

UNCORRECTED PROOF ISSUE

Monday 3 June 2019 - Estimates Committee A (Hodgman)

HOUSE OF ASSEMBLY

ESTIMATES COMMITTEE A

Monday 3 June 2019

MEMBERS

Mr Shelton (Chair)
Mr Tucker (Deputy Chair)
Ms O'Connor
Ms White

SUBSTITUTE MEMBERS

Mr Bacon
Ms Dow
Ms Haddad
Mr O'Byrne
Ms O'Byrne
Ms Standen

IN ATTENDANCE

Hon. Will Hodgman MP, Premier; Minister for Tourism, Hospitality and Events; Minister for Heritage; Minister for Trade; Minister for Parks.

Premier and Cabinet

Jenny Gale, Secretary, DPAC
Mandy Denby, Acting Director, Corporate and Culture
Mel Gray, Acting Deputy Secretary - Intergovernmental Relations and Policy, DPAC
Renee Anderson, Executive Director Strategy and Engagement
Kim Enkelaar, Director, Office of the Secretary, DPAC
Louise Mills, Acting Director, State Service Management Office
Noelene Kelly, Director, Service Tasmania
Elenor Patterson, Director, State Bushfire Recovery Taskforce
Michael Stevens, State Recovery Coordinator
Simon Roberts, Climate Change
Sophie Muller, Director, Tasmanian Climate Change

Brand Tasmania

Mark Bowles, Interim CEO Brand Tasmania
Jess Radford, Manager Brand Tasmania Project

State Growth

Kim Evans, Secretary
Erin Buttermore, Executive Director, Trade and International Relations
Jacqui Allen, Deputy Secretary Cultural and Tourism Development
Hans Van Pett, Access Tourism Tasmania
Mark Jones, Acting Director, Visitor Economy Strategy
Amy Hills, Chief Operating Officer, Tourism Tasmania

DPIPWE

John Whittington, Secretary
Jason Jacobi, Deputy Secretary, Parks and Wildlife Service
Pete Smith, Director, Heritage Tasmania
Louise Wilson, General Manager, Natural & Cultural Heritage

Ministerial Office

Tim Baker, Chief of Staff
Sandy Wittison, Principal Adviser
Hannah Martin, Senior Adviser
Alice Holeywell-Jones, Senior Adviser
Lucy Gregg, Senior Adviser
Megan O'Brien, Adviser

The Committee met at 9 a.m.

CHAIR (Mr Shelton) - Good morning. I welcome the Premier and the members of parliament and we will get underway. Before we do, I remind you, and we know the rules around the process, of a couple of things. Whenever moving your folders, glasses and clunking around the table that the microphones are sensitive and we need to be mindful of *Hansard*. At the same time it is difficult for *Hansard* to be able to differentiate when we start talking over each other. I'm sure you won't do that.

We will be having a break. We have a long day, 11 hours in front of us. The first break will come at around 11 a.m. for morning tea. Any time we have for morning and afternoon tea needs to be made up so that will mean we will head into our lunch break whatever that period of time is later.

Members are familiar with the practice of seeking additional information when a question on notice is to be taken. The question must be asked first. The Premier needs to acknowledge that and say, yes, we will take that on notice, then it will be written down and handed to the Committee

UNCORRECTED PROOF ISSUE

secretary. The secretary will check *Hansard* later on in the day, so there is no need for the member or minister to check that off as the secretary will ensure that is all kosher.

Premier, I allow you the opportunity now to introduce the officers you have alongside of you and if you would make an opening statement.

Mr HODGMAN - Chair, I am pleased to be here this morning to speak to the sixth budget of the majority Liberal Government. It continues our plan and its delivery. It deals with the demands on our growing state now but also with new initiatives for the future.

The Department of Premier and Cabinet, with the Secretary Jenny Gale, is a central agency of the Tasmanian Government, works across government to support the delivery of many of our key policies and initiatives. Our Family Violence Action Plan is a good example of that.

As a government, we do want to be more holistic in our approach to ensuring that government works collaboratively and in-sync with non-government organisations to ensure that all Tasmanians in all regions benefit from, and can participate in, our growing economy. That is why we are implementing a new approach across government for strategic growth which is being developed now with DPAC leading the work.

Over the forward Estimates, DPAC has additional funding of \$9.9 million which includes funding of \$1.5 million per annum for four years to develop and implement key government priorities under a strategic growth framework, including strengthening our regional communities and tackling some of the entrenched issues in our state such as youth employment and long-term unemployment.

The budget includes funding of \$1.5 million for bushfire recovery in 2019-20 and I acknowledge the excellent work undertaken by Michael Stevens and the bushfire recovery taskforce in recent months in response to the summer bushfires. The taskforce has worked very closely with local councils and affected communities to identify recovery needs and to coordinate assistance and restoration activities across government agencies.

Permanent funding of \$492 000 to support the ongoing delivery of policy and services by the Office of Security and Emergency Management and funding of \$1.1 million will be provided in 2019-20 for the Southern Tasmania Community Recovery Fund. The department will continue to deliver initiatives under the Community Recovery Fund in response to the extreme weather event that hit southern Tasmania in May 2018.

There is additional recurrent funding of \$231 000 per annum for four years to deliver a robust TasALERT Service and Emergency Management Communications project across government. A continuation of a \$3 million commitment towards Climate Action 21, Tasmania's Climate Action Plan 2017-21, funding of \$650 000 will be provided in 2019-20 and \$850 000 in 2020-21 to allow the department to continue working with the State Emergency Service to deliver the three-year flood mapping project. Funding of \$200 000 per annum for four years to support significant community appeals and cultural events and funding of \$315 000 per annum for Tasmanian Government exhibits at selected Agfest and the Burnie and Hobart shows.

The Department of Premier and Cabinet provides a broad range of services to Cabinet, other members of parliament, government agencies and the community it works closely with, with local

UNCORRECTED PROOF ISSUE

government, the Australian Government and other state and territory governments. I welcome the opportunity for the committee to scrutinise the budget of the Department of Premier and Cabinet.

Ms WHITE - Premier, the Budget shows significant deterioration and heading into net debt for the first time in 15 years. At a time when the economy is performing relatively well this economic mismanagement by your Government is shameful. Can you detail for the committee when you were first briefed that the state would be heading into net debt?

Mr HODGMAN - Thank you. Certainly, the economy is still strong. There are national headwinds and we have had to writedown our receipts, GST and conveyance duties in excess of \$500 million in this Budget. With the loss of revenue difficult decisions need to be made as a result and that is to not cut back on the infrastructure program we have that would slow down our strongly performing economy -

Ms WHITE - When were you first briefed? You are talking about the federal government writedowns and the revised estimates that occurred previous to that.

CHAIR - Ms White, we have four hours in front of us on DPAC so allow the Premier to answer the question. If you need another question then you can ask that. Until the Premier has finished please don't interrupt.

Mr HODGMAN - I am providing the context as to why it is that we will go into net debt. As to when I am briefed, my Cabinet colleagues and I are regularly briefed by the Department of Treasury and Finance, particularly in the run into developing and delivering our budget and that has occurred with respect to this Budget.

Ms WHITE - When were you first briefed because the revised Estimates report was handed down in January. That is the half-yearly update for the December quarter. When were you first briefed on the deterioration in the state's Budget and that we were being plunged into net debt for the first time in 15 years?

Mr HODGMAN - As to the precise date, I am not able to identify that but over some weeks and months, obviously with updates as to our budget circumstance and the conditions within our economy, we receive ongoing briefings.

Ms WHITE - Do you concede that the federal Budget and the writedown in revenues that that delivered for Tasmania occurred after your Government had already plunged the state into net debt?

Mr HODGMAN - No, I do not concede that. This Budget contains our financial statements and confirms the state's future debt profile and that was delivered last week and it is an indication, a snapshot, of where we are now and it confirms us going into net debt. It does take into account national economic and fiscal circumstances and it does take into account a \$535 million writedown in our receipts.

Ms WHITE - The Revised Estimates report clearly details that your Treasurer and his incompetence has plunged the state into net debt. That occurred well before the federal Budget was handed down so how can you say that you were not aware of this before the federal Budget came down and that they are not linked?

UNCORRECTED PROOF ISSUE

Mr HODGMAN - No, we have been well aware of variations in receipts, whether they be state or national receipts. It is a constant issue/challenge for government to manage that. The choice we make is one to continue with our program, to keep our foot on the accelerator, not to slow the economy down; continue with our infrastructure program, as well as take into account those receipts, writedowns and that does take us into net debt.

Ms WHITE - They weren't forecast in the Revised Estimates report so you can't use the federal Budget and the writedowns in revenue that it delivered for Tasmania as an excuse for why you have gone into debt.

Mr HODGMAN - It is a factor. It is not an excuse. It is a factor, an unavoidable one. The choice, as I say, is to slow down our infrastructure spend, which we are not inclined to do because the national economy is forecast to slow. We want to ensure that Tasmania continues to grow.

Ms WHITE - Do you have a pathway out of net debt for this state?

Mr HODGMAN - Yes. We will certainly be able to manage this level of debt over the forward Estimates. The amount of operational cash we generate each year strengthens while the additional amount we borrow from 2021 decreases each year. When framing the next infrastructure program from 2022 onwards the Government will determine whether to maintain the high levels of infrastructure spending or return to normal levels and pay down the debt. This will not only support -

Ms WHITE - So you do not really have a plan. You will make it up next year.

Mr HODGMAN - No, you do not make it up you, obviously -

Ms WHITE - It sounds like you are.

Mr HODGMAN - No, every year a government recasts its fiscal position in accordance with the context of our state and national economies, the revenues. We believe that we will be able to meet, as we have always done, our fiscal strategy actions. We have committed to doing that, as the 2019-20 Budget shows. We will continue to meet those, keeping defined superannuation liabilities and borrowing costs to less than 6 per cent of cash receipts.

Ms WHITE - What are your borrowing costs?

Mr HODGMAN - I would need to take that on notice. I don't have that information in my hand I'm afraid. It is a matter you can pursue later.

We will meet our liabilities and we are very confident we can do so on the advice we have received.

Ms O'CONNOR - Premier, not only is your Government pushing Tasmania into net debt, would you agree that socially in the five years since you became Premier and your Government took office Tasmania has gone backwards? There are more people on energy concessions, according to Tasmanian Council of Social Service (TasCOSS), there are more people languishing on the elective surgery waiting lists, there are fewer people enrolling for TAFE. The number of underemployed has gone up, the number of people on Newstart has gone up, the housing waiting

register has ballooned, and the number of children in out-of-home care has gone up. The proportion of taxpayers earning less than \$80 000 a year has also increased.

On almost every social metric your Government has taken Tasmania backwards. Do you agree?

Mr HODGMAN - No, I do not. Certainly, there are many people in our community who, as we have acknowledged, aren't feeling the benefits or are not able to participate in what has been on a number of fronts Australia's strongest performing economy. There are 13 000 more Tasmanians employed than when we came into Government. That is a significant improvement, not only in our employment, but also for those -

Ms WHITE - The unemployment rate is the highest in the nation.

Ms O'CONNOR - The net increase in employment is 1400 people.

Mr HODGMAN - It is lower now than when it was under your government, and it is lower now than when we came into government.

Ms WHITE - Could you listen to the indicators that Ms O'Connor shared with you.

Ms O'CONNOR - The net increase in employment in 1400 people since 2014.

Mr HODGMAN - There are 13 000 more employed, our unemployment rate has come down. We want it to come down lower, we want more people participating in our workforce. That is why we have our strategic growth approach which is going to break down the barriers to employment, to get more Tasmanians into work, into training, into skills. We have additional investment commitments to TasTAFE, for example, to do that. We have a good collaboration with TasCOSS and the TCCI to break down barriers to employment, particularly in our regional areas. We have been able to make significant investments into our health, education, housing systems as a result of having our budget back in good shape.

Ms O'CONNOR - Premier, I am not going to relay those sad social statistics to you again. According to TasCOSS's own research, Australian Bureau of Statistics data in the five years that your Government has been in office, Tasmanians in areas of socio-economic disadvantage have gone backwards. There is very little in the Budget according to TasCOSS and other community sector stakeholders that will deal with that entrenched disadvantage.

Mr HODGMAN - I believe there is a lot within this Budget and what Government is doing. There are close to 250 000 Tasmanians at work, more women employed now than when we came into Government, more young people employed now than when we came into Government. There are fewer Tasmanians on the long-term list. It needs to come down, we accept that. One of the reasons why we have a strong commitment to investing in infrastructure - and it is not, as you so often say, roads -

Ms O'CONNOR - Roads over houses?

Mr HODGMAN - No, it is not. There is a massive investment into our affordable housing plan, there are investments into schools, children and family services. There are investments into a lot of social infrastructures across the state which we hope will be significant in improving the

quality of life in those regions as well as improving their education and work prospects and their health and wellbeing.

Ms O'CONNOR - Premier, if I could dissect your claim of 13 000 jobs created. According to the ABS labour force data, in 2013-14 the number of unemployed in Tasmania was 18 900, it is now 17 500. That is a net gain of 1400 jobs. That is great for those 1400, but the number of people on Newstart has increased, the number of people getting closer to the poverty line has also increased. Can you understand why the community sector is concerned that for the past five budgets there was an underinvestment in people and we are seeing it again in this Budget? The consequences of it are increasing socioeconomic disadvantage?

Mr HODGMAN - I do not accept there has been an underinvestment in people. Our budgets have successively increased support in our health sector, in our education system, in improved services, whether it be for affordable housing or being able to reduce the cost of living pressures through the capping of power prices and our concessions.

Ms O'CONNOR - There are 4000 more people on concessions than when you came to office, 4500 more people on energy concessions.

CHAIR - Ms O'Connor, before you get too far into this, I do need to bring the committee back. When the Premier is answering a question, without cutting him off halfway through, can you allow the Premier to finish. Then you have the opportunity to ask another question. If you don't mind for the benefit of *Hansard* and everybody else, one question at a time, thank you.

Ms O'CONNOR - Thank you, Chair, for clarity. Perhaps the Premier could, as my last question, explain why the net jobs gain in the five years that you have been in Government is actually 1400 human beings and that you have not created 13 000 new jobs. Can you explain where those jobs are and whether or not I am looking at false ABS labour force data?

Mr HODGMAN - There are 13 000 more people employed now than when we came into Government. Not all, as I say often, are down to the work of Government but it is in collaboration with the private sector and business and non-government community services sector, that is the case.

