. It ought to be loud and clear that pastoral leaseholders today, prior to this, have access to a process consistent with their leaseholder rights to obtain ministerial approval to do things and to obtain income from those constructions, whether they be the grant of rights or the use of the land itself following construction, that they will not have after this bill is passed. Is that true, or does the minister differ from that formulation?

The Hon. A. KOUTSANTONIS: I do not give legal advice in the parliament. What I do know is that if a pastoral leaseholder has a right to conduct pastoral lease activities as per their lease, if they are infringed, they are compensated. What you are talking about is something completely different. You are talking about whether or not, as a pastoral leaseholder, they have rights to activity that is licensed under the HRE act and whether they should be paid for it as if they are the owners of the land. That is not what we have said here.

What we have said here is that the pastoral leaseholder is not the owner of the land and they are not conferring a right to access the land. It will not be appropriate for pastoralists to receive a rental payment. The bill provides for payment in the form of compensation for pastoralists through negotiation and access agreement.

No-one is saying they do not get paid, and I have never called a pastoralist a squatter, ever. Introducing that type of language in this debate can get emotive. What I am saying is that pastoral leaseholders have a lease to conduct activity on Crown land, and if that activity is inhibited by other activity that we conduct, they will be compensated for it.

Mr McBRIDE: Can the minister please tell me his understanding of arid lands and the difference between the ownership of arid land country, being a pastoral lease or freehold, and what is his understanding of the difference of those two ownership groups and practices? If the Minister for Energy and Mining wanted to own one of those blocks of land, whether it be to run cattle or sheep—no reference taken there—with what I am hearing right now, can the minister tell me that he is going to start differentiating these two ownership groups with this Hydrogen and Renewable Energy Bill? One landowner who has freehold could be a whole lot better off by a long way compared to a pastoral leaseholder, and that has not been seen before.

The Hon. A. KOUTSANTONIS: By virtue of the fact that a freehold landowner owns their land freehold and can sell it to anyone they like at any time, they are already better off. They are the owners of their land. You more than anyone should know that. I am not trying to be difficult, but people who own freehold land have freehold land. They enjoy unfettered enjoyment of their land, as opposed to a pastoral leaseholder who has a lease for pastoral activities on their land and is governed by legislation as to what they can and cannot do on that land that is ultimately owned by the Crown. So there is already a difference.

Let's be clear, if you want to treat pastoral leases like freehold land—I know that there was an attempt to increase pastoral lease lands from 50 years to 99 years—that is the policy of the previous government; it is not our policy. Yes, we do differentiate between freehold landowners and pastoral leases, and we do so deliberately because one group is freehold and the other group is leasing. If we did not, I think you would be the first one to get up and say, 'Hang on a second; there's a difference here.' I think I have answered your question, but if you want me to treat pastoral leaseholders as if they own the land freehold, that is not the government's intention because they do not own the land freehold.

Mr McBRIDE: I thank the minister for the answer. Can I then also get clarity from the minister, because all I am trying to seek here is clarity and understanding. I am not stone throwing or weaponising these questions or this bill. You used the analogy of comparing someone who rents a house or a block of land to a pastoral lease. I do not think that when you go and rent a house for $500 a week, or $1,000 a fortnight, it replicates a pastoral lease when you have to go and buy it for $5 million, which is same value at which you would buy a similarly sized freehold block of land that could also be $5 million in the same area. That value would be based on the possibility of it running 1,000 cattle or 10,000 sheep, which would be something to do with its earning capacity.

What the minister is telling me then—I am sorry, I do not understand how you can put together the two comparisons that you used as an argument five or 10 minutes ago, or maybe longer if my time bearings are not that good in comparing this to a house rental. I think you used the analogy of a phone tower in the back of a rental garden or backyard and that the tenant who is paying the $500 a week should get the rental from the phone tower. I am sorry, minister, I am really lost in seeing the analogy having any sort of similarity.

If he could explain it to me better—but, please, I do understand about the ownership. I do get that it is Crown land, that the pastoral lease does belong to the government and that the tenures of pastoral leases are 50 years and there was an intention to take it up to 99 years. But that was just giving security. It was probably balancing the ledger for those who own and operate pastoral leases against those who own freehold land, so that they are the same and so that you can operate with confidence that you can build a shearing shed, cattle yards and infrastructure and they will not be robbed, pilfered or taken away from you, and you will then be able to onsell it, with confidence, to the buyer.

What I am trying to allude to here, minister, is that there has been a lot of history and difference in the understanding of pastoral leases and freeholds to allow them to be of equal value, to be invested in with confidence and to seem to receive similar benefit from the ownership and operations of these pastoral lands. In truth, minister—and it might be a tough call for you to admit it—you may be the first minister who is going to really differentiate between freehold ownership and pastoral lease operations.

