

## HOUSE OF ASSEMBLY

### Wednesday, 1 November 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*

### CLIMATE CHANGE AND GREENHOUSE EMISSIONS REDUCTION (TARGETS) AMENDMENT BILL

#### *Second Reading*

Adjourned debate on second reading.

(Continued from 2 November 2022.)

**Mr ODENWALDER (Elizabeth) (10:31):** I move:

That this order of the day be postponed.

The house divided on the motion:

Ayes .....	25
Noes.....	14
Majority .....	11

#### AYES

Andrews, S.E.	Bettison, Z.L.	Bignell, L.W.K.
Boyer, B.I.	Brock, G.G.	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)	Piccolo, A.	Picton, C.J.
Savvas, O.M.	Stinson, J.M.	Thompson, E.L.
Wortley, D.J.		

#### NOES

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

#### PAIRS

Malinauskas, P.B.	Pisoni, D.G.	Pearce, R.K.
Speirs, D.J.	Szakacs, J.K.	Marshall, S.S.

Motion thus carried; order of the day postponed.

**HERITAGE PLACES (ADELAIDE PARK LANDS) AMENDMENT BILL***Second Reading*

Adjourned debate on second reading.

(Continued from 17 May 2023.)

**Mr ODENWALDER (Elizabeth) (10:36):** I move:

That this order of the day be postponed.

The house divided on the motion:

Ayes .....24  
 Noes.....15  
 Majority .....9

## AYES

Andrews, S.E.  
 Boyer, B.I.  
 Clancy, N.P.  
 Fulbrook, J.P.  
 Hughes, E.J.  
 Michaels, A.  
 Piccolo, A.  
 Stinson, J.M.

Bettison, Z.L.  
 Brown, M.E.  
 Close, S.E.  
 Hildyard, K.A.  
 Hutchesson, C.L.  
 Mullighan, S.C.  
 Picton, C.J.  
 Thompson, E.L.

Bignell, L.W.K.  
 Champion, N.D.  
 Cook, N.F.  
 Hood, L.P.  
 Koutsantonis, A.  
 Odenwalder, L.K. (teller)  
 Savvas, O.M.  
 Wortley, D.J.

## NOES

Basham, D.K.B.  
 Cowdrey, M.J.  
 Hurn, A.M.  
 Pederick, A.S.  
 Teague, J.B.

Batty, J.A.  
 Ellis, F.J.  
 McBride, P.N.  
 Pratt, P.K.  
 Telfer, S.J.

Brock, G.G.  
 Gardner, J.A.W. (teller)  
 Patterson, S.J.R.  
 Tarzia, V.A.  
 Whetstone, T.J.

## PAIRS

Pearce, R.K.  
 Speirs, D.J.

Marshall, S.S.  
 Malinauskas, P.B.

Szakacs, J.K.  
 Pisoni, D.G.

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) (10:41):** I move:

That this order of the day be postponed.

The house divided on the motion:

Ayes .....23  
 Noes.....16  
 Majority .....7

AYES

Andrews, S.E.	Bettison, Z.L.	Bignell, L.W.K.
Boyer, B.I.	Brown, M.E.	Champion, N.D.
Clancy, N.P.	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)	Piccolo, A.
Picton, C.J.	Savvas, O.M.	Stinson, J.M.
Thompson, E.L.	Wortley, D.J.	

NOES

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

PAIRS

Pearce, R.K.	Speirs, D.J.	Szakacs, J.K.
Marshall, S.S.	Malinauskas, P.B.	Pisoni, D.G.

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) (10:45):** I move:

That this order of the day be postponed.

The house divided on the motion:

Ayes .....	24
Noes.....	15
Majority .....	9

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.	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)
Piccolo, A.	Picton, C.J.	Savvas, O.M.
Stinson, J.M.	Thompson, E.L.	Wortley, D.J.

NOES

Basham, D.K.B. (teller)	Batty, J.A.	Brock, G.G.
Cowdrey, M.J.	Ellis, F.J.	Gardner, J.A.W.
Hurn, A.M.	McBride, P.N.	Patterson, S.J.R.

Pederick, A.S.  
Teague, J.B.

Pratt, P.K.  
Telfer, S.J.

Tarzia, V.A.  
Whetstone, T.J.

## PAIRS

Pearce, R.K.  
Marshall, S.S.

Speirs, D.J.  
Malinauskas, P.B.

Szakacs, J.K.  
Pisoni, D.G.

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) (10:48):** I move:

That this order of the day be postponed.

The house divided on the motion:

Ayes .....24  
Noes.....15  
Majority .....9

## AYES

Andrews, S.E.  
Boyer, B.I.  
Clancy, N.P.  
Fulbrook, J.P.  
Hughes, E.J.  
Michaels, A.  
Piccolo, A.  
Stinson, J.M.

Bettison, Z.L.  
Brown, M.E.  
Close, S.E.  
Hildyard, K.A.  
Hutchesson, C.L.  
Mullighan, S.C.  
Picton, C.J.  
Thompson, E.L.

Bignell, L.W.K.  
Champion, N.D.  
Cook, N.F.  
Hood, L.P.  
Koutsantonis, A.  
Odenwalder, L.K. (teller)  
Savvas, O.M.  
Wortley, D.J.

## NOES

Basham, D.K.B. (teller)  
Cowdrey, M.J.  
Hurn, A.M.  
Pederick, A.S.  
Teague, J.B.

Batty, J.A.  
Ellis, F.J.  
McBride, P.N.  
Pratt, P.K.  
Telfer, S.J.

Brock, G.G.  
Gardner, J.A.W.  
Patterson, S.J.R.  
Tarzia, V.A.  
Whetstone, T.J.

## PAIRS

Pearce, R.K.  
Speirs, D.J.

Marshall, S.S.  
Malinauskas, P.B.

Szakacs, J.K.  
Pisoni, D.G.

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) (10:53):** I move:

That this order of the day be postponed.

The house divided on the motion:

Ayes .....24  
Noes.....15  
Majority .....9

#### 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.	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)
Piccolo, A.	Picton, C.J.	Savvas, O.M.
Stinson, J.M.	Thompson, E.L.	Wortley, D.J.

#### NOES

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

#### PAIRS

Pearce, R.K.	Speirs, D.J.	Szakacs, J.K.
Marshall, S.S.	Malinauskas, P.B.	Pisoni, D.G.

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) (10:57):** I move:

That this order of the day be postponed.

The house divided on the motion:

Ayes .....24  
Noes.....15  
Majority .....9

#### 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.	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)
Piccolo, A.	Picton, C.J.	Savvas, O.M.
Stinson, J.M.	Thompson, E.L.	Wortley, D.J.

## NOES

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

## PAIRS

Pearce, R.K.	Marshall, S.S.	Szakacs, J.K.
Speirs, D.J.	Malinauskas, P.B.	Pisoni, D.G.

Motion thus carried; order of the day postponed.

**NEW WOMEN'S AND CHILDREN'S HOSPITAL (RELOCATION OF SA POLICE FACILITIES)  
AMENDMENT BILL**

*Second Reading*

Adjourned debate on second reading.

(Continued from 27 September 2023.)

**Mr ODENWALDER (Elizabeth) (11:06):** I move:

That this order of the day be postponed.

The house divided on the motion:

Ayes .....	24
Noes.....	15
Majority .....	9

## 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.	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)
Piccolo, A.	Picton, C.J.	Savvas, O.M.
Stinson, J.M.	Thompson, E.L.	Wortley, D.J.

## NOES

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

## PAIRS

Pearce, R.K.	Marshall, S.S.	Szakacs, J.K.
Speirs, D.J.	Malinauskas, P.B.	Pisoni, D.G.

Motion thus carried; order of the day postponed.

*Motions***AUSTRALIAN HOTELS ASSOCIATION**

**Mr COWDREY (Colton) (11:06):** I move

That this house—

- (a) recognises the Australian Hotels Association (South Australian Branch), AHA-SA, was established in 1871 and has been an integral part of South Australia's hospitality and tourism industry for more than 150 years;
- (b) notes that the AHA-SA is a peak industry organisation that represents and protects the commercial interests of hoteliers throughout South Australia, providing advice on a range of topics, including legislative changes, licensing, gaming, industrial relations, insurance, responsible gambling and community liaison;
- (c) acknowledges the social and economic contributions of AHA-SA and its members, which comprise 630 hotels in South Australia, from small country pubs to five-star hotels and resorts; and
- (d) recognises the valuable work by AHA-SA Executive Council and its Awards of Excellence program to fulfil its mission to encourage, foster and promote the pursuit of excellence in service, facilities and management practices among members for the benefit of the industry and the community of South Australia.

Today it is a great honour to highlight in this house the outstanding achievements and the important role that the South Australian Branch of the AHA plays here in our state.

As I have already mentioned, for more than 150 years since establishment in 1871 the AHA has played an integral role in South Australia's growing hospitality and tourism industry. It represents and protects what is and continues to be a tourism and hospitality sector that has developed an incredibly high standard of excellence and product to serve our community.

As the peak industry body, it does its very best to represent what is a very diverse membership, from small pubs in country regions to pubs through our CBD and broader metropolitan area, to resorts across regional South Australia, in rural communities, and to five-star hotels here in the CBD and beyond.

In terms of the scale of the industry in South Australia, the Adelaide University's South Australian Centre for Economic Studies, through research, has shown that pubs and hotels employ more than 26,000 South Australians and contribute well in excess of \$4 billion to the local economy here in South Australia. It is also important to note that their contribution to our state as a whole also means that they contribute a significant amount to the running of government here in South Australia, with their combined economic contribution to our state's taxation estimated to be in the order of \$577 million, which is a staggering mere 10 per cent, or just over, of South Australia's total taxation revenue.

While it has been a significant period of change for the AHA over the last 12 months after the retirement of longstanding CEO Ian Horne in July this year—I would just like to briefly recognise his contribution to the AHA in the house today. I am reliably informed that Ian was the CEO for 31 years of the last 38 years, with a brief interlude between 1998 and 2005 where he headed over to the Motor Trade Association of South Australia, having taken on the role in 1986 replacing the late Bill Spurr.

Bill Spurr's contribution to this state, both through the AHA and more broadly, has been recognised in this house before and rightly, before I get into more detail, in regard to the Awards for Excellence. I just want to recognise what the AHA has done in naming one of their primary awards during that awards ceremony after the late Bill Spurr. The WT Spurr AO Award for Tourism and Regional Promotion is a fantastic way to recognise the legacy that Bill Spurr has left South Australia, particularly his contribution in the tourism and broader hospitality space.

The AHA President, Mr David Basheer, said in announcing Ian's retirement:

Ian has been at the forefront of initiatives that have seen the hotel sector not only survive some of its most challenging issues ever but thrive and grow into an industry that contributes well in excess of \$4 billion to the State's Gross Product.

I am sure it has been a delight for both sides of the house to welcome the new CEO Anna Moeller, the first female CEO in the AHA's history of more than 150 years. So, to Anna, I think the whole house expresses a welcome to you in that role and we look forward to working with you in a bipartisan manner moving forward as you take up the challenge of representing such a broad, diverse and significant industry here in South Australia. Anna is well equipped to take on the role having had leadership roles with Bendigo Bank, the Motor Trade Association and local government here in South Australia.

On behalf of this side of the house, before I go into more detail about the award winners from this year's Awards for Excellence, I would like to recognise the work and contribution and volunteer nature that the AHA board, or executive council as I should say in this case, have undertaken over the last year. In particular, I highlight the contributions of both David Basheer and Matt Binns as the President and Vice President respectively.

On to the main event, last night the AHA held their Awards for Excellence at the Adelaide Entertainment Centre. It was the most highly attended Awards for Excellence event they have ever had, with more than 920 people in attendance from right across the industry from service providers to representatives of clubs, pubs and hotels themselves, as well as a good representation from many of those in this chamber and the other place.

In terms of the big awards, I would just like to recognise the top three. The Best Overall Hotel in the Metropolitan Area was awarded to the Cremorne Hotel, the Best Overall Hotel in a Country Area was awarded to the McLaren Vale Motel, and the Best Overall Hotel Accommodation division was awarded to Mount Lofty House. There was significant representation.

I think one of the things that the majority of members in this house reflect on when they see these awards is the representation and recognition by this industry, particularly to regional areas, really recognising the significant role that pubs in particular play in the social fabric of some of our regional towns and areas, sometimes more so than in metropolitan areas.

They are not just the place where people come to have a chat, to have a quiet beverage and to connect, to celebrate, to mark weddings, birthdays and other like events but they are also one of the fundamental contributors to the local community, whether that be through sponsorships of local sporting clubs and organisations or whether that be through the housing of local community groups for meetings or other events. It really cannot be understated the role some of these businesses in particular play in those areas. That is not to understate the importance of metropolitan pubs and clubs. They certainly play similar roles, but there is just a slight difference in the way that they are ingrained within our country areas.

I will very quickly read through some of the other winners on the night. You will notice a few that pop up a couple of times. Those that won awards include the Elephant British Pub and the Duke of Brunswick. The McLaren Vale Hotel won the WT Spurr Award for Tourism and Regional Promotion. Other winners included the Mayfair Hotel, noky@The Henty, the Cremorne Hotel, the Warradale Hotel and the V Hotel. The Governor Hindmarsh Hotel won their seventh Entertainment Venue Award in a row, so a significant win for them.

Other winners were the Modbury Hotel, The Pickled Duck—one of my favourite names of all the venues that were recognised last night—the Port Lincoln Hotel, 2KW, the Watervale Hotel with their fourth successive Innovation, Sustainability and Energy Efficiency Practice Award. Eos by SkyCity, the Duke of Brunswick, the Berri Hotel, the Stirling Hotel, the ibis Adelaide, the Atura Adelaide Airport, the Sofitel at Adelaide, Sequoia Lodge at Mount Lofty House, the Dalrymple Hotel, the Cremorne Hotel, the Warradale Hotel, the Belair Hotel, the Playford Hotel, the Watervale Hotel, and the Brompton Hotel were all winners.

There were joint winners of the Meeting and Events Venue of the Year between Adelaide Oval and Eos by SkyCity. Other winners included the Marion Hotel, the Middleton Tavern, and the Cross Keys Hotel. The HotelMOTEL—which I am reliably informed is not situated next to the Holiday Inn—and the McLaren Vale Hotel were also winners. The Kent Town Hotel and the Clovey shared the Redeveloped Hotel of the Year. The Chef of the Year went to Philip Pope at Adelaide Oval. Christopher Speck from Mount Lofty House won the Employee Excellence in Service Award, as well as Daniel Hall from the Alma Hotel in the general division. Without skipping over one of the most



important awards of the night, Renae Daniell from the Penneshaw Pub was recognised as the Hotel Industry Rising Star of the Year for 2023.

I also want to highlight the inclusion of an all abilities hotel award at the awards last night, which recognised a hotel that had gone out of their way to take steps to make their venue more accessible for patrons of all abilities. It is the first time that that award has been presented and, as someone who hails from a background that has included such challenges, it is good to see that being recognised by the AHA as well.

To all those involved in the industry, to all the publicans, to all those who each and every day make a living doing what they do to run our pubs and clubs, putting their capital on the line to run small businesses that are at times at the whim of many different factors, whether they be economic or outside of that, we recognise your contribution to our state, we recognise the work that you do each and every day and we thank you for it. To the AHA and the winners of the Awards for Excellence this year: well done and congratulations.

**Mr McBRIDE (MacKillop) (11:19):** I rise to support the motion and thank the member for Colton for raising it in the house today. The Hotels Association and the industry in South Australia is important, it is huge, it is dynamic and it plays very important roles right across the state of South Australia, particularly in regional South Australia, the Limestone Coast and the area of MacKillop. They are dynamic businesses, they are businesses that serve the purposes of community, sporting groups, sponsorship, mental health, connection, mateship, friendship and everything else that the local hotel can provide.

I want to say a quick few words. I am thinking and hoping that this side of the house, the opposition, the Liberal Party, will be able to reflect on what they were like as the government around this industry and how they communicated and looked after this sector while they were in government. It is no hidden secret that many sectors, through the Marshall years, did not end up being supportive of the Marshall government: this one is no different.

I appreciate the fact that the member for Colton is raising this matter and appreciate all that this industry represents and its significance to South Australia, but I also hope that this side of the chamber, the opposition, can reflect on looking after important industries like the Hotels Association, the fact that people put their neck on the line, they invest their family's money, wealth and time into these sorts of business well beyond any recompense. As the member for Colton suggested, they deal with whims of different economic outcomes either monthly or yearly, or any type of cycle across time, with the ups and downs that happen by economic out times, upheaval and perhaps just pure changing times that we all live in today.

One thing that I think this sector, and perhaps all business sectors—as I have alluded to, where people put their life savings, capital and wealth into businesses and became business operators and owners—would like to see is a conservative, strong Liberal government bat for them, represent them and understand them. It was no mistake, I do not think, at the end of 2022, that this was just one sector that did not feel the love, communication or even support after what was a very tough time through COVID for everyone across the world, including Australia and South Australia.

One of the things I would say is that I hope that the new Liberal opposition is able to reflect, build on its communications, build on its understanding of private sector businesses and investment, recognise that they do make an important contribution to our economic outcomes and output throughout this state, looking after the community, as I have highlighted, and that this motion is the start of the Liberal opposition's understanding of this sector into the future.

**The Hon. Z.L. BETTISON (Ramsay—Minister for Tourism, Minister for Multicultural Affairs) (11:23):** I rise in support of this motion. The Australian Hotels Association have played an important part of the tourism industry in hospitality industries for 150 years. They have very much been a fierce advocate and are never afraid to voice their views, whether or not governments of the day like it. What remains absolutely true to word is the commitment to South Australian business and their employment of the hospitality workers who support the industry. Their advocacy during the COVID pandemic was immense, as it was arguably the toughest time the industry has faced.

Since coming into government, this government has worked very closely with the AHA to help support the industry, which suffered during that very difficult time. As the member has just recently spoken about, it was a very challenging time for the industry, when they did not feel that their voice was being heard. There is no doubt at all that it was a time of uncertainty when businesses had to pivot and recreate, and we do know that the restrictions were very damaging to the industry. They lost a lot of people in the industry who could not know that there were events. They lost people from the industry because there was a lack of certainty going on. It has been a challenge for people to come back into the sector.

We know there were tough decisions to be made, and we supported that at the time, but I know that there was work to be done to build back that relationship, and that has happened quite strongly. Since coming to government we have worked very closely with the AHA to support the industry.

I particularly want to thank Ian Horne, the former CEO of AHA (SA) for his immense and tireless work. Ian is somewhat of an institution here in South Australia: he is very measured, a great presence on media and a great voice for the industry. He is also a board member of the South Australian Tourism Commission, and he is involved with Adelaide Venue Management. He will be missed. Although he is no longer in the role of CEO, he remains a very fearless advocate and is very involved in the industry and the options for the future.

I would like to recognise the work of the president, David Basheer. He is much loved by many people, engages on both sides of politics, is open for a conversation, and is invested in the industry and invested in the future. We also welcome Anna Moeller as the new CEO. She has been involved in the AHA for some time and is stepping up into the role of CEO.

When we were putting together our election commitments we had a big focus on building back tourism and hospitality in South Australia. That was warmly welcomed by the AHA. We immediately invested \$40 million into the Major Events Fund and, of course, \$45 million into tourism marketing. We know that if we have a vibrant South Australia it directly benefits the AHA members and the workers they employ.

Our government has brought in new events, such as LIV Golf and Gather Round, to build out the event calendar. We want to reflect the vibrancy of South Australia all year round. We know the economic impact of both of these events. LIV Golf was just last week crowned the world's best golf event, and of course Gather Round was huge. More importantly, both have ongoing contracts, so not only was there an inaugural opportunity but both of those really significant events give us certainty into the future of what we can do here.

We know events and broader investments being here fills our hotels. A greater number of visitors means more money is spent in the hotels and venues, which directly supports the employment of staff. Before I detail all the events that we have had this year, I also want to raise the significance of business events. I call it the bread and butter of the industry. It is those events that fill our hotel rooms Monday to Friday, and they are really important.

The Convention Centre had its best year ever in 2022-23, and an even bigger year is expected this year. We have become a really recognised destination for business conferences. The city is only 15 minutes from the airport, and people love the feeling of being immersed in a place where you run into delegates in the street. It feels like something special is on when you have a big conference. We think that is a great brand that we are going to continue to focus on.

If you think about our 2023 calendar, we of course started off with the Adelaide International tennis, followed by the Santos Tour Down Under, the Fringe, the Adelaide Festival, WOMAD, the Gather Round and LIV Golf, not to forget Illuminate and Harvest Rock. I particularly loved the Frida and Diego art exhibition—we got lots of interstate visitors for that—and of course the five games we held for the FIFA Women's World Cup.

The State of Origin was on a perfect night in May this year, and just last weekend Harvest Rock was held with a really high percentage of interstate guests. Of course, there is still more to go. We have the VAILO Adelaide 500 featuring Robbie Williams, which we brought back last year. That was a commitment by the incoming Labor government to bring back that race and a very well

supported commitment. This makes sure we have significant records for hotel occupancy within the CBD.

But it is not just about Adelaide, it is about our regions as well, whether it be the Adelaide Hills, McLaren Vale, the Barossa, the Flinders, the Fleurieu, Limestone, Upper Spencer Gulf, Eyre Peninsula, River Murray or KI, you will find an AHA SA member providing critical support for those natural attractions. We recently released our Travel Our Way campaign, which hopes to further support visitations to South Australia.

It was an absolute joy of mine to announce our best-ever record of visitor expenditure of \$9.9 billion. This was something we only imagined, an aspiration, but we have hit that target already and it is fantastic to see that and of course those AHA members benefit from that investment into the state. We need the support of the AHA SA members and of course the hospitality workers who make it all possible.

My previous colleague spoke about some of the winners of the AHA SA Awards for Excellence program, in particular the Cremorne Hotel taking out the best overall hotel and also picking up a number of other awards. The McLaren Vale Hotel took out best overall hotel and Mount Lofty House took honours in the accommodation division.

I want to pay homage to the three hotels entering the Hall of Fame: the Warradale Hotel, the Governor Hindmarsh Hotel and the Watervale Hotel. Just recently, the Watervale Hotel took out one of the best in the world positions. This is brilliant, in a week when we identified as the coolest city in the world. KI has identified as number 2 in the regional area by the Lonely Planet and we have our own Watervale Hotel kicking those global goals. It is a really positive time for South Australia. I rise to support the motion and I commend the motion to the house.

**Mr PEDERICK (Hammond) (11:31):** I rise to support this motion that is giving great accolades to the Australian Hotels Association, an organisation in place since 1871 and an integral part of South Australia's hospitality and tourism industry for over 150 years.

The Adelaide University Centre for Economic Studies research has shown that pubs and hotels employ 26,250 South Australians and contribute well in excess of \$4 billion to the local economy. The Australian Hotels Association members contribute \$577 million per annum to the state's taxation—a huge sum of money. It is a staggering 10.7 per cent of the total South Australian taxation revenue.

The Australian Hotels Association (SA) members pay the annual salary of 2,229 teachers or the equivalent of 1,689 frontline nurses. The revenue generated by the industry helps to provide essential services for the government, schools, hospitals and our community.

To help its members navigate and succeed in business, the South Australian branch of the Australian Hotels Association provides advice and keeps its members up to date on a range of topics, including legislative changes, licensing, gaming, industrial relations, insurance and responsible gambling.

I want to acknowledge some giants of the industry: Ian Horne, David Basheer and Peter Hurley, true giants of the industry, who navigated the hotel group through difficult times through COVID. There was a lot of interaction and certainly sometimes they were not formal meetings, but during informal meetings I would run into these people and we would discuss the implications of what the world—not just this country—was dealing with, the implications of COVID right across the world and how to keep people safe.

In fact, the federal modelling has shown that with the strict restrictions that had to be in place at times—and no-one was comfortable, I certainly was not comfortable having to wear masks all the time—we saved 46,000 lives. It is easy to criticise the work that we did from this side, but when you are in the driver's seat and you have a world pandemic that has not been seen for centuries, since the Spanish flu, very difficult decisions had to be made.

Yes, there was a lot of sacrifice across the board, but there were some positives for the hotels people. The federal government put in JobKeeper, which kept a lot of hotels and accommodation places operating. They managed to pivot with their staff and do a lot of maintenance

themselves. A lot of upkeep was done to a lot of places. People essentially transformed bar staff into painters and other jobs to help the upkeep of their properties.

It was a really difficult time. Of course, people did not agree with those restrictions, but also there were venues that were totally booked out as quarantine hotels, for obvious reasons, when people had to quarantine, whether it was here in the city or in the regions. Certainly, as a regional member, there were some interesting times when people were quarantined in border hotels in Mount Gambier and other places and perhaps could have quarantined at home. It is all very easy to look back in hindsight when difficult decisions had to be made.

I must mention what we did as a government to support industry, especially with migrant workers coming into the country. I know at one stage we had 100 migrant horticultural workers coming in from the Pacific Islands. Twelve could not get on the plane because they tested positive from their launch point of Vanuatu. But we hosted and paid for that quarantine time for a fortnight in Adelaide so that we could get vital workers in place to support our regional food industries. Sometimes that is forgotten.

They were tough times, but we are moving on. Hotels are really picking up their straps. In my electorate of Hammond there are hotels right across the board, in Murray Bridge, Mannum, Langhorne Creek and Strathalbyn. It was interesting about the Bridgeport Hotel, with Ian Tregoning and Graham Hobbs as the people in charge there. I am just glad they made the decision to build that six-storey complex before COVID hit, because I have not been game to ask them whether they would have built it when COVID hit.

That was opened during a difficult time. I talked to the Tregoning Group for around nine years, saying, 'We need this sort of accommodation in Murray Bridge. We have a lot of very good three-star accommodation, but we don't have any hotels of 4½ stars and above in the region.' We have since seen a lot of improvement with Rydges, which is just outside of Hammond now at Taillem Bend at the motorsport park, and with Monarto Safari Park about to open in a little while. It will have 78 rooms there very soon, and then there are some glamping sites. I think there are 22 of those coming on as well.

The Bridgeport Hotel is a \$45 million build. It won the Overall Hotel of the Year—Regional at the 2022 Australian hotel awards. That was a national award, apart from myriad state awards that that hotel has won. It has become a real focus point, but it also highlights the fact that people can visit other hotels in the region while they are perhaps staying at the Bridgeport.

The turnaround that people have had locally has been amazing, especially after the hard times that people experienced in their hotels during the River Murray floods earlier this year and late last year. Certainly, the Mannum Hotel had problems, mainly with water flow seeping in around the outside of the hotel. The Hurley group in charge of the Pretoria Hotel tried to build their own bund, but in the end they had to give in to nature. We were not at the stage of 1956, when they were serving alcohol from the top-floor balcony straight into the boats of people coming past, but I certainly had the opportunity when the flood did come through to view the amount of water in the cellar.

I must commend them for the recovery work they have done there to get that hotel back up and running to its normal speed, and I must commend the Hurley family and others for being able to relocate their staff, not just locally; some of them were sent to Queensland and were kept employed by the group to keep the cash in their pockets.

Right up and down the river, a lot of hotel rooms and other accommodation was booked for emergency accommodation. It was not just for people needing emergency housing; it was also for the emergency services. There was valuable work done by the emergency services during the lead-up to the floods, the actual flood impact and then the recovery efforts since. The Hotels Association certainly played a huge role in that.

Hotels are a great meeting place in the community. They generate a lot of money for the community. They are vital in keeping up community connectivity and become a real meeting place, so I support them into the future and look forward to their lunch later in the year.

**Mr BELL (Mount Gambier) (11:41):** I rise in support of the member for Colton's motion and thank him for bringing attention to the outstanding contribution that the Australian Hotels Association

makes to the state's hospitality industry sector. I also want to commend Ian Horne, the previous CEO, for his outstanding service and welcome Anna Moeller to the role. I have already had a very productive meeting with Anna on a number of issues and thank her for her input and thoughts on going forward and how we can strengthen and support the Hotels Association.

I also want to acknowledge David Basheer, the president, who had massive shoes to fill when he took on that role, coming in after Peter Hurley. It is fair to say that I think David has undertaken that role very admirably and to an extremely high standard. I want to congratulate David on all the work he does.

As a regional member, I would also like to highlight the work that the AHA does in our country areas. It is often the case that regions are forgotten about in statewide organisations. However, this is not the case with the AHA, who regularly hold meetings throughout the state. They recently held a regional meeting in my electorate at the Victoria Hotel in Port MacDonnell, run by Anna-Marie, Steve and Rachel Johnson—which of course I have visited many times—which was a great opportunity for local hoteliers to hear about industry updates.

I also want to commend the AHA for the work that they did during the COVID period in this state. It was often the case that the information that Anna, in particular, was getting out to hotel owners and managers in record time was far superior to the information I was getting as a local member. What ended up happening was that I would normally ring the AHA to get their interpretation of what had just been announced on the TV, because within five minutes my phone was ringing hot with people wanting to know what impact the latest changes had for their business.

Through Anna's work and the advice given we were able to guide and provide advice to many businesses in our region, particularly around square metreage and what the staffing regulations were, and that translated over into restaurants and other hospitality areas. That was valuable work, and it is embarrassing to say as a local member that I was not receiving that type of information as quickly as I could get it from the AHA.

There are over 1,000 people in the Mount Gambier electorate employed in the food and accommodation sectors, and I am a big believer that the hospitality industry is an excellent place to start and grow a career. All three of my children are working or have worked at local pubs, so if you do see me at the Mount Gambier RSL or the Park Hotel it is purely in a parenting role.

There is no doubt that it has been a tough few years for the sector, however it is great to see two of our region's oldest pubs find new owners after recently closing their doors during the COVID period. The Bellum Hotel is a 157-year-old establishment between Mount Gambier and Port MacDonnell and is an icon of that area. New owners, Meg Black and Bob Willis, celebrated their reopening of the Bellum on 30 September, and I wish them every success in their future. In fact, I visited the day after and they said that they had record takings for the AFL Grand Final day, and obviously the day after there were plenty of people in the Bellum when I was in there.

Another pub, the Tantanoola Tiger, is also a small community pub in the township of Tantanoola, which has found a new lease of life with owners Rebecca and Shaun Day taking over the 144-year-old hotel. I wish Rebecca and Shaun all the best with their new business. Country pubs like the Bellum and the Tantanoola play a vital role in small towns where people need a place to gather, to focus on the community and to support local sporting clubs.

I would also like to take this opportunity to congratulate the Mount Gambier businesses that were finalists at last night's AHA Awards for Excellence. The Presidential was a finalist in three categories. Macs Hotel, Delgattie Estate and The Commodore all had one nomination.

A special mention goes to noky@The Henty, which took home the honours for the Best Bar Presentation and Experience—Country category. Evan, Michael, Tom and Lucy Koch, who also own nominated businesses, Delgattie Estate and The Commodore, have created a warm and inviting local bar that is an asset to Mount Gambier.

Thank you to the AHA for hosting these awards to recognise the excellent hotels that we have here in South Australia and the integral work that they do on behalf of the hospitality and tourism industry.

**The Hon. S.C. MULLIGHAN (Lee—Treasurer) (11:47):** I rise also to support this motion recognising the important contribution of the Australian Hotels Association but in particular the industry that it represents here in our state.

As other members have commented, it is a significant contributor to the state's economy, but it is also for my mind a very significant employer as well with more than 26,000 staff across South Australia. It is fair to say that, in my electorate, it is particularly true of young people entering the workforce where not exclusively of course but by and large if young people are looking for new job opportunities then really the two main opportunities they have is to start working at one of our terrific western suburbs pubs, and I will talk about those specifically in a moment, or perhaps working in retail at the West Lakes Shopping Centre.

I thought it was worth spending a little bit of time reflecting on just how much change has happened in a relatively short period of time for this industry in South Australia. I can recall in my parent's generation the lingering social conservatism when women were often barred from drinking in the front bar, there was 6 o'clock closing, there were restrictions on opening hours—these various ways in which the 1800s temperance movement was still making its presence felt even in the 1960s here in South Australia. It is really from that point, the 1960s onwards, that there has been continual and very significant change in this industry.

Of course, as most people would be aware, one of those changes was the very notable removal of that restriction that imposed 6 o'clock closing on trading hours, and what we have seen then is a gradual shift over decades that has now rapidly accelerated in the last 25 years to the offering that hotels make to their local communities, and that is in a number of different ways. One is that hotels, as they finally allowed women to drink in the front bar, if not in other areas, started making their premises more attractive to families rather than just the men of the household.

Today, of course, it is now very common for families to have an outing going for a meal at their local pub. We are seeing investments happening in these hotels, like we see, not in my electorate but in the electorate of either the member for Dunstan or the member for Hartley, I am not exactly sure, where the Marryatville Hotel, for example, has playgrounds built within the premises. That is now becoming more common, particularly as beer garden areas are redeveloped, and that is to enhance that attraction it has for families to come and experience time together having a meal.

Of course, the other significant change that has happened in the last 30 years is the introduction of gaming machines, which at various points over the last 30 years has been incredibly divisive in some parts of the community. It has no doubt been an absolute rescue for the industry; it has given them a new source of revenue. While the existence of gaming machines is still quite controversial in some people's minds, I think there is no doubt as to their importance in supporting the industry. I would also say they have now progressed to being the form of gambling that occurs in our community that is the most heavily regulated and highly transparent of all forms of gambling in the country, and that is a good thing.

While the incidence of gaming machine gambling still remains significant to this day, it has been by far and away overtaken by online gambling. I am not just talking about sports betting, which I understand the federal government is now going through some pains to better regulate, but in particular that offshore online gambling in unregulated and unlicensed casinos.

But the existence of gaming machines has entitled many South Australian hoteliers, in particular families owning hotels, to significantly reinvest in their premises—to grow their operations, to provide more job opportunities—and that is not only a good thing for those businesses and for the employees employed through those businesses, but it has very significant benefits across the communities as well.

My electorate is one of those that has changed boundaries regularly. I have had hotels within my boundaries in one term and then outside in another. But I can say that even in the earliest iteration of my electorate, I had such landmark hotels as the Palais Hotel at Semaphore in my electorate, subsequently landmark beachside hotels like the Grange Hotel in my electorate, to now currently having the Lakes Resort Hotel in West Lakes, run by the Fahey family, and the Seaton Hotel which has only recently been taken over by the Matthews group or the Bartley Hotel operated by the RD Jones Group.

These are all operations that have started as family businesses, that have taken the decision at one point, often some years ago, to take a risk, make a significant financial investment to take on a hotel, to run it directly either to be working in the kitchen cooking the food directly or standing behind the bar pulling the beers, and to turn them into much larger business enterprises that make such an important contribution to the economy, to the labour market and also to the local community.

I would also like to talk about the impact that hotels have in terms of supporting community activities. I do not think I can go to any sporting club in my electorate, or even in the surrounds of my electorate, without seeing one of these sporting clubs in receipt of a significant annual sponsorship from a local hotel—and that makes all the difference. Whether it is an amateur league football club, which unfortunately has to resort to paying its players, all the way through to the local cricket club or hockey club or netball club, these are all really important community clubs which not only provide the benefit of sporting opportunities and engagement for young kids all the way through to older adults but are strongly supported by their local hotels, and that is really important.

The member for Hammond was right to talk about the challenges of COVID. These were, for many hoteliers, the absolute dark times of their commercial and business lives, a period of great uncertainty, of ever-changing requirements and restrictions, whether it was full closures for a period of time or very significant restrictions, including one person per four square metres. I cannot remember whether you had to be standing, sitting, squatting or lying down to drink alcohol at different points of the COVID pandemic.

There was the recruitment and retraining of tens of thousands of COVID marshals and the wearing of vests, as well as the poor young bloke or young girl who might have started as a glassie at the age of 16 and were then finding themselves having to go around and sometimes tell a bloke, who might be well on the way to having half a skinful, that he had to go and do it in some different way so that he was not offending a COVID restriction. They were really difficult and challenging times for staff.

Many of these operators, out of their own pockets or with the help of their bank, took on really significant extra debt just to keep their staff cohort together. As we have seen over the last 18 months, there has been a massive recovery in hotels and hospitality. It has not fully offset the challenges of the last two years, but we have had the return of the Adelaide 500, the new AFL Gather Round, LIV Golf—the world's best golf tournament, as it was rated—and then all of the extraordinary achievements that other members have spoken about that were recognised last night at the AHA awards, which are really significant things that I think are important for the parliament to celebrate.

On a personal note, I have to say that, in my role as a member of parliament, it is been a real pleasure to work with and get to know David Basheer, Ian Horne, Peter Hurley and now the new Chief Executive Officer of the AHA, Anna Moeller. It has been a wonderful privilege to learn about this industry and also better understand how important the contribution is to the state's economy and to my electorate, and I wish them every success in the future.

**Ms PRATT (Frome) (11:58):** I also rise to support this motion and recognise the dedication, hard work and advocacy of the Australian Hotels Association across all 630 hotels that are in South Australia. As members have already mentioned, this is a big employer—26,000 employees are associated with our hotels—and many of them are run by family businesses.

It is a great opportunity for me, with the time that I have, to not just reflect on the role that the peak organisation of the AHA plays but sing the praises of these businesses that are dotted through the electorate of Frome. Without their existence, there would be no association. We reflect in the chamber on the impact of COVID-19 on the business, on the running of our fantastic hotels, the impact that it had on their clientele, but they are not out of the woods yet with rising costs of living. Yet they front up every day, the doors are open, the front bars are welcoming; through winter the fires have been lit and the patronage remains.

To take you on a tour through the Clare and Gilbert Valleys, I want to recognise the Auburn Rising Sun as a fantastic watering hole, and the hard work and heavy lifting it did through the French Festival back in September, where the entire town turned itself inside out for the colours of the French flag. For anyone who is looking for a top 10 chicken schnitzel, they should make their way to the Sevenhill Hotel. Paul Longbottom (Longy) and Kate will welcome you with open arms. Whether you

are sitting on the verandah with the locals or out in the fairy light beer garden, it is a pretty place to end your day.

The town of Clare has three fantastic pubs in Bentleys, Middle Pub and the Taminga. As has been touched on in this chamber, many of these pubs provide function rooms, boardrooms and places where progress associations, like Lions, can book these venues, often at a discounted rate so that they can come together because they do not have these facilities themselves.

In Kapunda, for a slightly smaller township than Clare, it punches above its weight for pubs and hotels, with Richard and Dee Watts running the Clare Castle and David and Tiani Lees running the North Kapunda pub, with the function room we often book. We have seen the Sir John Franklin recently renovated, and Troy and Peta Apps running the Prince of Wales in Kapunda. Down the road in Allendale North, Mark and Chelsea Harris have the fabulous and hugely popular Wheatsheaf, which I recommend to everybody.

Across the valley, over in Hamley Bridge, we have seen a beautifully restored pub, the Hamley Bridge Hotel, by Brian and Kirsty Cole. For those who enjoy a frothy at the front bar in heritage surrounds, this is the pub for you. If you want to end your day in the beer garden at the Magpie and Stump in Mintaro, make sure you order the lamb shanks or the ribs and settle in for a beautiful vista in this heritage-style town.

My special shout out does have to go to Nicola Palmer and Warrick Duthy of the Watervale Hotel. They have been mentioned already in this chamber, and rightly so. None of us can keep up with the awards they are winning. Just last night again the Watervale Hotel was nominated for any number of awards in the AHA 2023 awards. I know that Warrick and Nicola would be especially proud that they took the gong for innovation, sustainability, energy and efficiency. They also won best country restaurant, and continue to cater for the local dining requirements of Watervale. This is not just a statewide gourmet destination; it has gone on to a global scale. The most sincere congratulations go to Warrick and Nicola on their hard work. I know that the chamber will join me in recognising the special accolade they have achieved with Best Hotel Restaurant in the World 2023.

The Clare and Gilbert Valleys, the electorate of Frome, really serve up a fantastic dish when it comes to the Hotels Association and their representation. I thank all the publicans, the owners—they are truly family businesses employing hundreds of people across our Mid North region. We must not take for granted that at the end of a dusty day, when we are done, that is where we want to meet up with family and friends. I thank the member for Colton for bringing this motion to the house, and I thank again all the hard workers in the electorate of Frome who keep our hotel industry alive.

**The Hon. A. MICHAELS (Enfield—Minister for Small and Family Business, Minister for Consumer and Business Affairs, Minister for Arts) (12:04):** I rise to also support this motion and thank the member for Colton for bringing it to this house. Last night, I had the great privilege of attending the AHA's Hotel Industry Awards for Excellence at the Entertainment Centre. I think there were almost a thousand people there. It was a great evening, celebrating our hospitality and tourism businesses operating throughout our state.

AHA has a significant membership base of about 630 hotels, many of which are great family-run businesses. They have been supported by the fierce advocacy of AHA for 153 years. We know that at the industry's greatest time of need in recent years, during the COVID pandemic, the AHA's advocacy for its members was second to none.

Since coming into government, I have been working really closely with Ian Horne as CE and now with Anna Moeller as Chief Executive, and of course with David Basheer, the President of the AHA. I want to thank them for a close collaborative relationship. Many of you in this place know that Ian announced his retirement earlier this year and was replaced by Anna Moeller. Ian of course replaced the late Bill Spurr AO. Last night we had the Tourism and Regional Promotion Award named in his honour. Bill was CEO of the AHA up until 1986. Ian replaced him and led the organisation for 31 of the last 38 years, with a short break when he went over the field to the Motor Trade Association.

When Ian first joined the AHA, hotels were a different place. They were very much the front bar dominated by male customers. Over the course of Ian's career that has changed significantly, with many of these great pubs becoming family-orientated dining experiences and offering some



great accommodation and tourism destinations and fantastic function facilities and events, and really being entertainment specialists.

Ian's impact on the hospitality industry has been profound across all aspects of the industry, including tourism, training, industrial relations, liquor licensing and gaming. Ian is well-known in this place for continuously lobbying for the preservation of South Australian hotels, and he has done it very effectively. He has made every effort to support the interests of AHA members, which is really quite an achievement for an industry that is so varied, from major international accommodation and entertainment venues to the mum-and-dad-owned country pubs. I want to acknowledge Ian's legacy at the AHA. He left it as an organisation that is stable and influential, an industry that has made a significant economic contribution to this state.

While I thank Ian for his service, I want to acknowledge the new CEO, Anna Moeller, who has stepped into Ian's shoes. Anna started her career as a licensing and gaming lawyer. She has a wealth of knowledge and has stepped into the CEO role from the deputy role, so she has excellent knowledge of the AHA and its membership. Of course, Anna is the first female CEO at the AHA in its 153-year history. I look forward to continuing to work with Anna. She has been great to work with thus far in leading the organisation into the future.

I want to mention the great advocacy of Ian and Anna that fed through to my portfolio of arts. It was their advocacy that saw us formulate the See it LIVE package and roll it out once we came into government. South Australian hotels host about 80 per cent of all live music events in South Australia. We have iconic venues like The Gov (The Governor Hindmarsh Hotel) that continue to support South Australian artists by providing them with places to perform and earn an income from their artistic practice. It is a testament to The Gov's commitment to the South Australian live music industry that it was awarded Best Entertainment Venue last night, and I think it was the seventh year in a row that that has happened.

Our See it LIVE package was designed to help venues like The Gov but also the artists themselves. Part of that package was \$1 million in venue grants that were provided to 200 venues. These \$5,000 Venue Improvement Grants help South Australian venues upgrade their venues to better cater for live music performances. That part of the program was fully subscribed in record time.

Further to that, we have been providing \$400 See it LIVE vouchers to venues to use those funds to pay for artists to perform at their venues. Both these programs, as part of the See it LIVE package, have been a huge success, thanks to the AHA advocating for their members. It was those members we celebrated last night and I want to congratulate all the winners of the AHA Hotel Industry Awards for Excellence. In particular, Mount Lofty House, McLaren Vale Hotel and the Cremorne Hotel were all winners of the best overall hotel within their category. I know the member for Mawson passes on his congratulations to the McLaren Vale Hotel.