Ms O'CONNOR - I think that is a falsehood.

Mr TUCKER - Can the Premier update the committee on the work undertaken by the Bushfire Recovery Taskforce in response to the bushfires that affected many Tasmanian communities across the state this summer?

Mr HODGMAN - Thank you, Mr Tucker. On 31 January 2019 I announced the establishment of a Bushfire Recovery Taskforce in the Department of Premier and Cabinet led by Mr Michael Stevens as the recovery coordinator. The recovery taskforce has worked closely with the Central Highlands, Derwent Valley, Huon Valley and West Coast councils and their communities to identify recovery needs, assess the impacts on local businesses and coordinate assistance and restoration activities across government agencies.

It has been heartening to witness the resilience of communities impacted by the recent bushfires. We recognise that it will take some time for individuals and communities to fully recover. I can announce today that the recovery taskforce has developed a 2018-19 bushfires

UNCORRECTED PROOF ISSUE

recovery plan. The recovery plan will ensure targeted assistance for community-led recovery that reflects local needs and priorities and provides a framework for supporting long-term recovery efforts. The plan contains 12 actions across a broad range of areas including social recovery, infrastructure recovery, economic recovery and environmental recovery.

The centrepiece of the recovery plan is a \$9.9 million community recovery initiative, co-funded with the Australian Government under the Disaster Recovery Funding Arrangements. The fund will provide for the restoration of assets in our national parks and reserves, support tourism visitation to affected local government areas and enable the employment of economic and community recovery officers. These positions will support community development initiatives, assist affected businesses and progress projects directly related to bushfire recovery.

The Bushfire Recovery Taskforce is now able to be dissolved and Tasmanian government agencies will resume the delivery of mainstream services and also the specific actions identified in the recovery plan. With this recovery plan now in place, bushfire-affected communities are ready to manage their ongoing recovery efforts locally with ongoing support from government. I hereby table the plan.

Ms WHITE - In the Revised Estimates Report where it first details that you will plunging the state's finances into net debt, the explanatory note does not reference infrastructure but instead says -

There has been a significant change in the general government sector budget net debt position. This reflects the impact of a range of revenue expenditure changes, including new expenditure commitments made by the Government, particularly in relation to the Division of Health Services to meet increasing demand and downward revision in revenue estimates, particularly in relation to state taxation and GST.

It does not mention infrastructure, although it does mention the current expenditure. When you were first made aware of this, what was your response? You have obviously claimed that infrastructure is the reason but that is clearly not true and Treasury documents prove that.

Mr HODGMAN - The issue is the choice we are making as well to invest in the infrastructure. That is the fact of this Budget, that the alternative to not invest as we are so doing would alter our fiscal circumstance but that would also slow our economy and we do not want that to occur.

The state needs the infrastructure we are building. It is roads, rail, education services, housing and our health system, all the things Tasmanians need and our growing economy demands. We will be able to service that in a way that allows us to continue with what is an intergenerational infrastructure program that will be not only for the benefit of Tasmanians now, as we have a massive infrastructure program underway, but also for future generations.

Ms WHITE - Premier, in May 2013, when there was a forecast for the state to go into net debt - which it never went into at that stage, I remind you - you said that 'net debt has now skyrocketed and will peak at \$229 million'. You are plunging the state into \$1.1 billion of net debt. How do you reconcile your statement from 2013 with your apparently blasé attitude now?

Mr HODGMAN - It's not blasé at all, it is something that has been carefully considered by Government and the decision we have made on advice that is manageable, and in a circumstance that is very different now to 2013.

Ms WHITE - The economy is going well. The global indicators are strong and terms of trade are good, and you are still plunging us into net debt.

You claim it is an infrastructure budget. It has been revealed in other Estimates committees this morning that there has been a further delay in the Royal Hobart Hospital redevelopment and the Treasurer has not been able to rule out the TT-Line replacement being delayed by up to two years. Further to this, there has been delays in school and road projects, so you have actually delayed infrastructure projects, plunged the state into \$1.1 billion debt, and not been able to explain a pathway out of that. How do you respond to those matters? Surely it is not the first you have known about the Royal Hobart Hospital being further delayed and the ship replacement program being delayed.

Mr HODGMAN - The Royal Hobart Hospital redevelopment, which started under my Government, is the largest development of its type in our public hospital system. It was never going to be an easy thing to undertake, and it hasn't been. It is well on track, there have been delays which have been well canvassed, and we are very confident that it will deliver all that it promises - increased capacity at the Royal and a huge relief to our strained health system.

Similarly, the purchase of new *Spirits* and any delay to their construction and arrival in the state, through no fault of the Tasmanian Government, is a massive infrastructure program. These things confront government and are dealt with by my Government and they will be well managed in the context of a record level of investment in infrastructure. There will be occasional delays to projects large and small but we are delivering on an extraordinary infrastructure program. There is \$2.8 billion of state funding and \$3.6 billion in total with Commonwealth funding. It is going to have a massive economic and social impact for our state and it is budgeted for in this year's Budget.

Mr O'BYRNE - Regarding the delay of the TT-Line replacement vessels, your Government has been saying consistently that they would be delivered 'on time and on budget'. Even the company has said they would be delivered 'on time and on budget'. You have just informed the committee that you are aware they would be delayed.

Mr HODGMAN - No.

Mr O'BYRNE - That's what you just said - that they would be delayed.

Mr HODGMAN - No, that is verballing. Any delay would be through no fault of our own.

Mr O'BYRNE - You said any delay would be through no fault of your own. Are you aware -

Mr HODGMAN - There is speculation. I am not aware; you can ask the Infrastructure minister as to the precise circumstances surrounding the build now. We have not received advice as to a delay. The point I was making was that any delay that is the cause of the builder is not the fault of the Government. The assertion from the Opposition was that it was our fault -

Mr O'BYRNE - The confirmation from the Treasurer this morning is that they will most likely be delayed. Even the profile in your infrastructure funding commits \$157 million in 2022-23, so that profile fits a delay in the delivery of the vessels. There have been massive questions raised about the shipyard in Europe and you have virtually confirmed you are expecting a delay. Which is it, no delay or a delay?

Mr HODGMAN - As a say, you can get the precise status -

Ms WHITE - You're the Tourism minister and the Premier.

Mr O'BYRNE - This is the biggest infrastructure investment in the state's history, as you have said in your press releases. This is important.

Mr HODGMAN - Certainly it is. It is a massive infrastructure investment and one that is happening under this Government. I would love to revisit what the TT-Line was like when you were the minister because it was not performing anywhere near where it is now. When we came into government, one of the things we did was change the course that you had set as infrastructure minister for the TT-Line to have it compete with private operators on Bass Strait, an additional vessel to carry freight. We increased the sailings of the TT-Line, reduced fares and it has gone from strength to strength. There will be another announcement about record numbers visiting on the *Spirits*.

The company in relation to the build of the *Spirits*, which is another significant commitment by this Government into state building infrastructure to continue to the momentum, literally -

Mr O'BYRNE - You're rating them on dividends as well, aren't you?

Mr HODGMAN - You have to pay for these things somehow and it is a good way of doing so because they are a very efficient and productive government business -

Mr O'BYRNE - Are they going to be delivered on time or not?

Mr HODGMAN - Tasmanians expect that our government businesses are able to return a dividend to our state that it can be reinvested into the business.

The company contracted by the TT-Line to build the new *Spirits*, FSG, has experienced financial difficulty, as is well known. The advice I have is that at this stage TT-Line has received no advice that it will not be able to fulfil the terms of its contract. Importantly, no payments have been made to date by the TT-Line to FSG. No money will exchange hands unless a refund guarantee is in place to protect taxpayer funds. The TT-Line still have contracts in place with FSG to build new *Spirits* and the detailed ship design work is progressing as planned. I am advised that in the event of any delay on vessel delivery, the current *Spirits* will be emissions-compliant from 2020 and continue to operate well past 2020-21.

Mr O'BYRNE - You probably need to update your QTB. That was the position a couple of months ago but the Treasurer, in another committee, has confirmed that it may very well be that the ships will be delayed. After two years, how could you not be across -

Mr HODGMAN - If there is a delay -

Mr O'BYRNE - You need to know whether or not. We understand what will happen if there is a delay, but as Premier of the state, with one of the biggest investments in infrastructure in the state's history, it is crucially important for not only the tourism industry but also our freight movers. How could you not be aware that there may or may not be a delay?

UNCORRECTED PROOF ISSUE

Mr HODGMAN - If there is a delay.

Mr O'BYRNE - You don't know?

Mr HODGMAN - No, if we receive advice as to a delay then we will be able to make more statements to that effect. You can speculate as to whether there is or isn't a delay, whether there will or won't be.

Ms WHITE - Explain why in the budget papers you have only provided funding for infrastructure, which is the vessel replacement, the TT-Line, in 2022-23. The vessels were supposed to be delivered in 2021. Why would you be funding them after the fact? Either they are being delayed or some other curious thing is happening in accounting which is propping up the Budget bottom line.

Mr HODGMAN - Again, that is a matter for you to ask of the Treasurer.

Mr O'BYRNE - So, as Premier of the state, you don't know?

Mr HODGMAN - It is a matter for the Treasurer, which as you say is underway, so it is a question which should be asked of him.

CHAIR - Order, Ms O'Connor with the next question.

Ms O'CONNOR - Premier, I am trying to get to the bottom of your Government's jobs claims. You have claimed, as has your Treasurer, repeatedly that your Government has created 13 000 jobs yet according to the ABS labour force data the net increase in jobs is about 1400 since you came to government. That could account for even population increase. Exactly how many jobs has your Government created? What we need here is a true statistical picture.

Mr HODGMAN - The advice that I have and is often stated is that 13 000 jobs have been created in Tasmania since we came to government.

Ms O'CONNOR - Where does that information come from? I believe it is a falsehood.

Mr HODGMAN - I disagree. That is the advice that I have.

Ms O'CONNOR - What you are disagreeing with is the Australian Bureau of Statistics labour force data. Is that right?

Mr HODGMAN - Yes.

Ms O'CONNOR - You are disagreeing with the ABS labour force data?

Mr HODGMAN - Yes, that is right.

Ms O'CONNOR - There are 13 000 more people employed than since -?

Mr HODGMAN - Yes.

UNCORRECTED PROOF ISSUE

Ms O'CONNOR - I am accusing you of making a false statement. Hopefully you will be able to provide some data before we go too much further that confirms that, because I don't believe it is true.

Premier, in your opening statement you talked about the Bushfire Recovery Taskforce, which we understand has been dissolved, and made a number of statements about the impact of the devastating summer bushfires on Tasmania. You didn't mention the words 'climate change' but everything you were talking about in that statement is a response to climate-induced extreme weather events. You have no climate ministry and in the budget papers your funding for the Climate Change Action Plan runs out in 2020-21. Do you expect the Earth's climate to have recovered itself by then?

Mr HODGMAN - I did mention climate change in my opening and referred to an action plan, thank you.

Ms O'CONNOR - I apologise and I withdraw it. That is different. Not in the context of the bushfires.

Mr HODGMAN - As to my predictions about what may or may not happen with Earth's climate, we should rely on experts for that.

Ms O'CONNOR - My point being, Premier, on page 200 of Premier and Cabinet Climate Action 2021 Tasmania's Climate Change Action Plan, the funding runs out in the year 2021. The funding for the Climate Office as a whole declines over this coming term of government. It declines considerably, from just over \$2 million to just over \$1.5 million. How can you, in all conscious in a time of accelerating climate disruption, have a climate plan that runs out in 2021 and lower funding for the Climate Office?

Mr HODGMAN - It was always envisaged that the plan was to conclude at that point, in which case the Government will reassess the actions of the plan and reassess our plan, moving forward.

Ms O'CONNOR - There is no funding in the out years for climate response.

Mr HODGMAN - It is not unusual for a government and its budget papers to reflect the cessation of a term of a strategy. It has happened with the Family Violence Action Plan as well. As has happened with that plan we are onto the second iteration of it. That will inform new initiatives. You just do not set and forget with these things. It is important to review them and for government to make decisions about future initiatives, future actions that will work better to revise and review what has happened under the existing plan and to budget for it accordingly. That is what I expect will happen with the climate change action plan as well.

Ms O'CONNOR - Premier, in the budget papers there is also a reduction in funding for bushfire management in the TWWHA, there is underfunding, in our view, of remote firefighting capacity, your climate plan funding runs out in 2021. Where is the sense of urgency in this Budget in response to the climate crisis? Do you acknowledge that the January bushfires were as a result of an increase in dry lightning events, as confirmed by the Parks and Wildlife Service in the past decade?

Mr HODGMAN - The last fires?

UNCORRECTED PROOF ISSUE

Ms O'CONNOR - Parks and Wildlife Service undertook some work about three or four years ago which proved that dry lightning events are increasing. The December-January fires were started by dry lightning events. Do you acknowledge that they were climate-related fires?

Mr HODGMAN - Yes.

Ms O'CONNOR - Why is your Budget under funding bushfire management in the TWWHA, not allocating extra funding to remote firefighting capacity and de-funding the climate plan after two years.

Mr HODGMAN - I do not accept your proposition. Following the events not only of this year but also 2013 and 2016, which also caused damage to the TWWHA, we committed additional funding for the Bushfire and Climate Change Research Project to investigate the impact of climate change on the TWWHA and recommended ways to improve how we prepare for and respond to bushfires in the TWWHA. The research project confirmed that we are likely to experience an increase in bushfire risk as a result of our changing climate. In the response to the research project the Tasmanian Government allocated additional funding of \$4 million over a four-year period, commencing in the 2017-18 Budget. The bushfire management in and adjacent to the TWWHA, the additional \$4 million is supporting a number of research project recommendations, some of which have already been implemented while other longer-term strategies remain ongoing. The recommendations include: bushfire management planning, bushfire risk assessment modelling, bushfire recovery, developing a model of fire cover and undertaking planned burning in TWWHA.

The funding is also contributing to the Tasmanian Government's commitment to meet national and international responsibilities to protect the outstanding universal value of the TWWHA. The committee comprising representatives from the Department of Primary Industries, Parks, Water and Environment, the Tasmanian Fire Service, the Department of Premier and Cabinet meets quarterly to monitor implementation of the recommendations. One of the key outputs of the work currently being conducted is to develop of comprehensive TWWHA fire management plan that will contain clear objectives for fire management in the TWWHA, clarity regarding circumstances in which priority will be given to protecting the values of the TWWHA, clear objectives for management burning in the TWWHA including indigenous burning practices and a framework for monitoring impacts of bushfires and planned burns in the TWWHA. The Parks and Wildlife Service may talk about this a little later. It is also undertaking a lot of work to review its immediate and long-term fire suppression capabilities, reviewing the research program on fire and natural cultural heritage values.

