

Treasurer

TRS19D1084

Hon Stephen Mullighan MP Member for Lee Unit 1, 62 Semaphore Road SEMAPHORE SA 5019 Level 8 State Administration Centre 200 Victoria Square Adelaide SA 5000 GPO Box 2264 Adelaide SA 5001

DX 56203 Victoria Square Tel 08 8226 1866 treasurer.dtf@sa.gov.au

lee@parliament.sa.gov.au

کالہہہ ہے Dear Mr Mullighan

APPLICATION UNDER THE FREEDOM OF INFORMATION ACT 1991

I refer to your application made under the *Freedom of Information Act* 1991 (FOI Act), dated 8 May 2019.

Your application seeks access to:

"All minutes, briefings and correspondence titled 'Application of Green Industry Fund' as described on the Objective document management system, between 12 July 2018 and 8 May 2019."

The legislative prescribed timeframe to determine this application has expired and is now deemed to have refused you access to all documents relevant to your application. I refer to my letter dated 26 May 2019 where I sought additional time to make my determination.

The purpose of this letter is to advise you of my determination. An extensive search was conducted within this office. A total of 1 document was identified as answering the terms of your application.

I grant you access in part to 1 document, a copy of which is enclosed.

Document Released in Part

Document 1 is a briefing which was prepared by DTF for my consideration in relation to application of the Green Industry Fund.

Advice provided by the Crown Solicitor's Office is contained in the briefing, in addition to Attachment B. I therefore determine these sections exempt under clause 10(1) to the FOI Act.

Attachment B is a minute which was sent to the Minister for Environment and Water.

Exemptions

Clause 10 – Documents subject to legal professional privilege

(1) A document is an exempt document if it contain matter that would be privileged from production in legal proceedings on the ground of legal professional privilege.

Please note, in compliance with Premier and Cabinet Circular PC045 - *Disclosure Logs for Non-Personal Information Released through Freedom of Information* (PC045), the Department of Treasury and Finance is now required to publish a log of all non-personal information released under the *Freedom of Information Act 1991*.

In accordance with this Circular, any non-personal information determined for release as part of this application, may be published on the DTF website. A copy of PC045 can be found at the following address: https://dpc.sa.gov.au/resources-and-publications/premier-and-cabinet-circulars. Please visit the website for further information.

As I am determining this application as Principal Officer, Section 29(6) of the Act does not provide for an internal review. If you are dissatisfied with my determination you are entitled to exercise your rights of external review with the Ombudsman.

Alternatively, you can apply to the South Australian Civil and Administrative Tribunal. If you wish to seek a review, Section 39(3) of the Act states you must do so within 30 calendar days of receiving the determination.

If you require any further information, please contact Vicky Cathro on 8226 9769.

Yours sincerely

Hon Rob Lucas MLC

Principal Officer

12 August 2019

RELEASE IN PART

Tanuku, Naveena (DTF)

From:

Kapetanos, Miranda (DTF)

Sent:

Monday, 23 July 2018 11:17 AM

To:

DTF:Treasurer

Cc:

Reynolds, David (DTF); Hocking, Stuart (DTF); Pribanic, Tammie (DTF); Pamula, Adam

(DTF); Denton, Kate (DTF); Adams, John (DTF)

Subject:

TRS18D0369 - Application of the Green Industry Fund

Attachments:

Minute to the Treasurer - Application of Monies form the GI fund - Budge....pdf; Attachment A - CSO Advice GI Fund (A895668).pdf; Attachment B - Minute to the

Minister - Application of Monies from the G....docx

Importance:

High

Categories:

Kate

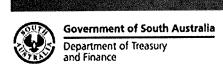
Good morning

Please find attached, a minute to the Treasurer, together with Crown Solicitor's office advice and a Minute to the Minister for Environment and Water for the Treasurer's consideration/signature.

Miranda Kapetanos

Business Support Officer | Executive Support

Department of Treasury & Finance
Budget and Performance Branch
Level 7, State Administration Centre
200 Victoria Square Adelaide SA 5000 | DX:56205
t 8429 0417 e miranda.kapetanos@sa.gov.au







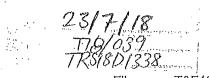






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MINUTE





MINUTES forming ENCLOSURE

T&F18/0502

Doc No

A895477

То

The Treasurer

APPLICATION OF THE GREEN INDUSTRY FUND

ROUTINE — Approval by the Minister for Environment and Water by end July Timing: would enable budget adjustments to be made in the 2018-19 Budget

Recommendations/Issues: It is recommended that you:

- note the attached advice from the Crown Solicitor's Office (Attachment A) on the application of the Green Industry Fund (Fund) to fund various government expenditure initiatives;
- note the Impact on the cash balance in the Green Industry Fund if the Fund was applied to initiatives considered in scope by the Crown Solicitor's Office;
- approve providing the table of programs and initiatives below to the Minister for Environment and Water for approval; and
- sign the attached minute to the Minister (Attachment B) to facilitate these expenditures being funded from the Fund as part of the 2018-19 Budget.