Award winning businesses would not have the success they have without the support of their employees, which is why it is fantastic that recognition was given last night to the Chef of the Year winner, Philip Pope, from the Adelaide Oval Hotel, and Employee Excellence in Service winners, Christopher Speck from Mount Lofty House and Daniel Hall from the Alma Hotel in Willunga—

**The Hon. L.W.K. Bignell:** And Renee from the Penneshaw Hotel.

**The Hon. A. MICHAELS:** —I am getting there—and Rising Star winner, Renee Daniell from the Penneshaw Pub. Again, congratulations from the member for Mawson. These businesses and their staff play a vital role in the vibrancy of not just Adelaide but the whole of South Australia. I want to congratulate all those businesses but in particular I want to congratulate the AHA for their important role in the sector and in the business community. I commend the motion to the house.

**Mr TEAGUE (Heysen) (12:10):** I rise in support of the member for Colton's motion. Well that we might revisit a recognition of the Australian Hotels Association (South Australian branch) and here in the parliament the day after last night, the magnificent gala occasion of the AHA awards for 2023, bigger and better than ever and, I am glad to report to the house, attended by many of us and very happily, I might say. I share in the remarks of others in congratulating President David Basheer and CE Anna Moeller on their stewardship and leadership of the AHA. They together are charting a

course from strength to strength. I join with other members in wishing them all the very best in that regard.

I also endorse and would amplify the contribution of the Treasurer just now in terms of the range of engagements, services, supports and the environment that is afforded to patrons who attend and participate at the very large number of member venues. We are told on the face of the motion that members comprise 630 hotels in South Australia. We know, as the motion says, that they are represented by a whole range of different venues from the small country pubs to the major metro hotels and resorts. We have heard mention of the tens of thousands of staff who are engaged by those member venues.

If I am parochial for a moment, I might say that those perennials in terms of award winners in Heysen—the Crafers Hotel, the Stirling Hotel and the magnificent Uraidla Hotel, and that is not to mention venues further afield in Heysen at Maccy, Meadows, and Echunga, with a special mention of the Hagen Arms and the work that is being done there—might have in some ways passed the baton this year to award winners throughout the state, but it is important to mention the winning ways of both the Stirling Hotel and Sequoia Lodge at Mount Lofty House on the accommodation side.

For anyone who has seen those developments, they are world leading in their own different ways in the Hills. They are yet another gateway for visitors, local all the way through to international, to experience the very best of the Hills. I congratulate all associated with Hills venues, as I do join with others in congratulating all the award winners last night.

One aspect that I want to emphasise in congratulating the AHA and its membership and picking up on what the Treasurer had to say a little while ago is that we have seen a transition from at least the middle part of the last century until now, away from six o'clock closing and a male front bar atmosphere around pubs. Indeed, as I look at the portrait of Sir Thomas Playford, I am reminded of an era when there was a real wrestle about the way in which one attended venues and what pubs had to offer during that era.

As is well known, Condor Laucke, as he then was, in representing what was to become the burgeoning northern suburbs of Adelaide extending into the Barossa, approached Sir Thomas Playford and said, 'Hey, you've got to step forward on some reforms, because those who are coming to live in the northern suburbs of Adelaide want to be able to attend at their pub and engage in new ways.' There was some resistance to that, to the point that Condor lost his seat. He went to the Senate, and later Sir Condor Laucke made great contributions in the federal space. We saw that was a real battleground in the middle part of the last century.

Right now we celebrate AHA and its member venues, those magnificent pubs, very much as a part of the social fabric, as part of what it means to identify and characterise home, or a home away from home. That is very much what AHA member venues can offer to community. I single out in that regard the winner of the Community Service and Support Award, the Berri Hotel, which is one of those examples of a community-owned pub where profits are then ploughed back into the venue and towards community supports. They are far from the only one, of course. In a whole range of different ways and different models, we see pubs as being a source of support for community activities, but the Berri Hotel is a standout example and a deserving award winner for its commitment to community service and support.

Whether I am being parochial in terms of celebrating those outstanding venues within the Hills and Heysen, looking to the tremendous work of AHA leadership and the course that it is charting in so many productive ways or looking statewide to the achievements of those member venues, I endorse the motion in every respect and look forward to AHA's continuing strong role as a leading part of the social fabric of our community statewide. I commend the motion.

**The Hon. L.W.K. BIGNELL (Mawson) (12:18):** I, too, rise to support this motion with the same fervour that I have supported most pubs in South Australia since I turned 18—that is, wholeheartedly. I love the hotel industry. I think it is one of those industries that is very important to local communities, particularly in rural areas. My great-grandfather was the publican at the Tiger Hotel in Tantanoola for a while, and I have had some other cousins who have been involved in the hotel industry over the years.

I want to thank the AHA for all of the advocacy they have provided for more than 150 years and David Basheer, the president. I go back to Fred Basheer, David's dad, when he was the president and a former owner of the Strathmore Hotel until his passing. The Strathmore was always an important place for us, because the Basheers had the Kalangadoo Hotel before they moved up to Adelaide. Dad knew the Basheers really well. When they moved and took over the Strathmore, we would always go out there. It was the first place I ever tasted oysters kilpatrick as a seven year old, and I have not lost the taste for them yet; they are good. So there is that sort of family connection. David is very good at everything he does, except for the fact that he barracks for Kalangadoo, and in the last five or six years they have been a bit better than Glencoe, and I have lost a lot of bets, which has resulted in me paying for lunch.

We do value the contribution that everyone at the AHA makes. Bill Spurr has been mentioned here; he was a great mentor to so many of us over the past few years in terms of tourism. We all learnt so much from Bill, a person with great character, great ideas, full of wisdom, and just that ability to bring people together. I know, at the time when I was Minister for Tourism, we used to use Bill's talents and his personality quite a lot to bring things like the Adelaide Venue Management organisation together when we merged Hindmarsh Stadium, the Entertainment Centre and the Convention Centre. That was just one of the many things that Bill did on behalf of governments of both persuasions during his tremendous service to the hotel and tourism industry during his career.

Of course, Ian Horne was back there after Bill for his second tilt as the CEO. Ian and I had a very good relationship over many years and worked together on a lot of different tourism projects. We got the Convention Centre bid fund up, the major events bid fund up, and Ian was a great contributor on the South Australian Tourism Commission Board for many years as well. He was replaced earlier this year by Anna Moeller, who is also doing an extraordinary job. We have Anna on our working group, our committee, to make sure that when the British & Irish Lions come here for their game on 12 July 2025 everyone is working together to make sure that we maximise that visit.

We are looking at people with an average daily spend of about \$800 and we want to make sure we get as many of them here as possible and, when they are here that the hotels are open for them, and they know what this audience is like. There is no point in us all getting up on the Sunday or the Monday after the British & Irish Lions have been here with their 20,000 to 25,000 fans and saying, 'If only we'd known, we could have done X, Y or Z.' That is why Anna and the team are around the table now. It is great to have the AHA with us working on that and other major events.

People have mentioned the AHA awards last night. I would also like to congratulate those winners from the electorate of Mawson who picked up awards last night—the McLaren Vale Hotel—best country pub. The refurbishment down there by the Palmer group has been tremendous and really appreciated by the local community in McLaren Vale. We were basically screaming out for years for somewhere in the township where we could all go and enjoy, and ever since Marty Palmer and his group have taken over it has become a very popular place to go.

Among the Employee Excellence in Service winners was Daniel Hall from the Alma Hotel in Willunga. The Alma is known as the 'bottom pub'. There are three pubs in Willunga, and the locals say, 'Have you done the five-pub crawl?' And visitors say, 'But there are only three pubs.' And you say, 'No, there are three on the way up and two on the way back.' So you do a little repeat, and you always want to do the uphill trip first because the 'top pub'—great pub, really good food—is a bit of a hike, so you will roll back down through the 'middle pub' (the Willunga Hotel) back to the Alma.

Across on Kangaroo Island at the Penneshaw Pub, the Hotel Industry Rising Star went to Renee Daniell. She is doing a tremendous job there and knows her way around the wine list and also is a really good person to have when you have not just a whole lot of locals going there but also a lot of visitors from around Australia and the world, and Renee does a tremendous job. I also want to give a shout-out to Annemarie Larcombe, who has the Parndana pub. That proved, like so many pubs around regional South Australia, to be a really important place for people during the bushfires in the summer of 2019-20. This is where I think publicans and pubs come into their own. When the chips are down, when something is going bad in a community, they are quite often the first people to put their hand up to see how they can help.

We saw the AHA donate over \$50,000 to buy generators for people who had lost their homes in the bushfires. They were on the phone to me straightaway—the fires were still burning—saying, 'We want to help. We want to help in a really practical way. What can we do?' I said, 'Well, there are all these people without power. Would you mind chipping in and we will buy a bunch of generators from Kangaroo Island businesses and make sure that they get delivered out to the farms.'

During that time, of course, the fires raged around, and they saved Parndana three times. Whenever the emergency services turned up and they needed meals made for volunteers or takeaway to be sent out to firefighters on the ground, the pub was more than willing to help. They also provided their dining room for meetings.

We had the shadow cabinet come and visit. We had the leader and all the shadow ministers come over, and Annemarie and the team were only too happy for us to use her back room, the dining room. Afterwards, we stayed for a country and caught up with a lot of the locals as well who wanted to tell their stories of what had happened. I know the education minister was over there at that time. It was really important for us to have that place to go to.

When the redistribution happened for the seat of Mawson and it changed from a 5½ per cent Labor seat to a 4½ per cent Liberal seat on paper, then Premier Jay Weatherill was sitting in cabinet. He said, 'Biggles, this looks like a disaster for you. You have this 10 per cent swing against you. You have lost all the booths except the three that do not vote Labor. They are the only ones that are left and you have picked up Kangaroo Island and Myponga and Yankalilla and Sellicks and a few other places.'

I looked at it, and I said, 'I don't see any downside. I reckon I have picked up seven new pubs and eight or nine new bakeries. They are two of my favourite locations to go to.' They are important. It is important to be able to go and talk to members of the community. It is a gathering spot for families. It is a place where workers will go for a knock-off drink on a Thursday or Friday after work. They are important spots to go to and turn up, whether it is at the Queenie or the Ozone in Kingscote.

If I am on KI anytime, I will always make sure I go and have a country, because people will come up and have a bit of a chat to you. It might be the local stock agent or someone who works for the council or whatever, but you always learn by just having a chat in an environment where people feel relaxed and able to talk to someone who is standing at the bar with them having a beer.

Again, we know that tourism visitor economy is worth \$10 billion a year to the South Australian economy, and that is an investment that is made by people from South Australia, people from interstate and people from overseas. It is a sector that transcends the entire million square kilometres of our state. In all of these regions and townships and cities throughout South Australia, the first place that they will drop into is usually a local hotel, to get a meal, to get some information or to get some accommodation.

To all those publicans, to all those people who work in the hotel industry right around South Australia, a huge thankyou from the bottom of my heart. I think the visitor economy is one of the most important parts of our statewide economy and I want to congratulate you all on the hard work that you do.

**Mr COWDREY (Colton) (12:28):** I want to briefly thank all the members who have made contributions to the motion this morning. I think it says a lot about the standing of the AHA and the respect for the AHA from members on all sides of this house, whether that be the government, the opposition or the crossbench. It says a lot about the work that the AHA does, the respect that so many in this house have for their member organisations and the roles that they play within all our respective communities. We enjoy the opportunity to recognise their contributions in the house.

It also says something about the AHA that they have had such long-tenured people in their leadership positions and also a seamless transition in approach, to have moved from Peter Hurley to David Basheer and from Ian Horne to Anna Moeller over the past year and a half or so. There has really been a well-oiled machine within the AHA-SA leadership and we thank them for that.

I did want to briefly touch on one of the points made by the Treasurer—and I think that we are 100 per cent in lock step about this—which is the contribution of local hotels and pubs to local sporting clubs. I did mention that in passing but it would be remiss of me not to highlight the

contributions of those pubs in my local area, so to the Grange Hotel, the Henley Hotel, the Ramsgate, the Lockleys and their respective publicans thank you for everything you do in supporting our local sporting teams and clubs within the local area.

I commend and thank members for making contributions to the motion.

Motion carried.

### **WORLD TEACHERS' DAY**

**Ms CLANCY (Elder) (12:30):** I move:

That this house—

- (a) acknowledges that World Teachers' Day—which is also known as International Teachers' Day—was recognised on Friday 27 October 2023;
- (b) recognises and thanks teachers for the important role they play in shaping the next generation of South Australians; and
- (c) acknowledges the vital and inspirational role teachers play in providing quality education in a range of settings and to a diverse range of community members.

Established in 1994, World Teachers' Day commemorates the anniversary of the signing of the recommendation concerning the status of teachers in 1966 by the International Labour Organization and the United Nations Educational, Scientific and Cultural Organization.

This international instrument outlines the rights and responsibilities of educators ranging from early childhood to vocational and tertiary education. The recommendation also provides guidance for governments, employers, trade unions and other stakeholders to establish effective legislation and policies for our teachers.

Internationally, the anniversary of the signing of this recommendation is actually celebrated on 5 October, but given that this date typically falls in school holidays Australia celebrates World Teachers' Day on the last Friday in October. So, just as I did last year, on Friday I loaded up my boot with cakes from local business The Cake Hut and I headed to each of the schools in my electorate, as well as three across the border—so do not tell the member for Badcoe or the member for Unley—to celebrate the teachers who provide so much to our community.

People often ask me what a typical day for me looks like in this job, and aside from sitting days, which are a little bit the same, I do say that no other day is the same. I get the opportunity to do so many different things and meet with so many different people. Every day is different, and I tell you what, a day where I get to drive around my electorate sharing a little love and catching up with teachers, as well as SSOs, when I turn up as I drop off cakes is right up there with one of the best kind of days.

While this house recognises and thanks all teachers in South Australia, I would particularly like to recognise and thank the teachers of Clovelly Park Primary School, Colonel Light Gardens Primary, Edwardstown Primary, St Anthony's, St Bernadette's, St Therese, Suneden, Westbourne Park, Cabra, Hamilton Secondary, Mitcham Girls, Sacred Heart College Middle School, Springbank Secondary, Unley High and Black Forest.

It has been an absolute pleasure to visit each of these schools on multiple occasions now since my election last year, and I can honestly say that we have some of the most dedicated and talented educators working so incredibly hard to teach, support, nurture and shape our next generation.

I have also greatly appreciated the opportunity to host students from most of the primary schools in my electorate for a tour of Parliament House and being genuinely in awe of just how knowledgeable these students are about the functioning and processes of parliament. They genuinely know more about this place than many adults. This is a reflection not only of our brainy students but also their dedicated teachers. I appreciate that not everyone is quite as interested or engaged with the political process as most of us here but the more engaged and a part of our electoral system that our community is only makes for stronger representation in this place. I will be forever

grateful to teachers in our community for their efforts in making civics education fun and interactive for our students.

We know that students thrive in great learning environments and this government is committed to providing teachers with work environments which empower them to best support their students. In my electorate of Elder, we are progressing with election commitments at Edwardstown Primary, Westbourne Park Primary and Clovelly Park Primary, with building works at Westbourne Park scheduled to begin shortly.

Teachers and school staff are connected in the community like few other professions are and play a pivotal role in making our patch of South Australia an even better place. In acknowledging World Teachers' Day, we must not just recognise and thank our teachers, we must also recognise that more needs to be done and is being done to support our teachers.

Action must be taken to reduce the workload of educators and to ensure our schools are supported to address increasing student complexity. That is why in our first year the Malinauskas Labor government has taken steps to address this, including a \$50 million investment to provide 100 full-time equivalent mental health and learning support staff, and a \$28 million investment to fund an autism inclusion teacher in every public primary school.

We know the first 1,000 days of a child's life are crucial to their brain and social development. Prior to the last state election, nearly a quarter of South Australian five year olds had started behind their developmental milestones, nearly the highest proportion of all states. Clearly, we need to do better. That is why we promised the people of South Australia prior to coming to government that we would establish the Royal Commission into Early Childhood Education and Care. Not only have we established this commission in our first 18 months of government, but the royal commission led by the Hon. Julia Gillard has released its final report.

Typically, royal commissions are established to inquire into a problem or when something has gone wrong. This royal commission was different. Rather than looking at the mistakes of the past, the royal commission heard expert evidence and the experience and views of families to provide advice to our government on delivering a high-quality early years system that is fit for the future.

In August, we announced work would begin immediately on delivering the recommendations of the Royal Commission into Early Childhood Education and Care, which will see our state becoming a national leader in early childhood development and improving the lives of thousands of children. This Malinauskas Labor government will begin this work by adopting the very first recommendation in the report by setting an ambitious target to reduce the rate of South Australian children entering school developmentally vulnerable from 23.8 per cent to 15 per cent within 20 years, well below the national average of 22 per cent.

Work has also begun on expanding preschool and out-of-school hours care in South Australia, starting with an initial investment of \$70 million with more to come.

Our government has also started implementing a further 12 recommendations in the report, including:

- commencing the rollout of universal three-year-old preschool in 2026, to be completed by 2032;
- prioritising the 1,000 most vulnerable children in the state;
- becoming the first Australian state to provide up to 30 hours of preschool per week for the most vulnerable three and four year olds;
- starting a trial of out-of-hours care in government-run preschools in 2024;
- centralising management of OSHC in government schools under the Department for Education, improving quality and access, and modernising OSHC qualification requirements;
- expanding child development checks to achieve maximum possible participation;
- establishing an early childhood workforce fund; and

- legislating a new office for early childhood development.

Also in support of this work, our government will make an initial commitment of \$50 million towards the first tranche of required infrastructure works and \$20 million towards starting to implement the recommendations, including:

- \$7 million for the Education Standards Board so that every childhood education and care provider is assessed and rated at least every three years;
- \$2.4 million towards the establishment of a new office for early childhood development; and
- \$1.7 million for the out-of-hours care trials at preschools in 2024.

Along with material and social conditions, teachers play one of the most important roles in the educational outcomes of our students. I am sure we can all share a story of a teacher who shared skills and knowledge beyond the curriculum that we draw upon today.

My year 10 English teacher who is actually now one of my constituents but I still cannot call him by his first name because he will always be Mr Eaton, helped me to think critically and clearly when dealing with emotionally charged content while still maintaining compassion and feeling. He was a teacher who managed to find this beautiful balance with us, establishing himself as the person in charge as the teacher but also fostering mutual respect between us all that made his lessons are joy. It is a lot easier to learn when we feel respected and supported.

I also want to take the chance to thank Miss Six's year 1 teacher, Miss Paige, who is so loved—I sometimes feel like Miss Six would rather stay with her all day and night than come home—as well as her reception teacher, Miss Kerry, who made that first year of school, which was I think more scary for us as parents than for her, so much easier.

I also want to thank every single teacher in our community and across the state and say thank you to all the teachers who do not make the students feel weird when they accidentally call them mum. In closing, I want to thank every teacher in the country, in the world, for your work in shaping the next generation of South Australians. I commend this motion to the house.

**The Hon. J.A.W. GARDNER (Morialta—Deputy Leader of the Opposition) (12:40):** I am very pleased to support this excellent motion, recognising and acknowledging World Teachers' Day and thanking the teachers, acknowledging the really important role teachers play in the lives of all of our young people and our community.

Last Friday, on World Teachers' Day, I was pleased to join for a period of time, along with the minister, obviously, the Educators SA organisation in their celebration and awards for World Teachers' Day. Educators SA is a collective group of all of the professional associations for teachers—dozens and dozens of them—and the range of awards celebrates excellence and is to be commended. It is a joy every year to see that work done. I appreciate all of those teachers in our South Australian schools for the work they do for South Australia, for our young people.

The range of work that successive governments do seeks the best for our students, for our children, and every program of course has to be delivered, and the people who do that work are our teachers. We ask a lot of them. There are important discussions to be had about workload and about the range of duties required of teachers. They share with the public policy goal of desiring the absolute very best for our students and young people and understand that. Those discussions about workload will continue, but in this house, for the moment, for the purpose of this motion, we say thank you.

Earlier on Friday, long before and many kilometres away from the Educators SA awards night, I was pleased to join the member for Frome at her office opening and also a street-corner meeting where we also spoke to some teachers and were very pleased to congratulate them on World Teachers' Day, retired as they were. The member for Frome herself of course is a former teacher and indeed one of the things she taught amongst others was French.

Every year, when we discuss this motion, I do like to reflect something on one's own personal experience. In this case, I want to talk about language teachers. The role that language teachers

play is not an easy job within a school. Sometimes you are competing with classroom teachers in primary school or other specialist teachers in high school for space in the school, in the curriculum.

Sometimes language teachers are not able to access their own special room. They have to go from class to class to class, which is suboptimal because what could be enlivened in a school when a language teacher has their own environment is like transporting the student into another country, into another world and seeing the world through different eyes. Every language teacher who is able to inspire their students effectively to think about the world through another lens, through the use of language but also exposure to culture, and also raising their eyes to the prospect of future travel is an absolute joy and a journey.

I think of my own experience. I thank Frau Sanders, my primary school German teacher, and Ms Callinan, my high school Japanese teacher, and Mr Anderson, my high school Latin teacher. If you want to think about experiencing a journey to a different world, not just through a different geography but a different time, then I encourage the study of Latin, ancient Greek and other languages amongst anyone.

I should thank Justin Putland as well, who was a mate in high school who helped me pass Japanese in year 10 and 11 when my own lack of hard work and study had me on the margins a couple of times. Justin is now a Japanese teacher, having taught English in Japan and now teaches Japanese in South Australia. All of those teachers and Justin, who helped me get through high school, took me through my childhood into adulthood with a desire to experience the world and explore the world and also to understand the world through different lenses.

This is an opportunity and a privilege that I think is available to our young people but unfortunately not as many as we would like take up that opportunity. It is almost a luxury having English as a language that is spoken so widely across the world, and I think many people in our community do not see the value in learning other languages.

It is more than just the skill and the capacity to engage with somebody in another language if they do not speak English. It is so much more than that: it is the way to open one's mind to different experiences and to see the world through other eyes. It helps with empathy, it helps with one's own English communication skills. I always tell young people when I am visiting schools, especially if there is a language context that is appropriate: if an employer is looking at a CV and sees language as being something that is a skill or a strength, it immediately highlights to them that that is somebody worth employing.

I also recognise all the other teachers I had in languages through my chequered university career. I did one semester here, one semester there, a couple of years of other languages, I did two years of Spanish, I did less time in German and Italian and another year of Latin and also one semester of French. For all those lecturers and teachers who tried to help me in those subjects, I thank them—they were very important. More recently in Italian, the Centro Didattico's Alessandra Hunjet, and my wife's Zio Elio and Zia Rosie, and my father-in-law Lorenzo, who have all been incredibly important teachers of Italian, which is a skill that has all the benefits I have described of learning a language, plus it is a requirement if you are the member for Morialta to have some skill there. I thanked them on World Teachers' Day for the work they did.

The other event I participated in on World Teachers' Day was at Adelaide University. The Marjoribanks lecture, in memory of former Dean of the School of Education and former vice-chancellor of the University of Adelaide, whose role in developing education, pedagogy and philosophy in South Australia was significant. Professor Susan James Relly, formerly of Oxford University, now of the University of Adelaide, Head of the School of Education, brought to Adelaide Mr Ziauddin Yousafzai and Mrs Yousafzai. Ziauddin Yousafzai delivered the Marjoribanks lecture, and it was an extraordinary privilege to be able to meet with Mr Yousafzai and Mrs Yousafzai prior to the lecture and to hear him talk. He spoke again at the Educators SA function later that night.

People may be wondering what his role is, and they may remember the surname Yousafzai; his daughter is Malala Yousafzai, Nobel Prize winner and the most extraordinary living advocate for education, particularly the education of girls and people in vulnerable communities in the world. Mr Yousafzai in his lecture talked about the experience of him growing up in an utterly patriarchal society, where he and his brother were educated and his sisters and his mother were not, where his



sisters and his mother were known as wife of the male, daughter of the male or mother of the male. If he was going to the doctor with his mother, it would be his name and 'mother of Ziauddin Yousafzai', to put it into context.

In that context, with the Taliban making physical threats against his family, he and his family supported his daughter to keep advocating for education. She was shot and people are aware of the story beyond that, but he continued to be an advocate for education, despite the physical risk and the risk to the family that that entailed. There are tens of millions of girls and young women around the world who are unable to access education, and that is a tragedy and shame every day.

The fact that we want our children to have courage, grace, wisdom and strength like Malala, I have to say as a father and as someone who is interested in education, it was a real privilege to meet Mr Yousafzai; we need role models like him. The advocacy he provides to girls and young women around the world in an ongoing way, along with his whole family, is really important. I thank them for participating and particularly thank Professor Relly for her role in bringing him to Adelaide, sharing his opportunities to meet with school leaders, schools and, I understand, explore a bit of South Australia as well.

With the history of the world, education has not been valued for what it should have been. The heights of range of civilisations—the Greeks, the Romans—nobody educated more than 10 to 15 per cent of the population. We now understand the extraordinary benefits to the individual and the community when a teacher is able to support a child's learning. It is understood that, in the next 30 years, as many people are going to be educated as have been educated in the entire history of the world, due to growth and our expectation and our understanding that education should be universal.

Our teachers are going to be the fundamental critical role models for all young people going forward, and we cannot overstate the important role they play. So, on international World Teachers' Day, we say thank you.

**The ACTING SPEAKER (The Hon. L.W.K. Bignell):** Arigato. Well done on your Japanese accomplishments too.

**The Hon. B.I. BOYER (Wright—Minister for Education, Training and Skills) (12:49):** It is my pleasure to rise and make a brief contribution to this very important motion acknowledging World Teachers' Day, which of course was last week. I was very fortunate to spend that day in the South-East after a couple of very enjoyable days as part of the country cabinet, visiting schools in the member for MacKillop's area and beyond as well. I always say that, in this job, there are days when it is very easy to get bogged down in some of the negative things that are happening in the day-to-day cut and thrust of the portfolio, and the best antidote to that is always actually getting out and visiting schools and speaking to students, speaking to staff and speaking to parents. It always fills me with a renewed sense of confidence about the great things that are happening in our education system.

I was pleased to have the Secondary Principals' Association in for dinner at Parliament House last night. It was a really enjoyable time, and it reinforced to them the level of confidence I have in the quality of the education that we provide in South Australia. I know they feel it, too, when the public discourse or dialogue is often focused on some of the negative things that happen in schools, which sadly has always been the case. It will always be the case that there are some unpleasant things that happen at schools, but I think it is important that certainly people in my role (and I am not an educator) spend as much time as they can out in the field at schools—whether they are public, Catholic or independent or whether they are metro, regional or remote—having a look at the wonderful things that happen.

As I said, I am not an educator. I am always very up-front about that when I am speaking to our education staff. But I do have a father who did 40 years-plus in the public education system in country Victoria, and I certainly draw on his advice. My experience is as someone who was taught by my own father at the local secondary school on three occasions, and of course I saw up close what the job was like for him and how the job changed in his 40 years, between roughly 1972 and 2012.

An anecdote that I draw upon when I am speaking to people on occasions such as World Teachers' Day, to reinforce my conviction around the life-changing ability of a teacher, is from the recollections I have as a teenager, travelling home from school with dad, back to the farm, and stopping in the main street of Portland to get some groceries or something from Safeway, as it was then. Continually dad was stopped by past students who wanted to update him on what they were doing with their life.

Of course, as a teenager I found it essentially boring and painful, and I wanted us to get back to the ute and get home. But I have had occasion to think back to those meetings now, and also to remember dad's comments that, more often than not, those past pupils who came to grab him in the supermarket or on Percy Street in Portland were those who had been troublesome students as well, not the ones who had been easy students or star students. They wanted to come back to reinforce to dad that the support he had shown them, and the extra yard he had gone for them, had contributed to them turning their life around.

I now know the value of those conversations in terms of keeping my dad in the classroom for 40 years. He said he stayed in the classroom because he always saw the profession as a vocation, as a calling. He never wanted to go into administration. I draw on those stories as a way of explaining to the teachers now in our system that I understand the power of what they do and that they do feel called to the profession. It is important now, I think more than it has ever been, that we tell those stories.

I was pleased that, just yesterday, the Prime Minister and the federal education minister launched a new recruitment campaign. There is an ad that is being tailored for each state and territory. I unashamedly think that the South Australian ad is the best. It features Stacy Frogley, who was a teacher at Marryatville and is now a teacher at Glenunga, and her student Izzy, who has a degenerative disease that meant she gradually lost the use of her legs and now uses a wheelchair. She was very frustrated that she was not able to go to participate in sport and other things with the other students.

Stacy, as her primary school teacher, suggested she get into swimming. Izzy is now a medal-winning paralympian and the ad draws upon a meeting of the two for the first time in many years. I think the ad is fantastic. It really goes to the heart of what teachers can do.

Given that we are in a national, if not international, situation at the moment where it is harder to retain the existing workforce and attract new teachers, it is important that we take the opportunity to acknowledge the work the existing workforce does and do whatever we can to explain and convey how valued they are so that we can keep them. By telling the stories of people like Stacy Frogley, we can inspire those young people who are motivated to choose a profession that has the power to be life-changing, high on job satisfaction, to still put their hand up and choose teaching, otherwise we are going to be in an increasingly difficult situation in terms of making sure that we have teachers in front of students.

I might leave my comments there and enable other people to say something as well. It is a special day and teachers are special people. It is a job that is harder now than it ever has been and it is not lost on me on any day how important they are to our society.

**The ACTING SPEAKER (The Hon. L.W.K. Bignell):** The member for MacKillop, the representative of the great Glencoe Central Primary School.

**Mr McBRIDE (MacKillop) (12:55):** Hear, hear! I rise today to speak to the motion moved by the member for Elder in support of the importance of recognising the enormous contribution teachers make to our communities and the social fabric of regional South Australia.

High-quality teaching staff are imperative to a child's education. They inspire, motivate and influence. The impression a teacher leaves on an individual in the classroom can continue into the next generation.

The teaching environment has evolved over time and we have seen a situation where more and more responsibilities and expectations are placed on their day-to-day activities. Often, a teacher's time is consumed with dealing with complex behaviours, taking them away from the

immediate task of teaching. The industry has seen widespread fatigue and the diminishment of teacher morale has seen teachers exiting from the profession.

I will continue to listen and work with the 34 schools and 43 childcare integrated learning centres, as well as many teachers and childcare educators within my electorate. We need to embrace and incorporate into our policies and funding the solution-based ideas that often come from our teachers. We need to shift this tide of quality teachers exiting the profession and lift teacher morale.

Recently, I was pleased that through my advocacy a change occurred in policy that now allows reciprocal arrangements between all states for all leave accrued by teachers to be transferable. I thank teacher Kelly Myers for bringing this to my attention and I thank the current government for listening and for implementing this. I hope this change will play a small part in paving the way for increasing the number of teachers who choose to move to and live in South Australia, especially regional South Australia. There is no doubt we need more teaching staff and we need better pay and conditions for those staff.

Teachers are instrumental in bringing learning to life. By providing relatable examples and finding creative ways to teach the curriculum, they show students the endless possibilities that exist for them. I am pleased that the Department for Education has a range of additional incentives underway to attract and retain high-quality candidates, including the Country Incentive Zone Allowance for teachers who relocate. I look forward to this being taken up by teachers from other states so we can have a strong teaching workforce in South Australia.

I take this opportunity to thank our teachers and acknowledge the vital and inspirational role they play in guiding our young people into the future. I commend the motion to the house.

**Mrs HURN (Schubert) (12:58):** I, too, rise to support the motion that has been put forward by the member for Elder. I would like to take this opportunity to thank all the very hardworking teachers right across my electorate of Schubert

Last Friday, on World Teachers' Day, I had the privilege and the opportunity to visit many schools across the electorate. I dropped in a little box of chocolates just as a small token of thanks, which I got from the Barossa Valley Chocolate Company in Tanunda. I would like to acknowledge all the work our teachers do and the passion they show to shape and inspire the next generation of people in South Australia.

Over the last few years, our teachers have worked under some pretty extraordinary conditions and this has been reflected on by the minister. Teaching is a calling for many people and you can see that when you visit schools, and when you see the pride they have in teaching one of their students a new skill. I sincerely wish everyone a very happy World Teachers' Day. I thank them from the bottom of my heart for all the work they do in shaping our next generation.

Motion carried.

*Sitting suspended from 13:00 to 14:00.*

*Parliamentary Procedure*

### **ANSWERS TABLED**

**The SPEAKER:** I direct that the written answers to questions be distributed and printed in *Hansard*.

### **PAPERS**

The following paper was laid on the table:

By the Minister for Health and Wellbeing (Hon. C.J. Picton)—

Community Visitor Scheme—Principal Community Visitor Annual Report 2022-23

*Ministerial Statement***WOMEN'S AND CHILDREN'S HOSPITAL COCHLEAR IMPLANT PROGRAM**

**The Hon. C.J. PICTON (Kaurua—Minister for Health and Wellbeing) (14:00):** I seek leave to make a ministerial statement.

Leave granted.

**The Hon. C.J. PICTON:** I rise to update the house on actions taken in response to the independent governance review of the Women's and Children's Hospital cochlear implant program. The report, released on 21 August, identified systemic issues with the program dating up to 17 years in the past. All 59 recommendations were supported. At the same time, we announced a complete overhaul of the program, while also offering impacted families up-front payments and establishing supports for families to navigate potential compensation claims.

Professor Chris Baggoley, former Chief Medical Officer of Australia, is chairing the independent oversight committee overseeing the implementation of the recommendations. The committee is working to closely track the implementation of every single recommendation and will determine when each recommendation can be considered complete. Importantly, the government has appointed to the committee three consumer representatives: a parent of a child impacted by the issues with the program and two adult cochlear implant users.

The committee has outlined a plan for meetings over 12 months or until all recommendations have been satisfactorily implemented. The Women's and Children's Health Network, under the leadership of the new Interim CEO, Rebecca Graham, advise that they have implemented a number of the recommendations. These include:

- establishing a new dedicated cochlear implant navigator role;
- recruiting for an additional four allied health professionals to bolster the workforce;
- securing the ongoing appointment of the program manager;
- developing a workforce plan to strengthen permanency of staffing roles and less reliance on short-term contracts;
- delivering leadership development plans for the cochlear implant clinical lead and children's audiology service manager; and
- rolling out a new electronic patient booking system to ensure families are receiving the appointments that they need on time.

Importantly, the government decided to make up-front offers of ex gratia payments to assist families: \$50,000 for families where the child was impacted and \$5,000 for other families in the program. These payments do not waive a family's other legal rights. I can inform the house that as of last Friday, 54 ex gratia payments to families have now been made by the government: 27 payments have been made for the \$50,000 amount and 27 payments for the \$5,000 amount, a total figure of \$1.485 million. There are a further 70 applications that have now been made, which are being assessed by Dr Lawrence and the department, with an aim to swiftly process all these applications.

Mr Speaker, you may recall a separate independent clinical review has been commissioned through interstate provider NextSense to provide individual assessments of children who have accessed the program. All participants in the program have been offered appointments with NextSense, and it is the decision of families whether to participate. I can update the house that 85 assessments have been completed to date. It is anticipated that the NextSense review will be completed by the end of next month, which will outline the fulsome picture of how many patients have been impacted.

I am pleased to inform the house that, as promised, the government has engaged an NGO, Uniting Communities, to operate a dedicated and independent Family Liaison Unit. This free service will provide support, advocacy and advice and is available to all consumers of the paediatric cochlear implant program, alongside family members and caregivers. Information about the service has been

provided to families. Thirteen families are currently being supported by Uniting Communities as part of this program.

The government is also establishing a Special Purpose Family Engagement Unit to assist families with claims for compensation should they choose to make a claim on behalf of their child. Comprehensive information regarding the Special Purpose Family Engagement Unit will be provided to all families this month. It will be up to families if they wish to engage with the Family Engagement Unit about compensation or pursue their own legal action. I am advised that no legal action claims have yet started, although a number of pre-action claims have been notified. The government will be working proactively with families through this process.

The South Australian government is also putting this issue on the national agenda, together with Queensland, where there has also been a similar problem identified at Townsville hospital. A number of recommendations of our own review also had national implications. In September, all Australian health ministers agreed to task national health officials with urgent advice on actions post consideration of the South Australian and Queensland reviews, with further consideration to happen on these recommendations at the next meeting this month.

The government is fully committed to implementing every recommendation of the independent review as soon as possible, providing significant support to those impacted families and taking every possible action to ensure that an issue such as this does not happen again.

#### *Parliamentary Committees*

#### **LEGISLATIVE REVIEW COMMITTEE**

**Mr FULBROOK (Playford) (14:05):** I bring up the 33<sup>rd</sup> report of the committee, entitled Subordinate Legislation.

Report received.

**Mr FULBROOK:** I bring up the 34<sup>th</sup> report of the committee, entitled Subordinate Legislation.

Report received and read.

#### *Parliamentary Procedure*

#### **VISITORS**

**The SPEAKER:** Before I call questions without notice, I recognise the presence in the gallery of Felicity Graham, author and advocate for children in care, guest of the member for Hurtle Vale.

#### *Question Time*

#### **HYDROGEN POWER PLANT**

**The Hon. D.J. SPEIRS (Black—Leader of the Opposition) (14:08):** My question is to the Premier. Will the hydrogen power station reduce power prices for South Australian households and businesses and, if so, by how much? With your leave, sir, and that of the house, I will explain.

Leave granted.

**The Hon. D.J. SPEIRS:** At a Budget and Finance Committee hearing earlier this year, the chief executive of the Office of Hydrogen Power SA, Mr Sam Crafter, was asked on 23 separate occasions whether Labor's \$600 million hydrogen power plant would lower household electricity bills, and on each occasion he responded that, and I quote, 'The targeted objective of this power plant is to lower prices for industrial customers.'

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Infrastructure and Transport, Minister for Energy and Mining) (14:09):** As we have always said, renewable energy is a cheaper option than thermal energy. Wholesale power prices inform retail power prices, but they don't impact retail prices day to day. What we are attempting to do is obviously firm renewable energy by offering a new generator into the system.

The unfortunate consequence of the history of the National Electricity Market in South Australia is that every time we build capacity within the NEM it is privatised by members opposite. We build new capacity they attack it and say that it is experimental, unnecessary, whatever it might be, and what—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. A. KOUTSANTONIS:** Yell, yell—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. A. KOUTSANTONIS:** They can yell all they like—

*Mr Patterson interjecting:*

**The SPEAKER:** Member for Morphett!

*The Hon. V.A. Tarzia interjecting:*

**The SPEAKER:** Member for Hartley!

**The Hon. A. KOUTSANTONIS:** They can yell all they like.

*Mr Brown interjecting:*

**The SPEAKER:** Member for Florey!

**The Hon. A. KOUTSANTONIS:** They can scream, they can interject, they can complain. Every single thing—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. A. KOUTSANTONIS:** —the members opposite have touched in the NEM has turned to disaster—has absolutely turned to disaster. What we are attempting to do is to find a technology, develop a new generator that can actually firm renewable energy not at the risk cost that thermal generators price their retail pricing at but actually at a price that would actually put downward pressure on electricity prices.

They did not build the solar thermal plant they promised they would complete on entering office in 2018. They said nothing about it—gone to history. They promised they would never privatise ETSA—gone to history. And now, after they privatised our emergency back-up generator, they dare to complain about this state government building new capacity.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. A. KOUTSANTONIS:** In the entire time members opposite were in government not one new merchant investment was made in thermal energy in this state—not one dollar, and do you know why? Because no-one would invest—

*Members interjecting:*

**The SPEAKER:** Order! Member for West Torrens, there is—

*Mr Patterson interjecting:*

**The SPEAKER:** Member for Morphett!

*Members interjecting:*

**The SPEAKER:** Order! The member for Morialta, under 134.

**The Hon. J.A.W. GARDNER:** Standing order 98. We are more than halfway through the question and the minister is debating.

*Members interjecting:*

**The SPEAKER:** Order! Interjections are continuing to my left and right contrary to the standing orders.

*Members interjecting:*

**The SPEAKER:** Order! I have the point of order. There is some force in the matters that have been raised. I bring the minister to the question. Minister.

**The Hon. A. KOUTSANTONIS:** When we decided to embark on the Hydrogen Jobs Plan the plan is this: there is an oversupply of renewable energy, and that negative demand in South Australia is reaching 16 megawatts and sometimes goes into the negative region. Our opponents' plan was to just simply disable that renewable energy and not have it submitted to the grid. Our view is that it is an opportunity. Our plan—

*Mr Patterson interjecting:*

**The SPEAKER:** The member for Morphett is warned.

*Members interjecting:*

**The SPEAKER:** Order!

*Mr Patterson interjecting:*

**The SPEAKER:** Member for Morphett, you are warned for a second time. The minister has the call. Minister.

**The Hon. A. KOUTSANTONIS:** Our plan is to use that excess renewable energy to manufacture hydrogen, store that energy and once we store it we use that energy to firm renewable energy assets in the state to try to put in lower prices for wholesale power prices which have an impact on retail power prices. Members opposite are fundamentally opposed to any intervention in the National Electricity Market.

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

**The SPEAKER:** Order! Minister, there is a point of order from the member for Morialta, which I will hear under 134.

**The Hon. J.A.W. GARDNER:** Standing order 98. The question was directed to the hydrogen power plant and whether it will reduce power prices for South Australia. When the minister talks about the opposition he is debating.

**An honourable member:** Talk about laissez-faire!

**The SPEAKER:** Order! I will listen carefully. Minister, come to the question.

**The Hon. A. KOUTSANTONIS:** By offering that firming service our generators will be able to firm renewable energy, which means that wholesale power prices impact retail power pricing, and by having lower bids in the wholesale market and dropping the wholesale market over time sees an impact on retail prices. But fundamentally, as the Premier said at the last state election, members opposite promised a decrease in power prices that never eventuated—not once. Politicians who—

*Members interjecting:*

**The SPEAKER:** Order!

*Members interjecting:*

**The SPEAKER:** Order! I am anticipating 98.

**The Hon. J.A.W. GARDNER:** Standing order 98, sir. The Liberal Party delivered a \$300 reduction in power prices. The minister is debating.

*Mr Patterson interjecting:*

**The SPEAKER:** Order! Member for Morphett, I can see that this matter animates you, but you are on two warnings.

*Members interjecting:*

**The SPEAKER:** Order! I have the point of order. There is some force in it. We are very close to the minister's time being exhausted. Minister.

**The Hon. A. KOUTSANTONIS:** Our aim is to use our generator to firm renewable resources for industrial purposes. We want to see wholesale power prices decrease. As wholesale power prices decrease so will retail prices.

### PROJECT ENERGYCONNECT

**The Hon. D.J. SPEIRS (Black—Leader of the Opposition) (14:14):** My question is again to the Premier. Has the government undertaken updated modelling on the economic impacts of the hydrogen power station since forming government? With your leave, sir, and that of the house, I will explain.

Leave granted.

**The Hon. D.J. SPEIRS:** The March 2021 Frontier Economics report did not factor in the inclusion of the South Australian New South Wales interconnector, Project EnergyConnect, and I quote:

...that the Frontier Economics report said, as its viability appears to be in serious question.

As at August 2023, the Interconnect project was 80 per cent complete on the South Australian side.

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Infrastructure and Transport, Minister for Energy and Mining) (14:14):** That's right, a connection to nowhere, so far. Isn't it great? We're talking about what has been done on the South Australian side, but it's actually got to connect to somewhere else. Weren't we going to connect to somewhere else?