Ms O'CONNOR - Premier, can I ask if you think your Government is doing enough to respond to the climate crisis?

Mr HODGMAN - Yes.

Ms O'CONNOR - Do you?

Mr HODGMAN - Yes.

Ms O'CONNOR - You want to log native forests, you have under invested in TWWHA bushfire management.

Mr HODGMAN - No.

Ms O'CONNOR - Your climate plan runs out in two years. Climate office funding declines over the forward Estimates and you think you are doing enough to respond to the climate crisis.

Mr HODGMAN - Yes, I certainly do. We have had some extensive debates about the actions and initiatives that are contained within the climate action plan. I can go through them.

Ms O'CONNOR - You might do that in dot point form given that you did it ad nauseam in the debate last week.

Mr HODGMAN - Because you keep asking the same question, we keep giving you an answer.

Ms O'CONNOR - The numbers speak for themselves. You are underinvesting in the climate response. That is a matter of concern to all Tasmanians, particularly young people.

Mr HODGMAN - No. We have taken action in response to the research report and there are a number of key -

Ms O'CONNOR - You have not implemented all of Tony Press's recommendations.

Mr HODGMAN - No, we have not implemented all of them, we have implemented most of them, but with some ongoing.

Ms WHITE - Premier, you are a bit vague in your answer earlier around the delay to the Royal Hobart Hospital redevelopment. Can you confirm the date for practical completion of that project?

Mr HODGMAN - No, I can't but the Minister for Health can give you the latest on that, I am sure.

Ms WHITE - It's the single biggest infrastructure project the state has embarked upon which you, yourself, talked about in an earlier answer yet you do not know when it will be completed?

Mr HODGMAN - I'm sorry, I missed the first bit.

Ms WHITE - I think that is part of the problem, you are not paying attention, Premier.

Mr HODGMAN - I am; there was another conversation happening.

Ms WHITE - I'm sorry, I thought I was asking the question, Chair. It was about the Royal Hobart Hospital and the health crisis and the fact that despite you saying in an earlier answer that it is the biggest single infrastructure project the state has embarked upon, you cannot give an update to the committee when its practical completion date is?

Mr HODGMAN - As I say, the Minister for Health can give you the latest on the progress of the redevelopment project and its expected date of practical completion and, most importantly, when the hospital will be open with increased capacity, more beds, more staff in them.

Ms WHITE - Do you know when that will be? Do you know when the hospital will be opened?

Mr HODGMAN - As I say, the Minister for Health can provide you -

Ms WHITE - The Cabinet would be briefed on this.

Mr HODGMAN - Do you want the details, the facts?

Ms WHITE - I would like for you to know the facts; can you provide them?

Mr HODGMAN - That is why I suggest you ask the minister in his Estimates.

Ms WHITE - Premier, this is a very important project. There is a health crisis in Tasmania. You have broken one promise by plunging the state into net debt of \$1.1 billion with \$100 000 million in interest payments that could be spent on servicing health needs, instead of servicing your debt, and you cannot tell the committee when the hospital will be open to take patients?

I know for a fact that Cabinet would be briefed on the progress of that project, so you should be able to. Why can't you tell the committee?

Mr HODGMAN - In the not too distant future, the redevelopment of the Royal Hobart Hospital will be complete and we will have more patients being treated in a hospital that relieves stress on our hospital system. It is a project you talked a lot about; spent a lot of money on, never actually even started the work on. I will not be lectured to by a Labor Opposition that, when in government, spent millions on plans and concepts that never saw the light of day, the final version of which was inadequate for our state's health system and its needs and the demands on it.

We are getting on with the job. It has not been an easy project for obvious reasons to redevelop a hospital which is operating, as we speak, and has had its challenges. We are making progress and I am confident that it will be delivered on time and, as I say, will increase our ability to give Tasmanians the health service they need.

Ms WHITE - Premier, how can we believe that, when you say that it will be delivered on time, when you have broken the promise that you made to the people of Tasmania not to plunge the state into net debt. You say now that you do not know whether or not it will be completed by a particular date but yet you claim it will be completed on time. How can we believe you?

Mr HODGMAN - That is our expectation. We have contractual arrangements in place, we have a building program underway. There have been challenges which have caused delays. It is not a secret and we have never denied that. There are significant challenges with a project of this type but we are getting on with it and it will be a hospital that is delivered under my government and promised by yours, but never even started.

Ms WHITE - That is also not true.

Mr HODGMAN - It is.

Mr TUCKER - Premier, during the federal election campaign, there were a number of major commitments made to Tasmania that will add to the record investments Tasmanian Government is making in infrastructure, education and health. Can you provide a summary of some of the major projects which we have been able to secure commitments from the Morrison Government for?

UNCORRECTED PROOF ISSUE

Mr HODGMAN - Thank you, Mr Tucker, and I am sure you and many others welcome the re-election of the Coalition Government, and congratulate Prime Minister, Scott Morrison and his team on what was a strong endorsement of our policy planning both nationally and here in Tasmania. Tasmania will benefit from the commitments made by the Morrison Government.

Because of the timing of the federal election and our state budget, many of these commitments represent substantial additional funding to the state on top of record investments that we have made in our budget.

Collectively, there will be an advance of \$1 billion in additional direct federal government investment in Tasmania following the re-election of the Morrison Government, and these benefit the entire state, every region. In fact, analysis shows that if a billion dollars plus in commitments, around \$264 million for the north and north-east, \$208 million for the north-west, and \$310 million for the south of the state, plus statewide projects totalling \$297 million.

This includes some transformational projects which will help turbocharge growth in key industries for the future. A total of \$70 million will be provided for the Blue Economy Cooperative Research Centre, for instance which will be headquartered at the UTAS Campus in Launceston. It will have extraordinary economic, employment and social benefits for Launceston and for our state. Our Government has worked very closely with the federal government to secure this facility for Tasmania. It brings together expertise in the seafood, marine renewable energy and offshore marine engineering sectors to deliver innovative solutions that will transform the way our oceans are used. My Government has committed \$200 000 per annum for 10 years to assist with the funding of the Blue Economy Cooperative Research Centre and \$30 million is being committed by the Morrison Government to phase 1 of the Tasmanian Defence Innovation and Design Precinct at the University of Tasmania's Australian Maritime College.

The new precinct will help drive defence-related research and development and innovation projects, creating a world-class research precinct and highly-skilled jobs in Launceston. It is estimated the precinct will ultimately result in over 150 additional jobs in the region with up to 58 additional jobs in the region during construction. This supports our Government's commitment to the Defence Industry strategy.

Burnie has been confirmed as one of 10 locations across Australia selected to host an industry training hub which will strengthen partnerships between local schools, employers and industries and ensure that vocational education programs are tailored to meet local workforce needs.

The \$91 million committed to the health plan package announced by the Morrison Government is a very welcome addition to our health system. It comes on top of the record \$8.1 billion health expenditure in this Budget.

This is only a small sample - and I won't go on - from a long list of other initiatives and projects that we have worked very closely with the Morrison Coalition Government in Canberra to secure and we look forward to continuing the work with them over the coming years to benefit our state.

Mr O'BYRNE - Chair, whilst we are on the federal election, your party ran a dishonest campaign around two initiatives announced by Labor in support for the MONA redevelopment and the benefit that would bring to the Tasmanian economy, and also around a dishonest claim that financial support for an AFL team would be for a Hobart-based team. During the election campaign, you stood next to Scott Morrison in the north of the state. Do you think it is appropriate

UNCORRECTED PROOF ISSUE

as the Premier, that you would divide the state based on parochial means, something that many political and community leaders have been calling for an end? Why did you support that campaign and do you still support that campaign to divide Tasmania, north and south?

Mr HODGMAN - No, utterly not. I entirely reject that. Under my Government we have taken MONA to the north when previously it was a southern-based phenomenon.

Mr O'BYRNE - You saw the merchandise. You said it was for a southern-based development.

Mr HODGMAN - We brought our state's football community together for the first time ever, having all levels of football in Tasmania, all organisations associated with the sport, come together under one umbrella to support a Football Tasmania Board.

Mr O'BYRNE - Why did you support the federal campaign then?

Mr HODGMAN - We have actually brought the state together both on MONA and our support for it and our support has been very strong. Not only in our support for their festivals, events and other things they do extraordinarily well, including what they will do in the south as a result of the bushfire events.

Mr O'BYRNE - Chair, my question was about the federal election.

CHAIR - Order. You have put the question, Mr O'Byrne. You have to allow the Premier to answer it.

Mr HODGMAN - You are asserting that in some way I would want to divide our state on football and MONA when I am pointing to the fact that we have taken MONA to the state and we are bringing the football community together.

Mr O'BYRNE - Did you see the material that was used by your federal party?

Ms O'CONNOR - After the election you are making an attempt to bring the football community together.

Mr HODGMAN - No, we were doing that before. We established the Football Tasmania Board months ago.

Mr O'BYRNE - Football identities have said your federal campaign has taken that argument backwards, taking us back years. Did you see the merchandise and the kind of material that was being circulated by your party? Did you see it?

Mr HODGMAN - Merchandise? I don't know what you mean.

Mr O'BYRNE - Around the AFL in the south, southern-based AFL team and southern-based MONA.

Mr HODGMAN - Yes. I saw campaigns from all parties. The state very clearly supports the successful campaign that re-elected the Morrison Government because that will be far better for our state than the alternative which would have harmed many Tasmanians and no doubt sent our economy back to where it was when you were in government.

Mr O'BYRNE - You have now admitted you saw the material being circulated. Did you support the message that any investment in MONA and AFL would be just in the south and not the north?

Mr HODGMAN - I support my Government's investments in MONA including for the hotel redevelopment. It is on record that we are supportive of it and would like to talk to MONA about how we can advance that.

Mr O'BYRNE - When asked, why didn't you clarify?

Ms O'CONNOR - What about those Liberal stubby holders with 'For the North' on them? That was some of the merchandising that came out during the campaign.

Mr HODGMAN - No, I don't have one.

CHAIR - Was that a question, Ms O'Connor? You don't want to put that one down?

Ms O'CONNOR - No, just checking.

Mr O'BYRNE - So just to be clear, because you danced around it, did you support that campaign, particularly those two messages about MONA and football?

Mr HODGMAN - I supported the Morrison Government's re-election campaign which, thank heavens, was successful.

Mr O'BYRNE - So you support dividing the state?

Mr HODGMAN - No, I have just explained -

Mr O'BYRNE - That is exactly what it did.

Mr HODGMAN - I have explained that my track record is one, in those areas and many others, of bringing the state together, so I reject your assertion. Talking about dividing the state and the country, Bill Shorten and you lot were going on about class warfare and the top end of town and talking about small businesses as if they're -

Mr O'BYRNE - That's your best answer?

Mr HODGMAN - It is that sort of language that divided the country and turned people off Bill Shorten, Ross Hart and Justine Key.

Ms O'CONNOR - Premier, how do you think your portfolio responsibilities are affected by a changing climate?

Mr HODGMAN - I think our community and all that government does is affected by our changing climate.

Ms O'CONNOR - What about in your particular portfolio responsibilities of Parks, Tourism and Heritage?

UNCORRECTED PROOF ISSUE

Mr HODGMAN - I agree, it affects our environment, it affects our quality of life, it affects our primary industries, it affects the way in which we interact as humans. It obviously impacts right across government, including my portfolios.

Ms O'CONNOR - In the budget papers under Security and Emergency Management the funding picture is not particularly promising and while the footnotes tell us that some of that funding was one-off, in 2022-23 when the world will be hotter and there will be more CO₂ in the atmosphere, and we're already at 4015 parts per million, your budget for Security and Emergency Management allocates \$1.9 million. Do you think that is adequate?

Mr HODGMAN - Mr Simon Roberts, director of Security and Emergency Management, will join us at the table.

Ms O'CONNOR - That would seem a manifestly inadequate allocation to Security and Emergency Management in a time of climate breakdown.

Mr ROBERTS - I can comment, through the Premier, that our budget at the Office of Security and Emergency Management goes up and down quite a lot per year due to funding issues and depending on the nature of events that we face. For example, this year we go up to \$5.2 million but the actual core funding for the unit is a lot less than that. That reflects funding for bushfire community recovery and also includes funding for the southern Tasmania extreme weather event in the vicinity of \$1 million, bushfire community recovery in the vicinity of \$1.5 million, the flood policy unit for \$500 000 and the Tasmanian flood mapping project for \$650 000. The core funding for the unit is pretty stable but those extra amounts see those fluctuations from year to year.

Ms O'CONNOR - Thank you, Mr Roberts. Through you, Premier, perhaps Mr Roberts would like to assist in answering this. What kind of coherent adaptation plan is in place to help coastal communities adapt, people experiencing socioeconomic disadvantage, major industrials - all those sectors of our economy that will need to have strong adaptation planning in place?

Mr ROBERTS - In relation to coastal erosion and inundation, the Office of Security and Emergency Management has done considerable work in that space in the last few years.

Ms O'CONNOR - Thank you, Mr Roberts, it actually started in the previous Labor-Greens government where we did that coastal erosion mapping. That is not my question. The question is, is there a coherent adaptation plan in place for the Tasmanian community and our economy?

Mr HODGMAN - Sophie Muller has joined us from the Climate Change Office and may be able to answer.

Ms O'CONNOR - Mr Roberts looks like he might have something else he wants to say.

Mr ROBERTS - If I may, that coastal erosion inundation mapping has been incorporated into the state planning provisions which will be enacted in the next few months. I will hand over to Sophie.

Ms O'CONNOR - This is about taking communities with you, work that we did in government such as coastal adaptation pathways work - the kind of work where you are working with communities to adapt to a rapidly changing climate.

Ms MULLER - The Tasmanian Climate Change Office has a project working with communities around the state on coastal hazards and erosion and inundation on existing settlements and values. Last year that project resulted in four workshops we undertook around the state with communities, particularly local government, and the state Government and GBEs, exploring some of these issues with a view to develop a strategic framework for those existing settlements and values.