The Hon. A. KOUTSANTONIS: This will not change the ability of a pastoral leaseholder to invest in sheds, in cattle, in fencing and in water, and if any activity, as part of the hydrogen and renewable energy act, impedes their ability to do that, they will be compensated. Why? Because the government is authorising another licence type to have access to that Crown land on which the pastoral lease operates.

In terms of valuing them, if we did not value them, why would we compensate them for the loss of the use of the lease? Of course, we value them. If you say that a lease is worth $5 million on the basis of what cattle they can run or the number of cattle they can run that the land can take, if, as a result of the hydrogen and renewable energy act, that lessens the number of cattle you can run on a pastoral lease, you will be compensated. If it inhibits your ability to conduct your pastoral lease activities, you will be compensated. To me, that says we do value pastoral lease holders and the work they do, otherwise we would not.

We are taking into account their custodianship of the land. We are taking into account the investments they have made on that land as a result of having a pastoral lease, but we are not conferring on them freehold land rights because it is not freehold land; it is Crown land. I am not trying to be offensive when I say that. I am just stating a fact, but I know that can seem offensive to pastoralists and some members of the conservative benches that people would assume a pastoral

lease is no different from freehold land. Clearly, it is. What we have attempted to do with this legislation is to make sure that people who have pastoral leases get a benefit and are no worse off and I think we have struck the right balance.

There are other amendments coming up that I think you will see do show that I value what pastoralists are doing and the work that they do, so I do not think it is fair to characterise me as the one who is making a delineation between pastoral leaseholders and freehold. That has always been there and if it was not there, why the attempt to take the leases from 50 years to 99 years if there is no difference? Of course, there is a difference: one is Crown land and one is freehold land. It is obvious.

Mr McBRIDE: Minister, you have given a very good answer. I will just pick up on one of the points. You said, 'Why do they take the pastoral leases from 50 years to 99?' I think they did it to shore up the lease so it looks like a freehold block of land to make sure that it is actually secure for a longer period to make it like a freehold block.

The government is going to receive the benefit of this rental now from pastoral properties and leases and there must be an understanding with the current developments and proposals of the rental. I know there is a wind farm proposal west of Port Augusta with 1,200 fans. It could be 20,000 or 30,000. It is going to be in the millions that these 1,200 fans are going to represent in rental and opportunity.

What sort of monies, minister, are going to come towards the government now if you are not going to allow the pastoral lease owners to benefit from these developments? What sort of income is it now for you as the minister in charge of this infrastructure rental process and capture and what is it going to accumulate? Have we got it in the budget? Are we going to be able to spend it down in MacKillop or is it just going into the coffer?

The Hon. A. KOUTSANTONIS: Unfortunately, I do not personally receive this money. Pastoral leases will receive compensation and are able to negotiate access agreements, which could include payments. There is another opposition amendment coming up next, which is:

> If rent is payable under this section in respect of land that comprises pastoral land, the Minister must, at the prescribed times, pay a prescribed amount or prescribed percentage of that rent into the Pastoral Land Management Fund established under the Pastoral Land Management and Conservation Act 1989.

I am going to agree to that. So I do value what pastoralists do, but it is not freehold land. It is just not. You are right in what you said earlier that the former government were attempting to convert Crown land into freehold land for pastoral leaseholders by extending the lease period to 99 years—and I see the shadow attorney-general saying, 'No, that's not true.' Well, your own member, who is probably the most equipped agriculturalist in the parliament, has just belled the cat about what the secret plan of the former government was to convert Crown leases into freehold land. So thank you very much, member for MacKillop, for letting us know that. At least someone speaks truth about these issues.

They are different. I do want pastoralists to enjoy the benefits of what the HRE act can do for them and I do think we should be paying a prescribed amount into the fund, and they will have the ability to negotiate an access agreement and, of course, compensation. If you have paid $5 million for a pastoral lease to run a certain number of livestock and this act does anything to inhibit that or that growth, you will be compensated. That is pretty good.

There are not many other businesses—how many times have we done roadworks and construction in front of businesses where they cannot get access to their business and they are not given a dollar, in metropolitan Adelaide? Not a dollar, and we have inhibited their business. I know a constituent of mine, a former Liberal Party candidate, who opened a grocery store and was inconvenienced by roadworks for six months, and he had to sell. He did not get a dollar from the government at the time. So we are being very fair here and very generous.

Now that the shadow minister is back, I have just said I am indicating we are supporting his next amendment—not this amendment, the one coming afterwards—about the fund.

Mr TEAGUE: Talk about belling the cat. I reckon the penny has dropped, actually. Let's just correct the record: the chief reason, ironically, for the preparation to extend the term of pastoral

leases under the previous government was to allow for agreements to be made for carbon farming, so you cannot do those deals unless you have that length of tenure. That is the primary driver for that, and that is clear. The distinction, though—

The Hon. A. Koutsantonis: That's not what he said.