Approved / Not-approved

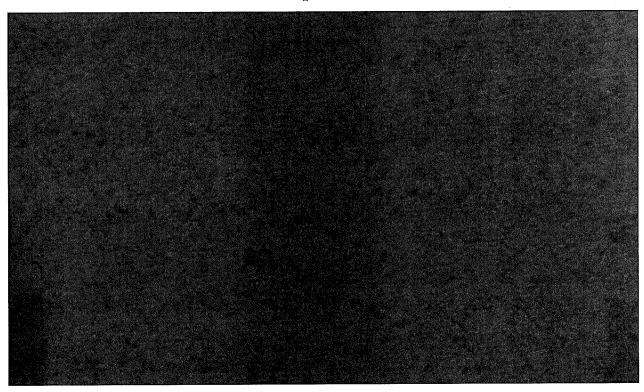
Hon Rob Lucas MLC Treasurer

29/7/2018

Key Points:

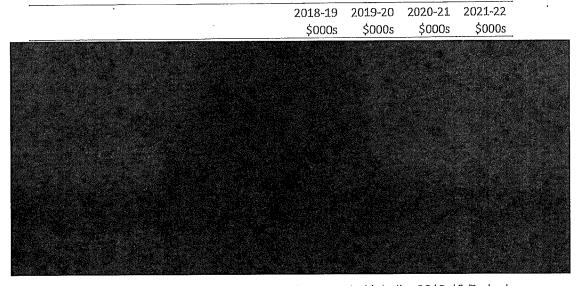
- On 15 April 2018 you requested the Department seek advice from the Crown Solicitor Office (CSO) on the application of the Green Industry Fund (Fund) to fund various government initiatives (Attachment C).
- CSO advice has now been received.





 The table below summarises projected cash balances in the Fund if funding was allocated to the initiatives considered in scope by the CSO:

(



- These proposed funding adjustments could be incorporated into the 2018-19 Budget.
- To facilitate these initiatives being funded from the Fund, it is suggested that the Minister
 for Environment and Water be engaged to seek his views on the proposed initiatives to
 be funded from the Fund before any adjustments are finally approved. A draft minute to
 the Minister is attached for your signature.

If approved, Green Industries SA will incorporate the proposed funding within its annual Business Plan once determined by the Minister.

Tammle Pribanic

EXECUTIVE DIRECTOR

BUDGET AND PERFORMANCE

_July 2018.

1

Contact Officer:	John Adams	
Telephone:	8429 0558	
Email address:	John.Adams3@sa.gov.au	

The Hon Rob Lucas MLC



MINUTES forming ENCLOSURE to:

Physical ID: TRS18D1338

Treasurer
Level 8
State Administration Centre
200 Victoria Square
Adelaide SA 5000
GPO Box 2264
Adelaide SA 5001
DX 56203 Victoria Square
Tel 08 8226 1866
treasurer.dtf@sa.gov.au

TO:

HON DAVID SPEIRS MP

MINISTER FOR ENVIRONMENT AND WATER

RE: APPLICATION TO THE GREEN INDUSTRY FUND

The Green Industry Fund (Fund) is established under the *Green Industries SA Act 2004* (Act) and receives 50 per cent of the solid waste levy paid by waste depot licence holders.

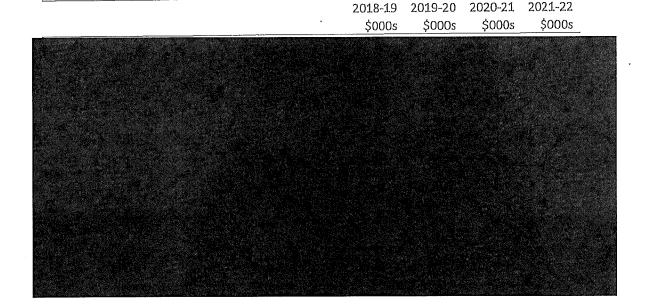
The balance of the Fund is expected to be around \$133 million by 30 June 2019 and is budgeted to increase to around \$214 million by 30 June 2022.