Ms O'CONNOR - Thank you, Sophie. That is some work but in terms of a coherent adaptation plan, Premier, it sounds like your Government is a long way off.

Ms WHITE - Nothing.

Ms O'CONNOR - Crickets.

Ms WHITE - I have a question if the Premier is not going to answer that one.

Ms O'CONNOR - It is an extremely serious matter and it should be answered, Chair.

Mr HODGMAN - I am waiting for Ms Muller to -

Ms WHITE - To save your skin because you clearly have no answer to this.

Ms O'CONNOR - It is one of the most important bodies of work a government can do.

Ms GALE - The Tasmanian Government is working with businesses and communities and households to manage the risks and realise the opportunities of a changing climate. There is a range of initiatives underway to support that through Tasmania's Climate Change Action Plan, which is the plan to make sure we have the best information to support informed decision-making and also to support climate change adaptation and build resilience in key areas, including things like completion of the climate change research gap and opportunity analysis; undertaking research to understand Tasmania's vulnerability to coincident, also known as multi-hazard, extreme events; examining the impacts of climate change on bushfire risk in the TWWHA; and delivering a range of materials to support Tasmanian businesses to better prepare for and recover from extreme weather events. There is also a statewide project to understand and manage the impacts of coastal hazards to existing settlements and a project to increase understanding of coastal areas vulnerable to onsite wastewater system failure, which Ms Muller has previously spoken about.

Ms O'CONNOR - Thank you, Ms Gale. Just confirming, though, that there is no adaptation plan in place for Tasmania? There is some ad hoc bits of work that are happening but the coherent adaptation planning is not happening.

Mr HODGMAN - No, that is the plan.

Ms O'CONNOR - That is the plan? Now I'm really worried.

Ms WHITE - Premier, earlier you said you remain confident that the hospital will be delivered on time. Repeatedly the date given for a practical completion is August this year. Do you stand by that statement?

UNCORRECTED PROOF ISSUE

Mr HODGMAN - No. I am aware the Minister for Health has advised that the practical completion date is for September.

Ms WHITE - And possibly the end of the year, Premier. Why weren't you aware of that before the minister updated the committee?

Mr HODGMAN - Because that is a matter the Minister for Health has appropriately informed his committee of.

Ms WHITE - Surely the Minister for Health would be informing you as Premier of this state that the biggest infrastructure project in an area of crisis, the health system right now - was not going to be delivered on time before he informed the Estimates Committee.

Mr HODGMAN - As I have said before, given the scale of this project that has been underway and ongoing for some years now there have been delays previously. There is a further delay to the practical completion date of a month, we are very confident that the project will be completed within the foreseeable future and deliver that improved -

Mr O'BYRNE - So is that across the forward Estimates, foreseeable future?

Mr HODGMAN - No. We expect, as the minister has said, that the movement of major inpatient services will take place in February next year, so no, no Mr O'Byrne, not as you say.

Ms WHITE - Premier, the only conclusion I can draw from your lack of understanding of the detail of this is either you have dysfunctional relationship with the Minister for Health, or you are not interested in what is happening in the health portfolio.

Mr HODGMAN - No, neither. All I have sought to do to this committee is refer you to the obvious fact that the Minister for Health is able to provide detail in relation to all matters within his portfolio. If you want facts, details of those matters, you can certainly ask them of him and of me and I will endeavour to provide this committee with that information as I have it to hand.

Ms WHITE - You did not provide it to the committee when the question was asked, you clearly are not across this issue which is the biggest issue facing Tasmanians.

Mr HODGMAN - That is entirely untrue as well.

Ms WHITE - It is not, you go back half an hour and you could not provide an answer except to say that you expected it to be delivered on time which is now proven to not be the case. You did not know that half an hour ago. Either that shows that you are completely hands off and have no interest in anything that is not the good news story, or your relationship with the Minister for Health is so dysfunctional that you cannot even talk about the biggest infrastructure project in the state. It is alarming because this is a project that is vitally important for people to be able to access good quality health care, it is delayed further, it is another broken promise. It appears that you do not know what is happening in the biggest portfolio, the one that consumes the most from the state budget every year. Can you explain to the committee why you did not have this information at hand half an hour ago?

Mr HODGMAN - I have and I reject all of that which you claim in your question which is more a statement than -

Ms WHITE - Why did you not have this half an hour ago when you were first asked the question?

Mr HODGMAN - As I said, if you want information as to the nature of matters within the Health Minister's portfolio, that is the appropriate place to ask them. I will endeavour to answer questions truthfully and hopefully with a view to informing the members who ask the questions of the facts as I am able, and where I am able, and I have certainly done that in this case.

Ms WHITE - You did not know the Royal Hobart Hospital had been delayed, you did not know that the TT-Line ship replacement had been delayed. Both of your ministers have updated different committees today before they have updated you. Either you have a completely dysfunctional relationship with your Cabinet, or you are not interested, Premier.

Mr HODGMAN - No. And just concocting these conspiracy theories is irrelevant.

Ms WHITE - They are all on the record today. I will go onto a different issue which perhaps you might know something about, but maybe not, given you do not seem to know much today. On 28 November last year after two years of investigation into Adam Brooks misleading a parliamentary committee while he was mines minister, Mr Brooks finally did the right thing and resigned. However, on that date you told the parliament taxpayers had been billed \$57 888 for Mr Brooks's legal fees. The following day Mr Brooks gave a commitment to repay that money. Has he repaid that money in full?

Mr HODGMAN - The most recent advice I had was that Mr Brooks was making his monthly repayments in accordance with the agreed payment schedule.

Ms WHITE - How much money is outstanding?

Mr HODGMAN - I would need to take that on notice.

Ms WHITE - When Mr Brooks provided advice on 29 November he said he would reimburse the Government for the amount paid to date and he would not be claiming any further costs. In addition to that \$57 888 already charged, you said at the time, 'I am advised that there are further costs outstanding, however, now that the Integrity Commission matter has concluded and the final report tabled in this House, I have asked the Solicitor-General to review the original payment and further invoices to determine whether indemnity should be provided'.

In addition to the almost \$60 000 that Mr Brooks had already charged to the Tasmanian taxpayer, were there any additional costs and were these fees picked up by the Government?

Mr HODGMAN - No.

Ms WHITE - So we can put on notice how much is outstanding for Mr Brooks, a multi-millionaire to repay the taxpayer?

Mr HODGMAN - Yes.

Mr O'BYRNE - It is pretty remarkable, though. That was November and we are now into June, six months later, and you don't know whether he has paid it back at all, in terms of the final -

Mr HODGMAN - No, I said the advice I have is that he is making his monthly payments in accordance with the agreed repayment schedule.

Ms WHITE - Premier, can you disclose the total amount of the cost to the taxpayer for Mr Brooks's legal fees and the total cost to taxpayer of the investigation into Mr Brooks misleading the parliament?

Mr HODGMAN - There will be none with respect to his fees. Prior to the release of the findings of the Integrity Commission, he was reimbursed \$57 888 for his legal fees associated with the investigation, as you have said. As I have said, he is paying it back.

Ms WHITE - You don't know at what rate he is paying it back, or how much he has paid back?

Mr HODGMAN - It is in accordance with an agreed schedule.

Ms GALE - That is right. This is normal procedure for government. We do allow debtors to enter into an agreed payment plan which has been agreed. It is my understanding Mr Brooks has been meeting the agreed payments to date.

Mr O'BYRNE - Premier, could you outline the reasons for allowing that payment to occur in the first instance?

Mr HODGMAN - Certainly. We have been through it. We can revisit the time line for the Integrity Commission's investigation which, it is true to say, took some time.

I was advised by written notice that the Integrity Commission would be conducting its investigation back in November 2016. As members would be aware, I am bound, and anyone else in that situation, not to talk to anyone about the existence of an Integrity Commission investigation, but nonetheless, a draft report was provided to Mr Brooks's legal representative on 28 June 2018. On 18 October 2018 I was provided with a copy of the draft report.

In accordance with long standing Westminster convention and the Government's Indemnity Policy, which was, in fact, put in place by your government in 2013, my Government agreed to a conditional grant of indemnity for reasonable legal costs incurred while carrying out the duties of a minister in good faith.

Prior to the release of the Integrity Commission's findings, Mr Brooks was reimbursed \$57 888 for his legal fees associated with the investigation. The Integrity Commission tabled its report on 27 November 2018.

The Integrity Commission found that while there was no material conflict of interest in relation to the business interests of Mr Brooks, nor did he make any decisions that improperly advantaged himself or his private company MSS, the Commission did find that Mr Brooks failed to abide by a protocol for managing possible conflicts of interest and he failed to advise me of the nature of his involvement with MSS.

On 29 November he announced he would reimburse the Crown for all expenses indemnified and personally pay for all of his legal fees.

UNCORRECTED PROOF ISSUE

In summary, ministers acting in good faith within the scope of their duties or in the course of their employment may be subject to legal claims. For this reason, where appropriate, they can be protected from personal liability while they continue to act in the interests of the Crown.

The policy and guidelines for the granting of indemnities and legal assistance to public officers, was developed in 2013 by the previous government with the support of the office of the Solicitor-General, to clarify circumstances and conditions around the granting of such an indemnity.

This states that ministers are, 'automatically indemnified' consistent with Westminster convention and should be understood to mean that ministers would be indemnified when undertaking their ministerial duties without the need to satisfy the terms or conditions of the policy but notwithstanding the convention and the policy, Cabinet considers matters concerning the granting of ministerial indemnities on a case-by-case basis.

In addition, the indemnity policy expressly states that nothing in the policy or guidelines prevents Cabinet agreeing to provide an indemnity or legal assistance.

Given that Mr Brooks's actions did not meet my expectations, he was stood down from Cabinet and is appropriately reimbursing -

Mr O'BYRNE - Did you ask him to repay?

Mr HODGMAN - He offered to repay.

Mr O'BYRNE - Did you ask for him to repay?

Mr HODGMAN - He offered to repay and that was obviously accepted.

Mr O'BYRNE - Did you ask him or not?

Mr HODGMAN - I have answered.

Ms WHITE - When is the last payment due?

Ms GALE - Normally with any debtor we keep this information confidential because it is people's personal information. It is my understanding that the debt will be repaid in full by July.

Mr TUCKER - Premier, you mentioned DPAC was a central agency. Can you tell the committee what sort of work your department has been undertaking over the past 12 months?

Ms O'CONNOR - We got that in the opening statement.

Mr HODGMAN - No, there are some matters that I would like to bring to the committee's attention that I did not refer to. That was only a very small number. Thank you, Mr Tucker. A number of important initiatives were undertaken over the past 12 months and which will be implemented and continued in this Budget and the forward years.

The establishment of the Tasmanian Brand Authority, which began its work in March this year, is an important initiative of this Government and is broadly supported by the parliament and by the Tasmanian community. The opening of a new Service Tasmania shop in Devonport at the new

UNCORRECTED PROOF ISSUE

Paranaple Centre, which includes the library and the council chambers. I was up there recently to see the hive of activity it is. It is a fantastic addition to the city of Devonport. It will also service conferences, events and entertainment on the coast.

Organising events around Tasmania to thank our emergency services personnel. They were very well done, supporting those communities facing the bushfire recovery effort.

Launching DPAC's newest division, the Digital Strategy and Services division, which merges TMD and the Office of eGovernment to deal with the increasing demand for secure, efficient and integrated digital services that are more responsive to the needs and expectations of our communities. We have also partnered with fellow women leaders of the Tasmanian Council of Social Services and Local Government Association, LGAT, to deliver inaugural International Women's Day luncheons in Hobart and Devonport and celebrate excellence in leadership through a new awards program.

We have assisted both with the Tasmanian Fire Service response to this summer's bushfires and DPIPWE with the fruit fly response, which was the largest biosecurity response in Tasmania's history. DPAC is leading the way with the implementation of the 'What Works For Me' campaign to deliver the goals in workplace flexibility and diversity. The latest state survey shows that the new flexible working arrangements program is having a positive effect.

DPAC also organises three state-wide long service awards each year. This year we recognised 188 long serving Tasmanian state servants at these events. There is a major review of Tasmania's local government legislation including extensive consultation with the local government sector, community and stakeholders. My department has also launched the Tasmanian Government PowerSmart Business program which offers funding to review business energy use and help find ways to reduce it.

There has been a lot done. There is lot more than that but that is a good snapshot of the key features of the work DPAC is doing.

Ms O'CONNOR - Premier, your Treasurer and yourself have claimed that this Budget will create 10 000 jobs. With 17 000 Tasmanians currently unemployed that would mean the unemployment rate, if 10 000 more people were employed, would be approximately 2.7 per cent. Are you being honest about the job claims in this Budget? Where are the 10 000 people for the 10 000 jobs coming from?

Mr HODGMAN - That certainly is the advice we have received from the Department of Treasury and Finance in preparing the Budget and we stand by that.

Ms O'CONNOR - You are promising to get unemployment down to 2.7 per cent?

CHAIR - Ms O'Connor, order.

Mr HODGMAN - We are planning to get our unemployment rate down as low as we can, and we have done so. It is lower now than when we came to Government. During the last term of government we did get it down to the national average.

Ms O'CONNOR - It is the highest in the country and nothing to gloat about.

UNCORRECTED PROOF ISSUE

Mr HODGMAN - This Budget anticipates the creation of 10 000 jobs through the infrastructure program, opposed by Opposition parties -

Ms WHITE - I beg your pardon?

Mr HODGMAN - No, you are right, actually you did not oppose it in your alternative speech which begs the question, why do you keep criticising it?

I want to return to the labour force statistics, to affirm the ABS figures that we spoke about earlier on. As at April 2019, 247 900 Tasmanians are in work. As at March 2014, 235 000 Tasmanians were in work, so since we were first elected in March 2014, 13 000 more Tasmanians are employed.

Ms O'CONNOR - Premier, the original question stands. You have made the claim that this Budget will create 10 000 jobs. We built 2200 new, affordable, energy efficient homes, if you want to bag out the Labor-Greens government. At least we provided homes for people.

Premier, you have made the claim that there will be 10 000 jobs created out of this Budget. How do you substantiate that claim? Where will those 10 000 people come from? There are currently 17 000 Tasmanians who are unemployed. Are you honestly saying that you are going to bring unemployment down to 2.7 per cent? Are you trying to con the Tasmanian people, or are you just ambitious to the point of naivety?