Mr TEAGUE: You're just mixing your message.

The Hon. A. Koutsantonis: I'm not; his message was pretty clear.

Mr TEAGUE: The distinction that is important to understand—because we have heard all about the benefits of applying a wind turbine or a solar farm on grazing land as a means of droughtproofing the land. It is a source of additional income that droughtproofs the land, and what we now see—and we have had the anecdote yesterday afternoon from the minister about the pastoralist who gets the knock on the door with the offer of $200,000. That's going.

So, far from what the minister said yesterday about providing pastoralists with desirable certainty, what we really see is that the pastoralist loses the $200,000, or whatever greater amount—because this is being sold as a means of extracting a better, fairer amount from the proponent. That all goes straight to the government, not to the minister personally, but it all goes straight to the government and the pastoralist misses out.

The Hon. A. Koutsantonis: I just told you I'm supporting his amendment. After I said that to you, you stand up in the house and you still say something you know is not right.

Mr TEAGUE: I have got the call still. I am not saying that the minister might not agree on an amendment that more specifically provides for where the government might redirect that money once it comes into the government's coffers, but what is clear, and the minister does not disagree with this proposition, is that the pastoralist does not receive any of that money at all because the minister says the pastoralist is not entitled to that money because the pastoralist does not own the land. That is the minister's proposition.

So here is a practical point. You have now got a pastoralist who, in Viv Oldfield's case at Clifton Hills a few years ago, pays what's described in the media as in the order of $45 million to $50 million, and the Oldfields, who have been eking out an existence and a very good one for many decades, being brilliant operators of remote country, will be at a competitive disadvantage to those freeholders who might be adjacent or in the near vicinity who will be able to droughtproof their property by access to these sorts of initiatives.

This is in circumstances where—and I do not have the least idea; in fact Clifton Hills is on the east side. Who knows? I do not have the least idea as to whether or not it is relevant to them at all. It is an example of the sort of significant capital that is applied for the acquisition of these leases. They or the relevant pastoralist adjoining the freeholder will be unable to droughtproof by these means, at least directly, unless the minister is going to provide some great treasure chest by reference to the passing on of this money for pastoral improvement purposes. And not only are they not able to droughtproof but they are at a competitive disadvantage, because the freeholder, who is doing precisely the same range of activities, is in a position to earn these tens or hundreds or whatever it is amount of land.

So the pastoral leaseholder and the Crown perpetual leaseholder, for what it is worth—I have mentioned them along the way because they are caught up in all this as well—are all now going to be in a situation of competitive disadvantage, and it is not necessary for that to occur as the result of this bill. It does not harm the broader context, not one bit.

One can only be left with the impression—well, it is there on the page—that the purpose of the bill so far as this aspect is concerned is to take away that $200,000 that the minister mentioned yesterday by way of example and any other amount that might otherwise flow to a pastoral lessee and in the very circumstances that for decades that pastoral lessee, who is not a squatter or a drover but is the holder of real property rights, has been able to go and knock on the minister's door and say, 'I would like to do this with my pastoral lease,' get the minister's approval to do so and then be entitled to a very significant amount of money by way of rent equivalent. I really do not want to repeat

what ought to be plain and apparent, but we really are seeing a significant change in the circumstances that pastoral lessees face.

Here is the proposition that might not have been aired just yet. We know pastoral lessees pay a lease. They pay a lease every year. It is a pretty nominal one—the member for MacKillop might be able to give an example, but it is a very nominal rental. What they really pay is the $45 million or $50 million (in Viv Oldfield's case in Clifton Hills) or whatever substantial amount that more or less equates to the amount that you would pay for the equivalent freehold land.

Is the government saying to those pastoral leaseholders, 'Hey, your compensation necessarily includes the capital diminishment of the value of your pastoral lease by reference to what has just been applied in this bill'? If so, that is a pretty significant capital cost that ought to be explained by the government if it is going to proceed with these aspects of the bill. Is it within contemplation that it is that category of compensation that the government really needs to consider before pressing down on this pathway?

The Hon. A. KOUTSANTONIS: I would characterise it this way: under the previous government there was no organised or regulated path to allow the development of Crown land and renewable energy. It was ad hoc; who turned up first did an agreement with the leaseholder and the minister just approved it all. There was no coordinated approach, there was no regulated approach, there was no structured approach. There was nothing.

We brought about a process. It is not the Crown leaseholder of the licence that is now developing that land for renewable energy: it is the South Australian government on its land, and it is putting in place a multiple land use framework to allow for the coexistence of renewable energy, its development and pastoral leaseholders.

If our activities that we are going to regulate under this act impact on pastoral leaseholders, they will be compensated. We are not setting ceilings; we are setting minimums. If you have the means to spend $45 million dollars for a pastoral lease, I suspect you have the means to negotiate a pretty good access arrangement and have the means to get good representation to make sure you can access the appropriate agreements that are put in place. I am not conferring freehold land rights onto pastoralists. It is not happening.