*Members interjecting:*

**The SPEAKER:** Member for Morialta!

**The Hon. A. KOUTSANTONIS:** This project has continued to blow out each and every time. The cost of this project now—

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

**The SPEAKER:** The member for Morialta is warned.

**The Hon. A. KOUTSANTONIS:** This project was meant to have been completed—

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

**The SPEAKER:** Order! Member for Morialta, you're on two warnings.

**The Hon. A. KOUTSANTONIS:** This project was meant to have been completed by the end of the first term of the Marshall government—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. A. KOUTSANTONIS:** —and what a spectacular end it was, sir. It was meant to cost under \$1 billion. Do you know what the cost is now?

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. A. KOUTSANTONIS:** \$2.28 billion—that's quite the blowout, and it's still not ready. In fact, Project EnergyConnect—

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



**The SPEAKER:** Member for Morialta!

**The Hon. A. KOUTSANTONIS:** —won't be completed—

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

**The SPEAKER:** Order! Member for Morialta, you are warned for a final time.

**The Hon. A. KOUTSANTONIS:** Project EnergyConnect is still not ready and it won't be ready for a long time to come. I think the idea that Project EnergyConnect—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. A. KOUTSANTONIS:** North-south corridor time lines haven't changed.

**The Hon. S.C. Mullighan:** Except for your four-year delay.

**The SPEAKER:** Order!

**The Hon. A. KOUTSANTONIS:** My young friend has not obviously informed his other colleagues that the time lines for the north-south corridor haven't changed. What has changed is that the fact that the \$9.9 billion they pretended it was going to cost was never actually ever going to be the cost; in fact, they probably knew it wasn't going to be the cost.

**The Hon. S.C. Mullighan:** That's right; they forgot a third lane.

**The Hon. A. KOUTSANTONIS:** That's right. Project EnergyConnect in all of our modelling is there, but ultimately we are connecting to an electricity grid that is under its own pressure. The New South Wales government are seeing a dramatic exit of thermal capacity. They are having serious social issues about building new capacity. They are having issues with the then Matt Kean plan about implementing that, rolling that out, to overbuild renewable energy and new transmission lines. Those lines are meeting a mass amount of opposition from conservative members of parliament in regional New South Wales who don't want to see that being built.

So what we are seeing happening in New South Wales is we are seeing thermal capacity exit on the time lines that they have indicated and the new replacement renewable energy that they promised would be built not being built, so we are connecting to a jurisdiction that is going to have not a net surplus of supply but potentially a net deficit of supply. Rather than—

*Members interjecting:*

**The SPEAKER:** Order!

*Members interjecting:*

**The SPEAKER:** Order! Member for Colton! Member for Morphet!

**The Hon. A. KOUTSANTONIS:** What was that?

**The SPEAKER:** Minister! Order!

*Members interjecting:*

**The Hon. A. KOUTSANTONIS:** What was that?

**The SPEAKER:** Minister—

**The Hon. A. KOUTSANTONIS:** Speak up! No-one can hear you and no one's listening.

**The SPEAKER:** —you are not to respond to interjections, however tempting.

**The Hon. A. KOUTSANTONIS:** Speak up, find your voice!

**The SPEAKER:** Minister! Order!

*Members interjecting:*

**The SPEAKER:** Order, member from West Torrens!

*Members interjecting:*

**The SPEAKER:** Order! There are considerable interjections to my left and right. Minister—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. J.A.W. Gardner:** He's undermining you sir; you should name him.

**The SPEAKER:** Not today. The minister has the call.

**The Hon. A. KOUTSANTONIS:** We are connecting now to a grid in New South Wales, where members opposite promised us the unlocking of nearly \$20 billion worth of renewable developments to flow into New South Wales. Those developments have been on the books now for over four years.

*Members interjecting:*

**The SPEAKER:** Order! Minister, there appears to be a point of order. Member for Morphett, 134 or rather, in fact—

**Mr PATTERSON:** Point of order: he is running out of time, sir.

**The SPEAKER:** In fact, member for Morphett, you are right. The minister's time has expired.

*Members interjecting:*

**The SPEAKER:** Order! The member for Morphett has the call.

#### HYDROGEN POWER PLANT

**Mr PATTERSON (Morphett) (14:19):** My question is to the Minister for Energy and Mining. How much will the hydrogen power station cost South Australian taxpayers? With your leave, sir, and that of the house, I will explain.

Leave granted.

**Mr PATTERSON:** In 2021, the Labor Party's policy indicated the cost was to be \$593 million, based on the modelling performed by Frontier Economics. In a new economy podcast published in August 2023, the minister commented, 'The early contracting engagement is all about making sure we can finalise those costs. The budget is set at \$593 million, but if that changes, it changes.' ABS data suggests that since 2021 construction cost inflation is at 30 per cent.

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Infrastructure and Transport, Minister for Energy and Mining) (14:20):** I get interjections about escalation costs being outrageous in the previous question, and now they are saying escalation costs have to be factored in. Which one is it?

**An honourable member:** Both.

**The Hon. A. KOUTSANTONIS:** Both? Alright, both. Okay, it's both. So if I float, I am a witch. If I drown, I am innocent. I get it now. I understand now, Mr Speaker. I understand how it works.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. A. KOUTSANTONIS:** The truth is that our budget is \$593 million. It is unchanged.

*Members interjecting:*

**The SPEAKER:** Order!

#### HYDROGEN POWER PLANT

**Mr PATTERSON (Morphett) (14:20):** My question is again to the Minister for Energy and Mining. When will the hydrogen power station be operational and dispatching electricity into the grid? With your leave, sir, and that of the house, I will explain.

Leave granted.

**Mr PATTERSON:** When in opposition, the Labor Party committed to the power station being operational by December 2025, with new dispatchable generation of 200 megawatts. On 22 October 2023, the government announced that the project's operations are set to commence in early 2026 through new dispatchable generation of an unspecified amount.

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Infrastructure and Transport, Minister for Energy and Mining) (14:21):** That is all within the same financial year and we stand by it.

*Members interjecting:*

**The SPEAKER:** Order!

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

**The SPEAKER:** The member for Morialta is on a final warning.

### HYDROGEN INDUSTRY

**Mr WHETSTONE (Chaffey) (14:21):** My question is to the Minister for Trade and Investment. What does the cessation in discussions for an Australian-European Union free trade agreement mean for South Australia's hydrogen sector? With your leave, sir, and that of the house, I will explain.

Leave granted.

**Mr WHETSTONE:** The Australian trade minister, Don Farrell, previously described Australia's access to hydrogen as a big advantage for free trade agreement negotiations. Hydrogen had been a key priority in negotiations for the proposed South Australian Frankfurt trade office. With the breakdown in negotiations, it appears that we have been left with high tariffs and limited market access.

**The Hon. P.B. MALINAUSKAS (Croydon—Premier) (14:22):** I thank the shadow minister for his question. The state government, naturally, has been working collaboratively with the commonwealth, particularly the Minister for Trade, on a range of different opportunities and a range of trade issues facing the state, and there may yet be an opportunity later in question time to address some of them.

With respect to the hydrogen sector, the focus of the government's hydrogen policy in the first instance is entirely domestic. We see the rollout of the hydrogen industry in our state over the course of this decade being done in a very deliberate way, where it commences with the state government's Hydrogen Jobs Plan in conjunction with the opportunities around the hydrogen hub at Port Bonython and potentially other announcements to follow.

Let me be clear about this: our preference as a government in the first instance is for hydrogen production to be principally for domestic consumption, domestic consumption by the Hydrogen Jobs Plan itself but particularly from local industry, particularly manufacturing.

The export opportunity around hydrogen the state government does believe to be real, as does the commonwealth, and there has been a range of investments by the commonwealth over the course of successive federal governments, both Liberal and Labor, to explore those opportunities, but the time lines associated with that aren't necessarily in the immediate future.

Hydrogen export is likely to come in a number of forms. Ammonia is the one most aggressively pursued at the moment and is potentially foreshadowed at the Port Bonython development, but the prospect of export of hydrogen molecules in their more pure form we don't see as being something that is likely to happen in the immediate future. The deliberations coming out of the free trade agreement do not deter or have any practical implications on the immediate state government policy that we have around hydrogen production.

This state government's view around hydrogen export in the medium term I think is best represented by the green iron or hot briquetted iron (green iron pellets) opportunity. Green steel is

something that has been talked about going back some time, particularly from Sanjeev Gupta and GFG, and that's something we would love to see happen.

But what's far more likely in our assessment and something that we are working on with GFG amongst others is the potential for the use of domestically produced hydrogen in the Upper Spencer Gulf being used in conjunction with our local magnetite resource, which is one of the world's best, both in terms of quantity and quality, combining them with our domestic steel manufacturing industry to produce green iron pellets (HBI), and exporting that to existing steel producers in countries that are principally outside of Europe: Japan, Korea, but potentially also China, and then the European opportunity is in Germany.

We don't see the timing of the breakdown, if you want to characterise it that way, of the free trade agreement negotiations with Europe impeding those efforts. Naturally, I think the whole country hopes that there is a successful free trade agreement with the EU at some point in the future, but that can never be done at the expense of our priorities as a country. Sometimes I think there has been a rush to free trade agreements just to say, 'Hey, you beauty, we got a free trade agreement!' without them necessarily representing the national interest.

I, for one, take comfort from the fact that we have a federal government and a federal minister first and foremost protecting the national interest before we rush to a positive announcement that might be having a deleterious impact on our economy into the future.

#### GENERAL PRACTITIONER PAYROLL TAX

**Mrs HURN (Schubert) (14:26):** My question is to the Minister for Health and Wellbeing. Has the minister received any advice as to whether GP payroll tax changes will have any impact on bulk-billing rates in South Australia?

**The Hon. S.C. MULLIGHAN (Lee—Treasurer) (14:26):** I thank the member for her question because, as I have been at pains to advise the house, the government has put an enormous amount of effort into assisting GPs through this issue. Without going through the full history of it, in brief I can say that members would recall that while we have had the same payroll tax legislation in this regard for nearly 15 years now here in South Australia, harmonised with most jurisdictions across the country—no change to the contract or provisions—it has only recently become apparent to GPs that some of them are not meeting their payroll tax obligations.

Unlike the approach of some other Eastern States, including New South Wales and Victoria, we have worked principally with the royal college representing GPs but also the Australian Medical Association representatives here in South Australia to assist GPs to firstly understand their obligations but also give them a long runway of time to come into compliance because the challenge here, of course, is that we already have some GP clinics who are paying payroll tax, and we also have many other clinicians who are registered for and are also paying payroll tax.

So we want to make sure that those GPs who may not be meeting their payroll tax obligations at the moment do in the future, and we want to give them a long period of time to come into that. From 1 July next year, we need to provide an appropriate framework to do that because if we didn't, if we said that this cohort of GPs did not have to pay payroll tax, that of course—

*Members interjecting:*

**The SPEAKER:** Member for Colton is warned.

**The Hon. S.C. MULLIGHAN:** —would be inequitable to all of those GPs and all of those other medical clinicians who are already paying payroll tax.

*Mr Cowdrey interjecting:*

**The SPEAKER:** Member for Colton is warned.

**The Hon. S.C. MULLIGHAN:** The obligation of any government, any responsible—

**Mr Cowdrey:** Are they paying it on contracted GPs?

**The SPEAKER:** Order!

**The Hon. S.C. MULLIGHAN:** —party of government, is to be fair and equitable in how it administers the tax base.

**The SPEAKER:** Order! There is a point of order from the member for Morialta.

**The Hon. J.A.W. GARDNER:** Standing order 98: the question was fairly narrow, actually, in relation to any advice relating to the changes on bulk-billing rates.

**The SPEAKER:** I have the question. I will listen carefully.

**The Hon. S.C. MULLIGHAN:** Thank you, Mr Speaker. I am grateful for the intervention because the question was about bulk billing. The GPs' principal complaint in all of this is that for a long time, particularly over the last 10 years since bulk billing rates have effectively been frozen by the former Coalition government, those people opposite, who signed themselves up to the federal Liberal Party, duded GPs out of pay increases. From today—from today—under a federal Labor government, bulk billing incentives have tripled—tripled—so the remuneration under the Medicare Benefits Schedule—

*Members interjecting:*

**The SPEAKER:** Member for Colton, order!

*Mr Cowdrey interjecting:*

**The Hon. S.C. MULLIGHAN:** Oh, you don't want to talk about bulk billing now?

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.C. MULLIGHAN:** Okay, that's fine. No problem.

*Members interjecting:*

**The SPEAKER:** Order! Members to my right, there is a point of order from the member for Morialta: 134.

**The Hon. J.A.W. GARDNER:** Standing order 98: the question was specifically about the interaction between the government's GP payroll tax—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. J.A.W. GARDNER:** —and bulk billing rates. The minister is talking about commonwealth changes to bulk billing; he is not talking about his GP payroll tax on bulk billing.

*Members interjecting:*

**The SPEAKER:** Order! There is a close relationship with commonwealth arrangements in relation to this matter. It could well fall within context.

**The Hon. S.C. MULLIGHAN:** I am very grateful to have a question from those opposite about federal Labor's changes to bulk billing, which will effectively take the payment for the federal bulk billing regime that they raised today in question time, the very day that the bulk billing incentive has tripled. The remuneration will go, for a bulk billing payment—

*Members interjecting:*

**The SPEAKER:** Member for Morialta! Member for Schubert!

**The Hon. S.C. MULLIGHAN:** —from approximately \$40—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.C. MULLIGHAN:** —to \$60: a 50 per cent increase, because remember—

*Members interjecting:*

**The SPEAKER:** Member for Morialta!

**The Hon. S.C. MULLIGHAN:** —those acolytes of the federal Coalition government, those supplicants to Christopher Pyne and James Stevens, those people who supported—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.C. MULLIGHAN:** —a \$7 co-payment for GPs for bulk billing—

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

**The SPEAKER:** Member for Morialta!

**The Hon. S.C. MULLIGHAN:** —those people who supported a freeze in remuneration for 10 years, they don't want to talk about tripling the bulk billing incentive.

*Members interjecting:*

**The SPEAKER:** Order! Treasurer—

*Members interjecting:*

**The SPEAKER:** Order! Member for Chaffey, order! Member for Morialta, you will have to depart under 137A, for persistent interjections, for the remainder of question time. It is perhaps no surprise to you.

*The honourable member for Morialta having withdrawn from the chamber:*

#### **GENERAL PRACTITIONER PAYROLL TAX**

**Mrs HURN (Schubert) (14:32):** My question is to the Minister for Health and Wellbeing. Is the government assessing the Queensland approach to GP payroll tax, and could that be rolled out in South Australia?

**The Hon. S.C. MULLIGHAN (Lee—Treasurer) (14:32):** Of course we are aware of the way in which—

*Mr Cowdrey interjecting:*

**The SPEAKER:** Member for Colton!

**The Hon. S.C. MULLIGHAN:** —changes are being made in other states.

*Mrs Hurn interjecting:*

**The SPEAKER:** The member for Schubert is warned.

**The Hon. S.C. MULLIGHAN:** As I have pointed out, there are states, in particular New South Wales and Victoria, that are being far more punitive than South Australia in how they are choosing to bring GPs into compliance with their existing payroll tax obligations. The member raises what is going on in Queensland. I have to say, I have had this discussion with the royal college, and have also had the discussion with RevenueSA. We are waiting to understand exactly how the Queensland revenue agency intends to apply what the Queensland Treasurer has announced, because, amongst our state's revenue office and amongst local GPs and their representatives, no-one seems quite sure how it would work in practice.

They have sought to make a more beneficial or preferential arrangement for that cohort of GPs in Queensland who are not meeting their payroll tax obligations, but what we have tried to rely on is an appropriate, pragmatic and equitable way of managing this issue within the overall tax base. Those opposite, of course, have had three different positions on this—

*Mr Cowdrey interjecting:*

**The SPEAKER:** Order! The member for Colton is warned.

**The Hon. S.C. MULLIGHAN:** —three different positions on this.

*Mr Cowdrey interjecting:*

**The SPEAKER:** Member for Colton, your persistent interjections mean that you are on a final warning. The Treasurer has the call.

**The Hon. S.C. MULLIGHAN:** Those opposite have had three different positions on what should be done here. Firstly, they wanted an amnesty, which the government has granted. Then they wanted a longer amnesty, which of course we pointed out would be inequitable for them. We also had a call from those opposite that there shouldn't be payroll tax on this group of GPs at all in the future, which of course would be unreasonable for those GPs who are already paying payroll tax, let alone the thousands of other medical clinicians—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.C. MULLIGHAN:** —those clinicians—

*Mr Cowdrey interjecting:*

**The SPEAKER:** Member for Colton!

**The Hon. S.C. MULLIGHAN:** —who have been meeting their payroll tax obligations. It would be unequitable—

*Mr Cowdrey interjecting:*

**The SPEAKER:** Member for Colton, 137A, for the remainder of question time.

*The honourable member for Colton having withdrawn from the chamber:*

**The SPEAKER:** The Treasurer has the call.

**The Hon. S.C. MULLIGHAN:** Those opposite are all over the shop on this issue. They will say anything in order to get a warm response for who may or may not stand up with them in a media conference, but our responsibility is much deeper. Our responsibility is to manage the state's tax base—

*Mrs Hurn interjecting:*

**The SPEAKER:** Member for Schubert!

**The Hon. S.C. MULLIGHAN:** —fairly and equitably. The normal approach to this would be for Revenue SA to identify a business that has not been meeting its tax obligations, audit them for the last five years, charge them all their tax obligations with penalty and interest, and require them to come into compliance from day one.

As I have repeatedly made it clear to this place, we have, of course, forgone all those obligations and we have done that proactively. Before they could even ask for it through the royal college, we made it clear we would not be doing that to them. Not only that, we have also said we won't be asking you to pay it from day one; you can have a full, in fact it was more than 12 months, to understand your obligations and come into compliance, because we knew it would be unreasonable for us to have very lengthy periods of time, longer than 12 months, where we have one group of GPs and GP clinics paying payroll tax and we have another group that isn't. That is simply unfair.

You can't run a two-pace tax system where some operators get the benefit of a tax holiday and others have to continue meeting their obligations. So we have a fair and pragmatic outcome and I am very pleased for the collegial work of the royal college in helping us arrive at that.

### GENERAL PRACTITIONER PAYROLL TAX

**Mrs HURN (Schubert) (14:36):** My question is to the Minister for Health and Wellbeing. Will the government extend the GP payroll tax amnesty to July 2026 as requested by the Royal Australian College of GPs in South Australia?

**The Hon. S.C. MULLIGHAN (Lee—Treasurer) (14:36):** In my discussion with the royal college, they asked that we extend the period of time to register for the amnesty to November. We immediately said yes. In fact, not just 1 November but we extended it to the end of this month to

make sure that there were a number of months in addition to what had previously been sought by the royal college and what had previously been agreed to by the government.

Each time I have sat down with Dr Goodson, we have had a productive discussion where we have understood the practical impact on GPs and what it would mean for them to understand their obligations and how much time it may take for them to get to the point of registering with Revenue SA so that they can work through this. While it might appear clear to us, most of us, if not all of us, not being familiar with having operated a GP clinic, there are many different iterations of how these business models are structured and it's very difficult for Revenue SA to provide broadbrush advice that will apply to all the clinics because that's not how they have structured their operations, hence why we encourage them to register.

We arrived at the more than 12-month period of time when they didn't have to pay payroll tax because we thought a full financial year of not having to pay payroll tax would give people a full opportunity and understanding of how the application of payroll tax would impact their business. What has been clear to me in some of the correspondence I have received from those opposite, from some of our own members and from some of the representations I have received from general practitioners, is that from the outset it seemed that some of them thought that payroll tax was payable on turnover of that clinic or that payroll tax was payable on all the wages of the clinic. Of course, those two things are not correct. Payroll tax is only payable on eligible wages. It's not even payable on all those wages; it's only payable on those wages above a tax-free threshold.

Once we have had the opportunity of working with GPs to understand how their business is structured, what their wage bill is, how the payroll tax threshold applies to them—some of them, of course, particularly in the smaller practices still won't be liable for payroll tax. Some of those in larger practices are likely to be liable for payroll tax.

Those opposite called for a one-year tax-free period, then a two-year tax-free period, and now they are calling for a three-year tax-free period—and that's on top of, at one point, also calling for the tax not to be levied on them at all.

*Mrs Hurn interjecting:*

**The SPEAKER:** Order, member for Schubert!

**The Hon. S.C. MULLIGHAN:** I guess the question is to be posed to those opposite: how long is a reasonable period of time for a government to operate a tax base where one group of people continue to meet their tax obligations and another group of people don't?

**The Hon. V.A. TARZIA:** Point of order, sir: you have given the opportunity for the Treasurer to warm up, but he is now actually debating the matter to which the subject refers; standing order 98.

**The SPEAKER:** I have the question and the point of order. There is some merit in the matter raised. I will continue to listen carefully, and I bring the Treasurer to the question. I notice his time is close to expiring.

**The Hon. S.C. MULLIGHAN:** Thank you, Mr Speaker. As I said, we have been approaching this from a fair and pragmatic basis, making—

*Mr Telfer interjecting:*

**The SPEAKER:** Order, member for Flinders!

**The Hon. S.C. MULLIGHAN:** The member for Flinders interjects. Of course, a month ago the request was one year, then—

*Mr Whetstone interjecting:*

**The SPEAKER:** Member for Chaffey!

**The Hon. S.C. MULLIGHAN:** —in recent weeks it was for two years.

*Mrs Hurn interjecting:*

**The SPEAKER:** Member for Schubert!



**The Hon. S.C. MULLIGHAN:** Today it is for three years. Presumably next sitting week—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.C. MULLIGHAN:** —they will be asking for four years, and maybe in the last sitting week they will be after five years.

*Mrs Hurn interjecting:*

**The SPEAKER:** The member for Schubert is warned.

**The Hon. S.C. MULLIGHAN:** Such is the ever-changing policy approach of those people who want to occupy the Treasury benches—God help us if that were ever the case.

### RENTAL HOUSING REFORMS

**Mr ODENWALDER (Elizabeth) (14:41):** My question is also to the Treasurer. Can the Treasurer update the house on any initiatives by the Malinauskas Labor government to assist renters in South Australia, and is he aware of any alternative views?

**The Hon. S.C. MULLIGHAN (Lee—Treasurer) (14:41):** I think I can assist the house in this regard. I know the member, like many of us, has a significant proportion of households in his electorate who are renters, and of course across the state more than one quarter of all households are renters.

The rental vacancy rate in South Australia is the lowest in the nation, and has been for many months now—less than 1 per cent, or 0.5 per cent, I think, in the latest statistics. This highlights the need, to this government, to update our rental laws to make sure that renters have a fair chance in a very, very tight rental market.

I am pleased to say that the work being led by the Minister for Consumer and Business Affairs has already started delivering in spades for renters. We have already banned rent bidding and we have already lowered bond costs for many renters. In a further package of changes we are making sure that tenants can't have their lease ended without a reason being provided, and we are better balancing regulations around having pets in rental properties.

But I have to say that it has come to my attention that these important reforms are not universally welcomed. The real estate industry supports these pragmatic reforms, but the Leader of the Opposition doesn't support these reforms. Many of us were familiar with the Leader of the Opposition simply as the member for Black. Of course this week most South Australians have become familiar with him more as the person occupying the middle of the Monopoly board—the owner of 14 properties. It is absolutely extraordinary.

What has the Leader of the Opposition done? What has the occupant of the middle of the Monopoly board done? He has used taxpayer funds to send out a letter to thousands of South Australian households—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.C. MULLIGHAN:** —saying 'Labor's war on landlords'.

*Members interjecting:*

**The SPEAKER:** Order! Member for Chaffey!

**The Hon. S.C. MULLIGHAN:** It is almost as if the Leader of the Opposition feels specifically targeted by these reforms—absolutely extraordinary. I don't know too many people—

*Members interjecting:*

**The SPEAKER:** Member for Chaffey!

**The Hon. S.C. MULLIGHAN:** —who own 14 residential properties, and I certainly don't know too many people who own 14 residential properties and are in a position to use taxpayers'

funds to send out letters to thousands of households advocating against these important reforms. So that raises—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. D.J. SPEIRS:** Point of order, Mr Speaker.

*Members interjecting:*

**The SPEAKER:** Members to my right and my left, there is a point of order and it will be heard in silence.

**The Hon. D.J. SPEIRS:** Standing order 126: I take extreme offence at those accusations, and I ask that they be withdrawn and that the Treasurer apologise.

*Members interjecting:*

**The SPEAKER:** Order! I have standing order 126 but also 127, which concerns digression and personal reflection on members. The leader has taken offence, so I invite the Treasurer to withdraw and apologise.

**The Hon. S.C. MULLIGHAN:** I apologise for offending the leader.

**The Hon. V.A. Tarzia:** And withdraw it!

**The SPEAKER:** Order!

**The Hon. S.C. MULLIGHAN:** I withdraw and I apologise to him, but I have nothing to believe that this is a falsification of this letter.

*The Hon. V.A. Tarzia interjecting:*

**The SPEAKER:** Order!

**The Hon. S.C. MULLIGHAN:** It stands that the Leader of the Opposition on his own letterhead has spent considerable taxpayers' funds to send this letter out.

*Members interjecting:*

**The SPEAKER:** Order! That may be, however the standard is a subjective one, and the request has been made to withdraw and apologise. I invite the—

**The Hon. S.C. MULLIGHAN:** I apologise to the leader.

**The SPEAKER:** Very well, that may resolve the point of order that was raised. Treasurer.

**The Hon. S.C. MULLIGHAN:** Notwithstanding the offence caused, it is extraordinary that a letter like this can be sent out by the Leader of the Opposition claiming a war on landlords. Those opposite made it their practice to highlight every single expenditure of the office of the Leader of the Opposition over the four-year period between 2018 and 2022, and I think it's important that this house has some understanding about how this Leader of the Opposition, in his particular circumstances—

**The Hon. V.A. TARZIA:** Point of order, sir.

**The SPEAKER:** Order! Treasurer, there is a point of order.

**The Hon. S.C. MULLIGHAN:** —of spending thousands of dollars of taxpayers' funds—

**The SPEAKER:** Treasurer, please be seated.

*Members interjecting:*

**The SPEAKER:** Order!

**Mr Whetstone:** This is disgraceful.

**The SPEAKER:** Order, member for Chaffey!

**Mr Whetstone:** It's a disgrace!

**The SPEAKER:** Order!

*Members interjecting:*

**The SPEAKER:** Order! The point of order will be taken and heard in silence.

**The Hon. V.A. TARZIA:** The question was very clearly about housing matters, and the Treasurer has absolutely nothing to do with that matter, and so 98.

*Members interjecting:*

**The SPEAKER:** Order!

*The Hon. L.W.K. Bignell interjecting:*

**The SPEAKER:** Member for Mawson!

*Mr Whetstone interjecting:*

**The SPEAKER:** Order!

**The Hon. V.A. TARZIA:** Standing order 98.

**The SPEAKER:** I have the standing order. There is some force in it, or might be if the second portion of the question wasn't so wide inviting alternative views. Nevertheless, I will listen carefully; and there is limited time remaining.

**The Hon. S.C. MULLIGHAN:** I can appreciate that, just as much as we believe it's important to provide some balance in the relationship between renters and landlords in the current rental market, that that view might not be shared by others. I make it clear we support landlords; we stood with them when those opposite were dialling up land tax on them and causing them thousands of extra dollars per year. I have to say, to see thousands of dollars of taxpayers' money being spent on a communication like this raises questions.

*Members interjecting:*

**The SPEAKER:** Order! Before I turn to the member for Frome, I emphasise the provisions of standing order 127. They are important. Member for Frome.

#### **MIDWIFERY SERVICES, LIGHT REGION**

**Ms PRATT (Frome) (14:48):** My question is to the Minister for Health and Wellbeing. Can the minister update the house on the status of midwifery services in the Light region? With your leave, sir, and that of the house, I will explain.

Leave granted.

**Ms PRATT:** My office has been contacted by concerned locals who report that maternity patients in Kapunda will now have to travel elsewhere to have their baby delivered as the Kapunda Hospital has been placed on diversion due to workforce shortage.

**The Hon. C.J. PICTON (Kurna—Minister for Health and Wellbeing) (14:48):** I thank the member for Frome for her question. Certainly, we know midwifery services and midwifery staff right across country is an area of workforce pressure in regional areas right across the country, and we are obviously managing a significant issue that we have had in Whyalla in relation to the availability of midwives there.

I am happy to seek further information from the Barossa Hills Fleurieu Local Health Network in terms of the exact issues that are happening in the Kapunda region, but I know that this is an area of significant focus for all of our local health networks in terms of the maintenance of midwifery services right across the board. It is also an area where we are undertaking future workforce planning right across SA Health, and midwifery services are a key component of that to make sure that we can continue to provide available services right across the state.

#### **MIDWIFERY SERVICES, LIGHT REGION**

**Ms PRATT (Frome) (14:49):** Supplementary: will the minister consider a review of birthing services for the Light region by an independent expert, similar to that provided for Whyalla?

**The Hon. C.J. PICTON (Kaurua—Minister for Health and Wellbeing) (14:50):** Certainly, the first step I will do is seek information from the Barossa Hills Fleurieu Local Health Network in relation to the issues that the member has raised and will consider the information that is provided and if there are appropriate next steps that need to be considered.

### REGIONAL HOUSING

**Mr McBRIDE (MacKillop) (14:50):** My question is for the Minister for Housing and Urban Development. How is the government addressing the housing crisis faced by regional communities and, importantly, in my electorate of MacKillop?

**The Hon. N.D. CHAMPION (Taylor—Minister for Trade and Investment, Minister for Housing and Urban Development, Minister for Planning) (14:50):** Thank you to the member for MacKillop, who has been a really strong advocate right from the moment I became Minister for Housing. I think the first time I visited Bordertown with him in the district of Tatiara was in June last year, when we had the first country cabinet. Of course, we returned there on Friday to make a very important announcement.

Right the way along, the member for MacKillop has been a very strong advocate whether he was on the opposition front bench or now on the crossbench, a very strong advocate for people in regional South Australia. We know the regions face a really tough set of situations: high building costs, unusual financing arrangements thrust upon them by the banks—

**An honourable member:** A Labor government.

**The Hon. N.D. CHAMPION:** The opposition makes an interjection. You did nothing for four years.

**The SPEAKER:** Minister, you will not respond to interjections.

**The Hon. N.D. CHAMPION:** That is why, when I became Minister for Housing, we found a zero rental vacancy rate in the country and no policy architecture to deal with it—no policy architecture to deal with it at all. You spent four years ignoring your own heartland—four years—and that is why the member for MacKillop is sitting over there, because he tried when you were in government to get your attention in a policy sense and no-one cared.

That is why, when we went to Bordertown, we listened to the local council. We listened to the CE, Anne Champness. We talked to them about partnership. What the council have done is buy a big parcel of land in Ramsay Terrace in Bordertown of 5.8 hectares, up to 60 homes—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. N.D. CHAMPION:** —and we are making a \$2.7 million investment to get that first stage of 15 homes going. We are going to build five homes—

*Members interjecting:*

**The SPEAKER:** Member for Florey!

**The Hon. N.D. CHAMPION:** —for doctors, nurses, police, government workers who we know in the regions we need to accommodate. We are doing that in a number of regions: the Copper Coast, the South-East, the Riverland. We are doing it in the Riverland. I have not heard any complaints from you about that—not one complaint.

So let's just get this straight: what we are doing in places like Bordertown is partnering with the council, listening to them and investing early to get their project up off the ground, the first 15 homes, partnering with local businesses so that they might get the next 10, and building in bulk to gain efficiencies. We have put in place the Office for Regional Housing. We have identified up to 35 homes for government employees. They are sensible investments in partnership with local government.

*Members interjecting:*

**The Hon. N.D. CHAMPION:** I would have thought the member, as a former local mayor, would have celebrated this. I thought you would be supportive of it. I thought you would be mirroring the policy, but instead all we get from those opposite is no and complaints and, most importantly, no confirmation that they will match our strategy, no confirmation that they will back in the member for MacKillop in his important advocacy for regional housing not just for his own electorate but for the whole Limestone Coast, the whole of the South-East, the whole of regional South Australia.

It is really important. I would have thought those opposite would take a much more agreeable, a much more bipartisan, approach to this, but we now know from their interjections and their complaints that, from the word go, they intend to ignore the heartland of South Australia again if they were ever to return to the Treasury benches.

#### VINEHEALTH AUSTRALIA

**Mr BELL (Mount Gambier) (14:54):** My question is to the minister for the environment. Is the minister aware of concerns from the Coonawarra Vignerons Association regarding delays in appointing new board members to Vinehealth Australia? With your leave, sir, and that of the house, I will explain.

Leave granted.

**Mr BELL:** The Coonawarra Vignerons Association has written to me on a number of occasions indicating that Vinehealth has been without a functioning board for most of this year. Applications for new members were opened on 19 May and closed on 2 June this year, nearly five months ago. Coonawarra's geographical location means that they are on the doorstep of Victoria, where phylloxera currently exists, and recent reports indicate that it is spreading.

**The Hon. S.C. MULLIGHAN (Lee—Treasurer) (14:55):** As the minister representing the minister for primary industries in this house, I am happy to take the question from the member for Mount Gambier. Can I thank him for raising it. It's an important point for the reasons that he has articulated in his explanation, particularly for that industry so close to the border of Victoria. The closer the interaction with industry that the government has, and particularly doing it through experienced industry representatives, the better it is to guard against the risk of those sorts of issues. Perhaps if I can take that away and get an answer for the member as quickly as possible and bring it back for the benefit of the house.

#### COUNTRY FIRE SERVICE

**Mr PEDERICK (Hammond) (14:56):** My question is to the Minister for Police, Emergency Services and Correctional Services. Is the minister aware of concerns raised by regional CFS brigades about access to facilities and resources and, if so, what is being done to address those concerns? With your leave, sir, and that of the house, I will explain.

Leave granted.

**Mr PEDERICK:** On 22 October in the *Sunday Mail* it was reported that firefighters in some regions say they are not being provided with adequate facilities at their local stations, with one CFS captain quoted as saying, 'City people just don't understand how we operate with so little.'

**The Hon. J.K. SZAKACS (Cheltenham—Minister for Police, Emergency Services and Correctional Services) (14:56):** I thank the member for his question, and I am happy to go through that in some detail. Perhaps if I pick up the latter part of his question and make my way through it about those city folk who have no idea about the sacrifices and the commitment that CFS volunteers make. We are certainly a government that understands that the best way that we can hear from regions is to get out and meet with regional people. That is why our government, led by the Premier, has instituted immediately—in fact, in opposition we undertook this as well—country cabinets.

One thing that I have been very proud to do since becoming minister is to meet firsthand with dozens and dozens of brigades and groups around the state, including hundreds of members. I will tell you what, for the member's benefit, they have had some choice words to say about the former Liberal government, that's for sure. If you talk about a base, the Minister for Planning mentioned before about the Liberals abandoning their base. It is quite extraordinary the feedback that is

consistent right across the state, generally in places that very few Labor politicians have ever been welcomed into with such warmth that I and my country cabinet colleagues have felt.

The member for Hartley tried—how hard he tried is another question, but he tried—and his predecessor, who I think is still looking for a job, tried. These two as former ministers oversaw a culture in the CFS of fingers in the ears, don't listen to the problems, don't listen to the needs.

I can report, for the member's benefit, just on some of the conversations that I have had this week in the South-East. I met with representatives, volunteers and leaders from nine different CFS brigades in the South-East. I also had some really informative, I should say—and the member may be interested in this information—conversations with a couple of members of the Hynam brigade, which in 2019 did have an upgrade to the station planned. For some reason—and I have not quite understood why and with what political interference—that was taken off the table. What I have taken to the good people of that brigade is to personally follow it up. That is what I get to do when I have personal and meaningful conversations with volunteers across our state.

I have also been able to inform them that the replacement—and I am not sure whether it says 34P or another appliance—will be due in the next 11 to 12 months. Again, that wasn't information that was well explained to those wonderful, hardworking volunteers there.

In addition to that, we are a government that understands that we need to back in our emergency services across the state. That is why we are a government—unlike the former—that has invested heavily into improving the amenity of CFS trucks, appliances and stations around the state—

**The Hon. V.A. Tarzia:** We built HQ.

**The Hon. J.K. SZAKACS:** The Premier built that. I hear an interjection from the member for Hartley: he built HQ. Do you know who started that? The Premier after four dark years—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. J.K. SZAKACS:** What I can confirm to the member—and I do respect and have recognised in this place his service as a volunteer and as a frontline FFU capability; I know that he listened—is that I will continue to listen, not something the former government was known for.

*Members interjecting:*

**The SPEAKER:** Order! Well, in fact, member for Hammond I was going to turn to the government side, because, as I understand it, it is only the second government question. I might not be right about that but I think that I am.

*Members interjecting:*

**The SPEAKER:** Order! There has been the member for Elizabeth and also some questions from the crossbench, but this will be only the second government question and therefore it is entirely appropriate to turn to my right. The member for Adelaide.

### HOMELESSNESS SERVICES

**Ms HOOD (Adelaide) (15:01):** My question is to the Minister for Human Services. How are government agencies working with homelessness service providers in the CBD?

**An honourable member:** Great question.

**The Hon. N.F. COOK (Hurtle Vale—Minister for Human Services) (15:01):** It certainly is. I thank the member for her question and her deep commitment to helping people who need help in this area particularly. I was really pleased to join representatives from our specialist homelessness services last week to launch a new hub in Adelaide's CBD. The new hub is located just off Whitmore Square and alongside the Baptist Care WestCare site that plays a really important role during both our Code Red and our Code Blue responses for rough sleepers. This opening was attended by multiple members of the Toward Home Alliance. That service manages the services within the CBD

and also in the eastern and southern suburbs. Indeed, sir, they manage services in your own electorate as well.

As a testament to the commitment across the community to addressing homelessness, I was so happy to see people from a range of NGOs, Aboriginal community organisations, the SA Housing Authority, DHS, SA Health, SAPOL and many others in the same room. This was also a chance for Ian Cox, the Housing Authority's head of Homelessness Integration to see a key project come to life before he finishes up in his role. I would like to publicly thank Ian for his work in an incredibly tough but critical area, and I am sure it won't be the last time the sector sees Ian in this area.

Back in 2021, the former government introduced reforms to our homelessness system, and while the aims were noble there were a range of shortcomings in how they were delivered in terms of transition and reform. Competition for contracts led to tension in the sector with only a six-week time frame from announcing contracts to starting the new service, meaning there was a huge pressure and tension in the transition.

There were questions about the availability of crisis beds and there wasn't an outcomes framework in place. The contracts they gave homelessness services included just a 0.7 per cent indexation and in their second year when inflation had hit 8 per cent. This was a sad symbol of disrespect for a sector that works with thousands of people every month to prevent or resolve homelessness. They rushed this reform to make an announcement without doing the preparation that was required.

I am really proud to be part of a government that has taken a very different approach in this area. Since being elected, we have been working to take a good idea and make it work on the ground for both providers and clients. We have committed around \$17 million extra for homelessness services since the election on top of securing an extra \$370 million for new and upgraded social housing.

Last week was another milestone in doing more. The new hub has been named Paya'adlu. I thank and commend both Deb and Jack Buckskin for working together to provide that Kaurna name. This name means to sit, listen and learn. I couldn't think of a better name for such a service. The hub creates a co-working space for Toward Home Alliance members to come together, along with key government agencies, to thrive, to facilitate and encourage innovation and collaboration.

People experiencing homelessness often have multiple barriers and challenges in place in order to secure a place. Where the different organisations can come together is so important to delivering those outcomes. We have already seen great innovation from Toward Home, especially in working with non-traditional partners like councils and local real estate agents in order to deliver these new services. This has included Terra Firma, a pet-friendly boarding house in the CBD that works alongside another new boarding house developed by Carrington Cottages. This one was supported in partnership with the housing authority, matching a \$1 million donation from a benevolent family. The alliance system is working progressively and will keep driving change and improvements to ensure South Australians in crisis know they have a safe and supportive place to turn to for help.

#### COUNTRY FIRE SERVICE STAFF

**Mr PEDERICK (Hammond) (15:06):** My question is to the Minister for Police, Emergency Services and Correctional Services. How many CFS employees and volunteers are currently suspended with or without pay from the organisation? With your leave, sir, and that of the house, I will explain.

Leave granted.

**Mr PEDERICK:** *The Advertiser* has recently reported that paid CFS staff members are among hundreds of firefighters and employees who have been subjected to suspension.

**The Hon. J.K. SZAKACS (Cheltenham—Minister for Police, Emergency Services and Correctional Services) (15:06):** I don't have that number in front of me. I will endeavour to seek that information for the member to the extent that I can within privacy considerations, but what I can absolutely say for the member's satisfaction is that, unlike the former minister, I won't be politically

intervening and directly intervening to ensure that charges are brought against the individual. What I won't be doing is making—

**The Hon. V.A. TARZIA:** Point of order, sir.

**The SPEAKER:** There's a point of order, which I will hear under 134.

**The Hon. V.A. TARZIA:** I absolutely take offence to that assertion and ask that the minister withdraw and apologise.

*Members interjecting:*

**The SPEAKER:** Order! I—

*Members interjecting:*

**The SPEAKER:** Order! I have the point of order. I must confess and apologise to the member for Hartley: I'm not certain that I necessarily have the point of order clearly in my mind but, in any case, I am going to turn to the minister to give him an opportunity.

**The Hon. J.K. SZAKACS:** I can confirm that, unlike the former minister, I won't be politically intervening to ensure that charges are brought against individuals.

**The SPEAKER:** No, minister, that's not what I had in mind; in fact, I had in mind 126 or 127. There has been an invitation to withdraw and apologise. The invitation hasn't been particularised, and that is what I had in mind when I said that it hadn't been, but you might want to take the opportunity in any case. I note that we are in the dusk of question time.

**The Hon. J.K. SZAKACS:** I withdraw and apologise for any offence to the member for Hartley. As I said—I might change the text—there simply will not be political intervention by me to ensure that charges are brought against individuals. The member for Hammond would no doubt be aware—or at least I hope he would be aware; I'm not sure if he was a former member of the caucus in 2021—when the regulations in their current iteration regarding disciplinary committees—

**Mr Pederick:** Give us the numbers.

**The Hon. J.K. SZAKACS:** The member interjects, 'Give us the numbers.' I think I have already undertaken to try to find those numbers for him. I don't have the numbers, but I can give you some further information if privacy considerations for those individuals are sufficient. Every organisation has at various times individuals suspended. The CFS, like any other public sector agency, are not immune from the very rare but occasional circumstances where an individual may be charged with a criminal offence. There is certainly that situation at the moment, where a member is stood down due to a criminal offence.

**Mr Telfer:** Charges.

**The Hon. J.K. SZAKACS:** Criminal charges, I should say. Thank you, member for Flinders. There are also Public Sector Act employees, those employed across the public sector more broadly, who may from time to time have management plans or be stood down due to impropriety or other investigations, but this is not new.

What I have confirmed openly, and I reconfirm now, is that my strong expectation—and it is demonstrated by the extraordinarily warm, frank and open conversations I have had with volunteers this week—would be that volunteers do speak to me as minister. They do speak to other ministers as well. I saw firsthand the warmth with which the Premier was invited in and welcomed by CFS volunteers this week.

I think at the crux of this is me as minister absolutely putting a line in the sand. When I became minister, when I was briefed in as minister and spoke directly to volunteers, it was very clear that there were investigations taking too long. There were processes that were encumbered by legislation and regulations that meant that things were taking too long.

Notwithstanding previous political interference in charges being brought or people being stood down, my view was and remains that the processes which the regulations prescribe are burdensome—I don't believe deliberately—as brought in by the former government. Not for one



moment do I think that was a deliberate approach, but having heard directly from volunteers—and about six weeks ago, I chaired an internal review of processes—my strong view is that I want to take for consideration by my cabinet a series of reforms that will not undermine natural justice but will bring processes to a conclusion quicker. It is good for the CFS, it is good for volunteers and it is good for the community.