Mr HODGMAN - As I say, the advice from Treasury and Finance is that the infrastructure program contained within this Budget will create 10 000 jobs. That will inevitably involve many Tasmanians and better skilled and better educated Tasmanians, including those now in years 11 and 12 at our schools across the state, going back into a TAFE system that was demolished under the former government -

Ms O'CONNOR - No, it was not. It was demolished by the federal government, actually.

Mr HODGMAN - back into work through more innovative approaches to employment pathways, collaborations between TasCOSS and the TCCI, for example, being one of those. There are a number of job-creating initiatives and programs to support people into work. There will also be people coming back to Tasmania because our population is growing, the fastest rate in about seven or eight years. There has been a positive net interstate migration which wasn't the case when you were in government. There are more people coming back to Tasmania -

Ms O'CONNOR - It actually was. You are misrepresenting.

CHAIR - Order.

Ms O'CONNOR - The Premier is misrepresenting the picture. We were speaking about jobs, Premier, let's talk about some cushy ones. How many ministerial and parliamentary staff are on secondment from government agencies, including a breakdown by office, position and department of origin? How many are SES positions with the breakdown as above? I am happy to put that on notice.

Mr HODGMAN - We can get it for you.

UNCORRECTED PROOF ISSUE

Ms O'CONNOR - The question is, how many ministerial and parliamentary staff are on secondment from government departments? The question really is about the ability of political staffers to go back to government agencies on a high salary when they choose or when the Government loses office.

Mr HODGMAN - The number is 30.

Ms O'CONNOR - Thirty ministerial and parliamentary staff are on secondment from government agencies?

Mr HODGMAN - Yes, 30 from Liberal offices - one, in Labor offices.

Ms O'CONNOR - Can we have a breakdown by office position and department of origin? Would this be better put on notice?

Mr HODGMAN - No, I can give you that information now.

Attorney-General, Ms Archer's office - senior adviser, home agency - DPIPWE; senior adviser, home agency - Justice; senior adviser - Justice -

Ms O'CONNOR - Does Ms Archer have three senior advisers?

Mr HODGMAN - Yes, for a lot of portfolios.

Ms O'CONNOR - I had one senior adviser with four portfolios, but, anyway, continue.

Mr HODGMAN - Building, Construction and Energy minister, Mr Barnett - chief of staff - DPIPWE, and his senior adviser - DSG.

Primary Industry and Water minister, Ms Courtney - senior adviser - DSG; adviser - Justice; administration assistant - DPIPWE.

Health minister, Michael Ferguson - chief of staff - Department of Health; Police minister, Michael Ferguson - senior adviser - Department of Police, Fire and Emergency Management.

Treasurer, Mr Gutwein - chief of staff - Treasury; senior adviser - DSG; senior adviser - Treasury; adviser - DPAC.

The Premier, Michael Hodgman - chief of staff - DPIPWE; deputy chief of staff - DSG; senior adviser - DPIPWE; executive officer DSG, and executive officer DPAC.

Human Services minister, Mr Jaensch - senior adviser - DPIPWE; administration assistant - State Growth.

Disability Services and Community Development minister, Mrs Petrusma - chief of staff - DPIPWE and senior adviser, DPIPWE, adviser Police, Fire and Emergency Management and adviser DPAC;

Minister Rockliff, senior adviser Education, adviser State Growth, adviser TasTAFE, executive officer Education; Tasmanian Government Communications Office, media officer DPIPWE;

Leader of the Opposition, director of community and stakeholder engagement from DPAC.

Ms O'CONNOR - Premier, that is an extraordinary number of political staff on secondment from government agencies. As you are aware, this is an employment arrangement that allows every single one of those staff members to go back to government agencies once your Government has finished with them or should they choose to go early. Is this unusual? How many of them are SES positions? I find this very unusual.

Mr HODGMAN - It is disclosed.

Ms O'CONNOR - Actively disclosed?

Mr HODGMAN - Yes.

Ms O'CONNOR - That is right.

Mr HODGMAN - Back when you were in government, the total secondees numbered 23, all in Labor offices, I am told, and none in Liberal or Greens government offices.

Ms O'CONNOR - We didn't go harvesting from agencies.

Mr HODGMAN - There were 24 in 2016-17 and 2017-18. Ms Gale was going to mention the recruitment for the appointment process.

Ms GALE - The appointment process is done through MPS, the same as for other positions. They are normal recruitment processes. Who is appointed depends on who applies and who was meritorious on the day, same as is the case across the state public service.

Ms WHITE - Premier, I want to ask about staffing as well and your former staffer, Brad Nowland. Your former senior media adviser, Brad Nowland, resigned from the Government in September last year, six months after the state election. Right to information documents reveal that he received a payout of \$52 429.38 over and above entitlements including accrued and unused recreation and long service leave. He resigned, which would indicate that he was not entitled to a payout under the usual terms of a state government contract. Can you explain why he received this taxpayer-funded payout?

Mr HODGMAN - Mr Nowland left his role as deputy chief of staff to the Treasurer in September 2017 after 10 years continuous service with the Government and in opposition. He received only the entitlements due under his contract as determined by the Department of Premier and Cabinet. The position of deputy chief of staff to the Treasurer was abolished, resulting in savings to the Tasmanian taxpayer of approximately \$100 000.

Ms WHITE - So why did he get \$52 429.38 above and over accrued annual and unused recreation leave?

Mr HODGMAN - Because they were the entitlements under his contract.

Ms O'CONNOR - Did he have a different contract from other staff?

UNCORRECTED PROOF ISSUE

Mr HODGMAN - No.

Ms WHITE - It was six months after the election.

Ms GALE - Mr Nowland's contract was terminated and it was the same contract as was the case for all MPS staff.

Ms WHITE - So he was terminated; he didn't resign?

Ms GALE - The contract was terminated.

Ms WHITE - Premier, you have form providing golden handshakes. You gave Martine Haley a \$45 000 payout when she admitted trolling online. You have now terminated the contract of Mr Nowland apparently, differently to what was reported as him resigning. Combined, that has cost the taxpayer \$97 000. Is that what taxpayers can routinely expect in relation to staff members who leave your ministerial employ?

Mr HODGMAN - No, they are paid as per their entitlements. Typically, those circumstances are determined by financial officers at the Department of Premier and Cabinet. I make the point with respect to Mr Nowland that that position being abolished resulted in a saving of around \$100 000 to the taxpayer.

Ms WHITE - So to clarify, you said he was terminated, so he wasn't made redundant.

Mr HODGMAN - No, he was terminated.

Ms O'CONNOR - On what grounds?

Mr HODGMAN - The position was abolished. He was terminated.

Ms WHITE - Interestingly, you have talked about there being a saving to the Treasurer's staff but the total ministerial staffing for you across 2019 is now 96.5 FTEs, which is an increase of 27.6 FTEs in just three years. You have increased spending on ministerial staff over the last three years by 27.6 per cent. Can you explain why?

Ms O'CONNOR - All that spin is very hard work, Ms White.

Ms WHITE - The media unit has doubled in size.

Mr HODGMAN - Yes.

Ms O'CONNOR - You agree?

Mr HODGMAN - No. To give you some context, in the MPS budget there were increases to both Labor and the Greens. Last year the Leader of the Opposition approached the Government with respect to increasing funding for her office and I agreed to it being increased by 16 per cent from that provided in 2017-18, and this year's Budget further increases the 2018-19 funding by annual indexation with respect to the Greens. Last year we were also approached by the Leader of the Greens with respect to maintaining the funding provided to her as leader in the 2017-18 budget. It was agreed to continue providing the funding and also to increase the level of funding by

UNCORRECTED PROOF ISSUE

25 per cent from the level of funding 2017-18. This year's Budget further increases the 2018-19 funding by annual indexation.

In addition to these requests, last year the Government was also asked to give consideration to increasing the operational budget for House of Assembly members' electorate offices. We agreed to an increase on the 2017-18 budget by 13 per cent. This year's Budget further increases the 2018-19 funding by annual indexation.

Ms WHITE - This is about FTEs.

Mr HODGMAN - In comparison, to complete the picture, the Government's budget allocation for ministerial offices was increased by 16 per cent last year, the same increase in percentage terms as was provided to Labor. The Government has used the increased funding in the following areas: an additional ministerial office due to Cabinet changes in the second term of government; funding to provide administrative support for the Leader of Government in the Legislative Council - previously staffing was provided to the leader when also a minister, minister Goodwin; indexation for salary and non-salary operational costs within all ministerial offices; accommodation indexation costs increases; and other operational costs in ministerial offices such as communications, transport and travel. This year's Budget further increases the 2018-19 funding by annual indexation.

Ms WHITE - Ministerial offices are bloated and you're cutting \$450 million from the Budget across agencies.

Premier, I want to go back to the position of Brad Nowland. You said he was terminated and then you said the position was abolished. You can't have it both ways. You can't have a redundancy for a position that has been abolished or be terminated. Can you confirm that he was previously employed in your office until the election and then transferred to a position with the Treasurer's office which was subsequently abolished and then received a payout greater than \$50 000?

Mr HODGMAN - He certainly did work in my office for a time and then went to be the deputy chief of staff to the Treasurer in September 2017. That position was abolished, resulting in savings to the taxpayer of approximately \$100 000, and he received entitlements due under his contract as determined by DPAC.

Mr O'BYRNE - He left his role in 2017.

Mr HODGMAN - Here it says 2017 but it was 2018.

Ms WHITE - It was reported that he resigned, Premier. You can't clearly determine for this committee whether he was terminated or the position was abolished. Can you provide some answers?

Mr HODGMAN - I have told you what happened. As to what is reported, that is a matter for whoever reported that. It is very similar to the situation when Mr Alex Johnson was reported to have been sacked by you and he corrected the record by saying that he had resigned.

Mr O'BYRNE - When was the position for Mr Nowland created? He left your office after the election. He went straight across to Mr Gutwein's office. When was the position of deputy chief of staff created? Is that consistent in other ministerial offices that there is a deputy chief of staff?

UNCORRECTED PROOF ISSUE

Mr HODGMAN - I would need to take advice as to the precise date.

Ms WHITE - It sounds a bit dodgy.

Mr HODGMAN - Why?

Mr O'BYRNE - Do other ministers have deputy chiefs of staff in all positions, or just that position?

Mr HODGMAN - No, they do not and that is why it was abolished.

Mr O'BYRNE - Why was it created?

Ms O'CONNOR - It was created for him and then it was abolished.

Mr HODGMAN - I can get the dates as to when that occurred.

Mr O'BYRNE - Just to clarify, no other ministerial office has a deputy chief of staff role?

Mr HODGMAN - Not that I am aware of.

CHAIR - Order, one question at a time.

Ms WHITE - So you will come back to the committee with details about when the deputy chief was created in the Treasurer's office?

Mr HODGMAN - Yes, I can do so.

Ms WHITE - It is probably going to coincidentally align with the time when Mr Nowland was moved into that role and then abolished when he left that role and then received \$50 000 for the pleasure.

Ms O'CONNOR - Was he in that role just long enough to get a payout?

Mr HODGMAN - He was paid what was due under his contract.

Mr O'BYRNE - Let us be clear. Was he made redundant or was he terminated? They are very different meanings.

Mr HODGMAN - As I said, the position was abolished; he was terminated, so to speak. As I have said repeatedly, he was terminated.

Ms O'CONNOR - He was sacked from your office, moved on to the Treasurer's office in a newly-created position and then that position was no longer available. Is that right? Sacked from your office, moved on to a newly-created position, and then that position was made redundant.

Mr O'BYRNE - And \$50 000 for the pleasure.

Mr HODGMAN - After 10 years or thereabouts of continuous service with government in opposition it was what he was entitled to.

Mr O'BYRNE - Other public servants are offered redeployment and others matters. Was redeployment offered to Mr Nowland?

Mr HODGMAN - I am not aware of that.

Mr TUCKER - Premier, can you tell the committee about the ongoing partnership agreement between the University of Tasmania and what the partnership is delivering for Tasmanians?

Mr HODGMAN - The 2015-25 partnership agreement between the University of Tasmania and the Government sets out strategic framework for our shared commitment, principally for better educational outcomes but also for economic and social growth. The collaboration has seen a number of major initiatives which this Government supports, including our commitment of \$75 million for the Northern Cities Major Development Initiative, partnering with the University in the \$96 million Creative Industries and Performing Arts Centre development where the Attorney-General and the Minister for Arts, Elise Archer, was recently - the Hedberg Centre which will open next year. We are working with the university to achieve priority status on the Infrastructure Australia priority list for the Tasmanian Innovation Network STEMM Centre in Hobart with a vision for STEMM research nodes in Burnie and Launceston.

The Government continues to support a number of scholarships established under the partnership, including the education inspiration scholarship program and the Tasmanian Honours Scholarship. Last year, in a Tasmanian first, the Government and UTAS established a new PhD research scholarship to address specific challenges affecting the state. The third three-year PhD project will identify innovative strategies to promote sustainable regional economic development.

Other key highlights of the partnership include creating hubs at the National Institute for Forest Products, supporting agricultural businesses through the launch of the Aspirations in Food and Agriculture project and the launch of associate degrees through the University College, designed with industry and responding to skills needs. We are also launching the health flagship research programs in multiple sclerosis, obesity and dementia under the leadership of the Menzies Institute and six scholarships awarded in the education inspiration scholarship to support years 11 and 12 students at risk of leaving the education system.

The partnership agreement is reviewed every three years. We are now working together to complete the latest review and to start work on the next iteration of what is a very important partnership between our state's great university and the Government.

Ms O'CONNOR - Can you confirm that the state Government's legal cost to defend your draconian workplace protection from protesters legislation were in the order of \$400 000? This is defending your draconian legislation in the High Court which was ultimately unsuccessful.

Mr HODGMAN - I have advice there is an assessment of \$355 709.46. I am advised the costs were assessed and that those costs have been paid.

Ms O'CONNOR - By the taxpayers of Tasmania?

Mr HODGMAN - Yes.

UNCORRECTED PROOF ISSUE

Ms O'CONNOR - Yes, that's right. Premier, your Government, not content with having botched this once is now working on another draconian piece of legislation, another very similar Workplaces (Protection from Protesters) Amendment Bill 2019, where you go in and try to patch up the hash of a mess that you made. What is the progress of that legislation and are you aware of how roundly condemned even your second crack at it has been by the legal profession, as well as civil rights groups?

Mr HODGMAN - We stand by our commitment to protect people who are trying to go to work, earn a living, lawfully so, including in our forest industry and our right to do so -

Ms O'CONNOR - Do you agree that is what trespass law is for and under the Police Offences Act there are provisions there already?