Mr PATTERSON: I move:

Amendment No 7 [Patterson–1]—

Page 38, after line 35 [clause 41(2)]—Insert:

(ba) rent payable by a licensee for use of land in the licence area;

There has been a bit of discussion but, as we have heard from the member for MacKillop and the member for Heysen, pastoral lessees do have substantial interest in the land, being mindful of the fact that the Crown owns it. The historical nature of leases and their big role in the development of the pastoral sector since the early days of the colony of South Australia take that into account. Further, as has been enunciated, the values of these pastoral leases are very liquid, meaning there is confidence around their tenure, and they are negotiable as well. They are effectively stable and enduring, so they do have significant benefit for the economy.

We talked before about leasing, and I put it to the committee that previously, in relation to the pastoral land management act, it was not that the pastoral leaseholder could go off and put a wind farm on their land and just charge rent. They had to go through the minister and get permission for it. Effectively, that could be quite well construed as we talked about in the example, where you have a tenant of a piece of land, usually industrial, and they could sublease it. They would have to get permission from the landowner to do that. It might be that they could get compensation for that, and the landowner could as well. I put it to the committee that that could well be allowed here.

We have heard the Premier talking about the benefits of this act, of which there are many; specifically, for pastoralists there is the ability to droughtproof their pastoral leases. I see this as a way. It is not forcing, mind you, but it is a matter that needs to be considered. It is not trying to take all the money away; it acknowledges the fact that native title might come to an agreement and it

acknowledges the fact that further on here in this lease that the government does charge rent. Giving the pastoral leaseholder the ability to also derive benefit is what this clause seeks to do.

Amendment negatived; clause passed.

Clause 42.

Mr McBRIDE: I fully appreciate your consideration, perhaps as a minister and also as a government, regarding this new type of action in regard to pastoral leases and renewable energy. With any negotiation of access agreements, you say that you want to see pastoralists compensated for any, let's say, untold difficulty around any sort of renewable energy type process, and there are also going to be, probably, benefits like what people bring to the region, what roads bring to the region; there could be housing, there could be anything.

In this negotiated access agreement, is it the government's intention to just say that each wind fan, for example, will be worth so much to a landowner and then the rest will be always the government's, or is it going to be a really grey area, depending on how many fans there are, the area the fan takes up, the amount of encroachment onto that pastoral lease? As I think the minister is fully cognisant of, we are talking about large, vast areas that have rainfall, in this area west of Port Augusta and Whyalla, of around 200 to 250 millimetres.

It is not intensive agricultural pursuits, and the loss of production because a hill has a wind farm on it is going to be quite minimal. If there is a road going up there to service the wind fan, well, suddenly the landowner on this pastoral lease will have a road to the top of the hill, rather than going up there on a dirt bike or any other mobile vehicle that can get there if there is no road, so there is going to be a bit of a benefit.

I suppose what I would say to the minister is that I want to question this access and agreement. Is it the government's intention to have a standard type of process here, that it is all going to be seen as quite transparent, where you might just say, 'Rightio, 95 per cent of the access agreement will be going to the government and the other 5 per cent will go to the landowners, per fan.' Everyone will know exactly what goes on. There is no one against the other. It is very balanced.

Because you are saying they are only pastoral leases and they do not own the land, it is a token gesture: 'Here is your 5 per cent. Thank you for coming,' and you are still better off by having this wind tower development on a pastoral lease. I am just wondering whether you could give some sort of explanation about what your thoughts are on how it might look for the compensation process around, for example, wind fans on pastoral leases.

The Hon. A. KOUTSANTONIS: The access agreements are bilateral agreements between the pastoral leaseholder and the proponents, who have exclusive rights to negotiate with the pastoral lease as a consequence of the government process. The government does not publish those. They are a matter for the pastoralists and the proponents. It is the same with freehold: we do not publish those. We do not tell everyone, 'This guy got X. This person got Y.' These are agreements that are negotiated between the pastoralists and the proponents, so we will not be publishing those.

In terms of the other agreements, there is a transparent government-regulated framework for everyone to operate in. It is the same across all pastoral leases and all freehold land. That gives investor certainty, landowner certainty and lessee certainty.

Mr McBRIDE: Thank you for that answer, minister. Not to argue the point with you, I think you made good sense about the action that you are doing here, but I do not think I am on board and agreeing with the total sentiment around pastoral leases right now. What I would say to the minister is that the whole negotiation process around wind farms so far in South Australia, and maybe even Australia, has been a little bit what I would call very secretive, under the carpet and under the radar.