Section 17 of the Act governs the types of expenditures that can be met from the Fund.

Section 17(5)(b)(i) of the Act provides that the Fund can be applied by you towards the payment of costs of climate change initiatives, including research and development, education, innovation or business activity, in relation to initiatives for mitigating the effects of climate change, minimising carbon emissions and adapting to climate change.

I requested the Department of Treasury and Finance (DTF) to identify programs or initiatives that the Fund could be applied to as part of the 2018-19 Budget, including where the Fund can be used to contribute to the Government's election commitments. DTF sought advice from the Crown Solicitor's Office (CSO) on how the Fund can be applied. GSO advice is attached for your information.

The following table summarises projected cash balances in the Fund if funding was allocated to the initiatives considered in scope by the CSO:



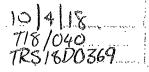
I am seeking your agreement by 30 July 2018 to apply the Fund to meet the funding of the programs and initiatives in the table to enable budget adjustments to be included in the 2018-19 Budget.

Hon Rob Lucas MLC Treasurer

2 \ July 2018

Att: CSO advice 11 July 2018: Application of money from the Green Industry Fund

MINUTE





MINUTES forming ENCLOSURE

File

T&F18/0171

Doc No

A834798

То

The Treasurer

REQUESTED BRIEFING ON THE GREEN INDUSTRY FUND

Timing:

ROUTINE — For consideration

Recommendations/Issues: It is recommended that you:

note the briefing requested on the Green Industry Fund previously named the Waste to Resources Fund.

Sede Cisher par amice office

Noted

Hon Rob Lucas MLC Treasurer

15/4/18

Key Points:

Please find attached the briefings relating to the Green Industry Fund.

David Reynolds

CHIEF EXECUTIVE

10,4 12018



Sensitive: SA Cabinet I3:A3

Green Industry Fund

How is the Green Industry Fund established?

The Green Industry Fund is legislatively established under the *Green Industries SA Act 2004.*

The Waste to Resources Fund was renamed the Green Industry Fund following the passing of the Statutes Amendment (Budget 2016) Act 2016.

How is the Fund funded?

The Green Industry Fund is funded by 50 per cent of the solid waste levy paid by waste depot licence holders (around \$32 million to \$39 million per annum across the forward estimates) and interest earnings (currently budgeted at around \$3 million to \$3.7 million per annum across the forward estimates).

What is the balance of the Fund?

The current balance of the Fund is \$121.1 million (as at 28 February 2018).

The balance of the Fund is budgeted to increase across the forward estimates as follows:

	30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022
	\$'000	\$'000	\$'000	'000	\$'000
i	118,264	135,385	158,392	183,928	211,240

The balance in the Fund increases annually because revenue exceeds expenditure.

How can the Fund be applied?

The Fund can be applied:

- by Green Industries SA
 - o in accordance with the business plan approved by the Minister
 - o in any other manner authorised by the Minister for the purposes of the Green Industries SA Act 2004
- by the Minister towards the payment of costs of
 - climate change initiatives, including research and development, education, innovation or business activity, in relation to initiatives for mitigating the effects of climate change, minimising carbon emissions and adapting to climate change, or
 - o managing waste or debris, or harm to the environment, following an identified major incident, a major emergency or a disaster, declared under Part 4 Division 3 of the *Emergency Management Act 2004*.

The scope of the Fund was expanded to include climate change initiatives and disaster waste management costs in the 2016 legislative amendments.

Climate change initiatives that have been approved in the past two budgets include:

- Carbon sequestration (DEWNR) \$1.0 million over 2 years
- Electric vehicle charging (DPC) \$0.3 million
- Hydrogen refuelling station and fuel cell bus trial (DPC) \$8.2 million over 4 years

- Laneway battery demonstration program (DPC) \$0.5 million
- Climate Knowledge and Innovation Community (DPC) \$0.3 million
- Carbon Neutral Adelaide (DEWNR) \$1.0 million ongoing
- Low carbon transport investment program (DPTI) \$10.0 million.

The Low Carbon Transport investment program will provide improved transport infrastructure to encourage greater use of public transport which will contribute to reducing vehicle emissions. Works include the upgrade of the City South tram stop and thirteen train stations.

How does the Fund impact on the State Budget?