Mr HODGMAN - and to be supported by strong government laws to achieve that policy objective. We did take the matter forward, progress the legislation that was the subject of a High Court case -

Ms O'CONNOR - And a humiliating defeat for your Government.

Mr HODGMAN - No. The High Court determined that certain provisions of the act, the principle of the act, had merit, while they considered provisions invalid.

Ms O'CONNOR - I think you are verballing the High Court.

Mr HODGMAN - No. There was merit behind the intent, if you would let me finish. Whilst certain provisions were invalid in their operation in respect to forestry land or business access areas in relation to forestry land, the majority of the Court held that the act pursued the legitimate purpose of protecting business and their operations by ensuring that protesters do not prevent, hinder or obstruct the carrying out of business activities.

Ms O'CONNOR - Has this been a problem in the past five years of your Government?

CHAIR - Order, Ms O'Connor. The Premier hadn't finished.

Mr HODGMAN - We publicly released the draft bill on 28 January 2019, open to consultation, far in excess of the standard consultation period.

Ms O'CONNOR - Well, after your last humiliating defeat in the High Court I should think you will take a bit of time.

Mr HODGMAN - Fifty stakeholders were contacted for feedback, the Bob Brown Foundation, the Wilderness Society, Civil Liberties Australia and the Law Society of Tasmania, unions, as well as business and community representative bodies. We are now working our way through the submissions received. We will consider all the matters raised during the consultation prior to introducing the bill, which we anticipate doing this year.

Ms O'CONNOR - Premier, did you read the draft amendment bill when it came to Cabinet?

Mr HODGMAN - Yes.

UNCORRECTED PROOF ISSUE

Ms O'CONNOR - Do you agree that it continues to try to criminalise any interference with any business or, in the reverse, cuts down the long held right of citizens to peacefully object to business malpractice? That the amendments effectively widen the original intent to trammel the rights of environmental protesters particularly, to cut the rights of all Tasmanians to object to business malpractice?

Mr HODGMAN - The key offence provisions in the bill apply to people generally rather than protesters. The offence provisions have been carefully scoped so that they do not capture behaviour that is commonplace and is inappropriate to criminalise. The act contains extensive threat of damage provisions, narrowed threat provisions have been placed in the bill, threats to businesses are already covered in the crime of making false threats to danger under the Criminal Code Act and using a carriage service to menace, harass or cause offence.

Penalty provisions have been amended in this bill. The maximum penalty in the bill is four years imprisonment for offences under subsection (6), subsection (1) and subsection (3) in this bill. This is in line with existing penalties in the act for similar offences which provide for terms of imprisonment.

Ms O'CONNOR - Premier, do you agree that the High Court accepted that there are other Tasmanian laws to deal with criminal or destructive behaviour, including those that may take place in public forests?

Mr HODGMAN - There are other provisions within our statutes to protect against a range of activities, but this act provides that all offences against the act are indictable, retaining the key offence provisions as indictable offences. However, the bill makes all the other offences in the act summary offences. This brings less serious offences in line with equivalent provisions in other legislation.

Ms O'CONNOR - The amendment bill also requires police on the scene to determine what is threatening behaviour. Do you think that is good law?

Mr HODGMAN - One of issues we had was in the practical application of the laws to protect people from earning a living and going about their work. That is another matter we are seeking to address with this new bill.

Ms O'CONNOR - Have you put aside some funds for what will inevitably be another High Court challenge, I would imagine, to another flawed and draconian piece of legislation? Are you going to set aside half a million dollars or so for the next time this comes before the High Court if you proceed down this path of introducing unnecessary and draconian legislation?

Mr HODGMAN - We will produce the final bill and intend to introduce that to our parliament later this year. We are confident that the laws we bring to our parliament will be robust, sound and able to -

Ms O'CONNOR - They weren't the first time around, they got struck down in the High Court.

CHAIR - Ms O'Connor, order.

Mr O'BYRNE - Premier, back to Mr Nowland. Despite it being made very clear at the time that Mr Nowland had actually resigned from your Government, you have said that he was

UNCORRECTED PROOF ISSUE

terminated and therefore not made redundant. If he was not made redundant what is the payment of in excess of \$50 000 over and above his accrued entitlements being paid for?

Ms GALE - It is important to note that Mr Nowland is not a public servant and MPS staff are not employed under the same terms as public servants, so he was in fact employed under a common law contract. As a result of the position being abolished Mr Nowland was terminated and therefore paid what he owed under that common law contract.

Mr O'BYRNE - In terms of the position, he was appointed as deputy chief of staff. Was that an existing position?

Ms WHITE - So he was only in receipt of that payment because the position was abolished, is that what you are saying?

Ms GALE - The position was abolished and as a result he was terminated.

Mr O'BYRNE - So his contract was paid out on the basis on that.

Ms WHITE - Even though he was terminated? It doesn't make sense. Either the position was abolished or he was terminated and then the position was abolished. In which order did that occur?

Mr HODGMAN - The contract has a termination clause within it.

Mr O'BYRNE - When was that contract signed?

Mr HODGMAN - I would need to take advice on that.

Ms WHITE - Can we put that question on notice? That is for the position with the Treasurer.

Mr O'BYRNE - There is a number of questions because on the face of it, it absolutely stinks that this is a person who was basically given his marching orders from your office, a long-term staff member, and sent to another office for a job that was either created or made up for him, and then within a matter of months you have terminated him under the guise of removing a role from a ministerial office and then paid him out significant amounts of taxpayer dollars. On the face of it, that stinks.

Ms WHITE - We will put those questions on notice, because you are obviously too embarrassed to answer it today.

Mr O'BYRNE - You're not going to answer them?

Mr HODGMAN - Well, it was a statement by you. We are going to answer the questions you have asked as soon as we are able.

Ms WHITE - You cannot explain clearly why he was in receipt of that amount of money, \$50 000.

Mr HODGMAN - I have. They are the terms of his contract.

UNCORRECTED PROOF ISSUE

Ms WHITE - How many contracts have been awarded to Font PR since he has gone to work there with your former chief of staff, Brad Stansfield?

Mr HODGMAN - I don't know. I will need to take advice, so put that on notice as well.

Ms WHITE - Okay, we will do that.

Mr HODGMAN - By whom do you mean?

Ms WHITE - This agency, DPAC.

Mr HODGMAN - Okay.

Ms WHITE - And also yourself

Mr HODGMAN - Myself?

Ms WHITE - I suppose in a political sense in the ministerial office, which operates differently to the agency.

Mr HODGMAN - I will take advice but I don't believe there are any.

Ms GALE - Premier, I can clarify that Font Media has been used previously for media training for DPAC but that was prior to Mr Nowland taking up that position, I have been advised. As far as I am aware, that is the only previous contract from DPAC.

Ms WHITE - Premier, how many staff have been moved on, or moved to other ministerial offices or departments, since your current chief of staff started working for you?

Mr HODGMAN - I will take that on notice as well.

Ms WHITE - Okay. Premier, the credit card usage of your staff members is quite interesting. The former chief of staff in your office very rarely used a credit card; the only allocation I can find attributed to him was for about \$113. Your current chief of staff has racked up \$4912.55 in only a six-month period. Can you explain this? Has the job changed in any way that would now require your chief of staff to use a credit card when your former chief of staff rarely did?

Mr HODGMAN - We are making the point that we disclose this information. We don't seek to hide it.

Ms WHITE - Then you should explain it.

Mr HODGMAN - Yes. I can get further details of the breakdown of those expenditures.

Ms WHITE - Has the job changed since the last chief of staff was in the role?

Mr HODGMAN - No.

Ms WHITE - No? This chief of staff uses the credit card and the former one didn't. Can you explain why it is now necessary?

Mr HODGMAN - It is certainly well documented as to what goes on.

Ms WHITE - Then can you explain it, because it is not publicised?

Mr HODGMAN - It is - catering, stationery and office consumables, for example, telecommunications used, travel and accommodation costs. There is a breakdown of what it is used for so that explains its purpose.

Ms WHITE - It is a big difference.

Mr HODGMAN - I am advised they are all reasonable expenses incurred in the course of employment.

Ms GALE - The information that is routinely disclosed has the information for Tasmanian government card expenses for all chiefs of staff and there is variable use, I guess as would be expected, depending on the requirements of the position and the nature of the work undertaken, so whether there is any routine travel or abnormal travel, and travel varies from year to year depending on the requirements in terms of intrastate numbers of meetings for COAG purposes and so on. It varies from year to year, as it would for most people working in government.

Ms WHITE - But the Premier confirmed that the job hasn't changed and the former chief of staff did not claim against the credit card and charge the taxpayer for the purpose of doing their own job.

Mr HODGMAN - The nature of the job hasn't changed but there may be other factors that influence or cause expenses to be incurred by a credit card.

Ms WHITE - The chief of staff to minister Barnett spent \$14 846 on the credit card in one year. Can you explain why that extraordinarily high amount of money was charged to the taxpayer?

Mr HODGMAN - They were incurred almost exclusively for travel and accommodation.

Ms WHITE - Why does minister Barnett's chief of staff have to travel so much?

Mr HODGMAN - I will seek advice as to that and provide the committee with more information.

Ms WHITE - It is an extraordinarily high figure, much more than any other chief of staff spent. It is very high and the total expenditure by all chiefs of staff on credit cards grew by 16.6 per cent in one year, a more than \$7000 increase. The total expenditure on credit cards was \$42 436 by our chiefs of staff across ministerial offices in one year. A big chunk of that was Building and Construction minister, Mr Barnett's chief of staff, which he can't explain.

Can you explain those figures? It is extraordinary. You have a Budget that is plunged into debt and deficit; you have savings targets of \$450 million across agencies that you can't explain. You have ministerial officers spending like drunken sailors on credit cards; and you have increases in ministerial staff in three years of greater than 26 per cent. You are bloated in a ministerial office level and you are drunk spending on credit cards that you can't explain, yet you are asking for an

UNCORRECTED PROOF ISSUE

efficiency dividend across the rest of the state sector. It does not make sense. You seem incredibly hypocritical.

Mr HODGMAN - I believe it is appropriate at all levels of government that we do all we can to ensure -

Ms WHITE - Why don't you reflect on your own behaviour? You can't even explain why these expenditures are occurring.

Mr HODGMAN - As I have said, we have outlined the nature of the expenses, which I expect will always be incurred appropriately during the course of one's employment. I can seek further information as to particular breakdowns in my office and other ministers as is sought.

Ms WHITE - We will be asking for that information on notice, so I will put that on notice for you, Premier. Expenditure across a range of areas that you will need to explain.

The ministerial fleet cars and taxi service expenses, year to March 2019, \$320 079. That is an increase of 16 per cent on the year prior. An increase of about \$25 000 on ministerial cars and taxi expenses. You are out of control with your own spending. You have plunged the Budget into debt and deficit and you are asking for -

Mr HODGMAN - It is not in deficit.

Ms WHITE - It is in deficit. The underlying operating account is in deficit. You have never delivered a real surplus, ever.

Ms O'CONNOR - It is like *Animal Farm*, one rule for the rest of the farm and a different rule for -

CHAIR - Order.

Mr HODGMAN - With respect to the Ministerial Transport Service, as at 31 March 2019 the Ministerial Transport Service comprised 15 vehicles, 13 permanent drivers, due to the increase in the number of northern-based ministers. After the 2018 election, an additional two drivers and vehicles were added to the fleet. This took the total cars from 13 to 15, the total drivers from 11 to 13. Thirteen vehicles are in active use at any one time and there is one spare in both Hobart and Launceston. The latest increase to 13 drivers to accommodate the two additional northern ministers is still three fewer than historical levels.

In 2013-14, there were 15 permanent and one fixed-term driver. There are 13 clients of the service: the Premier and all Cabinet ministers, of which there are nine; the Leader of the Opposition; Speaker of the House of Assembly; President of the Legislative Council; and Leader of the Legislative Council. Ministerial drivers are also regularly called on to assist with transport for official diplomatic visits. The information regarding the ministerial fleet and its costs is routinely published on the DPAC website.

Ms WHITE - Why did you charge the taxpayer \$1184.52 for taxi expenses in a six-month period?

Mr HODGMAN - Why did I?

Ms WHITE - Yes.

Mr HODGMAN - The increase is due to taxis for ministers travelling to and from interstate meetings related to their portfolio and hire cars also used for ministerial or parliamentary travel, mainly on Flinders and King islands.

Ms WHITE - That explains your own use of the credit card for taxis?

Mr HODGMAN - I do not use a credit card.

Ms WHITE - There is taxi expenditure racked up to you, probably a Cabcharge card.

Ms O'CONNOR - Leave that to the Chief of Staff.

Ms WHITE - It is semantics, really.

Mr HODGMAN - You have asked about me using a credit card. I do not use one.

Ms WHITE - Or a Cabcharge.

Ms O'CONNOR - Premier, \$42 000 is more than many Tasmanians earn in a year. That is expenditure on a Government credit card of between \$700 and \$800 each week. How do you justify that level of expenditure on a credit card? When you provide the information to the committee, which I understand will be put on notice, can you provide some explanation as to why the minister for Primary Industries and formerly Resources' chiefs of staff, over that period, were spending such extraordinary sums of government money on a credit card? \$700 or \$800 a week is more than many Tasmanians earn.

Mr HODGMAN - No Tasmanian Government credit card is issued to a minister, including me. The appropriate use of Tasmanian Government credit cards is prescribed in the Treasurer's instruction number 705. It was updated recently to clarify how cards may be used. The Treasurer's instruction applies to both ministerial and parliamentary support staff and State Service employees. Anyone issued a Tasmanian Government card is required to sign an agreement and acknowledgment by cardholder form in recognition that they have read and understood what is and what is not appropriate use of the card in accordance with the relevant Treasurer's instruction governing its use. They are also reminded as staff of their responsibilities through the intranet and via email.

The use of credit cards is for low-value transactions as an efficient method of payment as it reduces the number of invoices for processing by finance staff. As I have said, details of expenditure for credit card use, particularly chiefs of staff are internally made available on DPAC websites as part of the Government's focus on increasing release of key data.

Ms O'CONNOR - Thank you, Premier. In what world is spending \$700 or \$800 each week of government money on a credit card investing in low-value transactions?

Mr HODGMAN - Where it is appropriate in the course of undertaking one's employment.