It is well known that some rental arrangements on a wind fan can be of very low monetary value, around $5,000. That was probably negotiated in maybe the late eighties or early nineties. Now we know that they can capture rental of up to around 15, 20 or maybe even $30,000 and over or they can have a rental arrangement that even captures some of the power generation from these fans, which can even be in excess of $30,000, depending on the contract these wind fans attract.

I am probably going to relay a concern to you, then, minister. The government starts really taking a stranglehold of these negotiations, saying, 'Pastoral lease owner, you don't own the land, the government owns it, but we will still do this secret men's—or women's, I am not trying to be sexist here—'discussion that won't be public, it won't be in the public arena, no-one will know what sort of deal has been done.' The government has had a massive influence in these negotiations.

I am giving perhaps a heads-up to the parliament, the people of South Australia and the landowners out there who are going to be caught up by this pastoral lease, hydrogen and renewable energy bill. When the government is now, I am going to say, meddling—certainly creating a role here where they are the main beneficiary of what has not been in place thus far on renewable energy—and then the pastoralists are going to start what I am going to call a peppercorn-type rental compensation process compared to what they perhaps were thinking they might be receiving, I think you are going to have to make it a little bit more open and public than what it was before.

I know that some landowners are great at negotiations and can win the world, and others can be seen as free and generous and sell themselves well short. In the end, these pastoralists are now doing a deal with the government in the control of the government. The government is taking a strong stranglehold of these negotiations and rental-type processes. I really do fear that if you do not have a good access agreement in place, it will not go all that well.

May I add, through you, Chair, the moneys that could be captured by these renewable energy developments could transform the pastoral areas out there, infrastructure and the like, in the facts of people, roads, water, power. It would be really sad if the government just took all those funds and did not leave any behind to build the local towns and so forth that those arid regions have been so desperately looking for in reinvigorating and perhaps creating a development out there that has not been seen probably since the last mining booms that went through these areas.

The Hon. A. KOUTSANTONIS: Access agreements are structured to provide support to pastoralists when negotiating for access to their leases. There will be legislated time frames, and ministerial mediation has been provided to attempt to assist in negotiations between landowners and developers. DEM, the energy and mining department, is also expanding its services for the Landowner Information Service's renewable energy activities.

That was a development of the previous government for mining leases, where there was this agency that gave information to landowners about what their rights were and how they could negotiate things. The Landowner Information Service is free. It is a factual and impartial information service for landowners, farmers and community members who have queries. The service is designed to provide information to help landowners make informed decisions. It takes technical information about the often complex technical and legal processes involved and makes it easy to understand for landowners who are new to the process.

Mr TEAGUE: Just so we have it all readily to hand, and by way of immediate example—I will not traverse relevant standing orders, but it would be a bit meaningless not to at least refer to the fact—we have this parallel bill going on at the same time, the Pastoral Land Management and Conservation (Use of Pastoral Land) Amendment Bill before the parliament. Clause 4 is specifically about expanding the objects and purposes of pastoral lease for which a pastoral leaseholder may derive benefits. As the name of the bill suggests, that includes substantially for the facilitation of conservation purposes.

For example, there is a relatively large pastoral lease called Witchelina in the north, owned by the Nature Foundation. There is a companion block in the Gawler Ranges called Hiltaba. They are both pastoral leases that have been owned for some period of time. They are devoted now for conservation purposes. Just to take those two as an example, there is some doubt as to whether or not that complies with the more narrow interpretation of the purpose of pastoral lease. This bill is all about making it abundantly clear that the modern range of uses of pastoral lease country include conservation and other purposes—including, and it is specified, carbon farming.

The Hon. A. KOUTSANTONIS: It is not regulated for carbon farm land.

Mr TEAGUE: Sure, so it is a small step to say, 'Oh, and other renewable'—

The Hon. A. Koutsantonis interjecting:

Mr TEAGUE: No, it is alright. I am not litigating the terms of this bill, but in terms of the principle, surely the government needs to recognise that in terms of the range of things that make pastoral leases viable that have been ongoing in all kinds of ways—and continue to evolve, as pastoralists and those who are operating pastoral leases innovate and open up to the modern usage. We have conservation, tourism, other forms of visitation, research, you name it. That includes income from people who might go and visit, and includes education and other purposes. There are enormous benefits that can flow from the capacity for such activities to be married up to a dedication of part of that land to the sorts of activities that are the subject of this bill.

I highlight the fact that there is this very bill right before us now being run in parallel to say that on the one hand here is the government pursuing an agenda to broaden out the relevant uses of a pastoral lease for which a pastoral leaseholder might derive income, and on the other hand—and against the background of the analogy or the example that the minister gave yesterday where a pastoral leaseholder might be dudded by the receipt of their $200,000, or they are in receipt of the $200,000 in an ad hoc way. I am not putting it in a pejorative sense as far as the minister is concerned.