#### *Grievance Debate*

### **DIWALI FESTIVAL**

**Mr BATTY (Bragg) (15:11):** With Diwali celebrations already underway right across the world, I want to take a moment to acknowledge the thriving Indian community in my own electorate and to wish all of those right across South Australia who are celebrating Diwali, or Deepavali, a very happy Festival of Lights. However you are celebrating, may light shine over darkness, may good triumph over evil, and may knowledge trump ignorance.

Diwali is an enormously important festival in the Hindu spiritual calendar. It is also a festival that is more broadly celebrated by Sikhs and Christians and also as a non-religious event across South Asia, celebrating the spiritual victory of light over darkness, good over evil and hope over despair.

The festival lasts for five days, and while observances of Diwali differ, depending on region and depending on tradition, what remains consistent is a celebration of life, its enjoyment and a sense of goodness. Throughout the festival, we will see homes, temples and workplaces decorated with candles that will drive away the darkness. We will see diyas lit and we will see homes decorated with rangoli as well.

Diwali is the most anticipated festival on the Indian calendar, but is of course celebrated by many communities right across the world, including here in South Australia, not only by our Indian community but also, for example, by our Nepalese and Bhutanese communities, as well as some Malayan and Bangladeshi.

We are so lucky in South Australia to have such rich and diverse multicultural communities. Over 600,000 Australians, 40,000 South Australians and more than 1,500 of my own constituents have Indian ancestry, and the Indian community is one of the fastest-growing, not only in South Australia but also in my own electorate.

It has been a genuine pleasure to be able to engage with the Indian community in so many different ways over the last year as the member for Bragg, whether it be with the Sikh Society of South Australia located in Glen Osmond in my electorate; whether it be attending events by Shruthi Adelaide at Marryatville High School, which showcases Indian classical art forms in many different varieties; or whether it be the opening of the best Indian restaurant in Adelaide—which also happens to be in my own electorate—Laxmi's Tandoori Indian Restaurant at 295 Glen Osmond Road in Glenunga. A big shout-out to Aakash Kalra who has taken out the award for the best Indian restaurant in the state once again this year.

It is a culture that is rich, that is colourful, that is spiritual and that is so welcoming. I look forward to being welcomed once again by the Indian community as they celebrate Diwali in South Australia. Already, we have seen celebrations right across the state, including some here at Parliament House, but there will be many more public and private celebrations over the coming few weeks. I want to take this opportunity to thank all those involved in organising those many events, but, more importantly, I wish all those attending a very happy time.

I am really proud of our multicultural society here in South Australia. For many decades now, we have been so enriched by immigration from all corners of the world and I think we are all better for it. Different people's cultures, their food, their lived experiences, all add to this great state. In my maiden speech a year ago, I said a priority of mine was creating a culture of acceptance and inclusivity in our community amongst our new migrant communities. As recently as last weekend was an example of us trying to do just that, where the Leader of the Opposition hosted a luncheon in Findon along with the shadow minister for multicultural affairs that I was really pleased to attend.

Over 200 attended that event, including community leaders from right across different multicultural communities. It was a very happy occasion. It was an opportunity for me to talk to many Indian community leaders about what Diwali means to them and how they plan to celebrate. While it means different things to different people, for all it meant a celebration of life and its goodness, for all it meant a time to share their beliefs and their culture with us. For all celebrating, I wish you a very happy Diwali.

### TOWN OF GAWLER

**The Hon. A. PICCOLO (Light) (15:16):** Planning and development issues would have to be one of the most contentious areas of public policy for both decision-makers and those who are affected by those decisions. It is not an exact science. Having said that, it is incumbent on decision-makers, particularly those in public office, to ensure those affected by planning and development decisions are well informed, engaged and treated with respect.

At times, decision-makers have to say no to an application for very good reasons. This does not take away from their responsibility to act in good faith and, when matters enter the legal system, to act as model litigants. Public decision-makers do not have the right to use their power and resources to the detriment of either individuals or the community where there is clearly a huge imbalance of power.

I provide those comments as background to a matter I am about to bring to the attention of the house because I believe a local government authority's use of the legal system represents, in my view, an abuse of power and process and is a waste of ratepayer and taxpayer moneys. It is, in my opinion, an unnecessary action that is designed to impose its will over a particular resident who had the temerity to use a legitimate planning process to have a matter assessed by the local council.

The facts, as I understand them, are as follows—and I will refer to the decision made by His Honour Senior Judge Durrant in the Environment, Resources and Development Court on 21 September 2023 in the case of Town of Gawler Assessment Manager v Brunt. On 8 November 2021, local resident Ms Andrea Brunt applied electronically to the assessment manager for the Town of Gawler for planning permission to create an additional allotment from her land.

When the legislative time frame for assessment of her application expired, she uploaded a deemed consent notice. The assessment manager considered the notice ineffective and then went on to refuse her application. Ms Brunt then appealed the purported refusal to the ERD Court, as is her right. The Town of Gawler contested the appeal. A drawn out conciliation process then took place. The court was critical of the council's conduct during the conciliation process. The matter was drawn out, to the financial detriment of Ms Brunt.

During the appeal process, the Town of Gawler acknowledged that the deemed consent notice was actually effective, and the decision-maker then lodged an action in the court to be granted an extension of time to lodge an appeal to argue the merit of the development application and why the deemed consent should be refused. I further understand that the applicant—that is, the resident—did submit a compromise to the court, which was rejected by the council representative. The council had 30 days to lodge that appeal but did so four months late.

The request for an extension of time was refused by the ERD Court for a range of reasons. This must be done within one month, unless the ERD Court in its discretion extends the time. Aggrieved by the ERD Court decision, the Town of Gawler's assessment manager has lodged an appeal in the Supreme Court to overturn the ERD Court decision and be granted an extension of time to lodge an appeal to have the deemed consent quashed.

In my opinion, this decision to lodge an appeal in the Supreme Court is harsh, unreasonable and oppressive and is seen as the council imposing its will on a local resident. I hold this view because the matter rests on the specific facts of the case and does not pose a risk or threat to the planning policy for the locality. It sets no precedent, nor does it expose the community to the risk of rampant unwanted development. Through their own inaction, the council did not take advantage of the fail-safe provisions provided by law.

To add insult to injury, the council made a range of decisions about this matter in secret, thus lacking transparency and preventing accountability. The decision also raises serious questions about

a possible conflict of interest. The ERD Court was critical about the conduct of the council officer involved, yet the very same council officer is the one who has made the decision to take the matter to the Supreme Court.

It is now November 2023, and Ms Andrea Brunt, the applicant and resident, applied for a simple land division in November 2021. No wonder many local residents do not have confidence in the council to handle planning and development issues effectively. I believe this matter warrants investigation by the relevant authorities because it raises serious questions about governance at the council.

### COUNTRY FIRE SERVICE

**Mr PEDERICK (Hammond) (15:21):** I rise today to speak about the Country Fire Service. I am a very proud volunteer of the Country Fire Service, along with 13,000 others. There are problems that have arisen, and a lot of people have not come forward because they have been intimidated and they have been gagged, and it is a real concern for the fire season coming up. We are being told that it is going to be one of the worst fire seasons we have seen, with the growth of feed and pastures and the amount of crop out there this year.

We are getting mixed messages to both paid staff and volunteers. As we have seen—and some of these people have talked to me—paid staff and volunteers have been suspended from service either for allegations or, as has been indicated by the minister today, criminal charges. What is the path for these people who have been suspended and who have been found to be cleared? It is interesting that, in the space of a very few days, we have the minister indicating that there is nothing to see here with this issue around suspension and gagging orders, and yet, in the last couple of days, he has come out and said, 'I launched an inquiry six weeks ago to tidy this up.' Well, it cannot be both. It cannot be both.

Even though the minister realised that these questions were most likely coming, he still cannot tell me how many hundreds of people have been suspended and how many have been gagged. He laughs it off. As with his answer earlier, he just played politics and could not tell us what he was going to do for the good people of the CFS with their facilities across the state. He could not tell us.

*The Hon. J.K. Szakacs interjecting:*

**The SPEAKER:** Order!

**Mr PEDERICK:** That is why—

*The Hon. J.K. Szakacs interjecting:*

**The SPEAKER:** Order!

**Mr PEDERICK:** I can still hear noises on the other side, but that is why we, the Liberal Party, have put on the *Notice Paper* in the upper house a select committee that will be moved by the Hon. Ben Hood. I will read that as follows:

The Hon. B.R. Hood to move—

1. That a select committee of the Legislative Council be established to inquire into the Country Fire Service (CFS), with a particular reference to:
  - (a) assessing support mechanisms available to volunteer firefighters throughout the state;
  - (b) examining the processes, procedures, criteria and timeliness of investigations into volunteer conduct;
  - (c) examining the adequacy and state of facilities at CFS stations across regional South Australia, with an emphasis on change rooms, bathrooms and other essential amenities;
  - (d) determining the transparency and effectiveness—

**The SPEAKER:** Member for Hammond, there is some difficulty here. I am just taking some advice regarding the debates of the other chamber under 120. We will just pause for a moment and I will seek that advice from the Deputy Clerk.

**Mr PEDERICK:** It has only been tabled on the *Notice Paper*.

**The SPEAKER:** For the avoidance of doubt, is there some other way of dealing with this?

**The Hon. L.W.K. Bignell:** Sit down!

**The SPEAKER:** Order!

**Mr PEDERICK:** No, I will not sit down.

**The SPEAKER:** Order! Do not respond to interjections is the easiest way not to breach the standing orders in respect of these matters.

**Mr PEDERICK:** I will keep on it.

**The SPEAKER:** Member for Hammond, you will be seated for a moment and I will also extend to you any additional time as may be necessary, but we will first seek advice. The advice I have from the table is that a general reflection will be permitted in these circumstances.

**Mr PEDERICK:** Apart from that, there will be matters raised around transparency and effectiveness of capital programs, including facilities and appliance replacement programs. There will also be discussions around communication channels and procedures and especially the ability of volunteers to express their concerns and the responsiveness to those concerns.

Also, there will be discussions about the role and responsibility of the minister in addressing and supporting the concerns of the CFS volunteers and I am certainly keen to hear from volunteers and paid staff about the adequacy of investments across the board and support mechanisms right through and any other matters that will be linked to the CFS, including the governance and support structures.

It is interesting how touchy a subject it is when this government is not looking after this great organisation that the CFS is. It is a great organisation. People deserve procedural fairness instead of being left out in the wilderness and struck down in their prime at their jobs or as volunteers and all we get is this abuse from the minister from the other side.

**The Hon. J.K. SZAKACS:** Point of order.

**The SPEAKER:** The minister on a point of order. I anticipate 127.

**The Hon. J.K. SZAKACS:** I ask the member to apologise and withdraw that comment.

**The SPEAKER:** Very well. Member for Hammond, I will give you the opportunity.

**Mr PEDERICK:** I apologise and withdraw, sir.

### COUNTRY FIRE SERVICE

**The Hon. L.W.K. BIGNELL (Mawson) (15:27):** It is great to follow on from the member for Hammond and the outrageous claims he has made in here today. I represent an area, like he does, that was devastated in that summer of 2019-2020. I can tell you that, adding insult to the injury and the suffering that those poor people on Kangaroo Island went through for over a month as those fires raged, the one thing that upset the people as much as anything I have ever seen upset a community was the way the former Liberal government treated CFS personnel. He has come in here and made accusations against this government, when we have the biggest mopping up operation ever of any government coming in and trying to fix up the damage that was done to CFS volunteers around the state.

Do not try to sheet it home to this current government because the rot began under the Liberal government. All I have seen from this minister since he got in is a willingness to try to fix the damage that the Liberal government did to CFS volunteers across the state. I have seen a willingness from this minister to quietly sit down with volunteers and have discussions with those people.

It was an outrageous thing the way these people were treated, not to be told what the charges were and to be told they could not speak to anyone in their brigade. Did that include their children who were also in the same brigade? This could have been handled a whole lot better. The former minister sits here, he was here in this chamber during estimates—

*Mr Pederick interjecting:*

**The SPEAKER:** Order, member for Hammond!

**The Hon. L.W.K. BIGNELL:** He was here in this chamber during estimates refusing to answer—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. L.W.K. BIGNELL:** —question after question after question. So while this minister is in here trying to fix up your mess, it's a bit rich your having a crack at someone who is actually doing the right thing.

*Mr Pederick interjecting:*

**The SPEAKER:** Order, member for Hammond!

**The Hon. L.W.K. BIGNELL:** What I was going to talk about today were some wonderful things in the electorate of Mawson, including the Kingscote show on the weekend. I want to thank the organisers who are doing such a great job of bringing the community of Kangaroo Island together in a great celebration of everything from motor vehicles and equestrian events to floral displays and photographic displays.

It is a tremendous day, and there are plenty of rides there for the kids as well, and pets there for the kids to come along and have a look at and play with. What I like the most is just setting up the stall and listening to local people who come and talk to me and have discussions about what it is they are after in their community, as well as any gripes they might have with government services and so forth.

The day before that was another great day in the electorate. It was the 50<sup>th</sup> McLaren Vale Bushing Lunch, which is the function where we crown the bushing monarch—that could be a king or a queen—of the area who wins the best wine for the region. It was a Chalk Hill Tempranillo Grenache that took out the prize this year, and I want to congratulate Tom and Renee from Chalk Hill for the wonderful job they do.

It was a bit of a home ground win—the lunch this year was actually at the wonderful Chalk Hill winery, with over 600 people in the marquee. A tremendous day was had by all as we acknowledged all the different trophy winners across the different classes. Again, thanks to the McLaren Vale Grape Wine and Tourism Association and everyone who is involved in that.

I also want to do a shout-out to Kaye Maslin who yesterday finished up after 22 years and two months of being the owner of the Delamere General Store. She finished up yesterday and sold it on to another couple from Yankalilla, who take over from today.

When Kaye was a 10 year old she used to go down to Delamere with her dad every weekend, and she said, 'One day I'm going to own that shop.' When she left school she worked for 20 years in the Normanville Foodland to save the money to buy it, and after 20 years she bought it; 22 years and two months later she sold it. We want to thank Kay for the wonderful service she has given to the local area. She is going to stay there and continue volunteering, which includes being a volunteer in the CFS.

### **YORKE PENINSULA TELECOMMUNICATIONS**

**Mr ELLIS (Narungga) (15:32):** I rise to inform the house about telecommunications, an issue that is ever-increasing with the reliance on the internet and phones in our regional communities, pivotally the impending switch off of the 3G network that is coming, with regard to Telstra, in June of next year.

I know there is a bit of angst in the community about whether those people who rely almost solely on 3G will be covered by 4G when 3G is switched off, and I took the opportunity to meet with Michael Patterson, the regional general manager, last week to seek his assurance that there would be coverage for those people who need it. I have to say that I emerged from that meeting quite reassured.

The technical explanations offered to me at the meeting gave me a great deal of confidence that those people who are currently experiencing 3G only will have access to a 4G network from June next year, and it should be a wonderful addition to our regional network. Michael promised there would be no-one worse off, and my basic understanding of the technical explanation offered gave me hope there might even be improvements for some people. I look forward to next year when the 3G is turned off and seeing whether those promises ring true. Here's hoping they do, and that we have improved phone communication technology in our regional areas.

It was wonderful to meet with Michael, and at that meeting we had a quick discussion about some new towers that are planned for our electorate. There are new towers going up at Port Rickaby and at Wool Bay, and I know those communities will be especially thankful to have those facilities available.

It is a massive job trying to find complete coverage for our regional areas but, as I said, it is of ever-increasing importance. So much is reliant upon the Internet of Things these days that those towers will be much appreciated. In particular, as 3G gets turned off, and the technology for 4G is that much higher, it will be a tremendous addition.

Coincidentally, at the same time, there is another tower planned for Edithburgh. I know that this probably came off the back of a community campaign that we launched a little while ago in that there were people on the front row of Edithburgh and around the outskirts of Edithburgh who could not quite get any phone services at all. Whether that was because they were in a dip and a bit below the tower, or for some other reason, there was no phone service for certain people who lived within Edithburgh. We pleaded with Telstra to try to improve that, and they have come to the party wonderfully and promised a brand-new tower for Edithburgh which should solve all those problems.

Unfortunately, after the consideration of some six spots as the best place for this new tower, they have settled on the existing exchange site where no tower currently exists, and they plan to build a 30-metre tower in the centre of town at that exchange site. Unfortunately, that has not gone over that well with some of the locals; they would like to see it on the outskirts of town or at least a bit away from the main thoroughfare of town and the main street where people walk down and shop and visit the pub, and that sort of stuff.

That plan is currently before the council in the development application process. I know that the mayor has his hesitations about it, so it will be interesting to see what position council forms, and whether they decide to oppose it. I really want to take this opportunity to urge Telstra to try to find that balance between the technical outcomes that we need to ensure that those people who have been without service manage to get it and the community sentiment so that they can continue to be proud of their beautiful town and not have this perceived monstrosity in the middle of it.

Thank you very much to Kylie Harris from Edithburgh who has been leading the charge in trying to find the better outcome for this situation. We look forward to working with Telstra to make sure that those people who need service get it, and also the town can remain proud of its main street. Finally, I would like to take this opportunity to urge the state government to resume its input into the funding of phone towers. It would make it a hell of a lot easier for us as local members to argue about the locations that are most needy if we had some input and some skin in the game, so I would urge the government to do that.

So many communities in my electorate still need an improved phone service. I think of Tickera, Corny Point and Urania, just to name a few; they would much benefit from a new tower. With regard to Tickera, especially, it would be wonderful to see Janet Sexton and Chris Knight rewarded for the advocacy that they have shown on behalf of the community and their tireless lobbying of me and other ministers to try to get a new phone tower there and improved service for that wonderful, growing tourism town.

There are so many holes in our phone coverage around the state in regional South Australia and, with the ever-increasing reliance upon phones and internet, we need to make sure that we are doing all we can to fill those gaps. I think that if the state government were able to chip in and have some control or input about where those towers will go it would be all the better.

## NATIONAL TEACHERS' DAY

**Ms THOMPSON (Davenport) (15:37):** Last week was National Teachers' Day, and I would like to take this opportunity to give a big and deserving shout-out to all of our amazing teachers who really do play a fundamental role in shaping our future. Our teachers are not just educators, they are mentors, role models, sometimes therapists, and they are the leaders in our school communities.

Every day, parents across our state like myself put our complete trust in the hands of the teachers looking after our children, not just to help them to learn, but to keep them safe and to help shape them into responsible citizens and all-round good humans. I am frequently told heartwarming stories of teachers who go over and above in their positions, sometimes reaching into their own pockets to supply a bowl of fresh fruit, or popping a toaster or Milos in their classroom. There are even teachers who go as far as shaving their heads in support of some of their students who are undergoing tough cancer treatments.

Graduation season is upon us and many of us in this place will have already started getting around to the many ceremonies across our electorates. It is at these events especially that we see just how much the teachers' commitments extend beyond the classroom, preparing our kids—and particularly our year 12s—to face the big bad world. They give us the tools to navigate life, to make a real difference in the world and to become the best version of ourselves. I am sure that many of those who spoke on the motion earlier today would have taken a moment to reflect on the impact of our teachers.

I remember those teachers who would stay after class to explain a difficult concept, the ones who encouraged you to pursue your dreams, the ones who believed in your potential even when you did not. There are brilliant teachers in classrooms right across our state, and every day we see examples of the profound impact that they have on our kids.

My daughter had been suffering from the occasional panic attack at school and would head up to the front office to try to calm herself down before she would head off to class. One teacher would often sit with her, chat with her and do Lego until she felt well enough to go back to her classroom. Those Lego creations grew and grew and they began adding in mechanical components, and she actually developed a real skill for mechanics and a real love for it.

That same teacher then encouraged her to join the STEM action group, which she did, and she now tells me that she wants to become an engineer one day. I know that he was the one who ignited that spark in her, and she has now considered her strengths in that space when choosing a high school to go to next year. These are the moments that shape our lives. These are the moments that happen in our schools every day, and they are the moments that exemplify the dedication and the passion of our teachers. I would like to take this opportunity to thank them all for the work that they do.

Finally, a quick update on one of my local election commitments at Serpentine Reserve in O'Halloran Hill. We had a \$300,000 commitment from the state government, which was handed over to council to deliver on a list of priorities for our community. We have delivered a new cricket pitch and a new half-court basketball court, which the local teenagers are absolutely loving. We have shade over the existing playground, some new picnic facilities and an SA Water drink fountain, and we were also able to squeeze in some practice footy goalposts for the local kids.

That whole reserve has really come alive and is thriving now. We had a bit of a barbecue to celebrate it last week, and many of the people in the community are saying that it is really fantastic to drive or walk past and see so many kids out enjoying the beautiful sunshine that we are seeing now, doing healthy activities and getting to know their local community. I am grateful for that funding and also grateful for the work that the council did in delivering those projects.

### *Bills*

## **RESIDENTIAL TENANCIES (MISCELLANEOUS) AMENDMENT BILL**

### *Introduction and First Reading*

**The Hon. A. MICHAELS (Enfield—Minister for Small and Family Business, Minister for Consumer and Business Affairs, Minister for Arts) (15:42):** Obtained leave and introduced a bill

for an act to amend the Residential Tenancies Act 1995 and to make related amendments to the Real Property Act 1886 and the Residential Parks Act 2007. Read a first time.

*Second Reading*

**The Hon. A. MICHAELS (Enfield—Minister for Small and Family Business, Minister for Consumer and Business Affairs, Minister for Arts) (15:43):** I move:

That this bill be now read a second time.

I am pleased to introduce the Residential Tenancies (Miscellaneous) Amendment Bill 2023. This bill proposes to amend the Residential Tenancies Act 1995, the Residential Parks Act 2007 and the Real Property Act 1886 to improve the rights of renters, modernise existing rental laws and ensure landlords can continue to manage properties effectively. The amendments proposed in the bill form part of the government's commitment to improve housing outcomes for the people of South Australia.

Earlier this year, the commencement of the Residential Tenancies (Protection of Prospective Tenants) Amendment Act 2023 and amendments to the Residential Tenancies Regulations 2010 provided some immediate relief for tenants through taking measures to ban rent bidding, protect tenant information and make residential rental bonds more affordable. This bill contains broader reforms that are necessary to respond to the many challenges faced by tenants in South Australia.

In September 2023, the Senate Community Affairs References Committee delivered its interim report into the worsening rental crisis in Australia. This report highlights that the challenges faced by tenants to find suitable, affordable and safe housing are at an unprecedented scale, with Australia experiencing a period of extremely low rental vacancy rates and rising rental levels. In August 2023, the residential rental vacancy rate in Adelaide was 0.5 per cent, the second lowest rate of the Australian capital cities behind Perth.

The bill proposes amendments to South Australia's rental laws that are consistent with the agreement made by national cabinet on 16 August 2023 to A Better Deal for Renters, which focuses on improving renters' rights across Australia. Reforms within the bill also consider the outcomes of extensive consultation on the review of the act conducted by Consumer and Business Services.

Broad consultation was undertaken between 15 November and 16 December 2022, when more than 5,000 people completed a YourSAy survey and over 150 submissions were received from key stakeholders and members of the public. The outcome of this consultation informed the drafting of the bill, which was released for targeted consultation between 14 August and 4 September this year.

All stakeholder groups that made submissions during public consultation were invited to provide feedback on the bill as part of targeted consultation. Submissions were received from 21 stakeholders, including the Real Estate Institute of South Australia, Shelter SA, Uniting Communities, Better Renting, RSPCA SA, SACAT and COTA SA. This feedback informed the final version of the bill that I am pleased to introduce today.

A key reform of the bill is to prohibit the termination and non-renewal of tenancy agreements without providing a prescribed reason. Notice of termination on a prescribed ground must be accompanied by written evidence as approved by the Commissioner for Consumer Affairs. This measure is part of a series of amendments that will provide tenants with greater security of tenure and encourage longer tenancies.

It is proposed that landlords will retain the ability to terminate a tenancy by providing a notice of termination due to a breach of agreement as specified in section 80 of the act. Landlords will also be able to end a periodic tenancy or not renew a fixed-term tenancy agreement because they require possession of the property for reasons detailed in section 81 of the act.

To balance the rights of landlords, the reasons that may be used to end a periodic tenancy or not renew a fixed term tenancy will be expanded through regulations. These reasons, which will be finalised after consultation on the supporting regulations, are expected to include:

- the tenant or their visitor intentionally or recklessly causes serious damage to the property, including safety equipment in common areas;



- the tenant or their visitor puts neighbours, the landlord or the landlord's agent, contractors or employees in danger;
- the premises are unfit for human habitation, destroyed totally or destroyed to the extent that they are unsafe;
- the tenant or anyone else living at the property seriously threatens or intimidates the landlord, their agent or the landlord's contractors or employees;
- the tenant has failed to comply with a SACAT compliance order;
- the tenant has already been given two breach notices, and the same breach occurs;
- the property is being used for illegal purposes;
- the tenant has brought in other tenants or subtenants without consent;
- the tenant has not paid the bond as agreed;
- the landlord is a government Housing Authority, and the tenant misled the authority so they could get social housing;
- the tenant has been involved in an illegal drug-related activity in the property;
- the tenant is keeping a pet without consent, and SACAT has made an order excluding the pet;
- the tenant is renting a house from a charity or community housing provider, and the tenant no longer meets the charity or community housing provider's eligibility requirements to continue as a tenant; and
- the tenant has engaged in false, misleading or deceptive conduct or concealed material facts from the landlord or agent in inducing the landlord to enter into the tenancy agreement.

Consultation highlighted that some tenants are apprehensive to exercise their rights under the act, fearing retaliatory eviction. As a measure to ensure that tenants can exercise their rights, such as requesting necessary repairs, the bill proposes to insert a new section 90A into the act to allow SACAT to determine that a notice of termination has no effect when SACAT is satisfied that it is a retaliatory notice. This change is consistent with the agreement made at national cabinet to ensure provisions to allow appeals against retaliatory eviction notices are fit for purpose.

I understand that tenants are sometimes forced to leave rental properties due to disproportionate rent increases, which can cause their rent to become unaffordable. Section 56 of the act currently allows SACAT to determine rent to be excessive by considering factors including the general level of rents for comparable premises in the same or similar localities and the state of repair and general condition of the premises.

The bill proposes to amend this provision to require that SACAT must also have regard to whether the increase in rent was disproportionate when deciding a rent increase is excessive. It is proposed that tenants who believe their rent is excessive will have 90 days after being notified of a rent increase to apply to SACAT for a determination on whether the rent increase is excessive and should be reduced.

The bill proposes several reforms to encourage longer tenancies. Under the Real Property Act 1886 the title of a registered proprietor is indefeasible subject to, among other things, a residential tenancy agreement not exceeding one year. The bill proposes to amend this to three years to offer landlords greater security from a caveat being placed on their property by a tenant who has a fixed-term tenancy agreement exceeding 12 months. This proposed change to the Real Property Act 1886 is consistent with equivalent legislation in other Australian jurisdictions.

Tenants may be reluctant to enter into longer fixed-term tenancies due to concern about their liability to continue paying rent should they need to end the tenancy early. The bill proposes to introduce section 75A, which limits the amount of unpaid rent that a landlord can claim to a maximum

of one month of rent for each year remaining of the fixed-term agreement. This must not exceed six months' rent in total. When there is less than one year remaining on an agreement a tenant will only be liable for a maximum one month of rent. It is noted that landlords will remain entitled to costs associated with reletting, such as advertising costs.

The introduction of section 75A aligns with national cabinet's agreement to limit break-lease fees for fixed-term agreements to a maximum prescribed amount, which declines according to how much of the lease has expired.

Pets can offer physical and mental health benefits to their owners and can provide support to people experiencing loneliness. Many tenants in South Australia report struggling to find pet-friendly rental accommodation. According to the RSPCA, one in five animals surrendered is due to their owners being unable to find a rental property that allows pets.

The bill proposes to introduce a presumption that a tenant who applies to keep a pet in a rental property cannot have their request unreasonably refused provided the tenant agrees to comply with any reasonable conditions imposed by the landlord. Reasonable conditions may include requiring the pet to be effectively restrained during inspections and requiring carpets to the premises to be cleaned to a professional standard at the end of the tenancy. Tenants will have the option to apply to SACAT if they believe their request for a pet was unreasonably refused or they are not satisfied that the conditions imposed by the landlord are reasonable.

It is also a challenge for some South Australians to find an accessible rental property. This challenge is intensified by limitations on how rental properties can be modified. The bill proposes to change section 70 of the act which specifies the process for requesting alterations to rental properties. This change will prevent a landlord from unreasonably withholding consent to an alteration or an addition to a rental premises that is minor but necessary to ensure provision of infrastructure or a service of a prescribed kind, or required for a disability within the meaning of the Equal Opportunity Act 1983 and would not significantly change or affect the structure of the premises.

Changes to this section would also prevent a landlord unreasonably withholding consent to an alteration or an addition if the tenant has mobility or access needs relating to their age and which is reasonable and necessary for the tenant and would not significantly change or affect the structure of the premises.

Changes to section 70 of the act will make it easier for tenants to make minor modifications, such as installing wall anchors to safely mount furniture, adding picture hooks, installing child safety gates and changing internal window coverings.

These changes will also create more opportunities for tenants to make changes to improve the accessibility of a property through measures such as adding safety rails, temporary ramps and custom showerheads, provided these changes are made good at the end of the tenancy.

All rental properties are required to meet the prescribed minimum housing standards under the Housing Improvement Act 2016. The bill proposes to introduce section 67A, which will clarify that a landlord under a residential tenancy agreement must ensure that their property complies with these standards on or before the day on which the tenant enters into occupation of the premises.

It is noted that section 67A does not require an independent auditor to conduct inspections to ascertain compliance with these standards. Should a rental property not meet these standards, section 67A allows a tenant to request the landlord to carry out urgent repairs to ensure the premises complies with these standards. Section 85B will allow a tenant to serve a notice of termination if their rental property does not comply with these standards.

The bill proposes that tenants will be able to terminate tenancies in other circumstances under the proposed section 85AA, when a tenant has served a notice of breach of a residential tenancy agreement on the landlord on two occasions and the landlord has remedied the breach in the prescribed period on both occasions. Should the same breach occur again, the tenant may serve a notice of termination without providing a period for the landlord to remedy the breach. It is proposed that a tenant will also be able to terminate a tenancy in circumstances where the tenant has been offered and accepted accommodation by the South Australian Housing Trust, a subsidiary or by a community housing provider.

Section 85C proposes that a tenant can terminate a tenancy if they require care of a kind prescribed by regulations, such as care within a nursing home, and they need to vacate in order to obtain that care, or the tenant requires prescribed temporary crisis accommodation and needs to vacate the premises to obtain that accommodation.

At the national cabinet meeting on 16 August 2023, agreement was obtained from all states and territories to implement a number of reforms to better protect tenants who are experiencing domestic and family violence. The bill proposes measures to strengthen protections for tenants who are victims of domestic abuse. This includes the introduction of section 85D, which will allow tenants to serve a notice of termination in circumstances of domestic abuse by providing supporting evidence to their landlord instead of making an application to SACAT. Section 90B proposes to allow SACAT to order a termination notice served on the tenant is invalid if the tenant has been subjected to domestic abuse and SACAT determines that the termination notice was served due to the act of a person who subjected the tenant to that domestic abuse.

The inclusion of proposed sections 66A and 66B will allow a person experiencing domestic abuse to alter any external door or window lock without the permission of the landlord provided keys to the new locks are issued to the landlord or agent as soon as possible. Changes to section 89A of the act are also proposed. These changes will provide SACAT with greater jurisdiction to make decisions about whether a tenant, who has experienced domestic abuse and was not responsible for damage caused by the co-tenant, should be liable to pay compensation to the landlord for the damage. In practice, this will allow SACAT to refund a victim's portion of the rental bond and hold a co-tenant responsible for any damage they caused even when the amount of compensation owed to the landlord is greater than this tenant's portion of the bond.

The bill proposes to provide additional protections for people living in shared accommodation. Extending the definition of rooming houses will afford more renters living in shared accommodation protection under the act. The definition of a rooming house will be amended to mean premises in which two or more rooms are available for valuable consideration. The proposed inclusion of sections 103B to 103E in the act establishes a rooming house registration scheme for rooming houses with accommodation available for five or more persons. This register will be maintained by CBS and require that prescribed rooming house proprietors can provide CBS with evidence that they are fit and proper to carry out business involved in the provision of accommodation under rooming house agreements.

Further changes to the rooming house provisions within the act include amending section 105U so that a proprietor may only terminate a rooming house agreement on a prescribed ground and provide 60 days' notice. Presently, a proprietor can terminate a periodic agreement without grounds by providing four weeks' notice.

South Australia is currently experiencing extremely low rental vacancy rates, making it a competitive time to be in the market for a new rental property. It is important that tenants who receive notice that their residential tenancy will not be renewed have enough time to secure new accommodation. The bill proposes to amend section 83A to require that a landlord may only terminate a fixed-term residential agreement at the end of the fixed term on a prescribed ground with 60 days' notice as opposed to 28 days. This will provide tenants with more time to secure a new rental property and make the necessary arrangements to move house.

The bill also proposes to allow tenants to vacate their rental property within the 60-day notice period and not pay rent after they vacate. This provision will be contingent on a tenant having had their tenancy terminated or not renewed on certain grounds, such as the landlord moving into the property, and requires the tenant to provide seven days' notice to the landlord or agent if they intend to vacate early.

At present, a landlord or agent may inspect a rental property once every four weeks. This is out of step with all other Australian jurisdictions, which allow a maximum of four routine inspections each year. The bill proposes to amend section 72 of the act to reduce the number of routine inspections permitted, so that a maximum of four routine inspections per year is allowed, unless SACAT orders that additional inspections are appropriate. Circumstances that may warrant

additional routine inspections include where a tenant has issues with hoarding and more frequent inspections are required to ensure the safety of the property is maintained.

I seek leave to have the remainder of the second reading explanation and the explanation of clauses inserted in *Hansard* without my reading them.

Leave granted.

It is noted that section 72(1)(i) of the Act allows a landlord or agent to enter a rental property for a genuine purpose with the consent of the tenant. This section allows for landlords to hold re-inspections, should any issues arise during a routine inspection that the landlord and tenant seek to rectify without a landlord issuing a notice for breaching the tenancy agreement.

As a measure to ensure the privacy of tenants during the sale of a tenanted property, it is proposed that section 72(5a) is included in the Act to allow for regulations to prescribe requirements relating to the production, distribution or publication of documents or records in connection with the relevant entry onto the premises. This will allow the regulations to provide restrictions regarding how tenants' belongings can be photographed and published in real estate advertisements.

As a step towards improving energy efficiency standards in rental properties, the Bill proposes to introduce section 68A, which specifies that any new or replacement fixture in a rental property will be required to meet certain energy or water efficiency standards, which are to be detailed in regulations.

The inclusion of section 73A specifies that a landlord and tenant may enter into an agreement under which the tenant is able to pay for the installation of a solar energy system. This section is intended to clarify that no section of the Act prevents tenants and landlords forming agreements about the installation of energy saving infrastructure by a tenant.

The Bill also proposes changes to statutory and excess water charges. It is proposed that section 73 of the Act is amended to specify that a landlord is responsible for rates and charges not based on the level of consumption, such as the water supply charge. If the premises is separately metered, the landlord and tenant may agree otherwise. Further, a tenant is not required to pay rates or charges if the landlord fails to provide a copy of the invoice within 30 days.

The introduction of section 73B proposes to clarify that a landlord is responsible for excessive water usage charges caused by a fault in water infrastructure or equipment or other appliances, fittings, or fixtures at or connected to the premises when the tenant has notified the landlord of the issue as soon as practicable. It is noted that the tenant and landlord are not responsible for costs associated with a fault that is the responsibility of SA Water.

The Bill also proposes to introduce measures to prevent the provision of misleading information. Section 47C will require that a landlord or agent make prescribed information available to prospective tenants and do not make any statement or representation they know to be false, misleading, or deceptive or knowingly conceal a material fact of a kind prescribed by regulation. It will also be a requirement that tenants are informed of information related to embedded networks, when entering a tenancy where an embedded network is present.

To balance the rights of landlords, and ensure prospective tenants are deterred from providing misleading information, the Bill proposes to introduce a provision at section 47B to require that a prospective tenant does not give a landlord false information or a falsified document in connection with an application to enter a residential tenancy agreement.

At present, a landlord is not entitled to compensation (i.e., break lease costs) where the landlord terminates the agreement due to a breach by the tenant and the breach is for something other than unpaid rent. The Bill proposes the addition of section 84A. This section will specify that landlords are entitled to costs or expenses of a kind determined by the Commissioner in connection with the termination of a residential tenancy agreement in prescribed circumstances.

When National Cabinet met on 16 August 2023, it was agreed to move towards a national standard of no more than one rent increase per year for a tenant in the same property across fixed and ongoing agreements. To implement this, the Bill proposes to amend section 55 of the Act to clarify that an increase in rent, even by mutual agreement, must be at least 12 months after the date on which the residential tenancy agreement was entered into, or, if there has been a previous increase of rent under this section, the last increase. Section 55 also clarifies that if the agreement type changes (i.e. from fixed to periodic) the rent still cannot be increased within 12 months after the start of the original agreement or the last rent increase.

New provisions within the Act are proposed to accommodate changes to the payment of tenant bonds. Changes to sections 61-63 of the Act will allow regulations to provide for lodgement of bonds by tenants and clarify that bonds will be returned to tenants equally unless otherwise consented to or disputed. Further, changes to these provisions will clarify that SACAT may disclose sealed orders to CBS to allow CBS to make bond repayments in accordance with these orders.

Section 63 of the Act specifies the process for the repayment of bonds. At different stages of this process, parties are provided with 10 days to take certain actions. This timeframe of 10 days was designed to allow for

communication via the postal system. The Bill proposes that these timeframes are prescribed in regulations, with the view to reduce these timeframes in circumstances where all parties have access to the online bonds system.

The Bill proposes to introduce section 67B into the Act. This section requires a landlord who becomes aware that drug related conduct has occurred at a rental property must test the property for contamination and remedy any contamination so that the property meets the minimum housing standards under the *Housing Improvement Act 2016*. The proposed introduction of 80A will allow a landlord to terminate a tenancy agreement if they are aware the tenant has engaged in or allowed another person to engage in drug related conduct on the premises and testing indicates the property is contaminated.

The Bill will also clarify that a landlord or agent must not unreasonably withhold consent for a tenant to sub-let a property. To ensure that community housing is reserved for tenants who meet eligibility requirements, a landlord who is a community housing provider may withhold consent for a tenant to sublet the property when the sub-tenant does not meet the eligibility requirements to occupy the property. The Bill also proposes to introduce section 74B into the Act to specify that a landlord or agent must not charge a fee for giving consent to a tenant to sub-let the property.

The Act currently lacks detail about the process for ending a tenancy following the death of a sole tenant. The Bill proposes to amend section 79 of the Act to clarify that a tenancy agreement will terminate 30 days after the death of the tenant, unless an agreement is reached with an administrator or next of kin of the deceased tenant, the tenancy is terminated earlier by notice, or a SACAT order specifies otherwise.

The Bill proposes change to requirements regarding the manner and payment of rent. Changes to section 56A of the Act ensure the payment of rent is in a reasonably convenient manner and, in particular, to ensure that at least one means of payment is electronic and does not involve the collection of rent by a third party for a fee. This will guarantee that tenants who seek to transfer rent payments electronically, are able to do so without being charged.

It is further proposed within the Bill that section 99J of the Act is amended to prevent a landlord, agent, or database operator charging a tenant a fee for giving the tenant personal information listed about them on a residential database.

Section 101 of the Act specifies that the income derived from the Residential Tenancies Fund may be applied for purposes connected with, or arising under the Act or the *Residential Parks Act 2007* that are approved by the Commissioner. The Bill proposes to amend section 101 so that the Minister responsible for the Act may also approve the application of this income.

The Bill proposes to introduce section 114A into the Act, which provides that except in exceptional circumstances, leave must not be granted in relation to an application for a review of a decision by SACAT if a person was ordered to make a payment to another person and that has not occurred. This section is intended to prevent parties applying for a SACAT decision to be reviewed in order to delay making a compensation payment. A person will not be prevented from applying for a review of the decision when the compensation payment has been made.

The South Australian Government recently announced it will explore making the necessary changes to ensure ancillary dwellings, such as granny flats, can be rented to non-family members. This Bill proposes change to the definition of a residential tenancy agreement within the Act, to clarify that a residential tenancy agreement can include an agreement to rent a granny flat.

Reforms to the *Residential Parks Act 2007* are also proposed by this Bill. As a measure to encourage transparency relating to embedded networks, section 14 will be amended to require that a park owner must provide prescribed information to a resident if electricity is supplied via a connection point that is part of an embedded network.

The Bill also proposes change to section 18 of the *Residential Parks Act 2007* to include a new provision clarifying that residents of residential parks are not required to pay entry or exit fees, a management fee, a fee for amenities provided by the park (known as a communal contribution fee) or any other prescribed fee regardless of how the payment is described, including if this additional fee is described as 'deferred rent'. However, the resident and park owner may still agree to defer the payment of rent under an agreement so that it is paid at a later date than when it would fall due. Late rental payments must be calculated with specific reference to the regular rent fee payable for occupation. For example, a residential park owner may agree to allow a resident to pay \$20 of the weekly rent of \$200 late such that \$180 is paid now and \$20 is paid after the due date.

To discourage landlords and residential park owners from contravening the Act and the *Residential Parks Act 2007*, the Bill proposes to raise penalties to ensure the costs of contravening provisions are consistent and proportionate deterrents.

The Bill progresses reforms to South Australian tenancy laws that will ensure tenants are safe, secure and happy in their homes. They are also key in shaping the roles and responsibilities of landlords and land agents. These changes are significant, as they are a key component of the first substantive review of the Act since 2014.

I would like to thank everyone who participated in the review of the Act, through completing the survey, making submissions and sharing their stories.

In particular, I also thank the Real Estate Institute of South Australia, SACOSS, Uniting Communities, Anglicare, Shelter SA, SA Unions and the Honourable Robert Simms MLC who have worked constructively with the Government on these reforms.

Subject to passage of this Bill through Parliament, I will seek further amendments to the Residential Tenancies Regulations 2010 to support the changes proposed in the Bill.

I commend this Bill to the House.

#### Explanation of Clauses

##### Part 1—Preliminary

###### 1—Short title

###### 2—Commencement

These clauses are formal.

##### Part 2—Amendment of *Residential Tenancies Act 1995*

###### 3—Amendment of section 3—Interpretation

Definitions are inserted and amended for the purposes of the measure.

###### 4—Amendment of section 5—Application of Act

Certain sections proposed by the measure are to apply to residential tenancy agreements under which the South Australian Housing Trust or a subsidiary of the South Australian Housing Trust is the landlord.

###### 5—Amendment of section 35—Special powers to make orders

The meaning of a member of the Tribunal who is 'legally qualified' is clarified.

###### 6—Amendment of section 47A—Prospective tenant to be notified of sale of premises

A maximum penalty and expiation fee are inserted.

###### 7—Amendment of section 47B—Prospective tenant—requirements relating to provision of information

Section 47B(1) is amended such that it applies not only in respect of requesting prescribed information from a prospective tenant, but from any person. A new offence relating to the provision of false information or falsified documents by a prospective tenant is inserted.

###### 8—Insertion of section 47C

New section 47C is inserted:

###### 47C—Advertising premises and misleading etc conduct

Two new offences are inserted relating to the requirements for advertising premises for rent, and the making of false, misleading or deceptive statements to a tenant by a landlord or agent of a landlord.