UNCORRECTED PROOF ISSUE

Ms O'CONNOR - I am trying to get some statement out of you that recognises that this an almost obscene amount of money that one chief of staff or two in that role over that period are spending on a government credit card. As I said, there is about one-third of Tasmanians who are reliant on Commonwealth support in some way and a significant proportion of the population does not earn \$42 000 a year. One chief of staff to a minister in your Government has spent \$42 000 in a single year on a credit card. How do you explain or justify that?

Mr HODGMAN - If it's incurred in the course of their employment as per the Treasurer's instructions and the conditions of use of credit card -

Ms O'CONNOR - Has any alarm bell gone off inside DPAC in relation to that level of expenditure? Is there a threshold at which there is an automatic audit or checking process? \$700 or \$800 a week would stock the ministerial fridge full of grog. That would buy cheese and crackers for everyone all week, lunch all week, probably dinner for everyone all week as well?

Ms GALE - Through you, Premier, the finance staff in DPAC do monitor expenditure when undertaking data entry of card statements to ensure that they are compliant with declarations. They are dependent, as the Premier said, on the travel costs incurred as part of one's job.

Ms O'CONNOR - What you are saying, through you Premier, is that the chief of staff to the Minister for Resources, has had to travel much more than any other chief of staff? Is that the explanation here, because \$42 000 is half an electorate office budget?

Ms GALE - Yes, that was for travel and accommodation. That would be the case.

Ms O'CONNOR - I have never heard of a political staffer spending so much money on a credit card in a year.

Ms GALE - Through you, Premier, travel expenses aren't always incurred through the credit card. There may well be travel for other people within the office, for example, but we would need to confirm that. It is complicated.

Ms O'CONNOR - It can't be that complicated, Ms Gale, because it is \$42 000 spent by a political staffer on a credit card. As I understand it, isn't ministerial office travel booked through an agency? Well, it used to be. Why would that be going on to a chief of staff's credit card?

Mr HODGMAN - Do you mean for flights?

Ms O'CONNOR - Yes.

Mr HODGMAN - As I said, I am seeking further advice and information into this matter.

Ms O'CONNOR - Ms Gale has confirmed it can't all be down to travel because some of that travel would be booked - I am not verballing Ms Gale - but some of that travel is obviously booked centrally through a government account. It would be good to know what is going on here.

Mr HODGMAN - Rather than speculate we will obtain that information.

CHAIR - The Premier indicated that he is seeking further information.

It is now 11 o'clock -

Ms GALE - Premier, I can clarify that not all travel is done through a central agency, and particularly not for trade missions which are, generally speaking, booked through the government agency that has responsibility for the trade mission. It is not correct to say that all travel bookings are done through a central agent.

Ms O'CONNOR - But it is done through the agency, not through a political office.

CHAIR - We can continue this conversation after morning tea. As I said, we have to make up the time that we lose so a quick five-minute break. Thank you.

The Committee suspended at 11.01 a.m. to 11.10 a.m.

Mr O'BYRNE - Premier, from your previous series of answers about the bloating inside your ministerial office in terms of spending and expenditure, will DPAC be delivering an efficiency dividend and how are you proposing to do that?

Mr HODGMAN - Yes, all agencies will be expected to contribute to our efficiency dividend and I will work with Ms Gale and our agency on how that will be done. DPAC has been advised of this. The amount DPAC has to save has yet to be determined, but given the challenges we have faced in preparing the Budget with the reduction in GST and conveyancing duties, we need to find total budget savings across government of approximately 0.75 per cent of total expenditure. That is \$50 million in 2019-20. In identifying savings there will be a strong focus on minimising impact to service delivery and looking to expenditures such as consultants, travel and advertising, together with targeted vacancy control and natural employee attrition without affecting frontline services, as well as reviewing returns from government businesses. A review of the State Service will also be undertaken to identify structural, legislative and cultural improvements to transform the current structure of services and practices to deliver a more efficient and effective public service.

Like all agencies, DPAC is required to submit a ministerially endorsed plan to Treasury by 30 June 2019 to outline how the required savings will be made. Ministers and agencies will be required to meet with the budget committee on 29 July to finalise and endorse their agency savings plan and an update on the measures agreed with individual agencies will be publicly released in the first quarter of the 2019-20 financial year, and then the 2019-20 Revised Estimates Report. The department is currently working on developing a savings plan and any actions required to deliver it.

Mr O'BYRNE - Premier, your budget savings is a key part of your fiscal strategy into failing to meet even the low bar you have set of trying to avoid over a billion dollars in net debt. Given your series of answers to the questions prior to the break about credit card payment and the explosion in payments on your watch in DPAC, how can Tasmanians believe you will actually have a coherent strategy? Your ministerial staff in the last three years has increased by close to 30 per cent, you are increasing ministerial drivers, and the Government Media Unit has doubled in just three years. How can anyone believe you will meet any of those commitments when your response to questions - and you should have these ideas already in train - is a series of platitudes about consultants and costs, et cetera? Surely we deserve more detail than that?

UNCORRECTED PROOF ISSUE

Mr HODGMAN - People can trust us to deliver because we have done it before. The lesser amount we sourced in our first efficiency dividend on coming into government in 2014 and we are more than confident we can and will meet this.

Mr O'BYRNE - Why has the Government Media Unit doubled in size in the last three years?

Mr HODGMAN - There are changes to office staffing profiles across government from time to time. The headline number has remained stable but there are people doing different roles.

Mr O'BYRNE - Pardon, Premier? Can you repeat that? In your answer did you just say essentially the head count is the same but people are just moving between positions?

Mr HODGMAN - No, the headline figure.

Ms O'CONNOR - I think it is around \$2 million more a year on the media unit, is that right?

Mr HODGMAN - It's as I outlined earlier; there have been increases in government in line with the Labor Party of 16 per cent on the level of -

Mr O'BYRNE - We are actually talking about the current Budget.

Mr HODGMAN - Yes, I am saying that for the Labor Opposition the increase funding was 16 per cent and ours was 16 per cent, so that is in line with that. The Greens have also had an increase as well. There will be changes in personnel and the structure of ministerial offices from time to time to reflect the needs of those offices.

Mr O'BYRNE - Will you be cutting staff across the ministerial offices as a part of your efficiency dividends?

Mr HODGMAN - I would certainly expect that my office and ministerial offices will do their bit as well as reducing expenses for Tasmanian taxpayers.

Mr TUCKER - Premier, can you explain the eCabinet project your department is working on?

Mr HODGMAN - All other states and territories except Western Australia now use electronic document management and distribution of Cabinet papers and we certainly want to join them in so doing so the department has prepared a business case on this. It is a move that will improve the efficiency and security of Cabinet documentation. We currently have a manual, paper-based process for the delivery of Cabinet documents to ministers, relevant ministerial staff and DPAC. While there will be an initial investment for this project of around \$335 000, it is expected ongoing costs will be limited to licensing fees and potential cost savings which offset literally driving Cabinet documents around the state, for example, to get them to ministers.

Moving to electronic distribution will be done with internal and external consultation with technical experts, including consideration of additional security measures and other efficiencies appropriate for confidential Cabinet documents. It is likely that additional benefits may be realised, including increased general security of IT access, IT across government, reducing the cybersecurity risk profile, and enabling more opportunities for secure collaboration between departments.

Ms O'CONNOR - Premier, I want to go back to your attempts to reinstate the draconian and failed Workplace (Protection from Protesters) Act. Do you agree that the offences contained within the draft legislation - for example, public annoyance - is covered by the Police Offences Act in section 13, an act in or on a business vehicle that impedes business activity is covered in section 14B of the Police Offences Act, unlawful entry in section 371, and tampering with vehicles in section 421 subclause (a)? What areas of law do not cover protest activity that may impede on a workplace? Where is the deficiency in the law that requires such draconian legislation which has been struck down once by the High Court at considerable cost to the taxpayer?

Mr HODGMAN - As I said earlier, the majority of the High Court held that the act pursued the legitimate purpose of protecting businesses and their operations by ensuring that protesters do not prevent, hinder or obstruct the carry out of business activities on business premises. That is the intent behind the law.

Ms O'CONNOR - The High Court accepted that there are other Tasmanian laws to deal with criminal or destructive behaviour.

CHAIR - Order, Ms O'Connor.

Mr HODGMAN - Our motivation is to strengthen our laws and have our laws best placed to ensure that protesters don't hinder, obstruct or prevent people from carrying out business activities on their business premises.

Ms O'CONNOR - What areas of law in Tasmania, particularly the Police Offences Act and provisions covering trespass, don't adequately cover those protest activities which you claim to be concerned about? We know this is mostly about forest protesters but it also impacts on union protests.

Mr HODGMAN - We believe that by improving our laws, as we are doing, by having consulted and engaged with key stakeholders to determine how these laws might best meet these objectives, it will have a most important outcome of better protecting people going about earning a living and businesses operating without obstruction from protesters.

Ms O'CONNOR - Can you name an example, in the last five years, of protesters impeding on a workplace, a legitimate workplace as described by law, who have not been captured by other legislation? As you will know, the lapoinya protesters, in the end, were charged under existing law not the Workplace (Protection from Protesters) Act.

Mr HODGMAN - There are plenty of examples where protesters have obstructed people from going about their business -

Ms O'CONNOR - Name one.

Mr HODGMAN - Perhaps less so under our Government than under previous governments when they used to chain themselves to vehicles and fences and obstruct people from going about their lawful employment. That is what this legislation is designed to prevent.

Ms O'CONNOR - The point I am trying to get to is you have not been able to name a single example in the past five years where the existing laws are inadequate. You have not given a

justification for another crack at a draconian piece of legislation which was struck down by the High Court at huge cost to the taxpayer.

Mr HODGMAN - There is also an important deterrent role here where people do feel they are entitled to exercise their freedom of speech by impacting on people's freedom and right to go about earning a living -

Ms O'CONNOR - Can you give us an example?

CHAIR - Ms O'Connor, order.

Ms O'CONNOR - The Premier is not answering the question.

CHAIR - Order.

Mr HODGMAN - That is another thing that we want to address here as well. Yes, as a Government we are more determined to protect the rights of people to go about earning a lawful living than you might be to allow people to protest without check.

Ms O'CONNOR - You haven't given a single example of why this law is needed.

Mr HODGMAN - That is what this law, which the High Court said -

Ms O'CONNOR - The High Court accepted there are other Tasmanian laws to deal with criminal or destructive behaviour.

Mr HODGMAN - had the legitimate purpose of protecting businesses and their operations by ensuring protestors do not prevent, hinder or obstruct the carrying out of business activities on business premises. That is what we stand for and we want the best laws available to do that.

Ms O'CONNOR - The record shows, we have Police Offences Act.

CHAIR - Ms O'Connor, I understand your point here but we are here looking at the Estimates and dealing with the Budget. I would see this as a policy issue debate that we will no doubt be having in the parliament at some future date. There are other members along your side of the table who would like to ask questions on the Estimates so if you could move on or I will move on with a question.

Ms O'CONNOR - Thank you, Chair, for your guidance. This relates to the Budget because \$355 000 was spent on the failed High Court defence of the legislation. What I am trying to extract from the Premier here is a single example of why these laws are needed and any example in the past five years of protestors interfering with a legitimate workplace.

Mr HODGMAN - I have answered the question. Our objective here is to ensure that our laws are best placed to prevent that sort of conduct occurring.

Mr O'BYRNE - In your last answer you referred to protecting frontline staff. Could you define what frontline staff are?

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Mr HODGMAN - Frontline staff are those who deliver essential services for Tasmanians through our Government and its agencies. Our commitment is to ensure that we make savings, efficiencies and cost savings to our Budget that will not impact on the ability for people to provide those services to Tasmanians.

Mr O'BYRNE - I understand that attempt at an answer. For example, in your previous answer you said you would not rule out staff being cut in your department. You said that frontline staff would not be.

Mr HODGMAN - Start making savings in my office, and across DPAC.

Mr O'BYRNE - But also in your department, departmental ministerial responsibilities, Premier. For example, this is maybe a hypothetical, the staff that work in the Bushfire Recovery area, and we know that will be a role which will be relied on increasingly into the future, would you say those people supporting communities recovering from disasters are front line or back line?

Mr HODGMAN - I don't want to get into hypotheticals. These matters will be determined and our objective is not to reduce the public sector workforce that provides services to Tasmanians that we need. Our savings measures, as I said clearly, are targeted to things like travel costs, consultancies, natural attrition. We have workforce incentive programs for our staff to be transitioned into other positions or through natural attrition out of the public sector, but where an essential service or task is performed by a public servant then we would ensure that position is filled at all times.

Mr O'BYRNE - How do you define 'essential', Premier? These are people's lives that have been impacted. Last year you said we were heading into a golden age, or the Treasurer said we were heading into a golden age in Tasmania. Twelve months later we are heading towards over \$1 billion of net debt and essentially you have told and put public servants on notice that virtually all of their jobs are under scrutiny and question. They would want an answer from their Premier about what you define as essential or front line.

Mr HODGMAN - Agencies are best placed in not only ensuring the service delivery but in assessing those matters as to where positions are required to be filled. We will have ongoing discussions with our agencies about where savings measures will be applied. It is not true to suggest, as you do, that there will be mass sackings of public servants. We have been clear about how these savings measures will be sourced and we will do so.

Mr O'BYRNE - In your answer you said you would protect frontline staff but you can't define what that is.

Mr HODGMAN - It is self-evident. Our agencies, alongside my ministers and I, are best placed through a proper process to make that determination.

Mr O'BYRNE - You can't answer the thousands of public servants that are worried about their future?

Ms O'CONNOR - It is a question, Chair. I am making sure the Chair notes your question.

Mr HODGMAN - We have been explicit in saying that the savings measures we seek to achieve will be done through things like consultancies, travel, consumables and through natural

UNCORRECTED PROOF ISSUE

attrition where that occurs. For those people voluntarily leaving the public sector or transitioning into another position it would not be a concern for them and the thousands that you talk of should not be concerned, given what I have just said.

Mr O'BYRNE - Premier, over the last 12 months you have plunged the Public Service into chaos with your inability to land a public service wages deal. This is impacting significantly on thousands of Tasmanians and families and their future. The unions are still in opposition to your position. I know there has been a slight change and a bit of crab walk away from the 2 per cent cap. How do you fix this, Premier?