The very result of this bill, though, is overtly to deprive the pastoral leaseholder of the capacity to derive that income. What they are left with is the good graces of the minister and the government to maybe steer some of those rivers of gold back to them via some sort of donation to the Pastoral Board or something else that the minister might be happy to accommodate by way of amendment, but not the income from the activity that they are currently able to go and ask the minister for regularisation of so that they can then go ahead and derive the income. It is very much analogous to the very rights the government is pursuing by means of another bill.

The Hon. A. KOUTSANTONIS: We are legislating a process for access onto pastoral leases that will regulate activity. Pastoral lease owners are not building these facilities. Third parties are building these facilities. The government will be granting exclusive access rights to successful parties to have exclusive right to negotiate with pastoral leaseholders. They will negotiate this. I would not allow a public road to have a toll charged on it by a pastoral leaseholder or a rail line to have a toll charged on it by a pastoral leaseholder. Why would I allow what you are asking for here as well?

There are clearly defined processes in the act for pastoral leaseholders to be compensated for loss of activity on their pastoral lease and they will be given an exclusive right to negotiate an access agreement which will include benefits for the pastoral leaseholder. They will not be worse off: they will be benefited. I stand by that.

Clause passed.

Clauses 43 and 44 passed.

Clause 45.

Mr PATTERSON: In terms of the rent, is the government seeking to charge commercial rents immediately or build up to it over time? There has been commentary from some renewable energy stakeholders—especially in terms of hydrogen—about trying to get that industry established. While that is happening it could produce either a disincentive to investments or make it harder for projects to get off the ground initially.

The Hon. A. KOUTSANTONIS: Yes, we will be prescribing this within regulation. You are right: if you charge too much you disincentivise investment; if you charge too little, you do not get the appropriate return. What is currently happening is we are not even a party to it. We do not know what is happening on our land and we do not know what agreements have been put in place. The minister is being asked to agree to a bilateral agreement that has occurred in her absence that is unregulated and unprescribed by legislation.

In terms of that activity, all we rely on is the development act. What I am laying out here is a 21st century, fit-for-purpose piece of legislation to regulate activity on pastoral leases for the development of renewable energy for the benefit of the people of South Australia. That is what we are doing. We have not decided yet on what that fee structure will be, but we will work that out through regulation. You are right. We have to get it Goldilocks—just right. The question is: what is that? We will have to test the market and that is what we will do.

Mr PATTERSON: In terms of this rent collected by the government, it is my understanding that it is going to go into general revenue—either all or a fair percentage. Could you provide commentary around that, specifically regarding state waters, which is one aspect? Then there is the Crown land and then there is the pastoral land. Maybe talk through those three scenarios if you envisage them being different.

The Hon. A. KOUTSANTONIS: I am surprised no-one has made an argument that if you have a fishing licence and you have a certain quota, like a pastoralist, you would be entitled to rent for activities in state waters. How far away is that argument? Is it coming soon from a Liberal Party near you?

Mr McBride: Come on. No.

The Hon. A. KOUTSANTONIS: I am trying to be balanced here. I am trying to be balanced. What we will do is obviously we are going to be targeting pastoral Crown land because we think that is where the most opportunity is, given the interest we have seen already and its location to deposits of magnetite, workforce, power, steelworks and the like. It is pretty clear, so we will be working up arrangements for that and of course for offshore as well.

But, as I said, this legislation is in its infancy. No-one has done this before, so I do not have the final regulatory processes in place because we do not know what bill we are going to get at the end of this process, and we will wait until that is completed. When that is completed the department will go away and work very, very hard—along with Crown law and parliamentary counsel—and we will develop the regulations, we will consult with them, we will talk about them, we will come up with a fee structure and it will all be public, disallowable in both houses of parliament, and we will have this debate, but I cannot give you that answer now.

I think what you are seeing is a government trying to come up with commercial terms that are going to incentivise investment. The appropriate fee incentivises the right applicants, not the wrong applicants; that is people who are serious about developing land and have long-term aspirations. We do not want to charge too much because we want to keep the cost of the power low to make sure that the cost of the hydrogen production is low, so we can actually add value and complexity to our economy. So there is a Goldilocks spot here where we get a return, the state gets a return and we develop the assets. We will work that out as we go through the processes.

Mr PATTERSON: Thank you. A final question on this one: in terms of that, we talked about the rent being collected predominantly in the regions, in the pastoral regions, and the ability for some of that money to then—because on pastoral land we talked about its fragile state, that we have the Pastoral Land Management Fund to be able to have funds go into that to then be spent in pastoral districts to ensure they are looked after. What comfort can we get that moneys raised in those regions, at least a certain percentage, will be spent in those regions and will be allocated to the Pastoral Land Management Fund?

The Hon. A. KOUTSANTONIS: That is a very good question. You are about to give an amendment that changes it from 'may' to 'must', and I am about to support it. That is how.