###### 9—Amendment of section 48—Information to be provided by landlords to tenants

Where there is a requirement relating to the provision of certain addresses, this clause amends the section such that the address provided must be either a postal or an email address. The maximum penalties and expiation fees for the offences in section 48 are increased. A requirement is inserted that a written notice provided by a landlord under section 48(1) set out certain information relating to the supply of electricity if the electricity is supplied in a certain manner.

###### 10—Amendment of section 49—Residential tenancy agreements

Where there is a requirement relating to the setting out of certain addresses in section 49, this clause amends the section such that the address must be either a postal or an email address. The maximum penalties and expiation fees for the offences in section 49 are increased.

###### 11—Amendment of section 51—False information from tenant

The maximum penalty for the offence in section 51 is increased.

###### 12—Amendment of section 52—Discrimination against tenants with children

The maximum penalties for the offences in section 52 are increased.

###### 13—Amendment of section 53—Permissible consideration for residential tenancy

The maximum penalty for the offence in section 53(1) is increased, and an expiation fee for the offence is inserted. The other amendment is consequential.

###### 14—Amendment of section 54—Rent in advance

The maximum penalties and expiation fees for the offences in section 54 are increased.

## 15—Amendment of section 55—Variation of rent

Proposed section 55(2b) provides restrictions on when certain increases in rent may occur. Section 55(7) is amended to clarify when a series of residential tenancy agreements between the same parties relating to the same premises will be treated as a single residential tenancy agreement.

## 16—Amendment of section 56—Excessive rent

Proposed section 56(1a) requires applications made on certain bases under the section to be made within a certain period. Proposed section 56(2)(fc) sets out a further matter to which the Tribunal must have regard in deciding whether rent payable is excessive. The maximum penalty for the offence in section 56(5) is increased, and an expiation fee is inserted.

## 17—Amendment of section 56A—Manner of payment of rent

Section 56A is amended to require the landlord to ensure that rent may be paid by a tenant in a certain manner. The maximum penalty and expiation fee for the offence in section 56A are also increased. Proposed section 56A(2) prohibits a person from charging a tenant a fee for the payment of rent.

## 18—Amendment of section 57—Landlord's duty to keep proper records of rent and other payments

The maximum penalties for the offences in section 57 are increased, and the expiation fee in section 57(1) is also increased.

## 19—Amendment of section 58—Duty to provide statement or give receipt for rent

The maximum penalties and expiation fees for the offences in section 58 are increased.

## 20—Amendment of section 61—Bond

The maximum penalty for the offence in section 61(1) is increased, and an expiation fee is inserted. Proposed section 61(1a) requires that a bond be paid in a certain manner and form, and that it be accompanied by certain information. Proposed section 61(1b) clarifies that a bond paid to a landlord's agent constitutes payment of the bond to the landlord.

## 21—Amendment of section 62—Receipt of bond and transmission to Commissioner

Section 62(2) is amended to require a person to pay a bond received to the Commissioner in a manner and form, and with the information, determined by the Commissioner. Proposed section 62(3) requires the Commissioner to notify the landlord of the receipt of an amount paid by way of a bond. Proposed section 62(4) allows the Commissioner to refund an amount received if the Commissioner is satisfied that the amount is not within the ambit of the definition of a bond. The maximum penalties and expiation fees for the offences in section 62 are also increased.

## 22—Amendment of section 63—Repayment of bond

Section 63(2)(a) is amended to provide that an application under the section must be made in a manner approved by the Commissioner. The notice periods set out in the section are substituted such that the periods are prescribed by the regulations. Proposed section 63(12) allows the Registrar to share information relating to details of a decision or order of the Tribunal with the Commissioner for purposes relating to the payment of a bond.

Section 63(13) is amended to reflect circumstances in which an application involves multiple tenants. Proposed section 63(14) sets out the circumstances in which an application involving payment to multiple tenants will be considered undisputed. Proposed section 63(15) requires that certain applications made by or on behalf of a landlord be made within a certain period and be in a certain manner and form. Proposed section 63(16) provides a regulation making power to modify or disapply a provision of section 63 in relation to an electronic system for the repayment of bonds.

## 23—Amendment of section 65—Quiet enjoyment

The maximum penalty for the offence in section 65(2) is increased.

## 24—Amendment of section 66—Security of premises

The maximum penalties for the offences in section 66 are increased. The other amendment is technical.

## 25—Insertion of sections 66A and 66B

New sections 66A and 66B are inserted:

## 66A—Altering locks etc for premises in certain circumstances

A lock or security device of premises may be altered in certain circumstances relating to domestic abuse or personal safety.

## 66B—Application to Tribunal to alter etc locks or security devices without consent

A tenant may apply to the Tribunal in certain circumstances for a determination that the landlord's consent is not required for the tenant to alter, remove or add a lock or security device.

26—Insertion of Part 4 Division 6A

New Division 6A is inserted into Part 4:

Division 6A—Keeping of pets on premises

66C—Keeping of pets on premises

The approval of a landlord is required for the keeping of pets on premises. However, such approval is not required if the animal is an exempt animal. The application and approval process is set out.

66D—Grounds for refusing pets being kept at premises

This section provides the sole grounds on which a landlord may refuse a tenant's application for approval under section 66C.

66E—Tenant may seek Tribunal orders

A tenant may apply to the Tribunal, and the Tribunal may make certain orders, where a landlord refuses the tenant's application to keep a pet on premises.

66F—Continuation of approval to keep pet on premises

This section specifies the circumstances of the continuation of an approval given under the Division.

66G—Limitation of landlord's liability

A landlord has no additional duty of care to a person arising out of an approval given under the Division or an order made by the Tribunal.

27—Insertion of sections 67A and 67B

New sections 67A and 67B are inserted:

67A—Occupation of premises that do not comply with minimum housing standards

A landlord must ensure that premises comply with the prescribed minimum housing standards under the *Housing Improvement Act 2016* on or before the day on which a tenant enters into occupation of the premises.

67B—Testing and remediation in relation to drug contamination

This section sets out obligations imposed on a landlord, and a term of a residential tenancy agreement relating to premises, arising out of the landlord becoming aware of drug related conduct occurring on the premises.

28—Insertion of section 68A

New section 68A is inserted:

68A—Minimum efficiency standards

This section sets out a term of residential tenancy agreements relating to energy and water efficiency standards for appliances, fittings and fixtures installed by a landlord at premises after the commencement of the section.

29—Amendment of section 69—Tenant's responsibility for cleanliness, damage and loss

The maximum penalty for the offence in section 69(2) is increased.

30—Amendment of section 70—Alteration of premises

Section 70(1a) is amended to expand the circumstances in which a landlord will not unreasonably withhold consent for a tenant to make alterations or additions to premises. Proposed section 70(1ab) sets out circumstances in which a landlord may refuse consent. Proposed section 70(2a) and (2b) together require the tenant to bear the cost of alterations made, and to return the premises to the state it was in before the alterations were made.

31—Amendment of section 71A—Sale of residential premises

Proposed section 71A(3) makes it an offence for a landlord to contravene a term of a residential tenancy agreement arising under section 71A(1) or (2) without reasonable excuse.

32—Amendment of section 72—Right of entry

Section 72(1)(c)(i) is amended to reduce the frequency with which a landlord may enter premises for the purposes of inspection, while also allowing the landlord to apply to the Tribunal for an order under proposed subsection



(5c) to inspect the premises more frequently in certain circumstances. The required notice period set out in section 72(1)(c)(ii) is amended. Section 72(1)(g)(ii) is amended such that if agreement cannot be reached with a tenant as to a suitable time, the premises may only be shown to prospective purchasers as ordered by the Tribunal on application by the landlord. Proposed section 72(5a) allows the regulations to prescribe requirements relating to certain documents or records. Proposed section 72(5b) makes it an offence for a landlord to contravene a requirement so prescribed.

### 33—Amendment of section 73—Statutory charges

Proposed section 73(2) as substituted sets out the determination of certain statutory charges that are to be borne by a landlord or tenant. Proposed section 73(3) provides that a tenant is not required to pay rates and charges in accordance with the section if the landlord fails to provide a copy of the invoice to the tenant within a certain period. The other amendments are technical or consequential.

### 34—Insertion of sections 73A and 73B

New sections 73A and 73B are inserted:

#### 73A—Agreements relating to installation of solar energy systems

A landlord and a tenant may enter into an agreement relating to costs and charges for the installation of a solar energy system for the premises.

#### 73B—Excessive water usage charges

This section sets out the determination of liability for costs relating to excessive water usage.

### 35—Substitution of Part 4 Division 12

Division 12 of Part 4 is substituted:

#### Division 12—Assignment and sub-letting

#### 74—Assignment and sub-letting by tenant

A tenant may only assign or sub-let premises with the landlord's written consent, and the landlord must not unreasonably withhold consent. The withholding of consent is deemed to be unreasonable or not unreasonable in certain circumstances.

#### 74A—Tenant may apply to Tribunal

A tenant may apply to the Tribunal for a determination that the landlord's consent is not required for the assignment or sub-letting of the premises by the tenant.

#### 74B—Landlord cannot demand or receive fee for giving consent

A landlord must not, inter alia, receive a fee for giving consent for the assignment or sub-letting of premises.

### 36—Insertion of Part 4 Division 13A

Division 13A is inserted into Part 4:

#### Division 13A—Maximum liability for rent payable following tenant's termination of fixed term tenancy

#### 75A—Maximum liability for rent payable following tenant's termination of fixed term tenancy

This section sets out the maximum liability for rent payable by a tenant following the tenant's termination of a fixed term tenancy.

### 37—Amendment of section 76A—Preliminary

The definitions in section 76A are amended.

### 38—Amendment of section 76B—Dealing with tenant information

Section 76B is amended to delineate requirements relating to tenant information and prospective tenant information.

### 39—Amendment of section 76C—Powers of Tribunal

The amendments are consequential.

### 40—Amendment of section 77—Accelerated rent and liquidated damages

The maximum penalty and expiation fee for the offence in section 77(3) are increased.

### 41—Amendment of section 79—Termination of residential tenancy

The amendments are consequential on amendments made by the measure.

## 42—Insertion of Part 5 Division 1A

New Division 1A is inserted into Part 5:

Division 1A—Termination following death of sole tenant

79B—Termination following death of sole tenant

This section sets out the manner in which and date on which a residential tenancy is terminated following the death of a sole tenant.

## 43—Amendment of section 80—Notice of termination by landlord on ground of breach of agreement

A regulation making power for the purposes of section 80(2)(d) is inserted.

## 44—Insertion of section 80A

New section 80A is inserted:

80A—Termination by landlord on ground of drug contamination

A landlord may terminate a residential tenancy if the premises are contaminated as a result of drug related conduct engaged in or allowed by the tenant.

## 45—Amendment of section 81—Termination because possession is required by landlord for certain purposes

Section 81 is amended to allow a tenant to whom a notice of termination is given under the section to give up possession of the premises prior to the end of the period of notice. A tenant who gives up possession in such a manner will not be liable to pay rent after the specified day. The maximum penalties for the offences in section 81 are increased, and expiation fees for the offences are inserted.

## 46—Amendment of section 83—Termination by landlord without specifying a ground of termination

Section 83 currently provides that a landlord may, subject to certain matters, terminate a tenancy without specifying a ground of termination. Section 83 is amended to provide instead that a landlord may terminate a tenancy under the section on a ground prescribed by the regulations. The other amendment is consequential.

## 47—Amendment of section 83A—Notice to be given at end of fixed term

Section 83A currently provides that a landlord may terminate a residential tenancy agreement for a fixed term at the end of the fixed term without specifying a ground of termination. Section 83A is amended to provide instead that a landlord may only terminate the tenancy at the end of the fixed term on a ground prescribed by the regulations. The period of notice for such a termination is amended. Section 83A is also amended to allow a tenant to whom a notice of termination is given under the section to give up possession of the premises prior to the end of the fixed term. A tenant who gives up possession in such a manner will not be liable to pay rent after the specified day.

## 48—Amendment of section 84—Limitation of right to terminate

Section 84(1) is amended to incorporate some specific grounds on which a landlord may, with the authorisation of the Tribunal, terminate a tenancy under the section. The other amendment is consequential.

## 49—Insertion of section 84A

New section 84A is inserted:

84A—Compensation for termination in certain circumstances

A landlord may be entitled to compensation for certain costs and expenses incurred in connection with a termination of a residential tenancy agreement in certain circumstances.

## 50—Insertion of section 85AA

New section 85AA is inserted:

85AA—Notice of termination by tenant for successive breaches of the agreement

A tenant may terminate a tenancy in circumstances where the landlord has successively breached the same provision of the residential tenancy agreement.

## 51—Insertion of sections 85B, 85C and 85D

New sections 85B, 85C and 85D are inserted:

85B—Notice of termination by tenant due to condition of premises

A tenant may terminate a tenancy on the basis of the condition of the premises.

85C—Notice of termination by tenant in certain circumstances

A tenant may terminate a tenancy on the basis of certain grounds relating to the tenant's circumstances.

85D—Notice of termination by tenant on ground of domestic abuse

A tenant may terminate a tenancy in circumstances relating to domestic abuse.

52—Amendment of section 89A—Termination based on domestic abuse

Section 89A(2) is amended such that an application may be made under that subsection not only by the South Australian Housing Trust, a subsidiary of the South Australian Housing Trust or a community housing provider registered under the *Community Housing Providers National Law* but by any landlord. Section 89A(3) is substituted such that, in the case of an application made under section 89A(2) as amended, a person who normally or regularly resides at the residential premises for whose protection an intervention order is in force or against whom domestic abuse has been committed is a party to proceedings under the section.

Section 89A(4) is amended to allow the Tribunal to make an order requiring the landlord to enter into a new residential tenancy agreement for the remainder of the term of a tenancy with a person who normally or regularly resides at the residential premises for whose protection an intervention order is in force against a tenant or against whom a tenant has committed domestic abuse. Section 89A(12) is substituted to clarify the directions the Tribunal may make in respect of the repayment of a bond where 1 or more, but not all, of the co-tenants under a residential tenancy agreement are liable under section 89A(10) and (11). The other amendments are technical or consequential.

53—Insertion of Part 5 Division 4A

New Division 4A is inserted into Part 5:

Division 4A—Tribunal may make orders in relation to retaliatory behaviour and circumstances of domestic violence

90A—Tribunal may make orders in relation to retaliatory behaviour

The Tribunal may make an order in respect of a termination or proposed termination of a residential tenancy agreement if satisfied that a notice of termination or an application made by a landlord was retaliatory.

90B—Tribunal may make orders in relation to circumstances of domestic abuse

The Tribunal may make an order that a notice of termination is invalid if satisfied of certain matters relating to domestic abuse.

54—Amendment of section 91—Form of notice of termination

Section 91(1) is amended to provide that a notice of termination given by a landlord to a tenant must, in the case of a notice given on a ground prescribed by the regulations, be accompanied by written evidence which supports the ground for giving the notice. The other amendment is consequential.

55—Insertion of section 91A

New section 91A is inserted:

91A—Prohibition on letting premises after notice of termination

A landlord must not let premises to a person within 6 months after terminating a tenancy in respect of the premises on a ground of a kind prescribed by the regulations, unless the Tribunal has ordered otherwise.

56—Amendment of section 95—Repossession of premises

The maximum penalty for the offence in section 95 is increased, and an expiation fee for the offence is inserted.

57—Amendment of section 97A—Offence to deal with abandoned property in unauthorised way

The maximum penalty for the offence in section 97A is increased.

58—Amendment of section 97B—Action to deal with abandoned property other than personal documents

This clause substitutes the period set out in section 97B(4)(b) with a prescribed period.

59—Amendment of section 97C—Action to deal with abandoned personal documents

This clause substitutes the period set out in section 97C(2)(b) with a prescribed period.

60—Amendment of section 99—Enforcement of orders for possession

The maximum penalties for the offences in section 99 are increased, and expiation fees for the offences are inserted.

## 61—Amendment of section 99D—Notice of usual use of database

The maximum penalty and expiation fee for the offence in section 99D(2) are increased.

## 62—Amendment of section 99E—Notice of listing if database used

The maximum penalty and expiation fee for the offence in section 99E(2) are increased.

## 63—Amendment of section 99F—Listing can be made only for particular breaches by particular persons

The maximum penalty for the offence in section 99F(1) is increased, and an expiation fee for the offence is inserted.

## 64—Amendment of section 99G—Further restriction on listing

The maximum penalty for the offence in section 99G(1) is increased, and an expiation fee for the offence is inserted.

## 65—Amendment of section 99H—Ensuring quality of listing—landlord's or agent's obligation

The maximum penalties for the offences in section 99H are increased, and expiation fees for the offences are inserted.

## 66—Amendment of section 99I—Ensuring quality of listing—database operator's obligation

The maximum penalty for the offence in section 99I(2) is increased, and an expiation fee for the offence is inserted.

## 67—Amendment of section 99J—Providing copy of personal information listed

The maximum penalties for the offences in section 99J are increased, and expiation fees for the offences are inserted. Further, section 99J currently allows for a landlord, a landlord's agent or a database operator to charge a fee for giving personal information under the section, subject to certain matters. This clause amends section 99J to prohibit a landlord, a landlord's agent or database operator from charging a fee for giving personal information.

## 68—Amendment of section 99K—Keeping personal information listed

The maximum penalty and expiation fee for the offence in section 99K(1) are increased.

## 69—Amendment of section 101—Application of income

Section 101(1)(f) is amended to allow income derived from the Fund to be applied for a purpose connected with, or arising under, this Act or the *Residential Parks Act 2007* approved by not only the Commissioner, but also the Minister.

## 70—Insertion of Part 7 Division 1A

New Division 1A is inserted into Part 7:

## Division 1A—Registration of proprietors of designated rooming houses

## 103A—Interpretation

Definitions are set out for the purposes of the Division.

## 103B—Proprietors must be registered to carry on business relating to designated rooming houses

A person must be registered under section 103C to carry on a business involving the provision of accommodation under rooming house agreements at residential premises at which 5 or more rooms are available for valuable consideration for residential occupation.

## 103C—Registration

This section sets out the manner in which the Commissioner may register a person for the purposes of the Division.

## 103D—Annual return and fee

A person registered under section 103C must pay an annual fee and provide an annual return.

## 103E—Notification of change in circumstances

A person registered under section 103C must notify the Commissioner if certain matters change.

## 103F—Cancellation or suspension of registration

This section sets out the basis on which the registration of a person under section 103C may be cancelled or suspended.

## 103G—Review by Tribunal

A person who is dissatisfied with a certain decision may apply to the Tribunal for review of the decision.

71—Amendment of section 105—Copies of written agreements

The maximum penalty and expiation fee for the offence in section 105(1) are increased.

72—Amendment of section 105C—Application to Tribunal if house rules are considered unreasonable

The maximum penalty for the offence in section 105C(4) is increased, and an expiation fee for the offence is inserted.

73—Amendment of section 105D—Availability of house rules

The maximum penalty and expiation fee for the offence in section 105D(1) are increased.

74—Amendment of section 105E—Permissible consideration and statutory charges

The maximum penalties for the offences in section 105E are increased.

75—Amendment of section 105F—Rent in advance

The maximum penalties and expiation fees for the offences in section 105F are increased.

76—Amendment of section 105G—Duty to provide statement or give receipt for payments

The maximum penalties and expiation fees for the offences in section 105G are increased.

77—Amendment of section 105K—Bond

The maximum penalty for the offence in section 105K is increased, and an expiation fee for the offence is inserted. Section 105K is further amended to require a bond to be paid in a certain manner.

78—Amendment of section 105L—Receipt of bond and transmission to Commissioner

This clause mirrors the amendments made by the measure to section 62, but in respect of rooming house agreements rather than residential tenancy agreements.

79—Amendment of section 105M—Repayment of bond

This clause mirrors the amendments made by the measure to section 63, but in respect of rooming house agreements rather than residential tenancy agreements.

80—Amendment of section 105N—Use and enjoyment of room and facilities

The maximum penalty for the offence in section 105N(2) is increased.

81—Amendment of section 105O—Security of premises and personal property

The maximum penalty for the offence in section 105O(2) is increased.

82—Insertion of section 105PA

New section 105PA is inserted:

105PA—Minimum efficiency standards

This section mirrors proposed section 68A of the measure, but in respect of rooming house agreements rather than residential tenancy agreements.

83—Amendment of section 105Q—Sale of rooming house

This clause mirrors the amendments made by the measure to section 71A, but in respect of rooming house agreements rather than residential tenancy agreements.

84—Amendment of section 105R—General obligations of resident

The maximum penalty for the offence in section 105R(2) is increased, and an expiation fee for the offence is inserted.

85—Amendment of section 105S—Accelerated rent and liquidated damages

The maximum penalty and expiation fee for the offence in section 105S(3) are increased.

86—Amendment of section 105T—Goods not to be taken in lieu of amounts owing to proprietor

The maximum penalty for the offence in section 105T is increased.

87—Amendment of section 105U—Termination of rooming house agreement

Section 105U(6) currently allows a proprietor to terminate a rooming house agreement providing for accommodation on a periodic basis without specifying a ground for termination by giving the resident at least 4 weeks notice. Section 105U(6) is amended to provide that a proprietor may terminate a rooming house agreement on a ground prescribed by the regulations by giving the resident at least 60 days notice.

88—Amendment of section 105W—Abandoned property

The notice periods set out in section 105W(1)(b)(ii) and (2)(b) are amended. The maximum penalty in section 105W(4) is increased.

89—Amendment of section 114—Remuneration of representative

The maximum penalty in section 114 is increased.

90—Insertion of Part 8 Division 5

New Division 5 is inserted into Part 8:

Division 5—Other matters

114A—Internal review in relation to certain orders

Leave may only be granted in exceptional circumstances under section 70(1a) of the *South Australian Civil and Administrative Tribunal Act 2013* in relation to an application for a review of certain orders of the Tribunal under the principal Act.

91—Amendment of section 115—Contract to avoid Act

The maximum penalty in section 115 is increased.

92—Amendment of section 119—Tribunal may exempt agreement or premises from provision of Act

The maximum penalty for the offence in section 119(3) is increased, and an expiation fee for the offence is inserted.

93—Amendment of section 120—Service

Section 120(1)(d) is amended to remove the ability to serve a document or notice under the Act by transmission by fax.

94—Amendment of section 121—Regulations

The amendments made by this clause are technical.

95—Insertion of Schedule 3

Proposed Schedule 3 sets out transitional provisions for the purposes of the measure.

Schedule 1—Related amendments

Part 1—Amendment of *Real Property Act 1886*

1—Amendment of section 69—Title of registered proprietor indefeasible

Section 69(h) is amended to extend the indefeasible interest for residential tenancies from 1 year to 3 years.

Part 2—Amendment of *Residential Parks Act 2007*

2—Amendment of section 7—Residents committees

The maximum penalties and expiation fees for the offences in section 7 are increased. Expiation fees are inserted for the offences in section 7(1b) and (6).

3—Amendment of section 10—Residential park agreement to be in writing

The maximum penalty and expiation fee for the offence in section 10(5) are increased.

4—Amendment of section 11—Copies of written agreements

The maximum penalty and expiation fee for the offence in section 11 are increased.

5—Amendment of section 12—Agreements incorporate park rules

The maximum penalty and expiation fee for the offence in section 12(2) are increased.

6—Amendment of section 14—Information to be provided by park owners to residents

The maximum penalties and the expiation fee for the offences in section 14 are increased. A requirement is inserted that a park owner give a resident certain information relating to the supply of electricity if the electricity is supplied in a certain manner.

## 7—Amendment of section 15—False information from resident

The maximum penalty for the offence in section 15 is increased, and an expiation fee for the offence is inserted.

## 8—Amendment of section 17—Discrimination against residents with children

The maximum penalties for the offences in section 17 are increased.

## 9—Amendment of section 17B—Certain site agreements to be reissued

The maximum penalty and expiation fee for the offence in section 17B(11) are increased.

## 10—Amendment of section 18—Permissible consideration for residential park agreement

The maximum penalty for the offence in section 18(1) is increased, and an expiation fee for the offence is inserted. Proposed section 18(3) clarifies what is to be regarded as a payment for the purposes of section 18(1).

## 11—Amendment of section 19—Rent in advance

The maximum penalties and expiation fees for the offences in section 19 are increased.

## 12—Amendment of section 20—Method of payment of rent

The maximum penalty and expiation fee for the offence in section 20 are increased.

## 13—Amendment of section 22—Excessive rent

The maximum penalty for the offence in section 22(5) is increased, and an expiation fee for the offence is inserted.

## 14—Amendment of section 23—Park owner's duty to keep proper records of rent

The maximum penalties and the expiation fee for the offences in section 23 are increased.

## 15—Amendment of section 24—Duty to give receipt for rent

The maximum penalty and expiation fee for the offence in section 24(1) are increased.

## 16—Amendment of section 27—Bond

The maximum penalty for the offence in section 27(1) is increased, and an expiation fee for the offence is inserted.

## 17—Amendment of section 28—Receipt of bond and transmission to Commissioner

The maximum penalties and expiation fees for the offences in section 28 are increased.

## 18—Amendment of section 31—Quiet enjoyment

The maximum penalty for the offence in section 31(2) is increased.

## 19—Amendment of section 32—Residential park tenancy agreement—security of dwelling

The maximum penalty for the offence in section 32(2) is increased.

## 20—Amendment of section 33—Access to residential park

The maximum penalty for the offence in section 33(3) is increased.

## 21—Amendment of section 36—Resident's responsibility for cleanliness and damage

The maximum penalty for the offence in section 36(2) is increased.

## 22—Amendment of section 46—Accelerated rent and liquidated damages

The maximum penalty for the offence in section 46(3) is increased.

## 23—Amendment of section 48—Assignment of residential park agreement

The maximum penalties and expiation fees for the offences in section 48 are increased.

## 24—Amendment of section 50—Residential park site agreement—sale of dwelling on-site

The maximum penalty for the offence in section 50(2) is increased.

## 25—Amendment of section 59—Termination where periodic tenancy and sale of rented property

The maximum penalties for the offences in section 59 are increased, and an expiation fee for the offence in section 59(4) is inserted.

## 26—Amendment of section 85—Repossession of rented property

The maximum penalty for the offence in section 85 is increased.

27—Amendment of section 87—Enforcement of orders for possession

The maximum penalties for the offences in section 87 are increased, and expiation fees for the offences are inserted.

28—Amendment of section 89—Resident to give forwarding address

The maximum penalty and expiation fee for the offence in section 89 are increased.

29—Amendment of section 91—Offence to deal with abandoned property in unauthorised way

The maximum penalty for the offence in section 91 is increased.

30—Amendment of section 95—Park owner may give person notice to leave for serious act of violence

The maximum penalties for the offences in section 95 are increased.

31—Amendment of section 96—Exclusion from park for certain period

The maximum penalty for the offence in section 96(1) is increased.

32—Amendment of section 98—Occupation of rented property pending application or hearing

The maximum penalty for the offence in section 98(1) is increased.

33—Amendment of section 137—Contract to avoid Act

The maximum penalty for the offence in section 137(3) is increased.

34—Amendment of section 138A—Park owner must have safety evacuation plan

The maximum penalty and expiation fee for the offence in section 138A are increased.

Debate adjourned on motion of Hon. J.A.W. Gardner.

#### *Auditor-General's Report*

### **AUDITOR-GENERAL'S REPORT**

In committee.

(Continued from 31 October 2023.)

**The CHAIR:** I declare the examination of the report of the Auditor-General 2022-23 open. I remind members that the committee is in normal session. Any questions have to be asked by members who are on their feet, and all questions must be directly referenced to the Auditor-General's 2022-23 Report and Agency Statements for the year 2022-23, as published by the Auditor-General on their website. I welcome the Deputy Premier and the Leader of the Opposition, and I call for questions.

**The Hon. D.J. SPEIRS:** Sorry, Deputy Premier, I have misled you a little bit. We only have very, I would say, padding out questions for DEW. All the questions I am keen to do are in Defence. I understand, Chair, that Defence are not here yet. Can we pause the clock until they arrive?

**The CHAIR:** I suppose we will have to, won't we?

**The Hon. S.E. CLOSE:** An interesting conundrum has been raised in that the agency is not listed in the Auditor-General's Report and so they were told that they did not need to send anyone and there couldn't be any questions, given that they are not listed in the report. I am not certain what we should do about that and what page numbers the leader might have that might help guide who ought to be here to advise me.

**The CHAIR:** I am not sure who has provided you with that advice, Deputy Premier, but my advice is that there are a couple of sections which actually look at Defence SA and the space industry as well, so they are actually mentioned in the report.

**The Hon. D.J. SPEIRS:** I am happy to reallocate this time to some time tomorrow, a time that the government would like to give up because I am just thinking, from the public servant's point of view, it might be a bit difficult if they are not prepared to talk on this.



**The CHAIR:** The Auditor-General's Report deals with the minister's portfolio, so you are at liberty to ask any other areas of the portfolio until those other advisers are available.

**The Hon. D.J. SPEIRS:** Some of the questions are reasonably broad anyway, so I think that is all fine. Just for reference to both the Deputy Premier and the Chair, I am relying on the independent Auditor's report, specifically the opinion on Defence SA. I will begin my questioning on page 11 of that opinion, which outlines the objectives of the program. The third paragraph specifically talks about the objectives of that program. I will just ask a general question to start with. Can the minister please provide an overview of current defence shipbuilding programs in South Australia?

**The Hon. S.E. CLOSE:** Yes. Obviously, defence is run by the federal government and is procurer of these programs. What the agency in South Australia does is supports the industry to be in the best position to bid for these projects and also facilitates the way in which the South Australian infrastructure can support making sure these projects are delivered.

What we have substantially in the shipbuilding program is the Collins class submarines sustainment work, of course. It is a six-vessel fleet and there are some 1,300 jobs supported in South Australia. At present, the plan is, and our expectation is, that full cycle docking remains at the Osborne Naval Shipyard. People may recall that in the last few years there was a big question about whether that would be moved to Western Australia, and it was finally determined that it would not.

The life-of-type extension work is also going to be commencing in 2026 in Osborne. This life-of-type extension will keep the Collins class submarines operationally capable and available into the 2040s, which will support the transition to Australia's nuclear-powered submarines, of course, to fill that gap.

There are the Hunter class frigates being built by BAE Systems Maritime Australia. We know that that is subject to a strategic review that is currently being contemplated by the commonwealth government. The reason for that, as we would all be aware, is that a view was formed at the commonwealth level that, having determined to alter the approach on what kind of submarine would be used—and the technology that would be used and the capability of those submarines that would be used for South Australia's future submarine capability—the question became whether that had any consequences for the kind of surface ship capability that South Australia required, around questions of speed, capacity to carry people and, very crucially, the kind of weaponry, radar and other detecting technologies that the ships are capable of carrying.

The commonwealth's primary concern relates to the question of capability, as opposed to the question of sustainment of workforce and manufacturing capability that is the primary concern of the South Australian government. We are therefore, as the Premier has repeatedly said, very keen to get an answer on what the strategic review has generated, what decision will be made by the commonwealth government about the surface ships and, crucially, how that fits into this pressing need to make sure that we continue to have a workforce at Osborne in order to be ready to build up for the nuclear submarines.

At present, as you would be aware, there are nine anti-submarine warfare frigates being proposed—three, three and three. There has been speculation about whether the final three would continue or not, and we await further advice from the commonwealth government about how their disposition of building will be.

The Hunter Class Frigate Program will, in time, sustain more than 5,000 jobs across not only that business but the wider Australian defence supply chain over the life of the program. I am advised that it anticipates to include up to 1,000 apprenticeship and graduate roles. The prototyping started a couple of years ago with the ship blocks, and construction has now started on the first schedule protection block, which will be used in the frigate. So, although they spend some time building blocks that to all intents and purposes could be used in a ship, they then start the first real ship separately to that, having tested out the technology.

There are also the Arafura class offshore patrol vessels, of which there are 12 in total for Australia, the first two being built in the Osborne Naval Shipyard by Luerksen Australia and the remaining 10 moving over to Western Australia. That involves 400 direct jobs. The first ship was

launched on 16 December 2021 at the shipyard and the second ship is currently being outfitted and is almost completed.

For the Hobart class destroyer project, obviously the Hobart class destroyers have been built. I was present for at least one, if not two, of their launches at Osborne. That will now be involved in a process of upgrading the combat management systems. That will be started in South Australia from 2024, and it involves about 300 jobs.

Then there is Osborne North, which is where we expect to have not only the sustainment of the Collins class but also the preparation of the infrastructure for the submarine construction yard.

**The Hon. D.J. SPEIRS:** What actions have you taken to ensure that the entire complement of the Hunter class program is constructed at Osborne?

**The Hon. S.E. CLOSE:** I will speak more on behalf of the government than just myself. As we have been very clear about, the Premier takes a role in engaging directly with the commonwealth, as is absolutely appropriate for such a crucial and highly sensitive area of advanced manufacturing in South Australia, where the purchaser is the commonwealth. They are in the process of obtaining the land necessary, for example, from the South Australian government and investing \$2 billion just in the infrastructure over the next four years that will be required to build the submarines.

But the question of course was specifically about the Hunter class frigates and the challenge of the strategic review. As I said, I understand from a capability perspective why the commonwealth has decided to do that. This question of the extent to which the capability of the Hunter class is sufficient is all that is needed to support from the surface what will be a new fleet of submarines, very large submarines, very quiet and crucially very, very fast submarines. That does change the expectations and the demands on the surface vessels. So it is right and proper that the commonwealth have done this.

As I said, South Australia's primary concern, although of course as being part of Australia we want us to have the best defence capability possible, as a government is that our primary responsibility is to ensure that we are industrially capable of building as much as possible and of taking the benefits of that building and spreading it through the economy, both through people who are working directly and also through the capability and the supply chain.

I understand we were the only jurisdiction to put a submission into that most recent strategic review to explain the demands and the expectations of a healthy shipyard in Osborne, the role that the surface ship build plays in the overall projections of how we train up and keep the staff required and also keep the supply chain involved.

I recall when we were so concerned about the loss of the Collins class submarine work, the full cycle docking question, one of the things that bothered me most about the question that it would go to Western Australia was the harm that would do to the supply chain into the submarines, that if that were broken to then get that supply chain ready for the next submarines in the future would be so much more difficult. As for that, so too for the involvement in the Hunter class frigates.

That said, we have put our presentation forward. The Premier has had frequent and lengthy discussions with the Deputy Prime Minister. Having presented the case for the importance in the overall capability of the shipyard, we recognise the need to ensure that the overall capability of Australia is at the best class it can be. We await the decision that they make.

**The Hon. D.J. SPEIRS:** Is the minister aware or has modelling been undertaken to determine how many jobs would be lost if the Hunter class program was cut from nine ships to six ships?

**The Hon. S.E. CLOSE:** The challenge in that is how far away the final three ships are and what other work is being brought forward at the same time. If that were to happen, and I say a big if because I am in no way in possession of any privileged knowledge about the decision that will be made and it may well be that they stick with the nine, but in the event that they were not to, in that hypothetical, the questions would be: what is that replaced by? Where is that built? What is the length of time over which the six will be built? And what is the way in which we can integrate the workforce required for the six into preparing for the building of the submarines?

There is an expectation, obviously, when you are talking about the submarines that are even more sophisticated than the ships, that we need not just skilled workers but skilled workers with experience. Some of that experience will be able to be made in the surface ship build and then translated, with additional training of course, to being able to work on the submarines. This is a complex interworked shipyard, it is not individual projects that sit entirely in isolation, so that planning will need to be done over time. There is an expectation that some of the submarine workers will come from the shipyard.

I say all this noting that there is a demand for more workers right now for Hunter class. They have yet to build up to the full complement that they need and so at present there is no question of shedding staff. In fact, the question is making sure that we can supply the staff in South Australia to successfully do the build of the first three lot, then the next three lot and then we will find out before long whether the speculation in the press is accurate about the final three.

We are not in a position at the moment of needing to model in several years' time what might be an alteration of the final build; we are more in the position of having to make sure that we are training people up ready to be added to the build right now.

**Mr PATTERSON:** On the same Auditor-General's Report and Defence SA, moving to section 1.3 which deals with budget performance, in the statement of comprehensive income it talks through some of the spending lines there. In particular, in the expenses it has grants and subsidies. The original budget was \$8.214 million and the actual was \$4.389 million—a shortfall of about \$3.825 million. Is the minister able to explain what those grants were for in the actuals?

**The Hon. S.E. CLOSE:** My hope is that very shortly I will be able to do that. If you have any other more general questions first, you may like to ask that question again shortly.

**Mr PATTERSON:** I have a number of them. Maybe I could read them in, you can take them on notice, and if they get here we can do it. In particular, that line where we talk about the grant expenditure, can the minister explain what those grants were for and who the recipients were, what the programs were and provide information as to why the program milestones were not met?

**The Hon. S.E. CLOSE:** I will take those on notice.

**Mr PATTERSON:** A similar follow-up also in regard to the supplies. It had a shortfall of \$1.442 million in supplies and services, and it was explained in subnote (b) that this expenditure variance was due to changes in the expenditure on milestone profiles of several projects, including the SASAT-1 Space Services Mission. Is the minister able to expand on what those programs and projects were and, again, what the changes in expenditure and milestone profiles were? Further to that, in regard to Kanyini, can you explain the variance there and what the progress of Kanyini is? Is it still on track?

**The Hon. S.E. CLOSE:** I can talk about Kanyini, and I will take all those other items on notice and make sure you have a detailed answer. Regarding Kanyini, the launch date has been delayed; it was intended to be October this year—so the month just past—but it has now been moved to mid next year. That is the expectation.

There is an arrangement with the company that Elon Musk is involved with that does launches, and therefore it is likely to be in California. Originally the proposal had been that it would be at Cape Canaveral in Florida. The company that is building the outer casing of Kanyini has almost completed building that, and it is a case of making sure we have the right launch window, which is being lined up for next year.

**Mr PATTERSON:** Following on from that, again, in the same area in relation to the grants, it talks about the fact that, in 2022, \$1.2 million was allocated to Defence SA via contingency funding provided by the Department of Treasury and Finance. In 2023, there were zero dollars allocated. Can the minister please explain what the original contingency funding was for, and the reason for the variation in 2023?

**The CHAIR:** Can you just reference a page number, member for Morphett?

**Mr PATTERSON:** Sorry, yes; page 15.

**The Hon. S.E. CLOSE:** We do not have the page numbers on our document. Can you give us a reference number of the paragraph that you are talking about?

**Mr PATTERSON:** Sure. You have 1.5, 'Budget performance', so it would be the second page into that under the heading of 2.3, 'Grants'. Two is 'Income', so it is those zero-income lines.

**The Hon. S.E. CLOSE:** We will have to take that on notice and get you a detailed response.

**Mr PATTERSON:** I move to section 4, 'Expenses' on page 23. Looking at 'Supplies and services', in 2023 there was \$2.056 million spent on contractors. Can the minister explain what services those contractors undertook for Defence SA, and what contracting companies were used?

**The Hon. S.E. CLOSE:** This was work done on an AUKUS task force to prepare for the question of social licence, but also engagement in the supply chain, so that we were clear on the way in which the supply chain would be able to work into the AUKUS proposition.

**Mr PATTERSON:** Thank you. If we just go back to page 15 in section 2.4, 'Recoveries', in 2022 \$60,000 was being allocated to Defence SA through the Defence Innovation Partnership recoveries, and then zero in 2023. Can you explain what those recoveries were in 2022, in the first instance, and the reason why there were no recoveries in 2023?

**The Hon. S.E. CLOSE:** This is a fairly minor part of the accounting for the agency, as you may well recall, so the 60 probably refers to running some events for another part of government and then getting a recovery for that, and there were not any of that sort in 2023.

**Mr PATTERSON:** Again in regard to 4.3, going back to expenses—sorry to move around—we have the research programs. In 2022, \$1.411 million was spent by Defence SA for research programs. In 2023, this was \$911,000. Can the minister please explain what those research grants involved and the reason for grants into research programs falling by nearly half a million dollars?

**The Hon. S.E. CLOSE:** This is about a collaborative research fund. You see variation across the year because there are only four or five of these projects a year and the funding is based on timing on the completion. There will be a variability year by year on which ones are finished in any given time period. An example would be a collaborative research project with DEWC on their electronic warfare system. You would probably be familiar with others that have occurred in the past.

**Mr PATTERSON:** If we go to page 11, program 2, relating to the South Australian Space Industry Centre, in June 2023, prior to the federal government announcing it was going to cut the \$1.2 billion National Space Mission for Earth Observation, it had been reported that the minister was briefed by the federal government that this was to occur. Did the federal government also brief the minister about the status of the \$20 million of modern manufacturing funding that the former federal government had committed to the Australian Space Park?

**The Hon. S.E. CLOSE:** That was a bit of a broad-ranging question initially but specifically about the \$20 million for the Modern Manufacturing Initiative and the Space Park. At the time that occurred, when that grant was originally provided, the project was being managed out of the Department for Trade and Investment; therefore, no, I was not informed about a decision by the Australian government to no longer fund that.

That came on the back of the chief proponent, which is Fleet Technologies, putting in a variation to the proposal that included informing the federal government that two of the companies that they had been in collaboration with—there had originally been four—had withdrawn their involvement. The commonwealth government made a decision and informed Fleet, but that was largely managed through the Department for Trade and Investment at the time. With the most recent budget in South Australia, we transferred all the money that South Australia had always had committed to that facility over to the agency for defence industries and ensured that the funding for space was increased so that we were able to continue to work closely.

We now have charge of the project to have the collaborative working space, which, given the change in industry appetite away from very large satellites to much more small satellites, has been determined to be best served probably at Lot Fourteen. We are working on that at present with industry to make sure that it is of most use to them. The Space Park at the Airport, however,

continues. Fleet are still very keen on pursuing that, and I believe that has been going well in terms of negotiating their relationship with the airport.

**Mr PATTERSON:** Just to confirm, when you were given the briefing, did you avail yourself of the opportunity to then contact the federal minister, Ed Husic, to fight for the funding for the Australian Space Park?

**The Hon. S.E. CLOSE:** The decision on modern manufacturing had been made prior to that and prior to my direct involvement in the project. Of course, when I met with Ed Husic, and I have met with him several times, each time I pressed him—possibly he is tired of hearing from me—on how important space is to Australia as well as to South Australia. We discussed my disappointment in their decision to make some cuts to their projects but also that we continue to work together where we can, and that South Australia will continue to identify opportunities.

I also add at this point that he has always been absolutely clear that he will not be moving the Space Agency from South Australia, which I take great comfort in. It is very important that it was secured here by the Marshall government, following the International Astronautical Congress that was held here in 2017. That ongoing anchor point for Lot Fourteen in particular is very important. It is, again, one of the reasons why we think that the collaborative centre will probably be best served on Lot Fourteen.

**Mr PATTERSON:** In recent reporting around the federal government not providing funding for the Australian Space Park, a federal government spokesperson said:

...following the finalisation of contract negotiations earlier this year, the Australian Space Park project no longer aligned with MMI Collaboration Stream program guidelines and consequently funding was withdrawn.

That speaks to a decision being made by the federal government prior to June, when the National Space Mission for Earth Observation had those cuts. At any stage during the year, were you informed by Minister Ed Husic that the federal government would not be going ahead with this \$20 million of funding?

**The Hon. S.E. CLOSE:** We were informed by Fleet.

**Mr PATTERSON:** In the minister's view, what would the impact be of not having that sizeable Australian Space Park at \$66 million, rather only \$20 million?

**The Hon. S.E. CLOSE:** That calls for speculation and opinion. The Space Park will go ahead with Fleet as its anchor and will be of immense value to the space industry. Our Common User Facility will also go ahead, and I can only see a brighter future for space in South Australia.