The current forward estimates record significant NOB benefits as annual revenue from 50 per cent of the solid waste levy is recognised which exceeds expenditure from the Fund.

If expenditure from the Fund increased:

- negative budget impacts would occur if the funds are put towards new expenditure initiatives
- no budget impacts would occur if the funds are put towards existing budgeted government expenditure that is in accordance with the Act.

How can the balance in the Fund be reduced?

The balance in the Fund can be reduced by applying the Fund to existing government expenditure and approved government commitments that are in accordance with the Act (as has occurred in the past two budgets).

Although it may be prudent to seek advice from the Crown Solicitor's Office, the Fund could be reduced as follows:

Existing government expenditure that could be funded (no budget impact):

- the net cost of the Low Carbon Economy Unit (\$1.4 million in 2017-18, currently located in DPC, to be transferred to Department for Energy and Mining) and the Preparing for Climate Change program in DEWNR (\$1.7 million in 2017-18) in lieu of appropriation.
- new Park'n'Ride facilities at Klemzig and Tea Tree Plaza \$15.0 million over 2 years to improve access to public transport and provide safe and convenient facilities for commuters.
- the net cost of the Coast Protection Board which mainly provides grants to local councils to conserve and protect the beaches and coasts against the impacts of climate change.

Eligible election commitments (noting that budget impacts would arise from new expenditure):

- home Storage Subsidy Scheme a \$100 million scheme to provide means tested grants to support the installation of batteries in up to 40,000 homes
- Grid Scale Storage Fund a \$50 million fund to facilitate the development of new storage technologies capable of addressing the intermittency of SA's electricity system.

- Greener Neighbourhoods \$0.5 million per annum for funding to local councils through DPTI to keep our suburban streets green
- Park 'n' Ride facilities that encourage increased public transport use such as the Golden Grove Park 'n' Ride (\$11.0 million) and the Paradise O-Bahn Interchange car park (\$7.5 million)
- aspects of the Coastal Protection initiative that aim to mitigate the effects of storms on the coastline such as seagrass meadow restoration (\$1.0 million) and research and development associated with sand retention (\$1.0 million).

In addition, any proposal to fund an assistance package to assist the recycling industry and local governments to adjust to the implications from China's recent Regulations to restrict the import of recyclable garbage into China would also be funded from the Fund. Whether this assistance package will reduce the Fund balance will depend on whether the expenditure is new and additional (unbudgeted) expenditure or whether the package costs will be met from a reprioritisation of existing expenditure from the Fund. The current DTF recommendation is that any assistance package be funded by a reprioritisation of existing expenditure.

While the Act has been broadened to enable climate change initiatives to be met from the fund, it is the case that the waste industry views the balance of the fund as available to be invested in green industry initiatives. Managing the fund balance down through broad climate change initiatives may create some angst within the waste industry.

The table below summarises projected cash balances in the Fund after allocating funding to the initiatives listed:

	2018-19	2019-20	2020-21	2021-22
	\$000s	\$000s	\$000s	\$000s
Current Fund balance	135,385	158,392	183,928	211,240
Existing programs	٠			
Low carbon economy unit	-1,379	-1,391	-1,399	-1,409
Preparing for climate change (est)	-1,700	-1,700	-1,700	-1,700
New Park'n'Ride facilities	-14,500		-	-
Coast Protection Board	-539	-552	-566	-580
New initiatives				
Home Storage Subsidy Scheme	-25,000	-25,000	-25,000	-25,000
Grid Scale Storage Fund	-12,500	-12,500	-12,500	-12,500
Greener neighbourhoods	-500	-500	-500	-500
Park'n'Ride facilities	0	0	-18,500	0
Coastal Protection	-2,000	-	#	-
Revised fund balance	-77,267	-58,631	-24,002	-9,625

Other transport initiatives that are currently included in the budget and could be considered for funding from the Green Industries Fund are:

Increase in train services in the 2017-18 Budget - \$4.2 million per annum indexed

- Bus replacement program low emission / alternative fuel buses (as a result of fuel cell bus trials) – around \$0.5 million per bus
- O-Bahn extension feasibility study \$0.5 million over 2017-18 and 2018-19
- Upgrades of existing train stations (including Oaklands new station) DPTI would need to confirm the station component of the total cost for Oaklands and other upgrades funded from annual programs)
- Improvements to the metroMate app to provide additional functionality to promote public transport and improve the customer experience DPTI will need to confirm the amount.