Mr McBRIDE: Mr Chairman, I have a question to the minister, through you, on clause 45. Minister, you talked about commercial terms. It is really, really interesting when we talk about government knowing about commercial terms. If they want to build a school building—commercial terms, what do you do? Charge two or three times more than private commercial terms. You want to build a road, and government wants to build the road, but if you compared it to perhaps even overseas, but private enterprise, you double it because it is a government job.

I just wonder, minister, what you may have in confidence about commercial terms that the rest of the private sector of South Australia does not see, and could the commercial terms be misconstrued to benefit either the developer—and why would you do that? Well, there might be some sort of connections that you might want to have in South Australia around Whyalla and iron ore—green iron ore, for example—or the Whyalla smelter might need a greater reference to a wind farm developer than anyone from anywhere around the world, so there might be some bias.

I wonder, minister, in regard to commercial terms, how can you give assurity the commercial terms will always be in the best interests of the state as a whole? It does not receive any bias

politically whether you are in power, whether you are the minister or you are not in power anymore and this is down the track. Private enterprise always knows so much about the best commercial terms, yet government seems to be missing the competitiveness of the free market.

The Hon. A. KOUTSANTONIS: You are right. The government is not good at commercial arrangements; no government is. We take advice from the private sector. We will obviously engage people who are able to give us advice. The government wants to tread a fine line between making sure that our cost structure is appropriate, and we are able to discern between good applications, bad applications, who we want to attract to South Australia, who we want to disincentivise coming to South Australia to invest.

We want people who are serious about investing. We want long-term partners. We want to make sure that their investments are affordable. We also want to make sure that we get a return. We also want to make sure that local communities benefit from it, that we have local procurement policies in place, but this is a new industry. No-one in Australia is making hydrogen electrolysers. People are talking about it, but no-one is actually doing it yet, so we are talking about trying to create a new industry.

Everything you have just said is something that we need assistance on. Having someone like you on the crossbench really assists the government because we can get that independent, commercial, financial guidance. I would be more than happy to have discussions with you about that, and it is important that the government keeps its options open here.

Ultimately, this is no different from setting prices and fees in any other regulatory process that we have. The government attempts to (1) cover its own costs of delivering these services and (2) tries to set the appropriate corporate benchmarks so we do not do any harm and we incentivise the appropriate behaviour, but we are not always going to get it right. If you have the names and addresses of people who are charging us double for building hospitals, schools and roads I would like to have them.

Mr McBRIDE: May I have another question, Mr Chairman? I have only had one.

The CHAIR: Okay, only if this is the last one.

Mr McBRIDE: I only have one more question anyway. I do not know if this has been thought of. Minister, we were fortunate enough 10 years ago to have a Telstra tower come onto our property and we were paid rental for it. That was 10 years ago, and a superannuation fund from overseas now wants to purchase that same Telstra tower but we have not sold it.

My question to the minister is: when he sees these wind fans and farms being put up, and there is a rental associated with it, how can we prevent the government from selling it off like other governments have in the past? You may not have any intention of doing this, but I think it would be very sad if superannuation companies came along and offered you $1 billion for your 2,000 or 3,000 fans, whatever it might be, around pastoral leases and it is cashed in and control of these fans on government land is lost. How can we prevent that, minister?

The Hon. A. KOUTSANTONIS: We will not own those wind farms, we will not own those solar arrays and we will not own those hydrogen electrolysers. All we are doing is facilitating private investment on pastoral leases. That private investor, that private capital, will negotiate an access agreement with the pastoralist. That is what this is doing. We are not the ones doing the building; we are not the ones doing the investing. There will not be government ownership.

Mr McBRIDE: Minister, I know you do not own the wind fan and I know that money is being paid by the wind farm owner, but anyone can come and buy a contract. You will have a contract that will be based on income, and it will be your government land, as you called it, a pastoral lease. You may not ever want to and the Malinauskas government may never want to sell this off, but I think that there is a case or a worry that in future they could be sold off at a detriment to the state.

The Hon. A. KOUTSANTONIS: I do not think it would be a detriment to the state because a lot of this capital is foreign already. They cannot move the wind farms, and they cannot move the electrolysers. All they can move is the hydrogen or the products they produce, which is what we want.

The CHAIR: Do you wish to move your amendments?

Mr PATTERSON: Yes. I move:

Amendment No 8 [Patterson–1]—

Page 41, after line 38—Insert:

(2a) If rent is payable under this section in respect of land that comprises pastoral land, the Minister must, at the prescribed times, pay a prescribed amount or prescribed percentage of that rent into the Pastoral Land Management Fund established under the *Pastoral Land Management and Conservation Act 1989*.

Amendment carried.

Mr PATTERSON: I move a consequential amendment:

Amendment No 9 [Patterson–1]—

Page 42, lines 1 to 6 [clause 45(3)]—Delete subsection (3) and substitute:

(3) Without limiting subsection (2) or (2a), regulations made for the purposes of this section may provide for rent payable under this section to be reduced, waived or deferred.