**The CHAIR:** I would like to thank the Deputy Premier, the Leader of the Opposition and also the member for Morphett. The time available to examine this part of the Auditor-General's Report has expired. We now welcome the Minister for Police and the relevant opposition spokesperson. Member for Flinders, the floor is yours.

**Mr TELFER:** Thank you, sir, and thank you, minister. I will jump straight into some questions around the workforce at SAPOL.

**The CHAIR:** You also need to reference the page or the reference.

**Mr TELFER:** I refer to the SAPOL workforce, and I will particularly start the focus on the financial statements at page 17, which talks about the employee benefit expenses and employee remuneration. At the bottom you see the number of employees within the following bands, and for 2022 it indicates 1,108 and for 2023 it is 880. Can you give an explanation as to the dramatic change?

**The Hon. J.K. SZAKACS:** I thank the member for his question. I recall that we were not standing last year because I had a moon boot on. That was your indulgence; my apologies. I can advise that the material difference or reduction in those numbers from last financial year to the just completed financial year is a very significant reduction in overtime as a result of the cessation of COVID operations. Of course, 2021-22 still retained a degree of COVID operations, so the reduction in the numbers of people in that band is largely as a result of the overtime component which pushed those individuals up.

**Mr TELFER:** The 220 person difference, near on 20 per cent, was all as a result of COVID; is that what you are saying, minister?

**The Hon. J.K. SZAKACS:** Yes, that is what I am saying. I am saying that the advice that I have, to repeat my previous answer, is that results from the very significant impact of COVID operations, particularly on the overtime that was carried by the organisation, by SAPOL, had a material impact on the number of individuals that had a band creep in that year. I am advised that that is the material difference from 2021-22 and 2023-24.

**Mr TELFER:** To unpack a little further, you talk about the band creep, which must talk about the ones below the \$157,000 to \$160,000. Are you saying that a significant number of those 220 have fallen below the \$157,000 band?

**The Hon. J.K. SZAKACS:** No, not necessarily. I think your question was about the \$160,000-plus, so my advice to you is only in relation to that band.

**Mr TELFER:** Maybe I was not clear, minister. I was talking about the total number of employees within that range, which was 1,108 in 2022 and 880 in 2023, so some 228. Are you saying that number is predominantly because they fell below the band which is within that bottom range of \$157,000 to \$160,000?

**The Hon. J.K. SZAKACS:** I can advise and perhaps provide some additional detail to the member. There are 154 substantive employees in that bracket that the member asked about. An additional 74 were in the bracket for the reporting purposes of the Auditor-General as a result of overtime.

**Mr TELFER:** At page 355 of the big document, the annual report, the Auditor-General made comment around some of the workforce challenges and highlighted the Establishment Management Committee, which is:

...responsible for overseeing the planning for the sworn and unsworn workforce to ensure it meets SAPOL's strategic objectives. It has not met since February 2021 and has not finalised its terms of reference.

Can you give me some explanation as to why?

**The Hon. J.K. SZAKACS:** I can. I probably cannot provide a whole lot of information as to why that Establishment Management Committee stopped meeting definitively in February of 2021. I am happy to take this on notice and be corrected if need be, but February 2021 was deep in COVID operations for SAPOL. I would reasonably understand—and this not a critique of the former government at all—and this is acknowledgement that there were special circumstances at around that time that may have caused that committee and the resourcing and the time involved in that committee to cease. I am happy to take some further information and I will correct the record if that is the case.

As for the re-establishment of the Establishment Management Committee, I can confirm that the terms of reference will be imminently signed off by the commissioner who has worked through various individuals in SAPOL, including People and Culture, the deputy commissioner, and will be imminently signed off by the police commissioner and that will then execute the re-establishment and the meeting of the Establishment Management Committee.

For the record, the Establishment Management Committee, whilst acknowledging the findings and the recommendation of the Auditor-General, the advice that I have received subsequently from SAPOL is that that work is still being undertaken extensively within SAPOL, but, recognising the prerogative of the Auditor-General to make that recommendation, SAPOL have acted accordingly.

**Mr TELFER:** In reflection of that commentary, I do note that the Auditor-General noted that the strategic transfer committee was established to specifically manage vacancies due to COVID-19 and address frontline resourcing challenges. They have not had to deal with those specific COVID-19 challenges over the last 12 months. Why is the EMC not being reinstated or their duties reinstated? Are you in your explanation saying that SAPOL made the judgement that the EMC was not necessary?

**The Hon. J.K. SZAKACS:** Simply, I do not have the advice to be able to reflect on whether SAPOL have determined that the EMC was not necessary, but I can note and advise that the work undertaken by the EMC has been continuing, in fact at a pace not previously seen within SAPOL. I really want to recognise and also acknowledge the hard work of SAPOL. It was very clear when we came to government that the police commissioner was doing the best with what he was given, and that is why we determined, and I determined as minister, that simply hoping that we could train more police without funding was ridiculous.

In that period, there has been a very substantial body of work undertaken to ensure that SAPOL first was business ready and operationally ready to receive and execute the substantial additional funding—I think about a \$94 million package—that we provided. That first body of work was of course to ensure that SAPOL was ready to press go on that. That has been undertaken. But as I reflected on before, the EMC will now reconvene. The terms of reference will be signed by the police commissioner, it is advised to me, imminently and they will continue the good work SAPOL does right across the board.

**Mr TELFER:** On page 16 of the financial statements line 3.3 talks about employee benefits and expenses. There is a line which says 'additional compensation'. That number has more than doubled from just over \$6 million to nearing \$14 million. Can you give an explanation as to why?

**The Hon. J.K. SZAKACS:** I can respond by advising that that is because of an actuarial reassessment of workers compensation liabilities. There has been an actuarial assessment done at the end of the financial year. That is the materiality of that increase.

**Mr TELFER:** Line 4 talks about workers compensation, the change from \$17 million to \$27 million. That is the workers compensation bit. Is that the explanation you are giving?

**The Hon. J.K. SZAKACS:** I am advised that the two distinct accounting treatments or measures, workers compensation and the additional compensation, are both workers compensation, and the actuarial assessment is applied to both of those, the latter of which, that your questioning related to, was the actuarial reassessment based upon market interest rates forward projections.

**Mr TELFER:** Referring to the same page, page 16, there is a significant change in the long service leave, a seemingly over \$30 million change from 2022 to 2023. Can you give an explanation as to why?

**The Hon. J.K. SZAKACS:** I can advise that the calculations for long service leave are central accounting that is done through the Department of Treasury and Finance and that the numbers that the member inquires of also relate to an actuarial assessment or, more accurately, reassessment of future liabilities. Of course, long service leave liabilities are prospective and future. They are not a snapshot of long service leave taken this week or last month. They are a liability held for the future.

**Mr TELFER:** I have absolutely taken that into account. That is why I was questioning why there is such a significant change. It is astonishing, really. I am surprised that that is the explanation, that it is an actuarial adjustment.

**The Hon. J.K. SZAKACS:** I probably cannot provide much more advice in relation to your surprise, other than that the advice is that the treatment has been provided against long service leave liabilities across the public sector at large. These are done by a central agency, DTF. Specific market conditions that the member may or may not be surprised at I would not begin to comment on, but these are the way that things are done. This is why the DTF applies the assessment.

**Mr TELFER:** Page 355 states that the average active FTE figures include employees who are on extended leave without pay, meaning that the number of sworn positions filled may be lower than depicted in the chart. There were 164 FTEs on extended leave at 30 June 2023. What is this number compared to other years, the extended leave? Is it a reflection of what is going on broadly within the South Australian police force?

**The Hon. J.K. SZAKACS:** What it does not reflect is the nonsense that the member for Flinders has tried to put through the media, that women who take maternity leave are somehow ruining the operations of the police force, or other nonsense that the member has tried. He also

reflects on the other things going on in SAPOL. I am very happy to provide the member, on the record, for his future consideration, the numbers that he has sought.

It is 179.2 for the year ending 2023. The member for Flinders will be pleased to know that, notwithstanding some of his conjecture, that is less than the year before, which was 187.2, and the year before that was 171.5.

**Mr TELFER:** I refer you to page 363, which talks a little bit about the Thebarton barracks relocation. It says:

The SA Government provided \$2 million in funding to DIT for relocation planning work, with SAPOL incurring costs to be reimbursed of \$1.6 million in 2022-23.

Does the minister anticipate having to find increased funding for SAPOL relocation planning work associated with that relocation? Is that remaining \$400,000 currently left of the initial \$2 million budget deemed sufficient to complete the planning work?

**The Hon. J.K. SZAKACS:** As far as that question relates to appropriations to the Department for Infrastructure and Transport, I cannot comment. It is obviously a matter that the member can raise with Minister Koutsantonis. But I have received no advice, nor have I received any request that the funding is not sufficient.

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

**Mr PEDERICK:** Fire and emergency services.

**The ACTING CHAIR (Mr Brown):** We can certainly move to that, if you wish, member for Hammond.

**Mr PEDERICK:** I refer to the Auditor-General's Report, Part C: Agency audit reports, South Australian Fire and Emergency Services Commission, pages 375 and 376, involving staffing. Is the minister concerned about the drop in volunteer numbers from last year, and is he aware of any reasons behind this?

**The Hon. J.K. SZAKACS:** Of course, I acknowledge the extraordinary work that our volunteers undertake. I am happy to take some further questions from the member if it is relating to volunteers of any particular significant cohort, or if it is even Volunteer Marine Rescue. But, no, all of the advice I have is that volunteer numbers are stable and have been for some time; in fact, we have seen an uptick in the SES membership both during and post Murray River flooding. I would very much hope, as I am sure the member would, that we would not see another natural disaster like the flood to increase and incentivise volunteering, but, certainly, as advised to me, the SES have seen an uptick in numbers.

The volunteering of our SES and CFS and Volunteer Marine Rescue remains stable. Of course, we are always eager, as a government, to invest directly into that support. One of the major announcements that I was able to make with the Treasurer this financial year was the nearly \$2 million of increased mental health support for volunteers, a very important piece of work, one that has been led for some time by a group of highly capable and highly efficient staff within SAFECOM as well as the agencies.

That has been a very significant focus of mine and the government and I also acknowledge the investment made by the commonwealth government that has also been directly investing into mental health triage support for volunteers, not only coming into summer but recognising that the work of a volunteer these days is truly a 365-day-a-year exercise.

**Mr PEDERICK:** Same pages. What is the paid staff turnover rate within the CFS?

**The Hon. J.K. SZAKACS:** I will have to take that on notice.

**Mr PEDERICK:** I refer to pages 368 and 369: appliance and equipment inspection. Does the minister find it concerning that some South Australian Metropolitan Fire Service sites were not able to provide evidence of inspection reporting while at other sites reports were only partially completed, unauthorised or lacked evidence of any review?



**The Hon. J.K. SZAKACS:** Obviously, as far as the Auditor-General has recommended, my strong view is that the processes could be improved. I am not concerned from an output perspective. I think that the findings of the Auditor-General were quite explicit in the nature of which this was determined to be a largely administrative improvement that was able to be made by the MFS. I am pleased to advise that the MFS are working on that. They have already undertaken the improvement work necessary to ensure that the findings of the Auditor-General are both heeded and also well and truly implemented in time for the next reporting cycle.

**Mr PEDERICK:** Have all operational commanders since been consulted on the need for full staff compliance with inspection reporting requirements?

**The Hon. J.K. SZAKACS:** My advice is that there has been extensive engagement through the chain of command in the MFS. Again, I will undertake to correct the record if need be, but my advice to the member, based upon the advice that I have received, is that there has been a full chain of command and organisational flow-through of the remedial work undertaken as a result of the recommendation of the Auditor-General.

**Mr PEDERICK:** I refer to page 376, the independent bushfire review status update. In May 2023, the Auditor-General found that 29 of the 48 actions that the emergency services sector was responsible for had been completed. Three were on track and 16 required further funding. Can you identify the three action items that were on track to be completed?

**The Hon. J.K. SZAKACS:** I can advise—with also some specific detail that the member seeks; that is, of September 2023—that 65 per cent of total actions have been resolved and implementation has commenced on a further 21 actions. Those three actions identified by the Auditor-General as not yet being commenced are as follows. The first of those is finding 5.5.1:

The level of fuel reduction permitted on private land is unclear and there is an inconsistent approach to compliance action (Section 105 Notices) to reduce fuel hazards.

The action arising from that is:

Develop a Code of Practice for Private Land Fuel Management to remedy an inconsistent approach to compliance actions (S105 Notices).

The second per the member's question is finding 6.13.2:

ICT systems are inconsistent across the CFS—some volunteers are successfully using brigade management systems like BART but it has not been officially endorsed by the CFS or accepted service-wide.

The action arising from that being to:

Consider standardisation of brigade management deployment systems such as BART.

The third of these is finding 7.6.2:

The CFS should consider how to deploy heavy machinery with adequate protection for plant operators in planning for severe, extreme, or catastrophic fire danger days.

The action being to:

Implement a pre-deployment plan integrated with ROMPS and GOMPS to utilise the asset management system.

**Mr PEDERICK:** In regard to those three action items, when do you expect them to be completed and also has further funding been provided so the remaining 16 actions can be completed?

**The Hon. J.K. SZAKACS:** I will take that in two parts, the first being the three and then the 16. The 16 already have funding attached. There is funding attached to various discrete actions arising from those.

As for the work in relation to the further three, there continues to be led through the coordination and engagement of the CFS as well as DPC through ultimate organisational leadership and through the SEMC a process of the prioritisation for future funding rounds. That prioritisation through future funding rounds is arrived at through addressing actions where possible through broader pieces of work such as the emergency management capability and the capacity uplift project,

which I think I have advised the member of through estimates, and also by leveraging national investments such as the national stockpile management.

On that, I will note two very important steps forward. The first is that we are very pleased to be working with a federal government that takes their role in emergency management, preparedness and resilience-building very seriously. I did not spend a lot of time as minister working with the former government so I will not take unnecessary potshots—I will leave that to other states. As a statement of fact, I am very pleased by the excellent engagement by the federal government, including Minister Murray Watt.

I know the member would be particularly pleased to hear that just this weekend the first procurement through the national stockpile has been entered into with Humanihut—Humanihut being a great South Australian company, one that the member knows very well and has been a strong advocate for. It is a \$14 million national contract with Humanihut to supply temporary housing and accommodation not only for relief housing but also for the forward deployment of emergency services workers and other workers. Also, I can advise that that will be based here in South Australia. I am advised that Humanihut are scaling up their workforce as we speak to better meet the demand of this new contract with the federal government.

**Mr PEDERICK:** I go to page 370, vehicles and vessels not serviced. The Auditor-General found that 78 per cent of the South Australian SES vehicles and vessels had not been serviced to requirements, which is a 14 per cent increase from last year. How many assets does that relate to?

**The Hon. J.K. SZAKACS:** The SES or the CFS?

**Mr PEDERICK:** The SES.

**The Hon. J.K. SZAKACS:** I can provide additional detail to the member. I do have some advice regarding vehicles and I might be able to also provide some servicing details for the member for non-vehicles such as trailers, boats and such.

There were 62 trucks serviced in 2022-23; two motorcycles that were serviced in 2022-23; 108 QRVs car admins that were serviced; and 37 trailers. I note with trailers that there are a total of 225 trailers in fleet and 37 of those were serviced, so that is a very low percentage. Obviously it pushes down in the overall percentage of fleet because the Auditor-General has correctly analysed the entire fleet for this.

On the other hand, I can advise that, for example, 78.5 per cent of trucks were serviced, 81 per cent of our tractors and forklifts, 100 per cent of our hook lifts and 100 per cent of our vans—recognising the work that needs to be undertaken and obviously acknowledging the recommendation of the Auditor-General.

I potentially took this on notice but, to ensure that the record is correct, I believe that the member, in his question, or perhaps in the preamble, suggested there had been a decrease in volunteer numbers. I can actually advise that there has been a decrease in the CFS numbers of 47 across thirteen and a half thousand and there has been an increase into the SES identified, and that number is 35. That is just to be clear about the numbers.

**The CHAIR:** The time allocated for the examination of this portion of the Auditor-General's Report has expired. I thank the Minister for Police and the members for Flinders and Hammond. I welcome the Minister for Health and Wellbeing and the member for Schubert.

**Mrs HURN:** Thank you, sir, and thank you to all the staff that are here supporting the minister in answering all our questions. Minister, I refer you to part C, pages 119 and 120, in relation to the Independent Commissioner Against Corruption report, the Troubling Ambiguity: Governance in SA Health report.

In 2023, the Auditor-General raised a few issues in relation to progress, the first being inconsistent management of rosters. What steps is the minister taking through his department to rectify inconsistent roster management?

**The Hon. C.J. PICTON:** I thank the honourable member for her question. Members may recall that the background to this matter goes back to shortly after the election of the previous

government, when the then Independent Commissioner Against Corruption met with the then government and requested funding to undertake a detailed investigation into SA Health at the time. That was denied by the previous government.

The then commissioner subsequently issued a report entitled *Troubling Ambiguity*, which outlined a number of the commissioner's concerns that led him to ask for that investigation to be done—which was denied. It did not make any specific recommendations at that time, but was merely bringing those factors onto the agenda.

The then government undertook a piece of work—I think they set up a task force—looking at the issues that were raised, and said that they had responded to the issues raised in there. I think at various points in time there was a discussion that recommendations had been responded to but, of course, there were not any recommendations made. Subsequently, the new Independent Commissioner Against Corruption has revisited the work that Commissioner Lander had done and has issued a new report, which does make a number of specific recommendations.

There are some things that we are looking at that we can do. However, as I think I said at the time that this report came out, they are very limited because of the fact—and as the commissioner herself notes in the report—that these issues are also tied with the enterprise bargaining agreement that is in place for salaried medical officers in this state. That is an enterprise bargaining agreement that was signed just before the last election and I believe came into place at the beginning of 2022.

The commissioner also notes in her report—and I am paraphrasing—that she is surprised that a number of those issues were not raised as part of those enterprise bargaining negotiations at the time, hence the recommendations go to issues to look at it to the extent that we can at the moment but also to consider in the context of the next enterprise bargaining agreement, which I believe will kick off late next year, and we certainly will do that. These will be issues that we will raise through that process.

I know there has been some work done, particularly on the specific question in relation to rostering. The enterprise bargaining agreement is specific in terms of not having set hours for consultants in particular who are salaried medical officers, but there also had been agreement through that process that there should be arrangements in terms of managing their time across the week in terms of allocations of what time would be there for clinical time and what time would be there for teaching and research, etc., and non-clinical time. I think progress has been made on that.

There had been already some local health networks who had made progress on that. Subsequently, in the last couple of months there has been more progress made at a central level. This was an area where there was a dispute through the South Australian Employment Tribunal with SASMOA about that as well. However, to get to the crux of this matter and the recommendations that have been made, they really do take changes to the enterprise bargaining agreement and obviously that will be subject to negotiation with our employees, and with SASMOA who are the representative union.

**Mrs HURN:** I appreciated that introduction to a report that was kickstarted after 16 years of a Labor government managing the SA Health system. The second point that the Auditor-General raises is in relation to time sheets. How many staff are not completing time sheets reflective of the hours worked? Can you also confirm: do these concerns relate to clinicians who are working more hours than are put on their time sheet or fewer hours than are put on their time sheet?

**The Hon. C.J. PICTON:** As I articulated in the answer to the previous question, elements of the salaried medical officers agreement were last signed at the beginning of last year before the last election, which are very specific in terms of no fixed hours. Therefore, implementing a requirement to put in place time sheets is not possible under that enterprise bargaining agreement. However, of course for non-consultant staff—colloquially known as junior doctors—they do put in time sheets, particularly in areas such as an emergency department, etc., where there will be some quite complicated formulas of additional allowances, etc., that people will get, depending upon the times and hours that they have worked.

There was again an issue that we identified upon coming into government where the delays that were in place through Shared Services meant that, if there was a delay in terms of that time

sheet or the processing of that time sheet, quite often those doctors were not getting paid. That has now been rectified in the first sense by making sure that there is a minimum number of hours that will be paid to those doctors, irrespective of that time-sheet issue. Secondly, the bigger fix for that issue is work that we need to do in relation to electronic time sheets that the department and the local health networks are working on to make sure that that is an easier process and a faster process to put in place.

In relation to consultants and time sheets, that will have to be a matter that will be subject to negotiations at the next enterprise bargaining agreement. In relation to the member's question about whether they are under or over in terms of hours worked, I think that certainly will be an argument that we will put as part of those negotiations in that it may well show that people are working more hours. It is not necessarily that people are working fewer hours. That would obviously be demonstrated by a time sheet arrangement, as the commission is recommending, but for consultants that would have to be subject to negotiation.

**Mrs HURN:** Minister, in relation to page 119 and private practices, the Auditor-General notes, 'DHW indicated that the time, attendance and rights to private practice policies and procedures are under consideration.' What is the status of admitting rights for obstetricians at the Women's and Children's Hospital? I know that there was an issue earlier in the year. Has that been resolved as part of this concern raised by the Auditor-General?

**The Hon. C.J. PICTON:** I am happy to answer, but they are two entirely separate points. The first issue in relation to the rights of private practice that the Auditor-General was raising is in relation to the rights of private practice agreement, which is in a sense an addendum to the enterprise bargaining agreement that is in place for the salaried medical officers and has been in place for a number of years. That private practice arrangement helps essentially to divvy up the income that is gained from private practice arrangements through public hospitals for clinicians who work for SA Health.

That has been subject to a number of discussions over many years. There was a proposal in, I believe, the 2018-19 budget to significantly curtail those private practice arrangements. I believe there was a consultancy done by the previous government in relation to that. That did not progress in the end, and those private practice arrangements stayed in effect from the new enterprise bargaining agreement that was signed just before the last election. We implement what has been agreed in that private practice arrangement, and any changes to that would obviously have to be subject to negotiation.

In relation to the separate question, which is not in the Auditor-General's Report but I am happy to talk about it, in relation to the Women's and Children's Hospital, there had been an arrangement in place for a number of years where a number of private obstetricians had been able to access the Women's and Children's Hospital for high-risk pregnancies where they believed that women would necessitate access to that hospital for those arrangements. Over the years, I think that had progressed to the point where, off the top of my head, casual contracting arrangements were put in place to provide some legal and industrial certainty around the arrangements that were in place there.

In previous months, there had been concerns raised by doctors at the hospital about those arrangements and about whether it was appropriate and safe for doctors who were less familiar with the hospital to come in and deliver babies at the hospital. It had been proposed by the hospital at the time that, instead of that arrangement, if there was a transfer that needed to happen, then it would be transferred to the hospital and the doctors who work in a structured, permanent or part-time way at the hospital would be involved in the delivery of the baby.

That became known to me. I think the first notification I had in the 24 hours before it became public was from the Speaker himself, through one of his constituents raising it with him, then it became public shortly afterwards. When it was raised, I spoke with the previous CEO of the Women's and Children's Hospital. I certainly expressed my disappointment that this was not an issue that had been raised with me or with the department's chief executive, Dr Robyn Lawrence, and asked that this be put on hold for 12 months at the very least and that we go through a process of working through arrangements with private obstetricians.

Obviously, that is now a couple of months in. I have not had any update on the conclusion of that work. It is still ongoing between the hospital and private obstetricians. I have had initial feedback. Certainly, I will declare an interest: the obstetrician for our upcoming baby is one of the obstetricians impacted. He is very grateful that that has been put on hold so that this can be worked through between the hospital and the obstetricians, and so I look forward to that reaching an outcome hopefully that can be beneficial for all parties involved.

**Ms PRATT:** Continuing on, minister, but referring you back to page 120 and country specialists, how many country specialists are working without contracts, and where are they located? What is the breakdown across LHNs?

**The Hon. C.J. PICTON:** Thank you. I know that this has been the subject of work that is underway, particularly coordinated by the Rural Support Service, looking at the contracting arrangements with those doctors across regional South Australia. I do not have, obviously, the exact figures with me. We will have to go away and see if we can obtain them.

When it comes to these arrangements, there are many doctors who do an incredible job. They are Adelaide-based doctors who will go to many and varied places across regional South Australia providing services. Some of these arrangements are new, but many of them have been going on for many years, sometimes decades, and they have close relationships with patients and families and other clinical staff who work in those regions.

Particularly where those arrangements have been historical in nature, they necessarily have not always had those arrangements contracted. I suspect that that is the issue that the Rural Support Service and the Auditor-General highlight in here that needs to be addressed to make sure that those arrangements have the proper contracting around them, but we certainly do not want to do anything that will discourage the partnership and the work that many specialists provide right across regional South Australia.

**Mrs HURN:** Minister, I refer you to pages 154 and 155, noting that earlier on page 127 there is a comment that says controls for ensuring clearances and checks are current could be improved across CALHN, SALHN and NALHN. Referring specifically to CALHN, how many employees in a prescribed position do not have a working with children check or an aged-care sector employment check in the CHRIS payroll system?

**The Hon. C.J. PICTON:** We do not have that information with us. We will have to take that on notice.

**Mrs HURN:** This may also be one to take on notice, but what type of position is a prescribed one?

**The Hon. C.J. PICTON:** If that is able to be broken down, then we will be able to do so.

**Mrs HURN:** Potentially, minister, you may like to take this on notice as well. How many employees have expired working with children checks and expired aged-care sector employment checks as well?

**The Hon. C.J. PICTON:** We will certainly follow that up as well.

**Mrs HURN:** Minister, I refer you to a comment made by the Auditor-General. The Auditor-General reviewed six medical officers who onboarded in 2022-23, and they found two incidents which were rather concerning.

**The Hon. C.J. PICTON:** Which page are we on?

**Mrs HURN:** Page 155. The first one was where the credentialing application was approved after the letter of offer was issued, and there was an employee's working with children check that was issued after the letter of offer and after the commencement date. The Auditor-General says, 'This may increase the risk of compromising employee and patient safety and result in reputational damage to CALHN.' How many employees in CALHN have been issued their employment contract in the absence of a working with children check?

**The Hon. C.J. PICTON:** I think that is similar to the previous question, but we will see whether we can get the information on that. Certainly, I note what the Auditor-General himself says in relation to the report:

CALHN responded that it will continue to revise its appointment practices to ensure all essential credentialling and screening requirements are satisfied before employment commences. It will also ensure that any offer letters issued before credentialling and screening requirements are met clearly stipulate that the offer is subject to completing these requirements before employment commences.

**Mrs HURN:** Could you elaborate under what circumstance could someone be offered a contract by SA Health before they provided their relevant screenings and/or checks?

**The Hon. C.J. PICTON:** I think as per the CALHN response to this, they are revising their practices to make sure that does not happen and that all essential credentialling and screening requirements are satisfied before the employment commences and that any offers issued clearly stipulate that it is a requirement to have those credentialling and screening requirements before employment commences.

**Ms PRATT:** Minister, I refer to page 154 on credentialling and I just refer to some of the Auditor-General's comments where he states:

Different positions within an LHN can require different types of employment clearances.

He went on to note:

In 2020-21 [the Auditor-General] found that it was not clear which CALHN employees were required to comply with the legislative requirements of the various Acts...In March 2022, CALHN developed a fact sheet outlining the certificates required by employees.

My question is: has this fact sheet contributed to any improved practices, and, if so, will it be adopted by other LHNs?

**The Hon. C.J. PICTON:** I think we will have to get a response specifically from CALHN in relation to that. However, I hope that, if it has proved a benefit, it would be shared through LHNs. Obviously, one of the things that needs to be managed with devolution of health services is that it helps not only to devise local solutions but also where there is something that has been developed we need to make sure that that is shared appropriately so we do not have all of our LHNs having to reinvent the wheel. So, we will check to see that has been shared appropriately with other LHNs.

**Ms PRATT:** That being the case, and where the Auditor-General states that different LHNs need different types of employment clearances, what employment clearances are required for the Flinders Upper North LHN, and what improvements to credentialling for new doctors have been made since the Flinders Upper North LHN incident to prevent another unregistered doctor working in the system?

**The Hon. C.J. PICTON:** I refer you to the reports that have been released in relation to that incident in the Flinders and Upper North Local Health Network. They are very extensive reports into that particular issue that do recommend very specific changes that need to be made in that LHN's management, and obviously that information has also been shared with other LHNs to make sure that they can consider the issues raised in those reports as well and take any appropriate action that may be necessary.

**Ms PRATT:** In light of that answer then in terms of referring to the reports, would you say that the Flinders and Upper North LHN is making progress with those recommendations?

**The Hon. C.J. PICTON:** Yes; however, of course, they are not fully implemented because a significant amount of work is involved in those reports to make sure that all of those recommendations are implemented.

**Mrs HURN:** Minister, I refer to page 134 down the bottom where it states 'Conflict of interest forms could not be located'. The Auditor-General notes:

For one of the significant procurements [that they reviewed], there were a number of evaluation team member conflict of interest forms that could not be located.

What is the significant procurement referred to in the above scenario?

**The Hon. C.J. PICTON:** We do not have that information. If that is something that is appropriate to be provided, then we will. I obviously note what was said by the Auditor-General, that the department has advised that it is reminding staff of the requirement to complete those conflict-of-interest forms.

**Mrs HURN:** How many people failed to complete a conflict-of-interest form and what positions did they hold? Separate from that is: have they since completed a conflict-of-interest form and was a conflict declared? I note the reference to communication with staff. Potentially, if you could elaborate on whether that communication went just to the staff involved in this procurement that is mentioned, or did that go to SA Health more broadly?

**The Hon. C.J. PICTON:** I do note that the Auditor-General did not outline that there was a particular conflict in this case, only that there was not the form that could be located. Presumably, if the Auditor-General had identified there was a conflict, the Auditor-General would have no issue in terms of saying so. We will check that and consider it as part of the previous question as well, if we can appropriately release that information, if there are any issues around that. In relation to who is being reminded, I am advised by the department that it is specifically people who have been involved in procurement who are the people being reminded, rather than the 47,000 people who work for SA Health who would unlikely be involved in a procurement.

**Mrs HURN:** Minister, I just refer you to 'Procurements not on the forward procurement plan.' Again, that is at the bottom of page 134. The Auditor-General notes that:

None of the procurements we reviewed were included on the forward procurement plans...provided to Procurement Services SA, despite all of them being over the threshold for inclusion.

Why were procurements not included on the forward procurement plan?

**The Hon. C.J. PICTON:** I think the department acknowledges, particularly in the work that they have done through COVID, that there was a number of standard procurement work, and obviously resources and focus and attention was diverted to the more urgent COVID procurement work that needed to happen over the course of the last three years. This is one area of focus—getting back up to date with the forward procurement plan—for the department and the procurement team to make sure that those future procurements are all documented in that plan.

**Mrs HURN:** Just as a follow-up to that, I note that as part of a response from DHW there was an expectation that the forward procurement planning would be complete by August 2023. Can you confirm whether that is being met or not?

**The Hon. C.J. PICTON:** I cannot confirm; I will check whether that has happened now.

**Mrs HURN:** At the top of page 135 the Auditor-General notes that 'Not all contracts were reported to Procurement Services SA as required.' Again, it notes that 97 contracts on SA Health's contract register that should have been reported to Procurement Services SA were not. Can you talk us through the nature of those contracts and what the value of those contracts were?

**The Hon. C.J. PICTON:** You will be shocked that I do not have the full list and names and values of the 97 contracts with me. However, SA Health is implementing a control to ensure that procurement activities are reported to Procurement Services SA, and they are aiming to do that by the start of next year.

**Mrs HURN:** The Auditor-General found that SA Health policies and procedures were not clear about who was responsible for procurements above \$550,000, with its internal procurement framework referring to a responsibility matrix that was not available at the time of the review. Can you confirm whether this matrix now exists and who is responsible for maintaining it?

**The Hon. C.J. PICTON:** What page?

**Mrs HURN:** Page 134, sorry, 'Procurements and responsibilities were not clear'; halfway through 134.

**The Hon. C.J. PICTON:** As per what the report says, the department has responded that it will review and amend its policies and procedures to ensure the roles and responsibilities are clear.

**Mrs HURN:** Just to confirm, is the matrix now complete?

**The Hon. C.J. PICTON:** The advice that I have is that the matrix is complete. It is very exciting.

**Mrs HURN:** I refer again to page 135 regarding payment without delegation, 'Approval of payments'. It mentions that financial authorisations have not been reviewed and approved for over 18 months. Why have authorisations not been reviewed since the state election?

**The Hon. C.J. PICTON:** I suspect because people have been busy doing many things, but this is something which the department has committed to doing and making sure that those financial authorisations are reviewed, as per the Treasurer's Instructions 8.

**Mrs HURN:** Again, I note that this was initially raised as a concern in August 2022 and there was a commitment to review those by October 2022. Has that now been completed?

**The Hon. C.J. PICTON:** I am advised that the work is underway, but has not completely been completed yet.

**Mrs HURN:** I refer to the bottom of page 135, 'System authorisation limits are not agreed to approved authorisations and we noted discrepancies'. What is the number and total value of payments approved by employees who did not have an approved delegation, and when will the financial delegations be reviewed?

**The Hon. C.J. PICTON:** I do not have all of that detail, but I can confirm that the department has committed to performing an annual review and changes will be processed to systems. It also noted that some systems are now integrated, so changes can be made automatically to multiple systems once identified.

**The CHAIR:** The time available for this portion has expired.

Progress reported; committee to sit again.

*Parliamentary Committees*

**JOINT COMMITTEE ON THE ESTABLISHMENT OF ADELAIDE UNIVERSITY**

Adjourned debate on motion of Hon. S.E. Close:

That the report of the committee be noted.

(Continued from 31 October 2023.)

**The Hon. J.A.W. GARDNER (Morialta—Deputy Leader of the Opposition) (17:43):** I am pleased to continue my remarks. I want to talk about Flinders University. I am pleased that the Vice-Chancellor of Flinders University, Professor Colin Stirling, an outstanding Australian, wrote to me and some colleagues in the parliament on 30 October. Perhaps I will read his letter to the parliament, which summarises a number of the issues that I might otherwise have raised. He writes:

Dear Mr Gardner,

Flinders University acknowledges that the Honourable Connie Bonaros MLC and the Honourable Sarah Game MLC have confirmed they will support the Adelaide University Bill to establish the new Adelaide University, created through the amalgamation of The University of Adelaide and the University of South Australia.

Further, Flinders acknowledges that in addition to the \$100 million student equity support fund for the new university, the Government has also committed to creating an additional \$20 million fund to support students from regional South Australia.

The State Government has also committed to a \$200 million research fund to support the new university, purchasing \$114.5 million in land from the University and \$30 million for measures to attract international students.

Separately, the Government will also deliver a \$40 million Equity Support Fund for Flinders University students from low SES backgrounds.

Finally, to support the implementation phase of the new Adelaide University, the Government will appoint an independent expert with experience of higher education to work with the Government, universities and other stakeholders, including representatives of staff and students.

In relation to increasing access to higher education for low socio-economic students and students from regional South Australia:



Flinders University acknowledges advocacy from members of the Joint Committee on the Establishment of Adelaide University for a strong South Australian university sector, where institutions are competing on a level playing field.

Flinders is also grateful for the Government's undertaking to create a \$40 million fund for Flinders University to enable us to offer low SES students who choose Flinders the same equity of access as provided by the Government for students who choose the new university. This is an important initiative creating equity of opportunity for students from low socio-economic groups.

Flinders currently educates approximately 40% of all low SES students who attend any of the three public universities in South Australia. As such, a \$40 million student equity fund for Flinders is appropriate relative to the \$100 million equity fund for the new Adelaide University.

The creation of an additional \$20 million fund to support students from regional South Australia would be welcome, but the allocation of that fund entirely to the new University is unfair to those regional students who choose Flinders University.

A fundamental principal underpinning healthy competition and student choice is that equity incentives should apply to students, not institutions.

Flinders students come from across South Australia, with over 2,500 regional and remote students studying with Flinders, representing 13.4% of our domestic student cohort.

Flinders University also has a substantial regional network in South Australia, with locations in Barossa, Berri, Mount Gambier, Murray Bridge, Renmark and Victor Harbor.

Furthermore, there are a number of course offerings (such as paramedicine and nuclear engineering) and regional campuses (such as the Riverland) where Flinders is the only higher education provider in the region.

By only targeting State Government support for students from regional South Australia via the new Adelaide University, students who may wish to pursue higher education with Flinders will not be eligible for regional scholarships and packages via the additional \$20 million.

Equity must be equitable; therefore, to redress this Flinders proposes either:

- Equitable access to the endowed additional \$20 million fund for students from regional South Australia irrespective of the institution they choose, or
- A commensurate additional \$8 million (i.e. 40%) to the Flinders Students Support Fund to support students from regional South Australia who choose Flinders University.

In relation to growing South Australia's share of funding for high-quality research:

In our submission to the Joint Committee into the Establishment of Adelaide University, Flinders University advocated for equitable investment in research across the sector.

The State Government's well-intended proposal to establish a new \$200 million research fund to support Adelaide University's research initiatives is important acknowledgement that an uplift in state investment is needed.

However, investing in research in one institution while excluding the other inhibits competition, undermines the potential university sector in South Australia, and could artificially inflate the success of the new Adelaide University at the expense of Flinders.

Having achieved the highest research growth rate (140%) of any Australian university over the last five years, it is disappointing that Flinders' research impact and trajectory has been overlooked by not committing commensurate investment in our research endeavours.

Flinders recognises that the new university will have additional costs associated with the merger over the short term and the research fund is designed, at least in part, to assist the new university's research activities during the merger process. We also recognise that while Flinders University will incur some costs associated with the merger (including the restructuring of various legal partnerships with The University of Adelaide and University of South Australia), our costs will be marginal compared to those incurred by the new university in the first three years.

However, the research fund is to be legislated in perpetuity and thereby advantages the new university over Flinders University with ongoing taxpayers' investment over the long term.

To redress this, Flinders renews its recommendation for State Government investment in research to be applied equitably across the sector by either:

- Equitable access to the \$200 million research fund to support research initiatives, or
- A commensurate additional \$80 million Flinders Research Fund for Flinders University research initiatives.

In relation to the independent expert to support implementation of the new Adelaide University:

Flinders University welcomes the Government's announcement that it will appoint an independent expert with experience in higher education to work with the Government, universities and other stakeholders to support the implementation of the new Adelaide University.

While not party to the new Adelaide University, Flinders has already incurred costs associated with the merger of The University of Adelaide and University of South Australia, and we anticipate incurring more as the complex process of merger is now implemented in earnest.

Flinders respectfully requests that a truly independent expert is appointed as soon as possible, with a mandate to achieve equitable outcomes that do not disadvantage Flinders in favour of the new Adelaide University.

Furthermore, Flinders requests the establishment of an instrument that will ensure that costs incurred by Flinders as a result of the merger of The University of Adelaide and University of South Australia are not borne by Flinders.

I would be happy to discuss these matters at a time convenient to you.

Please note, following requests for Flinders University's position on the proposed Adelaide University Bill, this information has also been shared with various members of the Legislative Council.

Yours sincerely,

Professor Colin Stirling

President and Vice-Chancellor [of Flinders University]

Prior to receiving that letter, I had intended to spend some of the remarks that I was going to make in this period talking about Flinders University on the justification for the commitment the opposition has made, if we form government in 2026, to implement a Flinders research fund, and some further reflections on the disparity and the inequity of that disparity, and I think the damage that it has the potential to do to the sector over the long term, if not corrected.

I am going to save some time by reflecting on the fact that I agree with pretty much everything that has been said by Professor Stirling in his letter. He puts a figure on proposed funds for Flinders University; the opposition at this stage does not. We will consider that figure between now and the next election. But if we are talking about something commensurate with what Adelaide University's research fund has been granted, then the suggestion from Flinders University is not an unreasonable one. It is not the only suggestion that is on the table.

I think one of the key things we need to understand is that the reason the University of Adelaide and the University of South Australia have been so eager for there to be funding provided through the merger transition process is because the process itself will create risk that the universities have recognised, and they are seeking to invest to mitigate that risk. It will create complexity, it will create administrative burden, and you will have to merge two IT systems, for example. There will be costs to this, in the hundreds of millions of dollars, that will be borne by the university. For them to apply only their own funding to meeting that challenge would seriously eat into the capital that they have available, certainly to meet all their obligations should a significantly bad event happen, indeed such as we saw just three years ago with the pandemic.

The universities have no appetite to put themselves in a position where they would be unable to meet their obligations, should that happen, so they put to the government that they needed support for that, in the order of hundreds of millions of dollars. The government put back to them suggestions. Indeed, the package that has been released publicly is, to an extent, a negotiation. Certainly, in relation to the research fund and the equity fund, \$320 million is a mechanism that the government has identified that has a modest impact on the state budget over the course of the forward estimates. The capital sits in the state balance.

I commend the Treasurer and his department to the extent that, in our further election commitment of establishing a Flinders research fund, we propose to use a similar mechanism. There will be a disbursement of funds to the new institution every year in perpetuity over the course of the forward estimates. We are talking about a modest amount. The university is satisfied in meeting its obligations because, over the next 10 years, it will disburse in the order of a couple of hundred million dollars to the university—not over the forward estimates, a much more modest amount, but a couple of hundred million dollars over 10 years.

Over 50 years we are into the billions. I will not be here in 100 years—I hope my children are—but we will have serious money by this stage from the state taxpayers to the new institution. That is okay if it is going to realise its ends because that investment in research is meant to have a multiplying effect on the benefit for South Australia. But the benefit for South Australia is only to be realised if it is a net benefit to South Australia. That is, if the benefit is realised to the University of Adelaide at the expense of Flinders University, then that is not a net benefit to South Australia.

I go back to the phrase I have used a number of times: in many ways, the thing I suspect the research fund will do most often is be invested in research projects, it will be invested in human capital, and it will be invested in exceptional individuals who will be at Adelaide University doing exceptional research. Indeed, investment in their projects could be in terms of infrastructure, it could be in terms of supplies, but mostly it will be in terms of paying significant salaries to significantly uniquely gifted individuals.

Flinders has a number of these people and a number of them are operating in research and similar areas to what Adelaide is doing. It is a hell of a lot easier, if Adelaide University is seeking to implement one of its six pillars of research excellence, that Flinders University operates most of those pillars too. If Adelaide University is seeking to recruit exceptional individuals who are gifted and are going to impact positively on their rankings in these areas, when they are advertising they might not even be seeking to poach from Flinders, but you cannot stop somebody from applying for a job, and it is much easier to change your commute across town than it is to move your family to a different state or a different country.

This is why the vice-chancellor of Flinders University has gone to the committee and explained at great length his concerns, that is why he has written to us, that is why the Liberal Party is surprised that in the crossbenchers' advocacy to the government on this matter to get support for Flinders University, they exclusively seem to have focused on the equity question and not the research question.

The equity question is good; it is good that there is an equity fund for Flinders University. That would have been something we would have put forward and I am pleased that the government has included it in the final package. But the research fund is critical to realising the opportunities for South Australia's economic future and that net benefit cannot be realised unless there is a level of parity in state government investment for Flinders University and Adelaide University.

It need not necessarily start at the same time. As the vice-chancellor of Flinders University identifies, we acknowledge there is a transition cost for Adelaide University in the merger process and offsetting some of the costs of merger is, indeed, part of the purpose of the fund, but rather than giving a one-off grant to the new university, the government has chosen to set up these perpetual funds, managed by the excellent people who manage the state government funds and, as I understand it, seeking a return of 7½ per cent a year on average. That may well change, but certainly we are talking about at least \$12 million a year.

I think this highlights the benefit that will come to our state if the Liberal Party's commitment to a Flinders research fund is adopted. I urge the government to consider implementing that. If not over the next few weeks, then certainly prior to the election. We will congratulate and welcome the government's interest if they see the argument as being fair and commit what is a relatively modest resource in the context of the overall budget, but to achieve the outcomes we are seeking to achieve, it is a tremendously important modest investment. It will unlock further federal funding and it will unlock opportunity for South Australia. Therefore, I think it is certainly worthy of the government's consideration. If they do not, then the Liberal Party will deliver it in government after the March 2026 election.