Amendment carried; clause as amended passed.

Clauses 46 to 50 passed.

Clause 51.

Mr PATTERSON: Clause 51 deals with change of control and refers to transferring a licence from one entity to another. If a person holds an interest of 20 per cent or more of an issued security, then they have to get approval from the minister. Of course, there can be renewable energy licences on designated land, and you can understand why the minister would need to be consulted about that, but then also on freehold land as well. My question to start with is just around clarity. When transferring or changing control of licence on freehold land with ministerial approval, why would ministerial approval be required when it is on freehold land?

The Hon. A. KOUTSANTONIS: We want to make sure that we protect the state's financial liabilities, given if a proponent is potentially going to purchase something it should be licensed by the government. We want to check their capabilities, their ability to operate the facilities. They might not have the financial capabilities to do so, and they might not have the technical feasibility to do so.

We are talking about new forms of technology. If it is just as simple as a wind farm, it is a bit different, but if it is an electrolyser or other forms of technology, we want to make sure we can licence this so that the proponents who are coming in and purchasing it have the appropriate capabilities and financial strength to maintain the asset, otherwise the liability is left with us. As many of these will be special purpose vehicles, we have to make sure that the state's interests are looked after.

Mr PATTERSON: Are there any time frames around how long it will take for the minister to agree or disagree with the transfer?

The Hon. A. KOUTSANTONIS: No.

Mr PATTERSON: That being the case, was consideration given when it was on freehold land, as opposed to designated land? If I just read out a proposal by the Clean Energy Council, they say that alternatively the bill could be amended to create a firm timetable for a decision by the minister when it is on freehold land. This would remove the risk of projects being unnecessarily delayed through the application of this framework. Really, they are talking to the point about whether it was considered that there be a maximum period in which ministerial decisions can be made relating to licences on freehold land.

The Hon. A. KOUTSANTONIS: The Clean Energy Council is more worried about projects being developed rather than being sold, but if they are being sold the Clean Energy Council, which represents a lot of private equity that invests in these funds, wants to see as much liquidity here as possible.

My concern is, as technology is changing, I want to make sure that people purchasing these assets have the capabilities not only financially but technically to operate them. If it takes longer for us to get to the bottom of it, it takes longer for us to get to the bottom of it. Let me put it to you another way: when AGL bought Torrens Island, the state government had no say over that sale—none. We should have. We should never have allowed it to occur.

Clause passed.

Clauses 52 to 62 passed.

Clause 63.

The CHAIR: At clause 63 there is an incorrect cross-reference in the Hydrogen and Renewable Energy Bill (House of Assembly No. 90). In clause 63(4)(c), on page 53, line 7, the reference to section 66(2) should read 'section 62(2)'. I advise that I will deal with the correction as a clerical error pursuant to standing order 283.

Clause passed.

Clauses 64 to 78 passed.

Clause 79.

Mr PATTERSON: In terms of compensation, it talks about the landowner recovering reasonable costs. Certainly, the access agreement talks about allowing for compensation of certain areas. As with the Mining Act, there are potential inequities between the pastoral leaseholder and the renewable energy company. We have acknowledged that. I think the member for MacKillop talked about companies paying $50 million. You would expect them to be well resourced, but potentially that is not the case with all pastoral leaseholders.

In having to come up with access agreements and making sure that their interests are protected and that what is being agreed to would be considered best practice, they may well rely upon legal fees, professional fees, to recover costs. Was there any consideration in this clause to explicitly talk through what one of the forms of compensation would be for legal fees?

The Hon. A. KOUTSANTONIS: Clause 79(3) provides for:

> …an additional component to cover reasonable costs reasonably incurred by an owner of land in connection with any negotiation or dispute related to—
>
> (a) the licensee gaining access to the land; or
>
> (b) the operations to be undertaken on the land; or
>
> (c) compensation to be paid under subsection (1).

So it is there.

Progress reported; committee to sit again.

Parliamentary Committees

LEGISLATIVE REVIEW COMMITTEE

The Legislative Council informed the House of Assembly that it had appointed the Hon. R.B. Martin to the committee in place of the Hon. I. Pnevmatikos (resigned).

SOCIAL DEVELOPMENT COMMITTEE

The Legislative Council informed the House of Assembly that it had appointed the Hon. M. El Dannawi to the committee in place of the Hon. I. Pnevmatikos (resigned).

Bills

SUCCESSION BILL

Final Stages

The Legislative Council agreed to the amendments made by the House of Assembly without any amendment.

SOCIAL WORKERS REGISTRATION (COMMENCEMENT) AMENDMENT BILL

Introduction and First Reading

Received from the Legislative Council and read a first time.

At 23:56 the house adjourned until Thursday 20 October 2023 at 11:00.