There is a short list of things I still wish to raise in the context of the motion. The particular points raised in the minority report highlight questions about the opportunities for South Australia. Ultimately, and we will talk a bit more about this when the bill comes to the chamber, the Liberal Party will support the bill. We have not had all of our reservations addressed by the government. We have had some of our reservations addressed since the committee reported by the university vice-chancellors, who have been very proactive in their engagement and very positive in a number of the things they have addressed.

Yesterday, I read into *Hansard* the letter that they wrote to the opposition. I think those risks, significant as they are, must be measured against the opportunity that exists for South Australia. I think it will be useful for me to conclude my remarks on addressing why I think that opportunity is worth considering. I seek leave to continue my remarks.

*Sitting suspended from 18:00 to 19:30.*

**The Hon. J.A.W. GARDNER:** I will resume where I left off. In relation to the Joint Committee on the Establishment of Adelaide University—and I indicate that I am summarising now and reaching a conclusion—I want to again place on record my gratitude to the excellent committee staff whom I named at the commencement of my remarks for the work they provided us. I want to thank the witnesses who came along in good faith. There were witnesses who made submissions and witnesses who appeared personally, and there were witnesses who argued strongly in favour of the proposal and there were witnesses who argued strongly against. With some of those witnesses, I recommended to members that they read the transcripts of their evidence.

Along with the Hon. Jing Lee, in our minority report I thought we were fairly even-handed in highlighting some of the key evidence, both for and against the proposal, for members who were interested in our submission. It is the honest intention of the Liberal opposition in South Australia to support projects that will advance the South Australian good while applying an appropriate level of scrutiny to those where there is risk involved.

In relation to this merger proposal, on the day that the heads of agreement was signed between the government and universities the Premier identified that swift support for the passage of the merger was necessary and that, as Martin Luther King once said, 'Delay is denial'. After about a week of discussion the government and others in the building came to the view that a committee inquiry was appropriate, and that a three or four month delay apparently was not denial but appropriate scrutiny of what is, for South Australia, a dramatically important decision.

It is a decision that comes with a level of risk. I am not going to repeat a summary of the concerns I had earlier, but it is important to state that what has been characterised in some places as creating uncertainty and fear I would very clearly characterise as raising appropriate questions on behalf of the people of South Australia, who deserve nothing less than scrutiny of a proposal that will so dramatically change not just the higher education landscape in South Australia but the circumstances within which our professionals, who occupy jobs right across the spectrum and right across the state, and important jobs for the Public Service and for private industry, are educated. This is a big deal, and it is appropriate that it has scrutiny.

When you have a level of scrutiny what you also find is that improvements take place. As a result of the parliamentary committee inquiry we had an agreement, or a deal, as has been suggested. Some people oppose the word 'deal', but let us just say there was a press conference between representatives of the government, One Nation and another member of the Legislative Council putting forward amendments to the proposal, including a \$40 million equity fund for Flinders University that had not been part of the proposal prior to questions being raised about it.

There was an extra \$20 million provided for rural and regional students to assist them in attending the new university that had not been part of the original proposal. There was an independent adviser to the process proposed by government which had not been part of the original proposal. There was a range of other suggestions made by the committee that will, I think, enhance the chances of the merger's success—none of which would have taken place without the questions being raised in the first place.

Far from creating uncertainty and fear, my very, very strong view is that the appropriate and rigorous scrutiny applied to this process, to this bill, to this proposal, by the opposition—and, in fairness, while I do not agree on all of the landings that they came to I would also say by the Greens and, also, clearly in that first week end, the Hon. Frank Pangallo—those questions did not create fear and uncertainty. Rather, I am certain that they landed the proposal in a better place than it started. And was that to the full satisfaction of the opposition? Not quite, but it was an improvement.

I would also like to place on the record my thanks to you, the member for Gibson, the member for Adelaide, the Speaker, the Hon. Reggie Martin, the Hon. Jing Lee, the Hon. Tammy Franks and

the Hon. Robert Simms—who both at different stages appeared as members of the committee—the Hon. Connie Bonaros, and the Hon. Sarah Game.

As I said at the beginning, not in every moment, not in every single witness questioning did I think that every single question was appropriate. We spent a great many hours together, and I think the overwhelming majority of those hours were conducted in absolute decorum, civility and in an endeavour to find out the most useful information that would help advance the interests of the people of South Australia. I make no further reflection on the committee process than that. Mine is of gratitude, and I think it was helpful.

The opposition has in the last couple of days made clear further ways in which we believe that the outcome for South Australia will be further improved. Regional hubs being actively supported by the state government is the first time that a major political party in South Australia has made a financial commitment to that end. It is not something that has ever been done before in the terms of providing that ongoing support for a regional uni hub.

There have previously been state government allocations of funding to bring universities from overseas: Carnegie Mellon and the London one that has slipped my mind momentarily. These were supported with state government investment money, but the state government has not previously invested significant funds in the university sector. We will invest in supporting, hopefully, Adelaide University or Flinders University to be the anchor tenant in a regional uni hub here in South Australia, and we will also support Flinders University and the research fund I talked about earlier.

Through all of that, we are in a situation where the bill is going to pass and, as I said yesterday, the opposition will be supporting this bill in the context that it is going to pass. Despite the rhetoric of some, the opposition is clearly focused on achieving an outcome that will be for the best interests of the people of South Australia. This university—if it meets its stated ambition, and the numbers work out in the way that they are intended to—can certainly provide significant opportunities for the people of South Australia, although there will be a loss.

There will be a loss of positive aspects of culture at either campus. We hope and we will work towards, we will support the universities to work towards having positive culture, but there are aspects of what exists now that cannot possibly be transferred into a new institution. Does that mean we should vote against the bill? No, not by itself. There are risks, and we have gone through them at great length. There are things that will not work out or might not work out, or might end up indeed in a worse situation than they are before endeavouring on the project. Does that mean that we should not support the bill? It might, but you have to take into consideration and on balance what the likely outcome is.

The majority of the members of the committee who have self identified now—clearly the government, the Hon. Sarah Game and the Hon. Connie Bonaros—clearly were of a view that it will likely work out. As to the minority report from the Hon. Jing Lee and myself, rather than using the term that the committee did, we instead said:

- (1) On the balance of the evidence considered by the Committee, the economic and social interests of the State of South Australia might be advanced by the proposed amalgamation, but Members should note that these opportunities carry with them a number of considerable risks that need to be mitigated...
- (2) We believe that while informed Members acting in good faith could reasonably conclude that the risks inherent in the proposal are worth taking, or not, we would suggest that the measures presented in Recommendations 2-7 of the report are essential if the proposal were to proceed—noting that this minority report suggests further measures to strengthen Recommendations 5, 6 and 7.

I have spoken about regional delivery and what needs to be enhanced there for this opportunity to be fully realised. I have spoken about Flinders University and what needs to be advanced there to ensure equity for our institutions and the total net benefit to the people of South Australia. I have spoken about the Magill campus and what is necessary there to protect the people of my community and the community in Hartley from having their rights and needs trampled upon. All of these things can be sorted through and, indeed, positive outcomes can endure. We also have spoken about process and the way that government processes can be improved.

Those are the criticisms that we have had, yet we will support the bill because not only is it too big to fail, as I have said, and not only are we very keen to then lean in and help it succeed, there are good opportunities here. I want to finish by describing how I see these opportunities, particularly reflecting on the minority report that Jing Lee and I put forward. We must work together to see these opportunities realised.

I thank the vice-chancellors of Adelaide University and the University of South Australia, Professor Peter Høj and Professor David Lloyd—I apologise, I have forgotten Peter Høj's postnominals, but he has them—for their positive engagement with the opposition that has also encouraged us towards this position through further identification of risk mitigation measures, partly in response to the minority report.

The merits, as we identified in our minority report, refer mainly to rankings, research and international students. In relation to rankings, from an Australian point of view, Australian domestic students would be more familiar with the Group of Eight title than university rankings per se. It is important the university has already been granted Group of Eight status. When coupled with the fact that, so long as it is not set off course, Flinders University is on track to become a national top 10 university, that would lead to the appealing prospect that every graduate of a South Australian university would be graduating from a top 10 university across the nation. Certainly, that would also be appealing to existing graduates of those universities.

Rankings, as we have said, are largely a measure of the volume of high-quality, top-rated research. Indeed, for that top-rated research, the funding that will come and the scale that will come will assist in attracting that. The intent is that it will attract further international students. At the moment, approximately 30 per cent of the University of Adelaide's students are international students and 21 per cent of the University of South Australia's students are international students.

Adelaide University, especially when it had that top 100 ranking last year, could have sought to have an influx of further international students, but it is the clear intent of Adelaide University to keep in mind that part of the international student experience is to mix with a wide range of people from the domestic market as well, and they see 30 per cent as being an appropriate sweet spot, if you like, for that international student market.

The University of South Australia, when combined with Adelaide University, will see the overall percentage of international students drop down significantly. The University of Adelaide ranking is endeavoured to be maintained. If you return to a University of Adelaide percentage of international students, you would see at least 5,000 to 7,000 extra international students than we have at the two institutions separately. You would also see them paying University of Adelaide prices, which are higher than the University of South Australia prices. That would lead to at least \$100 million of extra funding a year to the institution and corresponding economic benefits to the state of South Australia.

We would also see a range of opportunities, combined with the state funding, to provide extra opportunities for researchers. The state funding will attract extra federal funding, and that extra research will lead to improved rankings as well as opportunities for commercialisation of the research outcomes in South Australia and Australia. The research will be aligned in particular to state strategic priorities, and that is useful and important as well, and you will see that virtuous circle of the international student growth, the extra funding, the extra rankings and extra opportunities for domestic students. We are not 100 per cent certain that this will be the outcome, but as His Majesty's Loyal Opposition, the Liberal Party will do all we can to see that opportunity realised for South Australian students and our state.

**S.E. ANDREWS (Gibson) (19:44):** I am very grateful to have had the opportunity to sit as a member on this committee. I value that, as I learned so much more about the university sector. As a graduate of Flinders University, I got the opportunity to hear all about the other two universities in South Australia, the University of Adelaide and the University of South Australia, two very different universities with different cultures and different histories. But it is worth noting that separately and independently they have determined that it is in the best interests of those institutions and, importantly, in the best interests of student outcomes and for our state more broadly to merge as one.

We heard evidence from interested parties both for and against the merger. There are a number of things out of those that stand out to me, particularly the \$200 million research fund. As we know, in Australia the funding model for universities rewards scale, and our universities in South Australia are at their limit for what they can achieve in their research sector. We want to be internationally competitive, but most importantly this research fund will give us outcomes that will deliver for our society more broadly. I can think of one example: vaccines.

As has been noted by other members, we have a great opportunity here, too, to maintain a presence in our regions, which is incredibly important for equity across our state for students in regional and remote areas. Importantly, too, we will be able to maintain and support a new student union. We will be supporting many more students from lower socio-economic backgrounds, because if you have the ability, you should have the opportunity.

The timing of this merger has the opportunity to take into account and to be very timely with regard to the outcomes of the accord process, and we can be ready and first in the nation to take on those recommendations. This very big shift in our universities in South Australia is also an opportunity to use this time of change to create new course offerings. As our state requires advanced manufacturing and needs highly trained workers, we need new subject offerings that will enable these students and the employers of the future to maintain the skill levels they need.

A larger university will also be better placed to support smaller, more niche courses. Of course, we will also be able to maintain and increase our number of international students. This gives diversity for South Australia and also fills an employment need for those employers across the state who are struggling to find staff.

One thing noted by the Adelaide Airport managing director was the amount of travel dollars that are spent by family visits from those international students who are studying in Adelaide. When their families come to visit, they stay for longer than most international travellers and therefore spend more. It is a great contribution to our state's economy. Importantly too, for me, was the commitment by the universities that there will be no staff redundancies during the process of the merger.

I would also like to turn to and think directly of some of the evidence that was provided to the committee. Chancellor Pauline Carr from the University of South Australia stated:

While some commentators are querying why the change and why now, for UniSA we have known nothing but change. We have consistently adapted to deliver what we believe the future of the state requires and needs of us...

This work—the proposal to create the new Adelaide University, the case supporting it, the compelling vision advanced for its future, the plan to best transition to it, and the evaluation of risks and benefits therein—has all been overwhelmingly endorsed by our Council. The act that is now before this committee and the parliament reflects another element of this good work. Our starting point has been to build from the University of South Australia Act, as one of Australia's most contemporary examples of university legislation.

Within this new act, we can see outlined a contemporary mission for the new institution that is based on excellence, equality of access to higher education, close connections with industry and the profession and the community we serve, together with strong and clear governance. It is indicative that much of the mission of the new university and its language is informed by and reflective of that emerging from the federal government's Accord process.

Additionally, Catherine Branson, Chancellor of the University of Adelaide, stated:

Like our sister institution, the Council of the University of Adelaide is supportive...of the creation of Adelaide University as envisaged in the statement of cooperation that the two universities, the federal government and the state have signed...Next year, the University of Adelaide will celebrate 150 years since it was established. An existential decision for this university is not an easy one to take, so you can know that our support is based on very careful consideration of strategic material, and it is material which has satisfied us that it's in the best interests of our university and of the state for Adelaide University to be brought into existence.

May I turn to some other witnesses. Natasha Harvey, Director of the Centre for Cancer Biology at the University of South Australia, stated:

I see the establishment of Adelaide University as a transformative opportunity for this state and particularly for the research environment...We see that ability to be more competitive for research funding. Also, that by having more critical mass we have more opportunity for translation both not only for patient benefit but for commercialisation

of our research, and the ability to attract industry to Adelaide and partner with industry, to commercialise research, and the ability to attract clinical trials as well.

Another witness, Craig Batty from UniSA Creative stated:

The opportunity of having a new entity that can crack open, if you like, the higher education system, a bit like the Universities Accord is looking at, and really rethink what a contemporary, comprehensive university for the future should look like, I think is a much easier, more efficient and exciting way of doing things because we can start from the ground up, rather than just adding more to what exists or just tweaking things. It's like blowing something out of the water to really change it, to become an international benchmark of how to do things really well.

As other members have stated in their comments on this report, I too would like to acknowledge all members of the committee, who have been named. We were very diligent in our work and very collegial, and I thank every member of that committee for working so hard together in such an intensive period. I would also like to thank the staff, who have also been named, for their dedication to the task. I commend this report.

**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) (19:52):** I will simply say how grateful I am to the committee for the work that they did. I look forward to debating in due course the legislation that comes from it.

Motion carried.

#### *Bills*

### **STATUTES AMENDMENT (NATIONAL ENERGY LAWS) (OTHER GASES) BILL**

#### *Second Reading*

Adjourned debate on second reading.

(Continued from 27 September 2023.)

**The Hon. J.A.W. GARDNER:** Deputy Speaker, I draw your attention to the state of the house.

*A quorum having been formed:*

**Mr PATTERSON (Morphett) (19:54):** I take the opportunity now to speak on the Statutes Amendment (National Energy Laws) (Other Gases) Bill and indicate that I am the lead speaker for the opposition. In terms of this bill, this is another batch of reforms that is coming through the national Energy Ministers' Meeting. This bill deals with amending the national energy laws, in particular through the National Gas (South Australia) Act 2008 and also the National Energy Retail Law (South Australia) Act 2011.

At the moment, these laws cater for natural gas and they are looking to expand the type of gases that will be regulated nationally to include hydrogen, biomethane and synthetic methane, which are renewable gases, and also blending these various gases with natural gas as well, so blends of these as well.

As with other national energy laws that have come before this parliament, South Australia is the lead legislator for these laws and so we now see these changes for other gases being introduced here into the South Australian parliament after going through the energy ministers' deliberations and approval. As has been explained previously, the convention for such changes to these national energy laws is that these amendments are supported by the opposition, so of course I indicate that the opposition will be supporting this bill.

To go into the background of this bill a little bit more, just to get a bit of an understanding of how it arrived here in the South Australian parliament, going back to 22 November 2019, the energy ministers endorsed the National Hydrogen Strategy, which sets out what the government's actions will be both at the federal level and at the jurisdictional level to support the development of Australia's hydrogen industry, including reviewing the application of the gas regulatory arrangements for hydrogen—so not only trying to grow the hydrogen industry but also regulating it because, of course, it is different in its chemical make-up from natural gas. Natural gas is made up of methane, which is a hydrocarbon itself.



An important element of this National Hydrogen Strategy was a vision to make Australia a major player in a global hydrogen industry by 2030. So you can see back in 2019 that the opportunities for hydrogen were realised. They were being worked on at a federal level and at a state level here in South Australia when the former Liberal government had a seat at the table at the Energy Ministers' Meeting and also with other states as well.

Even preceding this National Hydrogen Strategy, the former Liberal government announced in September of 2019 South Australia's own Hydrogen Action Plan. This was done at the opening of the International Conference on Hydrogen Safety just down the road here at the Adelaide Convention Centre. This action plan was a plan that set out 20 key actions across five priority areas to help scale up renewable hydrogen production for domestic consumption and also, potentially, longer term for export as well.

At the same time, as I said before, with hydrogen being a different gas, it will also work to underpin a safe and secure hydrogen sector because, as with all gases, as they are transported, as they are stored, safety has to be paramount. We have seen that hydrogen has high energy value and there have been major explosions going back in history. It is a volatile substance that needs to be handled correctly.

So that is the safety side of it, but it is also about how to accelerate hydrogen in the South Australian domestic economy as well, from the perspective of trying to lower emissions across the board in South Australia, realising that the heavy lifting cannot just be done via the electricity sector. There are other sectors that are high energy consumers—industry, transport, agriculture and construction—that also need to do some lifting. That was the background to what was going on back in 2019.

The National Hydrogen Strategy, signed-off in November 2019, agreed to a number of actions. There are quite a number written there, I think by Dr Alan Finkel. Some of them were in support of continuing pilot trials and demonstrations of hydrogen gas in gas distribution networks where distributors can satisfy regulators, and also to complete a review that considered the application of the National Gas Laws and relevant jurisdictional laws and regulations for hydrogen. Those were some of the riding instructions that came out of that review, and of course the energy ministers then did do work towards progressing some of those actions.

On 20 August 2021, the energy ministers agreed that the national gas regulatory framework should be amended to apply to hydrogen but also to renewable gases. While hydrogen, when it is produced with either renewable energy or via natural gas with carbon capture—which are both methods to make it low emission—is certainly one form of having low-emission gas, there are also opportunities in other forms of gas as well. Biomethane is an example, which effectively is methane produced naturally via organic matter. So there are ways for that to also be used to displace hydrocarbon gas and ergo have lower emissions. So there are opportunities there.

If one were to go to the effort of actually regulating hydrogen, at the same time it would make much sense to also incorporate renewable energy and renewable gases, and blends as well. We talked about hydrogen itself, but there is the opportunity for it to be blended with existing natural gas. Of course, we will touch on that a bit later in the contribution.

Going forward from August 2021, there was work done around consultation. There were two rounds of consultation with industry stakeholders around this. In looking at those submissions, you can see there was broad support around incorporating these renewable gases and hydrogen into the National Gas Laws. Leading into 28 October 2022, and also taking into account advice received from the Australian Energy Market Commission and the Australian Energy Regulator, the energy ministers agreed to the proposed law amendments that we see finally arriving here in the South Australian parliament.

It should be noted, as I said, in the submissions that were part of this consultation there was broad support. I say that because the push from the energy ministers was also a push being made by the gas sector itself. We understand, certainly on this side of the house, that gas is such an important energy source for the state and for the nation, not only for electricity generation but also for many other sectors as well. I talked about its use in industry and manufacturing. Using gas directly impacts in terms of agriculture as well. Gas is used to create fertilisers; a lot of the fertiliser is created

by gas. That leads to higher agricultural yields. From an agricultural perspective, it might not be intuitive to think that gas is related to agriculture, but it certainly is there.

I also talked about the manufacturing of cement and the manufacturing of steel, which, from an industry perspective, are heavily reliant on gas. In the perspective of construction, steel is very important, concrete is very important and brick is very important. Gas has an important role to play there.

Equally, those sectors are sensitive to gas prices as well. When you talk about trying to maintain our standard of living in South Australia, that includes the housing construction sector and our food sector as well. The point being made there is just to reiterate gas being a very important energy source in the nation. In fact, it makes up around a quarter of Australia's energy mix. It is very important for South Australia and very important for the country as well.

In saying that, not only does industry understand their importance to an orderly transition in the electricity system that is moving to be much less reliant on coal and continuing to be so, they also understand, though, that it is not just their place to displace coal and then they become baseload, but that over time they will need also to transition to a low-emission energy source, transition to renewable gas, transition to hydrogen and use other technologies such as carbon capture in the coming decades to capture carbon emissions, methane, as part of the gas processing and make sure that does not escape into the atmosphere. They are also technologies that can lead to abated gas, to low-emission gas networks.

While they understand the need, and I think we on this side of the house understand the need and their desire to decarbonise, we see the Greens, in particular, and other states seeking to ban gas connections outright, to not give the gas industry the opportunity to transition but rather to try to do a forcible downscaling of what I have described before as a very important energy source in the nation.

Clamping down on supply will have massive impacts on price that do not just flow through to our electricity sector but flow through, as I said before, to food prices and flow through to housing prices. If it is banned before replacement technology is in place, you would have to say that the scale of the energy produced by gas cannot be replaced in one year, in two years, or in five years, so if it is not available then, as we have seen happen with baseload power closing down too quickly with no replacement, we will risk having large parts of the country's cheap energy mix not being available before there is an economic replacement. Ultimately, households pay for that in their energy prices, and industry, in terms of the energy prices they pay and their competitiveness on a global scale.

By looking at it in a global context, the International Energy Agency have just released their latest global energy outlook that looks through to what the energy mix will be through to 2050. It is quite clear that the International Energy Agency sees a big role for gas. Equally, other bodies see a big role for gas in terms of reaching net zero. It is not like there will be zero gas by 2050. People are looking to get to net zero by 2050, but gas is still present in that energy mix. It is abated gas.

Looking at the global energy outlook, at the moment over 4,000 billion cubic metres of gas are currently used worldwide and, depending on the scenarios projected through to 2050, projections still have gas over and above that 4,000 billion cubic metres per year. Depending on the current policies in place worldwide, what pledges there have been and the vision of where countries would like to go, even those in their quest to reach net zero by 2050 still have gas at quantities of about two and a half thousand billion cubic metres.

I think in terms of the world's appetite for energy, trying to get populations out of poverty, trying to feed them, you can see gas is important. Certainly having abated gas in the system, renewable gas in the system, hydrogen in the system is going to be very important going forward. We sought today, as I said in the introductory comments, that by amending the National Gas Laws and National Energy Retail Laws to allow for hydrogen renewable gas, it does allow the gas industry to transition in Australia and equally in South Australia.

Again, another point that may be lost on those who are seeking to ban it is the sheer size of the balance sheet of some of these gas players—Santos, from a South Australian context, and nationally you have Woodside, and globally other big players as well. Their balance sheets are

enormous. Certainly their appetite to invest is there but also their knowledge, their global expertise as well. They are the best placed to assist with this transition rather than trying to force them out and help a new player in. Certainly the only viable alternative if you are going to have that scenario is for governments to step in.

If you look at the billions and billions of dollars required, the trillions of dollars required, as we all know in this place, government is about priorities. It is about not being able to do everything; it is having to make choices. If you are having to spend money that could otherwise be spent on health, that could be otherwise spent in the education system on having to do this heavy lifting in regard to gas, then that is just money that cannot be spent on services that the community is crying out for. I think that is something very important that we as a country really should look to work with these companies on rather than to demonise them.

As I have said previously, with that reflection on the state of the gas market, we have these changes before us. As is the case with these national energy laws, South Australia is the lead jurisdiction. As I have said, the convention is that because they have been signed off by the energy ministers prior to being introduced here in the parliament, it receives bipartisan support, which is what is occurring this evening.

In terms of the bill itself, if we go through it, there is quite a lot in there but most of it is actually, as I have said, changing that definition of 'natural gas'. It is making amendments to both the National Gas Laws and also the National Energy Retail Laws to bring hydrogen, biomethane and other renewable gases under the national gas regulatory framework.

The current national gas law and retail law only refer to natural gas. When you look at the definition in the National Gas Law, it defines natural gas as a substance that:

- (a) is in a gaseous state at standard temperature and pressure; and
- (b) consists of naturally occurring hydrocarbons, or a naturally occurring mixture of hydrocarbons and non-hydrocarbons, the principal constituent of which is methane; and
- (c) is suitable for consumption;

Looking at that definition, we then try to work out where hydrogen fits with that. Where do biomethane and other renewable gases fit with that? Where potentially do hydrogen blends fit with natural gas? Where does that sit? Working through that three-part test as defined and set out in the laws, certainly both hydrogen and biomethane satisfy the first condition, which is that it is in a gaseous state at standard temperature and pressure, so it ticks that first box.

You then get to that second one where it consists of naturally occurring hydrocarbons, and immediately 100 per cent hydrogen falls foul of that clause and so is ruled out. Potentially that also excludes some of the renewable gases, biomethanes and blends. There is uncertainty there. If you have blended in renewable energy-created hydrogen with natural gas, you have natural gas but being artificially made it is not naturally occurring hydrogen, so potentially there are issues there, there is uncertainty created from that. Similarly with biomethane: is that defined as a hydrocarbon or is that naturally occurring or is it because of man-made breakdown of organic matter in landfill, for example? Is that naturally occurring? There are questions around that, and then the final question is whether it is suitable for consumption.

Again, at the moment in standard gas appliances—whether they are household or industrial—100 per cent hydrogen is not compatible with those appliances or even with the distribution network itself. It is similar with renewable gas blends; while biomethane is effectively methane, as is natural gas, there is a high potential that it might be suitable but it might not work for all appliances. It might be satisfactory for some but not for others. Again, there is uncertainty around meeting that criteria, that test.

That is a preface for saying there was a decision behind the energy ministers back in August 2021 saying that we need to regulate both hydrogen and renewable gases and their blends as well. It also takes into account the impetus for that which, as I think was stated in the National Hydrogen Strategy, was that there were already projects underway and an interested appetite into introducing hydrogen blends and using biomethane in the gas network.

Having these changes will help create regulatory certainty around what is an emerging industry. It will address those ambiguities I went through before in relation to how hydrogen and those other gases would be treated. Having that certainty would also support investment into some of the innovative projects and test cases being investigated by stakeholders in the gas industry to reduce emissions in their gas networks. It will also ensure that the work done and the laws in place will safeguard consumers going forward by not having hydrogen blends put into the network without safety considerations there.

In terms of how the bill seeks to address that, the principal amendment to this is to substitute natural gas with what is called covered gas, a mixture defined in the bill itself as either a primary gas or a gas blend. Further on it talks about what a primary gas is, and it is either natural gas itself—so that is retained within here—or it could be hydrogen, biomethane or synthetic methane. Those are the primary gases. Potentially it could also be as prescribed by regulation, which then allows for futureproofing of this legislation to some extent in that if other renewable gases are looked at in the future we do not have to come back here and go through another amendment; it could be done by regulation.

Likewise, the National Energy Retail Laws talk about natural gas equivalents and prescribed covered gases. The natural gas equivalents are gases that can be used in current gas appliances: natural gas, biomethane, synthetic methane, and also low level blends of hydrogen that are blended with either natural gas or biomethane. Jurisdictions will be able to authorise projects supplying natural gas equivalents from the commencement of these reforms.

The other type of gases, prescribed covered gases, are gases that may well require changes to the networks or appliances before they can be supplied. The obvious one is 100 per cent hydrogen. Before they can be introduced there would need to be a focused review to understand what the specific regulatory elements are that should be applied by jurisdictions to be able to bring prescribed covered gases under the National Energy Retail Laws and regulations.

So that gives a broad summary of what is in the bill. Later on in the bill, at the end—as with other national energy legislation—the South Australian minister is empowered to make the initial rules, which have been developed and recommended to the energy ministers by the Australian Energy Market Commission. Again, those rules were consulted on and, once brought in by the minister here, no further rules will be capable of being made by the minister—it will be over to the relevant authority afforded in this bill. That is really the basis of the bill that we have here before us.

As I said before, back in 2019 the former Liberal government introduced its Hydrogen Action Plan. Closely following that strategy—that was released back in September—I was fortunate enough in December 2019 to go down to Tonsley with the former Premier where the early works were being started by Australian Gas Networks in the building of Hydrogen Park SA at Tonsley, which aimed at the time to build a 1.25-megawatt electrolyser to produce hydrogen. That is supplied by renewable electricity again, hence creating low-emission hydrogen.

The aim was then to blend it into the gas network in that local area around the Tonsley precinct. From the time that the earth was broken and the first sod turned, construction occurred through to May 2021, and Hydrogen Park SA was then opened, and I had the opportunity to be there for the opening.

The aim of the project was to blend up to 5 per cent hydrogen into the natural gas network and for it to go into 700 homes in the Mitchell Park area. In terms of that, if members of parliament have had the opportunity to go down there, they would have seen where the pipe from the hydrogen storage goes into the natural gas pipeline where it is blended, and then it goes on into the distribution network in Tonsley. That certainly has been a success. They had started off small. This is the thing: where some would like to race forward and say, 'That's great, let's just do it across all of metropolitan Adelaide,' we really need to do it incrementally—in this case, it was 700 homes in Mitchell Park.

We need to make sure of the ramifications. Did households notice any difference? Did it have any effect on the distribution pipes or even the appliances? The 5 per cent itself was slightly conservative in terms of the percentage of blend—potentially, they could have had a higher blend percentage—but they were very mindful of the effects that hydrogen can have on these appliances

which are geared towards the heavier gas, which is natural gas/methane. They did not want to take any chances.

That said, it has been a successful trial and we are pleased to see that it was expanded in March 2023 such that it now delivers this 5 per cent of renewable gas blend to now more than 4,000 gas customers in not only Mitchell Park but its neighbouring suburbs of Clovelly Park and parts of Marion as well. So that has been expanded to households, to some businesses and to schools as well.

This is a really good pilot. Certainly, at the time it was Australia's largest renewable gas project, and it probably still is. It was a \$14.5 million renewable hydrogen facility that Australian Gas Networks operated and it is pleasing to see that now. It is certainly one example, talking about hydrogen blends, of how they could be incorporated. Currently, they fit within the definition of natural gas because it is predominantly natural gas, but you can see going forward that if you want to increase those blends at some stage it might fall foul of the current legislation. Certainly, this bill will be able to give greater investment certainty for companies going forward to invest in these sorts of plants as well.

As I said, to increase those percentages, the transition will take time. It is not something that can occur quickly overnight. It would require careful long-term planning and rollouts to expand further, but there really are opportunities going forward for new developments potentially in the future; rather than retrofitting existing appliances and existing distribution pipes, looking at having new developments starting off at 100 per cent hydrogen, which this bill would allow for. Certainly, Australian Gas Networks has ambitions to do that sooner rather than later.

Additionally, there is biomethane and synthetic methane as well. They have the same chemical make-up as natural gas because they are both methane. You can either have a blend of natural and biomethane or high concentrations of biomethane, which would be able to be used in existing appliances and has the opportunity to provide an economic pathway for renewable gases to be blended into the gas system in a quicker, shorter time frame.

The energy ministers at the time in October 2021 certainly were alive to this when they had their ambition to look at these amendments here. Their initial focus was on getting these low-level blends and renewable gases that are suitable for consumption in existing appliances, to have them expedited immediately and then, down the track as time permitted, to look to those other ones, those prescribed, covered gases as well.

In terms of biomethane, it can be captured from a breakdown of organic matter. For example, it could be from landfill sites or wastewater treatment plants. Recently, I visited the Southern Region Waste Resource Authority, which is down at Seaford Heights. I visited there with my colleague Heidi Girolamo from the other place. It was very interesting to see what is going on there. It is the regional waste authority that is used by a number of local councils. Certainly, two of the councils in the electorate of Morphett use it, both the City of Marion and the City of Holdfast Bay.

I have seen its progress. I got to have a tour there many years ago, back in 2010, where at the time they saw only a life span of probably another 10 years. Through better and improved processes, they have been able certainly to extend the life of that landfill site. At the same time, there is a lot of decaying organic matter in the waste stream, especially historical waste streams as well. Predominantly before we had green bins, there was a lot of waste in there, a lot of food and food scraps. That is a big source of organic matter.

These tips are emitting a lot of methane and will continue to do so even after they are closed. One of the companies that is involved, LMS Energy, first started looking at biogas from landfill sites at a local school in Highbury; in fact, where I went to primary school. They were explaining they got called in because the school was having trouble getting grass to grow on the ovals. It was on a former landfill site.

Looking back now, at the time when you are a kid you do not really realise. You think your knees are getting scuffed because you are running around and there is probably a bit too much wear and tear, but maybe the reason there was not much grass coverage while we were running around at lunchtime kicking the footy was that some of it was related to the methane seeping up from the

old landfill, going through the grass. LMS was called in, saw this was the problem and worked towards capturing that gas and using it effectively. They were using it as an energy source for their kilns in their brick manufacturing.

Fast forward to the 2020s, and now they at the SRWRA site. They are also, again, capturing the biogas that is coming out of that site. It has a twofold purpose. One is, looking at what they were measuring, by capturing this biogas it reduces the equivalent of over 130,000 tonnes of carbon dioxide from being emitted directly into the atmosphere. Prior to capturing the gas, it was effectively a source of carbon emissions. Now they are able to capture that gas and use it to fuel and power three one-megawatt biogas generators, which convert that biogas into green renewable electricity. They are actually capturing that energy. In fact, that is an opportunity for these landfill sites going forward in that they can actually be sources of energy as well as looking after the waste stream.

It is to the point that there is still green waste going into these sites; however, it is now separated out, so it does not go into the normal waste stream. It is in its own green waste, but they are still able to capture that, put it into machines and anaerobically digest it and create the methane. Rather than having to wait for it to break down under the soil, taking many years, these processes can be sped up to be a matter of months, so they can speed that up and use the green waste stream as an energy source as well.

That technology is very interesting. As you go down the Old South Road—most people would miss it—on the way to Aldinga, just over the hill, there is this innovative facility running on biogas, which again is an example of potential opportunities to use renewable gas. They use it onsite, so they do not probably fall into these laws necessarily. But should you have a site, and then it goes into the distribution network, rather than having the energy located on their site, these changes are something that would be allowed under these new laws that are coming in here.

They are two examples of what is going on here in South Australia, at SRWRA and Tonsley, which is a good sign. It points to the ability for renewable gases and gas blends to have processing facilities that are also more likely to be closer to population centres. Those population centres will ultimately be consumers of that renewable gas.

That speaks to a point that was raised in the submissions. You have these gas processing facilities, either hydrogen or biomethane. Compare this to natural gas, where the gas basins are mostly quite discrete. They are usually quite remote to the population centres. Of course, we have Moomba in the state's Far North. That is where the gas is, and then pipelines are needed to pipe it down to population centres—significant pipelines, in fact.

The cost involved in that really means there is only one pipeline. Hence we have seen legislation before about covered pipelines and scheme pipelines. There are natural monopolies there, and so the gas laws have been set up to overcome those monopolies, whereas we compare that to potentially the future of generating hydrogen or biomethane close to population centres. There could well be much more opportunity for competition in these renewable gas and hydrogen processing facilities into the future, but of course what that competition looks like at this stage is somewhat uncertain.

One of the submissions made was by Australian Gas Networks. They are quite familiar, obviously. As I said, they work at Tonsley. They went on to say:

We are in the very early stages of the industry's development. Hydrogen and other renewable gases need time for appropriate business models to emerge and therefore flexibility within the regulatory framework is imperative to enable the required innovation to occur. We think it is unlikely any pipelines delivering constituent gases would possess sufficient market power to warrant full regulation in the short to medium term.

In the long term, increased competition from alternative energy sources is likely to mean that economic regulation of pipelines transporting the various hydrogen and renewable gas products may not be appropriate. Low-cost alternatives is likely to diminish the market power of pipeline service providers over time.

I raised this issue when I had the briefing with department officials, and I should certainly thank them very much for their briefing. They went through it in great detail and provided good explanations. Their point around these questions that were being raised was that how this would be handled in the first instance was by light-touch regulations.

This is done, I think, in the insertion of chapter 5A, which deals with third-party access obligations for non-pipeline facilities, I suppose signalling to the market that there is the opportunity for regulation or rules in the future but potentially not having them from the get-go, which would certainly allow the industry to (a) innovate and (b) mature a little bit so we are not stifling investment. That is pleasing to hear that those concerns by Australian Gas Networks, and probably some of the other submissions as well, have been covered by that.

In conclusion, I think it is worth reiterating how important the gas sector is in South Australia for the state's energy mix. Again, I reiterate how important it is for Australia's energy mix. Certainly, on this side of the house the Liberal Party is supportive of the role that gas will play as part of an orderly transition, not only for the electricity system but also for industry, agriculture and construction.

As has been stated here by our leader, the Liberal Party's policy is to reach net zero by 2050, and the path that this takes really needs to acknowledge the scale and complexity of the task that lies before us, both now and into the future. That is why our view is that all technologies should be on the table, and this does include gas, so we need to focus on all those technologies to ensure a successful transition.

We know there is a commitment by the gas industry to be net zero by 2050 through the use of the technologies I have mentioned, such as hydrogen, such as renewable gases, such as carbon capture as well. Importantly, they have that industry knowledge and significant balance sheets to lean into this challenge. This bill that is before us will incorporate renewable gases and hydrogen into the National Gas Laws. The former Liberal government, which had a seat at the table of the energy ministers, started the reform, and now the current government with the minister is continuing it. The aim is that it will help reduce the emissions profile of the gas sector in South Australia and allow gas to be a viable energy choice for households and businesses into the future.

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Infrastructure and Transport, Minister for Energy and Mining) (20:38):** I thank the member for his contribution on this important piece of legislation. I thank the opposition for their bipartisan support. It is good to see that bipartisan support has returned, given the brief time under the Marshall government when there was no bipartisan support, when they banned gas extraction from certain parts of the state. I know that there is now a new broom sweeping through the Liberal Party, jettisoning those previous policies. I welcome it and I thank the opposition for a speedy passage of this important piece of legislation.

Bill read a second time.

*Third Reading*

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Infrastructure and Transport, Minister for Energy and Mining) (20:39):** I move:

That this bill be now read a third time.

Bill read a third time and passed.

### **GAS (OTHER GASES) AMENDMENT BILL**

*Second Reading*

Adjourned debate on second reading.

(Continued from 27 September 2023.)

**Mr PATTERSON (Morphett) (20:40):** I am taking this opportunity to speak today in parliament about the Gas (Other Gases) Amendment Bill and indicate that I am the lead speaker. Again, this bill before us, which you can compare: we had the national energy laws with quite substantive amendments, although a lot of them were really scratching out natural gas and replacing it with covered gas—that is the substantive work there. We also have before us the amendment to the Gas Act 1997. This is just a state act, of course, contingent on that act there.

You remember I spoke, and by way of reflection, on why they would be linked. I referred to the fact that in November 2019, the energy ministers endorsed the National Hydrogen Strategy, which was aimed at setting out the government actions to support the development of Australia's

hydrogen industry, including a review into the application of the gas regulatory arrangements to hydrogen.

As part of this Hydrogen Strategy, the energy ministers agreed that jurisdictions separately would review their state jurisdictional legislation to determine whether their respective legal frameworks could support hydrogen industry as it stood or would in fact need to be changed. Here we have the bill before us, which does, I suppose, indicate that there was a change needed, although, as you can see, being such a short act, it is not a major change and really just flows through from what has been put in place from the Statutes Amendment (National Energy Laws) (Other Gases) Bill.

This bill seeks to amend the Gas Act to include hydrogen and other gases, but making sure the definitions are consistent with the changes that are proposed for the national gas regulatory framework in the associated Statutes Amendment (National Energy Laws) (Other Gases) Bill. Again, as explained, those national energy laws were bipartisan and supported.

The genesis of this bill happened back in 2019-2021 by the former government, maintained by this one, so it would be quite evidentiary that it was also taken in mind that there would be changes to the South Australian Gas Act 1997 when those changes to the national bills were undertaken. The convention of bipartisan support certainly holds for this piece of legislation as well, so I indicate at the outset that the Liberal Party will be supporting this bill as well.

With regard to what is being looked at in terms of the overall gas system, this will predominantly deal, it seems, with downstream activities such as the distribution, pipeline and use by customers in their appliances, whether that is household appliances, ovens, heaters, gas stoves or industry in terms of their boilers or other plant and equipment relying on gas. That is currently regulated in South Australia by the Gas Act 1997, but it also includes the functions and powers of the Technical Regulator and the Essential Services Commission.

Passing this bill allows those two bodies to also undertake work in this important field of hydrogen and biomethane, or blends as well. Currently, the Gas Act 1997 is limited to regulating gas that consists of hydrocarbons, or predominantly hydrocarbons, such as natural gas. The current definition of gas allows the act to apply to some gas blends that contain a small component of hydrogen, but that current definition does not apply to hydrogen on its own or to gas blends composed of a high proportion of hydrogen gas.

In one amendment in the bill, the definition of gas effectively becomes covered gas as defined by the National Gas Law. By way of refresher, even though it was only spoken about very shortly before, the main amendment to the National Gas Law was to substitute natural gas with covered gas, with the list of covered gases including natural gas, hydrogen, biomethane, synthetic methane or blends of these gases. These definition changes will ensure that the range of gases regulated by the Gas Act 1997 in South Australia is the same as those regulated by the national framework.

I talked about downstream activities, but it is probably worth noting that there are also upstream and midstream activities relating to hydrogen, such as its production. Up at Moomba, for example, its transmission through the pipelines is regulated through the Petroleum and Geothermal Energy Act, which allows it to be regulated. It is worth making the point—it is quite timely, in fact—around those upstream activities as well, because the petroleum act deals with naturally occurring hydrogen, whereas this act deals with hydrogen that can be produced via renewable energy, or potentially by steam methane reforming and carbon capture as well. Those are the two differences.

I have talked previously about Hydrogen Park SA at Tonsley, and I talked about that 5 per cent blend. One of the considerations around that particular blend—whether it be 5 per cent or 10 per cent—was the fact that the appliances that are used in those 700 homes in Mitchell Park are geared towards natural gas: they are compliant and they have the safety mechanisms in place.

By having the Technical Regulator look at these high blends, they will be able to consider the way forward, particularly around how to handle current appliances and what levels of concentration of hydrogen they can cope with before there are issues with embrittlement, because the chemical make-up of hydrogen reacts differently in the pipelines that transport natural gas, and



the methane reacts differently in the actual appliances themselves. They get embrittled and that causes them to have to be replaced, which would be counterproductive for households, certainly if they are looking to go to these blends to reduce their emissions but then end up having to replace their appliances. By having this legislation in place, the Technical Regulator will be able to look at that.

There are certainly safety issues that do come into play, especially if you look at 100 per cent hydrogen because hydrogen is a much smaller molecule than the methane in the natural gas, so there are certainly going to have to be standards introduced to ensure the safety of the distribution network, that there are no leakages and that the materials used allow those pipelines to maintain their structural integrity. Equally, the appliances used will have to be compliant and cater for 100 per cent hydrogen as the end goal, but potentially with higher hydrogen blends as well. The opportunity of passing this bill concurrently with the national energy laws will allow the Technical Regulator to get underway and do that important body of work.

Previously, I have spoken about the importance of the gas sector to the state's energy mix and certainly the role that gas will play in an orderly transition for the states. The commitment by the gas industry is to be net zero by 2050 through the use of technologies such as considered by this bill, whether that be hydrogen, renewable energy or blending these two gases with natural gas.

We are able to progress this. The industry is able to continue with certainty to put money, investment and research into progressing this, rolling it out. As I have said, it has gone from 700 homes in Mitchell Park to rolling out to 4,000 homes since March 2023. To continue this progress will certainly help with the energy transition as far as the gas network is concerned, and for that reason the Liberal Party is supporting this amendment bill. I indicate we will not need to go into committee on this bill.

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Infrastructure and Transport, Minister for Energy and Mining) (20:52):** I would like to again thank the shadow minister for his cooperation in this matter. His bipartisanship deserves to be credited and I thank him for it. I thank him for his sensible contribution to the debate. I commend the bill to the house.

Bill read a second time.

*Third Reading*

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Infrastructure and Transport, Minister for Energy and Mining) (20:52):** I move:

That this bill be now read a third time.

Bill read a third time and passed.

#### **PETROLEUM AND GEOTHERMAL ENERGY (ENERGY RESOURCES) AMENDMENT BILL**

*Second Reading*

Adjourned debate on second reading.

(Continued from 30 August 2023.)

**Mr PATTERSON (Morphett) (20:53):** Again, it is a pleasure to speak about energy in this house. The Petroleum and Geothermal Energy (Energy Resources) Amendment Bill is slightly expanded in terms of scope and not just concentrating on gas. I indicate from the outset that I am the lead speaker and that the opposition will not be opposing the bill. It is worth going through a bit of the background on the bill and discussing how we are where we are today. At the outset, the bill seeks to make amendments to the Petroleum and Geothermal Act 2000, an act first enacted in September 2000 and subsequently reviewed in 2009.

Something that I think has held South Australia in good stead in terms of its petroleum resources in this state is that this act has been seen as an example of best practice and a regulatory framework for the industry here. Having said that, it is useful to make sure the act is current and up-to-date as we go through it, not just rest on our laurels and think it is going to remain best practice without us having to touch it.

Scrutiny makes sure it remains best practice, and to that end the former Liberal government undertook to make changes to the Petroleum and Geothermal Energy Act when it was previously in office between 2018 and 2022. The proposed changes look to maintain this act as leading practice for regulating upstream petroleum, but also noting that it takes into account carbon capture and storage as well as geothermal activities in South Australia; hence the part of the act that has 'geothermal' to its name.

Some of the changes looked at by the former government were to introduce a new provision to extend the scope of the Petroleum and Geothermal Energy Act to include the generation of hydrogen from means not already permissible under the existing act. Again, this is producing hydrogen via renewable energy and electrolyzers or from natural gas using steam-methane and carbon capture—ultimately, if you want to make low emission hydrogen, having that carbon capture component.

These changes were subject to public consultation via an issues paper put out back in February 2021, and another round of consultation occurred on a draft bill back in June 2021. Reviewing the submissions made at the time, industry was widely supportive of those amendments, and that led to the Petroleum and Geothermal Energy (Energy Resources) Amendment Bill 2021 being introduced into the previous parliament in August 2021 by the then energy minister, Mr Dan van Holst Pellekaan. Unfortunately it did not progress before the change of government in March 2022, and we now see before us a bill of the same name introduced back in this place.

The reasoning behind the former government introducing that bill was to look at how to futureproof the petroleum and geothermal regulatory framework, and also to be mindful of the fact that they are not the only energy resources that may be available in the state going forward. One of the changes made to the act at the time was renaming it from the Petroleum and Geothermal Energy Act to ultimately being called the Energy Resources Act, reflecting the broader scope to include future fuels such as hydrogen. I note that the bill introduced to this parliament has renamed the act as the Energy Resources Act, a good and sensible change to what is an important act for the state.

As I said, the current government has now introduced the Petroleum and Geothermal Energy (Energy Resources) Amendment Bill 2023, and it is my understanding that, comparing the two bills, on the whole most of the administrative amendments that were consulted on in 2021 and put in place by the former Liberal government—and which, as I said, were industry supported—remain and have made their way through into this act.

One main difference is that previously the 2021 act incorporated some hydrogen generation provisions that were in that bill. They have now been moved out of this bill and, rather, included in the Hydrogen and Renewable Energy Bill that we debated last sitting week.

Having said that, it should be noted that the Petroleum and Geothermal Energy (Energy Resources) Amendment Bill still regulates naturally occurring hydrogen—both the previous bill and this amended one—and it is an opportune time to mention that as certainly there has been some welcome news this week from an ex-listed company, Gold Hydrogen. They have tenements on Yorke Peninsula, just near Minlaton.

In that same place a hundred years ago, companies such as oil explorers looking for oil performed drilling in that vicinity and, as part of their exploration, came across hydrogen. Of course, the interest was in oil so, yes, it was noted but they moved on to other areas. That is a hundred years ago that they found quite a high concentration of hydrogen. Gold Hydrogen were mindful of that and the big opportunities there could be for being able to capture natural hydrogen and actually use it commercially now.

Where maybe that was not the case a hundred years ago, they looked at the topography and looked at the potential in that area in and around Minlaton and Yorke Peninsula and did a test well and reported to the ASX this week the results from that. It is reported that they measured hydrogen at 73.3 per cent purity, as their media release states. That is quite similar, and equivalent to the test results from a hundred years ago. I think the test results at the time were stated as being 76 per cent purity of hydrogen at that same site and also at the same depth. This is very positive development for Gold Hydrogen.

Natural hydrogen, of course, is being produced overseas. It is expected to cost much less than having to produce hydrogen from renewable energy resources, up to a fifth of the cost, so it is a very economical and encouraging form of hydrogen. So these results are very informative. Hydrogen was not only found there; they also came across some helium. Again, according to their press release they said it was at 3.6 per cent levels, which relative to other sites around the world is quite a high concentration of helium.

Helium itself is quite rare and valuable as well, so the presence of that again provides another value-added opportunity for the company and will help, you would expect if the results continue, to allow for further economic investment to be made. In fact, they are looking at doing a second test well going forward to try to confirm these results. I certainly thank the managing director, Neil McDonald, and his team for keeping me updated on this exciting development and I wish them the best in their next phase of test drilling.

The other aspect of the bill that is worthy of commentary in this debate is that the bill proposes to introduce a rent for carbon capture and storage that uses the state's natural reservoirs. In Moomba, in the Cooper Basin, there are depleted gas wells where natural gas has been extracted. Of course, these gas wells can then be used to sequester carbon in them. That is what would be meant by natural reservoirs.

The bill proposes to introduce a rent for carbon capture to store regulated substances; however, there is an exemption that applies to carbon dioxide that has been produced or sourced within Australia and is not imported. As I said, this is a difference to the previous one. Previously, carbon capture was there but there was no rent to be introduced. Because of that change, it was the main area of interest from industry in relation to this bill. Certainly, in my time consulting with the industry on this bill and their appetite for it, they made comments around the carbon capture and storage rent that the government is seeking to levy.

That is proposed to be done via introducing a new part 7A, a rent for the use of the state's natural reservoirs to store regulated substances. I think part of the reason for the stakeholders' active interest in this was that originally, back in November 2022, when the draft bill was put out by the government for consultation it also looked at levying a rent for these regulated substances if they were produced or sourced outside of South Australia. From my understanding, in South Australia, if the carbon dioxide was produced in South Australia, it was allowed to be stored in the state's natural reservoirs without a rent, but if it was produced within Australia, then a rent was to be charged.

Certainly, this was a concern because there was no lead-up consultation or an issues paper around this beforehand. It was just put in as a draft and 'What do you think?' As I said before, if you look at the opportunities around Moomba and where that sits, it is certainly in quite close proximity to Queensland and New South Wales. We should definitely be alive to the opportunity that, if the country is going to undertake an energy transition, it is going to be much more economic, and it is going to be helpful as well, if we do it as a country and not try to do it with each jurisdiction standing alone.

In terms of looking at carbon capture, while it is a technology that has been around for some decades, it is a technology that really is, by virtue of the economics of it, not established. It is not mature. That is not to say it is not viable. Certainly, as more emphasis goes onto abating gas on storing carbon emissions, the economics of it will look after themselves, but there was certainly industry concern because we know Santos and Beach are trying to develop carbon capture and sequestration up in Moomba. That is going to require significant investment.

That was certainly a concern because you would have to think it is not too much of a stretch of the imagination, and I think it has been allocated in terms of their longer term planning for that carbon capture. I will touch on it a bit later on in my contribution. The first stage was looking at onsite carbon capture as part of processing the gas out of the basin and trying to capture fugitive emissions, but longer term—certainly because of what Moomba is, its geographical location and the make-up of those gas wells—there were great opportunities to store carbon dioxide not only from Moomba but from other sources as well.

You would have to think that would have been a factor in driving an investment decision in the first place. It certainly was a cause of concern from industry. As I said, Santos and Beach are

certainly alive to the opportunities of carbon capture and sequestration. To have rent not applying to South Australian carbon emissions and charging it for national-based carbon dioxide, for example, was certainly cause for concern. You would have to say, if that continued on and made it into the bill we now have before us, it would have caused a lot of industry opposition to that particular facet of this bill.

Thankfully, from speaking with those stakeholders, the government has listened to those concerns, and the net effect of what we have now is that the rent will be applied only to internationally produced or sourced carbon dioxide. That is interesting. There will not be an extensive committee session, but when go into committee it will certainly be interesting to hear how that rent is to be calculated.

I thank the minister for my briefings with the department and for making them available. They were very helpful in terms of taking me through what the changes are, what the bill is, the history of the bill. The proposal to introduce a rent in part 7A is entitled Rental. In my briefing with the department, they were very careful for me to understand so that I did not misconstrue this and think it was royalty. They were at pains to say this is rental, not royalty. That brought the question: how is the rent going to be proposed? How is it going to be charged? Is it the fact that the carbon dioxide to be stored will be like how you assume the rent is: there is a yearly rate, and it continues on ad infinitum? Is it for a certain volume per year? What happens if there is carbon dioxide stored one year and not the other? They are questions there.

The industry were quite at pains to point out that royalty applies to minerals that are extracted out of the ground. It would be nonsensical to charge a royalty for storing carbon dioxide via carbon sequestration. Hence, that is where the government has arrived at this terminology around rental rather than royalty. It will be interesting in committee as to where they see that going and how that charging regime will be as well. If it was looked at being a royalty, where it is on a percentage basis, it is not too much of a stretch to then say, 'That's effectively like a tax.' That was some of the commentary that we received around the concern—was this a carbon sequestration tax?

As I said, it is a technology that has been looked at for decades, but because of economics—it is not a mature technology; it is something that will develop over time—at this stage it needs investment. We do not want to stifle investment by putting an overburdensome charge onto this, especially when in this parliament a climate emergency has been declared by this government. So they obviously see there is a necessity to reduce emissions.

As I have said before in this house, there is no point reducing emissions to zero in South Australia and think, 'That's great. There are going to be no bushfires in South Australia because there is this little atmosphere over South Australia, and it doesn't matter what carbon goes into the rest of the country. It does not matter what carbon goes into the rest of the world and what developing nations in Asia are doing. We think we are immune.' Of course, that is nonsensical, and I think most of us here understand that is not the case. That is why industry was very supportive of not having a rent royalty tax charged on carbon emissions that are generated from within the country as well.

Further to that, where the government has landed in terms of making it internationally sourced, the feedback from industry has been that certainly in the short to medium term it is highly improbable, because of the economics and because of the geography, that we would end up with internationally sourced carbon dioxide coming to South Australia, just by virtue of the fact that there are other potential gas basins that are being depleted that can be used for carbon capture in the north of Australia and in northern countries as well, Indonesia being an example.

It is just the sheer economics and the geography. Carbon sequestration is all cost compared to the existing energy systems at the moment, but it is a cost that, if it can be done at scale and economically, is certainly an opportunity for the country. As I said, going back to the potential for storing international carbon dioxide at scale, the industry is pragmatic enough, while not jumping for joy about the fact that this is in the act, to realise that in the short to medium term it is not something that they have given a lot of their attention to, and with that in mind they would be prepared to move forward on that basis.

If we go back now to Moomba itself, I talked a bit about the fact that Santos and Beach have highly prospective depleted gas wells in Moomba that are able to be used for carbon sequestration.

That certainly is highly prospective for them. At this stage, their ambition is to be able to capture 1.7 million tonnes per year of methane that is naturally emitted as part of their processing and production of gas at Moomba as well.

That certainly helps those companies in terms of having a low emissions profile for themselves, but also, as I said, it allowed them back in November 2021 to make a final investment decision to proceed with that. It comes with significant cost to them, but they are doing it, as I have said in other contributions, because they understand and they have made a commitment as a company to be a low emissions company and to work towards reaching net zero by 2050.

You can see, certainly at a larger scale, that again it gets back to this commentary around the importance of gas in our energy system, the fact that it is so important, not only to electricity generation but also to manufacturing. It is used as a heat source in manufacturing. It is used to produce fertiliser for agriculture, to help in terms of steelmaking, and to help in terms of cement and brickworks as well.

Gas is important. It is a massive part of the nation's energy mix. As I said before, it is around 25 per cent of our energy mix in Australia. It is important to be able to continue to manufacture at scale, to be able to continue agriculture at scale. Unless there is a replacement, especially in these hard-to-find other energy sources that rely on gas, it will have to continue to be used. That is why carbon capture and sequestration are seen as a really important part of the energy mix, certainly, as I said, by Santos. Also, if you look at it from a worldwide basis as well, again, talking through the International Energy Agency, they have just released their world outlook looking again at what the energy mix looks like going forward to 2050. As I said previously, gas looks to have an important role in the world's energy mix as well.

At present, about 4,000 billion cubic metres are being used and, looking forward, the International Energy Agency forecasts demand for gas, depending on the scenarios, could be maintained at around that 4,000 billion cubic metres level. If further policies are enacted, it could drop to 2,500 billion cubic metres, but still there is a substantial usage there of gas. Even, as I have talked about in terms of Asia itself, Asian gas demand is forecast to grow by 50 per cent between now and 2050.

So there is significant usage of gas. We have a very stable trading relationship with some of those countries in terms of gas. Japan has invested massively in the gas production facilities here in Australia, based on long-term contracts. They are also very interested and committed to reaching net zero by 2050 to have low-carbon economies as well, but they still need gas. They are interested in forms of low-emission gas, whether that be hydrogen, which we spoke about previously, or whether that be abated gas as well.

They have invested heavily in Australia and you would like to think they have a continued appetite to do so. By having facilities that allow for abated gas, that will certainly be critical to any decisions they make around investing further into carbon capture, potentially, but certainly low-emissions gas from Australia into the future.

Going back to the International Energy Agency as well in terms of those forecasts going through to 2050, yes, while the amount of gas usage is still, you would say, either stable or reducing but not to zero—still with a substantial amount—those forecasts assume that about 70 per cent of global gas demand would be served with abated gas through carbon capture and storage. Previous commentary from the International Energy Agency certainly has included carbon capture and storage as an important technology for timely global decarbonisation efforts. They have stated:

Carbon capture, utilisation and storage...is the only group of technologies that contributes both to reducing emissions in key sectors directly and to removing CO<sub>2</sub> to balance emissions that are challenging to avoid—a critical part of 'net' zero goals.

That is the heavily respected International Energy Agency and their views on carbon capture and storage. If you look to some of our like-minded countries that are also committed to net zero, such as the US or Europe, they are certainly pouring significant money into net zero programs we know, of course, but it includes support for carbon capture projects.

In the United States, for example, the Inflation Reduction Act's aim is to drive investment into low-carbon investments. Because of the massive dollars involved, it is attracting significant and large capital inflows into the country. Some of those low-carbon investments are going into abated gas projects in the US. The effect is that that is actually increasing gas supply, it is growing their LNG industry, and having an increased supply is helping to lower gas prices in that country. So energy prices are reducing, and at the same time that is helping to reduce emissions in the US while also supporting industry.

The reason for labouring the point is just to emphasise the support for carbon capture and storage throughout global economies that are looking to decarbonise. Certainly, I think we should be alive to that here in Australia. As I said previously, there are certain groups, most notably the Greens, who look to vilify gas and to eliminate it from the outset and to not give these companies that have stated goals and actual pathways to reduce their emissions the ability to do so. Certainly, that is something to be mindful of.

Further to that, in April 2023, the International Energy Agency released its Australia 2023 Energy Policy Review, which stated:

Australia is well-suited to large-scale deployment of CCS to facilitate CO<sub>2</sub> abatement and support regional emissions reductions.

Again, you have a respected body seeing the opportunities in Australia. No doubt, as part of that review, they would have seen the opportunities that South Australia has in Moomba in terms of carbon sequestration. It gives the state the opportunity to have a natural competitive advantage in abated gas because of the large storage resources that are up there in Moomba.

I have talked a bit about what Santos and Beach are looking to do there. They have invested heavily into stage 1 of that project, having made a final investment decision back in November 2021. The ambition is to capture 1.7 million tonnes of carbon dioxide per year in that project. There is the potential, in the network of basins there that span both South Australia and Queensland, for an injection of over 20 million tonnes of carbon dioxide for more than 50 years. That is a massive at-scale ability to abate carbon dioxide. From the South Australian perspective, I think in the latest report into what the state's CO<sub>2</sub> equivalent emissions are, it is hovering around 24 million tonnes per annum. So you can see that those basins there are effectively quite similar in terms of the ability to absorb nearly all of the state's carbon dioxide emissions.

That crystallises, and gives a sense of scale, what the opportunities are there. Those opportunities are also able to be taken up in other parts of Australia. As I said, there is no point in South Australia operating as an island, or other states operating as an island: by allowing the country to work together there are great opportunities there as well.

To that point, regarding Australian Energy Producers, I joined the minister recently as they changed their name from APPEA to Australian Energy Producers to recognise—similar to this act—moving away from just a sole concentration on petroleum as an energy source and looking to span all energy resources. They are certainly very mindful of the opportunities that carbon capture can play and how it will be essential at a national level. They are pushing for the creation of multiple carbon capture hubs throughout the country to allow for industry to be clustered around those hubs and to help industry collectively reduce their emissions. The reason for saying that is to look to have a national approach and hence the reason for industry's objection to rentals being applied to carbon dioxide emissions that have been generated within Australia.

That gives a bit of a reflection on the consultation process that has been worked through as the bill has come before parliament. As I said in earlier contributions around the National Gas Law, I again reinforce the importance that gas plays in the state's energy mix, the importance it plays in an orderly energy transition in the electricity system and mindful of the fact that is not the only part of the South Australian economy that needs to be decarbonised. In fact, the percentage of emissions from other sectors now exceed the electricity system, so there have to be opportunities for them to decarbonise in an orderly way because we need to keep the economy strong in South Australia as we go forward and not have it weakened by bans and victimisation of an energy source that really has an important role to play in the coming decades.

Certainly with their commitments going forward around decarbonisation, it will help an orderly transition in industry and manufacturing, it will help an orderly transition in the agricultural sector and help an orderly transition in the construction sector as well. As has been stated by our leader, the Liberal Party has a commitment policy around net zero by 2050 and we are very mindful that it is a large-scale task and needs to be done with all technologies available, and that includes gas and the opportunities that abated gas through carbon capture present, or through renewable gas or through hydrogen.

We know there is a commitment by the gas industry to reach net zero by 2050 through the use of technologies, as I have explained before, including carbon capture and sequestration and the opportunities that South Australia has to continue to make the most of its competitive energy advantages, and allowing gas to be a strong contributor in a smooth and sensible transition to lower carbon economy in the future will allow the state's economy to prosper and maintain South Australia's standard of living.

In conclusion, the bill before us is amending the Petroleum and Geothermal Energy Act. It is based heavily on the work done by the former Liberal government. I commend the work done by the former energy minister, Dan van Holst Pellekaan, to ensure that the regulation of energy resources in South Australia is both best practice and contemporary.

**Mr PEDERICK (Hammond) (21:33):** I rise to speak to the Petroleum and Geothermal Energy (Energy Resources) Amendment Bill 2023 and acknowledge the work of the member for Morphett in regard to the bill. I note that the proposed amendments will maintain this act as leading practice for regulating upstream petroleum, carbon capture and storage and geothermal activities in South Australia. The amendments also look to introduce a new provision to extend the scope of the act to include the generation of hydrogen from means not ordinarily permissible under the existing act—for example, with renewable energy.

It has been noted this bill was formerly introduced into the parliament by the former Minister for Energy and Mining, the Hon. Dan van Holst Pellekaan, in August 2021, but it did not progress before the change of government in March 2022. The bill has been reintroduced and has been prepared, and includes the majority of the administrative amendments that were consulted on in 2021.

I want to concentrate a bit on the proposals around carbon capture and storage. I think this offers a major incentive for Santos, who have been doing a lot of preliminary work, a lot of work heading into carbon capture and storage and utilising depleted gas wells in the Cooper Basin and surrounding areas. There is the potential to go out through the Ballera region into Jackson in Queensland as well and right throughout the basin. The work is to store regulated substances. As the shadow minister has indicated, they are talking about rent for essentially imported carbon, if that happens, but an exemption will apply to carbon dioxide that has been produced or sourced within Australia.

There has been quite a bit of discussion around the bill. It provides a number of amendments to the act, the most significant being the name change to transfer it over to the Energy Resources Act and an amendment to introduce a statutory security to ensure that the Crown has first priority over a licensee's property in such an event as bankruptcy. It has benchmarking penalties—a number of maximum penalties have been reviewed, benchmarked against the reformed Mining Act and modified accordingly.

The definition of 'environment' will be revised to better capture and regulate social and economic impacts, in keeping with the principles of sustainable development. I note that there will be improved stakeholder engagement in regard to this legislation, with amendments that will explicitly require stakeholder engagement by the licensee in preparing their environmental impact reports and statements of environmental objectives, with one amendment being introduced to mandate a 30-day public consultation period for those environmental assessments as part of the department's approval process.

There is also a new provision being introduced for a ministerial approval before a change in controlling interest in the holder of a licence. This provision will be in line with a similar approval

regime that was recently inserted into the commonwealth Offshore Petroleum and Greenhouse Gas Storage Act 2006.

There is also the concept of ministerial determinations, as provided for under the recent Mining Act review, which is being introduced to allow for greater flexibility and effectiveness in clarifying and guiding regulatory requirements, particularly for reporting provisions. Also, around transmission pipelines, there will be an amendment for the definition of a transmission pipeline under the existing act to allow for imported gas to be transported unhindered via licensed transmission pipelines under the act to access such markets as required.

As has been discussed, there has been the discussion around the proposed rent on carbon capture and storage but noting that Australian producers will be exempt. That all comes under part 7A, use of the state's natural reservoirs to store regulated substances. As I have indicated, an exemption will apply to carbon dioxide that has been produced or sourced within Australia and is not imported, so what will happen here is that this will ensure that the rental does not—

**The Hon. A. Koutsantonis:** Disincentivise.

**Mr PEDERICK:** —that will do—the storage of Australia's direct carbon dioxide emissions, obviously like the ones that have been coming from the Moomba gas processing plant for many decades now. They will be stored at the Moomba Carbon Capture and Storage facility, which is currently in construction by Santos, and with Beach involved in that project as well.

I think carbon capture and storage is a great project that Santos and Beach are involved in. It is the process of capturing carbon dioxide and safely storing it deep underground, often in the reservoirs that previously held oil and gas in place for tens of millions of years. Carbon capture and storage technologies have been in operation since the seventies and are proven as a large-scale CO<sub>2</sub> storage solution.

There are currently more than 20 large-scale carbon capture and storage projects in operation around the world, and they are storing about 40 million tonnes per year of CO<sub>2</sub>. This is equivalent to almost all of the annual carbon emissions of the entire Australian passenger vehicle fleet. The International Energy Agency has included carbon capture and storage as an important technology for timely global decarbonisation efforts, stating that:

Carbon capture, utilisation and storage is the only group of technologies that contributes both to reducing emissions in key sectors directly and to removing CO<sub>2</sub> to balance emissions that are challenging to avoid—a critical part of 'net' zero goals.

In April 2023, there was a report released, an Australian 2023 Energy Policy Review, which stated:

Australia is well suited to large-scale deployment of carbon capture and storage to facilitate domestic CO<sub>2</sub> abatement and support regional emissions reductions.

In regard to the Santos Moomba Carbon Capture and Storage Project, it is expected to capture CO<sub>2</sub> already separated from natural gas in the Moomba gas plant. It also provides an opportunity to launch further projects to allow other sources of CO<sub>2</sub>, such as from direct air capture, and it enables low-carbon hydrogen production.

Previously, under the term of our former Liberal government as part of the design phase of this project, Santos successfully completed a CO<sub>2</sub> injection trial in 2020. They progressed in November 2021 for stage 1 of the Santos Moomba Carbon Capture and Storage Project with the ambition to capture 1.7 million tonnes of CO<sub>2</sub> per year. Subsequent stages envisage the project to capture 20 million tonnes of CO<sub>2</sub> per year.

This is an exciting development for the Cooper and Eromanga basins in South Australia and Queensland, and it has the potential for injection of over 20 million tonnes of CO<sub>2</sub> per year for more than 50 years. This capacity is equivalent to taking half of Australia's passenger vehicles off the road every year. In 2020, South Australian greenhouse gas emissions were approximately 24 million tonnes of CO<sub>2</sub> equivalent.

There has been much consultation with this bill, and I am really keen to see how these carbon capture projects move on into the future. It is interesting, when you look at what has happened with the development at the Cooper Basin and the surrounding fields as well as other oil and gas projects



in Australia or just offshore. With the development of these fields for the last 50 years—certainly in the Cooper Basin—most if not all of those wells have been fractured, most conventionally but there would be a lot of unconventional fracturing taking place as I speak.

The beauty of that is that with the development of those wells that are now depleted—that fracturing process, the perforating that I used to operate 40 years ago with Gearheart Australia, when Halliburton would then come through and pump the fracked sand and fluid down—opening up those wells and those reservoirs gives far more capacity for the storage of carbon. That will be a great thing moving into the future.

I do get concerned with the future of gas. As has been indicated, people like the Greens hate gas, but gas will be a transition fuel for decades to come. We will need gas to transition to a cleaner energy future, and that is why companies like Santos and Beach are doing this major work with carbon capture and storage. However, I am concerned with big offshore projects like the Santos project off the Tiwi Islands, with the Barossa project, as well as Woodside's multibillion-dollar project. The Santos project, which would be a multibillion-dollar project, and Woodside Petroleum's major project off Karratha, the Scarborough project, which are both under threat from legal challenges, would bring much wealth and much energy into the country to be used into the future.

That area off Karratha in Western Australia is a quite high production area for offshore gas. One of my friends worked up there in a project recently. He worked in the Cooper Basin all those years ago and he comes back online with Halliburton when they really need him. He was involved in a 1.2-kilometre perforation of an unconventional well. Obviously, the technology has moved a long way from when we used to shoot vertical wells 40 years ago, but what is interesting is the amount spent to realise the potential of gas wells either on shore or offshore around this country.

I wish all the companies involved, especially Santos and Beach locally, in these carbon capture projects all the best as we go into the future. It will be a vital part of our transition, because we do need gas as that transition fuel into the future. May it go ahead as unhindered as possible, because we have to face the reality of generating energy but also transitioning as we go. I commend the bill.

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Infrastructure and Transport, Minister for Energy and Mining) (21:49):** I thank members for their contributions and their support of this bill. I note that both members talked about this bill being developed under the previous government and being completed by August 2021, but I do point out that the parliament was sitting between August and December of that year so I am surprised it was not put to the house. Perhaps members opposite were not as confident as I am now of its passage. I commend the bill to the house.

Bill read a second time.

*Committee Stage*

In committee.

Clause 1.

**Mr PATTERSON:** In regard to this bill and the consultation on the 2023 version of the bill, can the minister outline the consultation process that led to this being introduced into parliament and the stakeholders that were involved?

**The Hon. A. KOUTSANTONIS:** My understanding is through the YourSAy website. Obviously there was a process that was conducted by the previous government. We went back out to YourSAy again after there were amendments made by this government. There was also industry consultation with operators in South Australia. All the industry associations were consulted. That is the advice I have. There was a lot of feedback and we considered that and placed it all before the parliament.

**Mr PATTERSON:** Most noticeably in terms of the rental clause, which we will get to later, in terms of that being consulted on was there an issues paper released around that to get a feel of should it be the state, an Australian or international, leading into a draft bill, leading into this bill? If not, was there a different process and, if so, could you outline what that was?

**The Hon. A. KOUTSANTONIS:** In regard to the rental process, no. My advice is that the aquifers are owned by the state, so the idea that the national government could charge a rent on South Australian assets does not make much sense. These aquifers are appropriately utilised by the South Australian people. The consultation process on the rent was pretty clear.

I believe it would have been a disincentive to charge a fee for people to store carbon if it was carbon captured in Australia, but if there is a foreign subsidy in place to capture carbon and then store it in Australia, fees should be payable because obviously they are proponents who would be importing the carbon and would have received a subsidy repayment from a foreign source. Given that we are storing the carbon, it is inappropriate for a fee to be charged and I think that there is a general understanding amongst proponents that the South Australian government is well within its rights to do so.

The debate was about whether rent should be charged for Australian carbon capture storage. My very strong view is that it should not be. It would be a hypocritical position to hold that carbon should be priced and then charge a fee to have it stored once you get it out of the atmosphere, but if there is a foreign subsidy involved that is a very different situation altogether.

**Mr PATTERSON:** If we just break it down, and concentrating on the feedback around charging a rent for carbon capture, comparing feedback around a state-only approach—so a rental waiver, effectively, for carbon emissions generated within South Australia compared with emissions charged within Australia—the feedback I received was that there was pushback certainly from industry around a rent being charged for emissions generated within Australia because of that need for a country-wide approach. Maybe the minister could elaborate more on stakeholders and their submissions, or their feedback and their views on soaring Australian carbon dioxide emissions in South Australia for no rental charge.

**The Hon. A. KOUTSANTONIS:** My very strong view is that Australian proponents who collect carbon within Australia should not be charged a rent. The government is not doing that. It was very clear from the evidence that they gave us and our consultation, and we were obviously very keen to make sure that they were taken care of.

However, I stand by my remarks that international carbon capture, which returns carbon dioxide to South Australia, should be charged a rent. It will be reviewed again in 10 years' time to see how it is working. I listened to your remarks with interest about what you think the prospect of the import of carbon is. I tend to agree with you; however, I think it would not be wise for the state to proceed on a process where we would charge rent for any carbon capture in South Australia or, indeed, Australia.

Clause passed.

Clauses 2 and 3 passed.

Clause 4.

**Mr PATTERSON:** This clause changes the act's name from 'Petroleum and Geothermal Energy' to 'Energy Resources', and there are very sensible reasons for doing that. Maybe the minister could elaborate on the reasons why, but also what energy resources are envisaged that fall outside of petroleum and geothermal energy.

**The Hon. A. KOUTSANTONIS:** We want it to be as broad possible—so geothermal energy, carbon capture storage, naturally occurring hydrogen. We want to give the regulators the maximum flexibility to regulate these operations, rather than a narrow scope. What I am attempting to do, again, is minimise the need to continually open up this act. We are at a point in time now where there is a level of bipartisanship on this legislation, which I think can give the industry a bit of stability for the long term—at least for a decade—where we can give them a broad scope of potential gases and activities that can be regulated under this piece of legislation.

My remit to the department was to be as broad as possible: think of the future, stabilise this industry, give them the regulatory certainty that they need, and we will come back in a decade with whoever is in office under statute to review the rental requirements. Then obviously, with whoever is

in office, if there has been anything missed or it needs a freshen up, it can be done so then. This is giving us some long-term certainty and stability in the sense that it is much needed.

This sector has had a lot of instability in South Australia over the last four years. The industry had a ban placed on it. It had a partisan election campaign over its industry and its applications, which has never occurred in South Australia before. I point out that in the 1980s the Labor Party did that with uranium—that was very divisive—and in the 2018 election the Liberal Party did it with gas. That is destabilising.

What I am attempting to do here is lay a foundation for the next decade that allows a bit of stability into the issues. I saw the consequences of what the Labor Party did with uranium and Olympic Dam, and that is to our shame, and it is to your shame what the Liberal Party did in 2018 in terms of politicising the extraction of gas rather than leaving it to the science to determine what is safe and what is unsafe.

So I want some stability, and I am giving them a broad scope. It is not a criticism of the current shadow minister, because I know he is someone who is thinking long term about this industry. You can tell from his remarks that he understands the industry, and I can tell that he is interested in its future and interested in what it can give South Australians, so it is not a criticism of him or the current opposition. It is a criticism of the previous government, and I make a criticism of the former Bannon opposition about the way they conducted themselves. I think it does not suit the resources sector to have that type of partisanship inserted into it. What I am attempting to do is give a broad base to allow the regulators to go about their business appropriately and such that the parliament has given them certainty over the long term.

Clause passed.

Clauses 5 to 26 passed.

Clause 27.

**Mr PATTERSON:** Just in terms of the rental payable for utilising a natural reservoir for storage, can the minister give a broad explanation of how this rental will be calculated?

**The Hon. A. KOUTSANTONIS:** It is a good question. This is not a royalty. We will not be charging on molecules. What we are doing is renting, basically, a room. We are renting volume. We will be regulating this—it will be out to regulation—and we will consult with the industry about how best to do this. Obviously, I would like the opposition to be involved in that consultation as well as the appropriate industry associations and the proponents.

What we will be doing is creating a rental fee on the void, on the cavity that will be used. That is the best description I can give the house, but obviously the devil will be in the detail, which will be developed through the regulations, and obviously we commit to consult on those regulations and talk to industry about that. This industry is well supervised by its own government relations individuals, and no doubt if there are any concerns about what we have to do or say the opposition will be informed of it by the appropriate bodies.

But we want to consult with them, because I think the nation is basically looking at this, because there are a couple of opportunities around the country for this. We want to make sure we get it right. One is it could be nationally consistent: we want to set the benchmark. We want to be the leaders in this. We want to incentivise it, so we do not want to be ridiculous about what we are able to capture, but at the same time this is a very profitable area for a lot of these companies, and it is important that the South Australian people get a benefit for the greater good from what they will be using our land for.

**Mr PATTERSON:** In terms of the rental, it is a rental fee for the cavity, and we have explained it like rental for any other space. Would it be the case that that rental fee by volume will be on an annual basis so it will be continually applied or any other alternative?

**The Hon. A. KOUTSANTONIS:** That is certainly what we are considering. It could be an annual fee. It could be an arrangement for a period of time. These are all the things that the consultation will flesh out, which they will develop through the regulations. So these are the things

we try to contemplate. Again, this is a new form of charge that has not necessarily been considered by this industry, so we are in new territory.

I am open for suggestions from the opposition because this is going to be a long-term thing. I suspect carbon abatement will be a long-term industry. I agree with members opposite that gas is not going anywhere fast. It needs to be a transition fuel, and carbon abatement is going to be a big part of it. If carbon capture and storage can be proven to work successfully and safely and long term, there needs to be a revenue stream for the states that host it, especially if it is carbon dioxide that is abating other economies.

**Mr PATTERSON:** Let me finish that question off, because you are right, there is no point doing carbon capture and capturing carbon dioxide for a year, five years, and then the company says, 'I am not paying any more. I've got to release it.' Effectively, Santos—and Beach in this case because of Moomba, and maybe there are other basins within South Australia—is saying, 'We will accept your carbon dioxide,' knowing that that is, effectively, going to be sequestered forever. It is certainly a long enough period of time that it could assimilate and effectively never be released into the atmosphere.

I suppose this is more a comment than a question, but it would have to be taken into account. The assumption is that it is being charged up-front, and that volume of the cavity is effectively not able to be used again going forward, which would lend itself to being an up-front charge as opposed to an annual charge. Otherwise, you would imagine the charge that is levied by the companies that are sequestering it would have to factor that in, saying, 'We are going to have to be paying rent for 50 years, 100 years. Ergo, you pay up-front because I can't guarantee you are going to pay it in 100 years' time.'

**The Hon. A. KOUTSANTONIS:** You are absolutely right. This is a relatively immature market with an immature process and rigour around payments that are made to the people who are storing the carbon. The legislation is new and still fragile in the United States, Korea, Japan and the European Union. These laws are not settled, so, yes, I agree with you. There is no use us trying to have an annual charge. If someone stops paying the rent, what, are we going to release the carbon dioxide? Of course we are not.

But that carbon dioxide could have a value, and there could be contractual arrangements in place. So we will look at the contractual arrangements made with the proponents who wish to store the carbon dioxide, and we will build our regulatory framework around it. If it is a big lump sum fund paid to them, that means we are able to receive an up-front lump sum fee. If the fees are paid to them from a foreign source, such as a government or whatever it might be, to give them this regulatory certainty to store the carbon, we could charge an annual rent and have rights over that, despite the ownership of the credit or whatever it might be. We will have to wait and see and build that regulatory framework as this industry matures and develops.

**Mr PATTERSON:** The clause refers to carbon dioxide that has been produced or sourced within Australia and is not imported. We are talking about having a rent for internationally sourced carbon emissions. The idea is that, if a country puts it on a boat, brings it over to Australia and then sequesters it in a South Australian reservoir, an alternative approach to using these basins is direct air capture. Potentially, it is having technology in situ, so potentially up in Moomba, where they can take carbon dioxide out of the air and then sequester it underground.

How would this system allow for that, where potentially an agreement could be struck hypothetically with an international company that says, 'Okay, we will take your gas, use it to power our generators overseas in our country and that will emit a certain amount of carbon dioxide'? Would you be able to strike an agreement that says, 'Well, okay, we will capture the equivalent amount of carbon dioxide out of South Australia's air, sequester it underground, effectively abating that gas in such a way that it doesn't have to be captured overseas and transport it back here, so therefore we are getting carbon dioxide captured here in South Australia.' Would that attract a rent and, if so, why?

**The Hon. A. KOUTSANTONIS:** Yes, because that foreign proponent would be receiving some form of government credit for trading in some sort of carbon market that would be regulated by its source country. If you are company X, operating in the United States, Canada or in Europe,

and there is a mature carbon market where carbon trading is occurring, regulated by the EU or by a sovereign nation, there are carbon credits being generated and there is a value to it.

No-one that I know is paying to have carbon sequestered or abated without there being a government regulation, fee or charge in place, so there is a revenue source. So, yes, that would attract a rent. But if it is a South Australian company or an Australian company, and some future Liberal government fulfills John Howard's promise of a carbon price or an emissions reduction target—what did he have; he had some form of carbon price—then it would obviously not be charged.

**Mr PATTERSON:** I am not disagreeing with that, because it would seem a loophole otherwise, but how does subsection (3)(b) state that? My reading of it is:

- (b) carbon dioxide that has been produced or sourced within Australia and is not imported.

From what you are saying, I am interested to see how the writing of that subsection would cater for that direct air capture example.

**The Hon. A. KOUTSANTONIS:** Subclause (4) of new section 45A allows me to, in prescribed circumstances, define a regulated resource. The advice I have is that that is the clause we would be using if that was the offset being used by a company to a source. With the working draft I have here, we are on clause 27, so a section later is 45A subsection (4):

- (4) The Minister may reduce or waiver rental payable by a licensee under this section—
  - (a) in respect of a regulated substance or a regulated resource prescribed by the regulations;  
or
  - (b) in prescribed circumstances.

The advice I have is that that allows me to use those resources to be able to prescribe a substance that attracts a rental.

Clause passed.

Remaining clauses (28 to 71), schedule and title passed.

Bill reported without amendment.

*Third Reading*

**The Hon. A. KOUTSANTONIS (West Torrens—Minister for Infrastructure and Transport, Minister for Energy and Mining) (22:14):** I move:

That this bill be now read a third time.

Bill read a third time and passed.

**ADELAIDE UNIVERSITY BILL**

*Introduction and First Reading*

Received from the Legislative Council with a message drawing the attention of the House of Assembly to clauses 41, 42 and 52 printed in erased type, which being money clauses cannot originate in the Legislative Council but which are deemed necessary to the bill. Read a first time.

At 22:16 the house adjourned until Thursday 2 November 2023 at 11:00.

*Answers to Questions***KANGAROO ISLAND**

**102 Mr PEDERICK (Hammond)** (30 August 2023).

1. In reference to Budget Paper 4, Volume 3, page 54—What types of improvement and maintenance work will be undertaken on Kangaroo Island over the four years?

**The Hon. G.G. BROCK (Stuart—Minister for Local Government, Minister for Regional Roads, Minister for Veterans Affairs):** Budget Paper 4, Volume 3, page 54 relates to the health and wellbeing portfolio. In endeavouring to answer the member for Hammond's question, I refer to Budget Paper 5, page 54 'Kangaroo Island Road Maintenance'.

An additional \$1.5 million per annum (indexed) has been approved as part of the 2023-24 state budget. The \$1.5 million will be provided to the Kangaroo Island Council in the form of a grant to be applied to road improvements and maintenance. Funding for individual roads will be prioritised by the Kangaroo Island Council.

The increased funding to the Kangaroo Island Council will contribute to a variety of works including:

- more resurfacing of the island's unsealed road network to meet growing demand created by primary industry and tourism growth;
- undertaking upgrades of the unsealed network to improve safety and freight accessibility;
- replacing and improving road signage for major routes and key destinations; and
- improving warning signage for wildlife hazards, and dangerous intersections and terrain.

This allocation increases the existing state government contribution for Kangaroo Island roads to \$3.5 million per annum (indexed).

**HEALTH ACTIVE DIRECTORY ID**

In reply to **Mrs HURN (Schubert)** (3 November 2022).

**The Hon. C.J. PICTON (Kaurna—Minister for Health and Wellbeing):** I have been advised: Health Active Directory IDs are provided to staff once all mandatory requirements are met.

**WOMEN'S AND CHILDREN'S HEALTH NETWORK COCHLEAR IMPLANT PROGRAM**

In reply to **Mrs HURN (Schubert)** (21 March 2023).

**The Hon. C.J. PICTON (Kaurna—Minister for Health and Wellbeing):** I have been advised:

The office of the Minister for Health and Wellbeing is in regular communication with Little Allied Health and other health stakeholders via both written and verbal means.

**WOMEN'S AND CHILDREN'S HEALTH NETWORK COCHLEAR IMPLANT PROGRAM**

In reply to **Mrs HURN (Schubert)** (21 March 2023).

**The Hon. C.J. PICTON (Kaurna—Minister for Health and Wellbeing):** I have been advised that the Women's and Children's Health Network has communicated with all families in the program advising that alternative service providers are available in South Australia.

**PALLIATIVE CARE SERVICES**

In reply to **Mr BELL (Mount Gambier)** (31 May 2023).

**The Hon. C.J. PICTON (Kaurna—Minister for Health and Wellbeing):** I have been advised:

The \$7.5 million Palliative Care Navigation Pilot will trial models of service delivery in both metropolitan and regional South Australia. People facing a terminal illness from across South Australia will be able to benefit from statewide access to a team of Palliative Care Navigators, a dedicated community support phone line and new online tools to assist connecting patients with palliative care supports.

People with a terminal illness in Mount Gambier will be able to contact Palliative Care Navigators directly by phone. As a statewide service, Palliative Care Navigators will have the capability to assess people's needs either remotely or in person, and the expertise to link people to the supports they require, particularly in their local community.

In addition to the statewide Palliative Care Navigator Service, various projects will be commissioned by SA Health in line with standard government tender processes to partner with local non-government organisations to deliver pilot projects across South Australia.

**THEBARTON POLICE BARRACKS**

In reply to **Mr TELFER (Flinders)** (26 September 2023).

**The Hon. S.C. MULLIGHAN (Lee—Treasurer):** It is expected that SAPOL functions will begin relocating from the Thebarton Barracks to other locations in the second quarter of 2024.

It will be a staged relocation, planned to minimise disruptions to SA Police operations, whilst ensuring the new Women and Children's Hospital remains on track for completion in 2030-31.