Mr HODGMAN - I suggest by the unions coming back to us with counter offers as the Australian Education Union did and as their executive endorsed. We encourage the unions to continue with the course we have set down and we have agreed to. I want to point out there have been over 113 formal meetings with unions on the wage agreements.

Mr O'BYRNE - That is a further example of your inability to negotiate. How many more meetings do you need?

Mr HODGMAN - It puts a lie to the claim that we are not prepared to sit down and negotiate with unions. Not all those include me.

Mr O'BYRNE - You understand the definition of negotiate, don't you?

Mr HODGMAN - Here we go. Do tell me.

Mr O'BYRNE - The definition of negotiate is backward and forward - good faith negotiations and you have barely moved.

Mr HODGMAN - Exactly right.

Mr O'BYRNE - You have barely moved.

Mr HODGMAN - No. Absolute nonsense. We have moved on a wages position that we have held firm to and which we inherited from your Government, a 2 per cent wages policy -

Mr O'BYRNE - They were very different economic times.

CHAIR - Order, Mr O'Byrne.

Mr HODGMAN - That we were very resolute in adhering to. We have come forward with an increased wage offer, 2 per cent this year, 2.5 per cent in the second and third years. To suggest that is not a significant increase on a wages policy and on our public sector negotiations is laughable.

That is a significant change. We have also made a number of other offers to address workload, improve workplace conditions, support those who are raising a family, provide a fair pay rise, allowing for more staff to be hired across the public sector. It is a significant advancement on where we were. We have offered something to the AEU executive, which they considered to be an excellent offer and recommended their members endorse and 70 per cent of them did.

Ms O'CONNOR - Except if you were a relief teacher.

CHAIR - Order, Ms O'Connor.

Mr HODGMAN - Seventy per cent of their membership said it was a good idea.

Ms O'CONNOR - Shafted relief teachers.

CHAIR - Order, Ms O'Connor.

Mr HODGMAN - Where is the union leadership and negotiations in arbitrarily ruling that out, undemocratically as well, and not coming back with a counter offer? We have only had counter offers at this point from a small number of unions, I will stand corrected. We want all of them to come back with offers that meet our objective of providing them with a very good pay rise, an increase, but also offset by savings measures and other efficiencies.

Mr O'BYRNE - Premier, how many more times are they going to knock back your position before you get to the point where you actually negotiate in good faith and work to a resolution? This matter needs to be resolved. Thousands of public servants' lives, in terms of their working future, is at stake here. It is very important to them. It has been the most protracted, awkward and dysfunctional public sector negotiation in close to a generation. How have you got to this point after 12 months, where not one union has agreed to your position? You have key groups of public servants, nurses, firefighters and others saying that your offer is not good enough. They have told you this for over 12 months. How do you resolve it?

Mr HODGMAN - We want all unions to adopt what was a very positive way forward by the Australian Education Union. That was backed by 70 per cent of their members but someone somewhere got to the executive.

Mr O'BYRNE - So you have no plans to resolve it? You are going to repeat what you answered before?

Mr HODGMAN - No. We will continue to sit down and negotiate. We want them to come forward with counter offers and offset strategies. We have only got them from teachers, nurses and firefighters.

Mr O'BYRNE - Your negotiating position will change from where it is at?

Mr HODGMAN - We will certainly continue to work with them. There are a number of measures that we proposed that the unions might endorse. Some of them they have brought forward themselves. From the education union, in particular, there were a number of really important initiatives that would improve workforce conditions.

Mr O'BYRNE - It has to fly and if that one is not flying, you are clutching at straws. How do you resolve it?

Mr HODGMAN - Importantly, it allows us to employ more teachers and teachers' assistants, which is what our schools need.

Mr O'BYRNE - How about we cut their wages in half and then you can employ double the people. It is a nonsensical argument and you know it is. You are losing staff to the mainland.

Mr HODGMAN - No, because we can have both. We can have a pay rise, improved conditions and more teachers. That is a win.

Mr O'BYRNE - You are losing staff. Your argument does not hold weight. You are losing staff to the mainland, good people. People are not coming to Tasmania because of it.

Ms O'CONNOR - And you are cutting agencies.

Mr HODGMAN - We have employed many nurses, teachers, thousands in our health system and many hundreds in our education system since we have been in government. It is not true to say we are not able to recruit -

Mr O'BYRNE - If that is the case, if everyone is so happy, why has it taken 12 months and you still haven't got a deal with any union and they are still very upset with your Government's negotiations position? If it is as good as you say, why aren't they agreeing to it?

Mr HODGMAN - Not that long ago, we had very strong support from the Australian Education Union's executive and 70 per cent of their members.

Mr O'BYRNE - But it didn't get up in the end.

Mr HODGMAN - Why was that? Why didn't it get up?

Mr O'BYRNE - You will have to talk to the union. It is called negotiating. You have to work it through.

Ms O'CONNOR - Premier, in budget paper no 2 volume 1, table 9.6, your Government is forecasting that 100 per cent of industrial agreements will be negotiated and finalised in this financial year and next financial year. How do you reach that lofty expectation given the apparent inability to negotiate with the public sector over industrial agreements?

Mr HODGMAN - By continuing to negotiate in good faith, to offer improved arrangements as we have done, to work with unions individually as to the needs of their members and the public sector workforce. Many, we know, want to accept the pay rise and get on with the job of delivering good services for Tasmanians. We will continue to do that and aim for a conclusion of all of our industrial agreements within the year.

Ms O'CONNOR - Given the inability to resolve through negotiation with any union so far, how can you expect, even in the four weeks that we have left of this financial year, to have resolved 100 per cent of the industrial agreements due in this financial year? Where did that number come from? What crevice was that pulled out of?

Ms GALE - Normally, when we are setting targets for agencies, we base our target on previous actuals. In 2016-17, the percentage of industrial agreements during the year negotiated and finalised was 90 per cent. As a result of that, we set forward thinking targets to try to improve what we do to get to a target of 100 per cent. Normally, target setting is based on previous actuals and extrapolated into the future.

UNCORRECTED PROOF ISSUE

Ms O'CONNOR - Premier, to you, it is highly unlikely, is it not, that a 100 per cent of industrial agreements due in this year will be negotiated and finalised? It is equally highly unlikely that that will happen next year?

Mr HODGMAN - I think it is more than possible. That is what we have to aim for. We have negotiating teams working, now we want the unions to come back with counter offers, supported by savings strategies and offsets. I am advised that our negotiating teams are keen to progress discussions. We aim to finalise negotiations prior to 30 June to enable back pay to be included in to agreements. This is a really important thing for unions and their members to know that we should move swiftly so that back pay can be included within the agreements because we want them to be budgeted for and available to the workforce.

Ms O'CONNOR - On the same table, there is a metric for 'Whole of Service employment demographics matches community demographics by 2020'. We are one year off that. The 2016- 17 actual was 37 to 63. I understand that relates to the ratio of women and men in the SES, so you are a long way from the 50-50.

Mr HODGMAN - We are a long way further than we were.

Ms O'CONNOR - In case you need reminding, Premier, you have been in government for five years and you are still at 37-63, which is a long way from 50-50. Even then, the performance measure only says that you will be approaching 50-50 gender equity over this past year and the next two years. Is it possible to get the accurate figure for the 2017-18 actual because it is a false figure? It says 'approaching 50-50', which is not a figure.

Mr HODGMAN - Under our commitment to achieving gender equity in the State Service, we are making significant progress. I am pleased to say that the State Service has achieved an important milestone towards gender equity. That was in 2016 when the target of at least 40 per cent of senior executives to be women by 2020 was achieved, well ahead of that time frame. Women make up 42.86 per cent of the senior executive as at March 2019. We are on track to achieve the ultimate and appropriate goal of 50-50.

Ms O'CONNOR - Why does the performance measure table not have the actual figure for last year, and only a target for this year of 50-50? Why is there no actual figure in 2017-18, if it is so terrific?

Mr HODGMAN - It certainly is on track to achieve that target.

Ms O'CONNOR - I commend you for it but we are just looking for some transparency in the performance measures.

Ms GALE - The 37 per cent to 63 per cent that was achieved in the 2016-17 financial year, in the 2017-18 actual, I think that may be misplaced. We had set a target of 40 per cent and having surpassed that now we want to get closer to 50-50, which is where the 50-50 is. I would need to clarify that that 2017-18 actual is not a typographical error.

Ms O'CONNOR - What is the actual number for 2017-18, is it 42-58?

Mr HODGMAN - As of March this year it 42.86 per cent.

UNCORRECTED PROOF ISSUE

Ms O'CONNOR - Premier, as to the 10 000 jobs you have promised to create through this Budget, are you able to give a breakdown of how many of those jobs you expect to go to Tasmanian workers, how many of them will be interstate and how many of them will be international skilled visa workers?

Mr HODGMAN - No, I am not.

Ms O'CONNOR - Is there any planning to make sure that the maximum number of jobs go to the maximum number of Tasmanians rather than importing a workforce, which is standard operating procedure for conservative governments?

Mr HODGMAN - Our aim is of course to give Tasmanians the first opportunity at all these jobs.

Ms O'CONNOR - How?

Mr HODGMAN - By giving them better skills and education when they leave high schools now in Tasmania and more of them are doing it to the end of year 12, which is a great step because most jobs need that.

Ms O'CONNOR - But they can't afford to go to TAFE, they can't afford TAFE fees.

Mr HODGMAN - We have some of the better-performing elements of our TAFE system compared to other jurisdictions and we are certainly improving what TasTAFE can do for young Tasmanians. Our strategic growth approach is all about breaking down the barriers to employment so that kids who might have difficulty getting transport to and from work or their training provider can better do so, improving their health and wellbeing so they are in a better position to seek employment opportunities. Through collaboration with the non-government and community sector to break down those barriers we are very determined and our strategic growth framework is all about providing these pathways and opportunities for Tasmanians to be a part of that growing economy with 10 000 jobs supported by this Budget. We want Tasmanians to have the first crack at that.

Ms DOW - On your strategic growth initiative and the \$1.5 million that is allocated over four years for the initiative, can you please provide me with a breakdown of the activities that are aligned to each year to that financial allocation?

Mr HODGMAN - Yes. You understand the objective behind this and that not only includes a record investment into job-creating infrastructure and a forecast 10 000 jobs but, as I have just said, we have a commitment to more strategic growth and collaboration across government with the non-government sector. We have committed an additional \$6 million for our strategic growth work to achieve those objectives. It is a new work in progress and it will take some time for all levels of government and the non-government sector, business and the community services sector to implement a range of initiatives that are better coordinated to achieve these objectives. We have a number of other important initiatives across government to support more people into work.

Ms DOW - And they are? You didn't really answer my question. I am happy to put it on notice so you can provide the key activities for each year over that four-year projection.

Mr HODGMAN - Certainly. We are able to outline the -

Ms DOW - Following on from that question -

CHAIR - The Premier has indicated he can outline some of those activities.

Mr HODGMAN - I have pages here if you want me to run through them.

Ms DOW - Actual activities, though.

Mr HODGMAN - I have referred to a number already this morning. We have programs to assist small and larger businesses that pay payroll tax to take on apprentices.

Ms DOW - As a point of clarity, though, they're not part of the strategic growth initiative, they're other State Growth initiatives.

Mr HODGMAN - Apologies, I thought you meant work underway to -

Ms DOW - No, under the strategic growth initiative.

Mr HODGMAN - That will be determined to work that is being led by DPAC across government and with non-government partners, whether it is be TasCOSS or the university or other partners, to determine the best expenditures to get government collaborating more effectively with a non-government sector, to share data, to understand the demographics and understand the breakdown in the barriers to people getting to school, to training or to work.

Ms DOW - Premier, is the Job Action Package, which is the partnership between your Government, the TCCI and TasCOSS, funded as part of the strategic growth initiative or are there other funds in the Budget for its continuation? Is that under State Growth?

Mr HODGMAN - No, that's separate. Sorry, I was going to those other initiatives that we have, and there are many.

Mr O'BYRNE - Are they run by staff at the front line?

Mr HODGMAN - The MOU we have between TasCOSS and the TCCI is a separate commitment program we have previously announced and it has been an important and innovative approach to working more collaboratively, with over 400 people being facilitated into employment and training-related outcomes across the state. The project is led by TasCOSS and the TCCI and the steering committee is chaired by the secretary of DPAC. It is a new approach and there are versions of it across the state, in the Derwent Valley and Sorell in the south-east, St Helens and Break O'Day on the east coast, and Queenstown on the west coast. I should mention our important partners at local government level who have been involved as well. That is an example of this sort of thing.

Ms DOW - How much funding is allocated over the next four years to the continuation of that program?

Mr HODGMAN - There was \$4.8 million allocated in the 2017-18 budget.

UNCORRECTED PROOF ISSUE

Ms DOW - Will it be continued to be funded over the next two to four years? Do you have any time frames?

Ms GALE - Another two years; that was a four-year budget starting in 2017-18 and we are now just past 2018-19 so there are two more financial years for the Job Action Package to be funded.

Mr O'BYRNE - Is that an area you're seeking to make some savings in?

Mr HODGMAN - What do you mean?

Mr O'BYRNE - Or have you got your efficiency dividend?

Ms GALE - Premier, through you, no.

Mr O'BYRNE - So that is defined as frontline and is protected?

Ms GALE - This is not part of the DPAC budget as such, this is an initiative budget and it will not be part of my consideration when finding efficiencies for the Department of Premier and Cabinet.

Mr O'BYRNE - So government initiatives are ringfenced from savings?

Ms GALE - No, I am just talking about what is occurring in DPAC. The answer to your question is no.

Mr O'BYRNE - But DPAC has to come up with a dividend and savings. You have made these announcements but you have yet to identify the savings and where they are going to be found. The question was, will this project be considered as a part of those savings internally within that or are you protecting this? It may be a government initiative but it is all in the Budget, so you are going to find savings or you are not.

Ms GALE - The answer is no, there will not be any savings found through the Job Action Package. The Premier has already outlined the nature of the savings we will be identifying through things such as consultants, supplies and consumables, et cetera, and that is where we will go to in the first instance for the efficiencies.

Mr O'BYRNE - So you have just committed that that project will be protected. What other projects of the Premier will be protected and ringfenced from savings?

Ms GALE - That will be a matter for me for approval through the Premier when I have developed my savings plan.

Mr HODGMAN - As per the process I previously outlined.

Mr O'BYRNE - It is interesting that you've said this initiative will be protected but then you say you will develop the plan. Which is it?

Ms GALE - The reason I have indicated that the Job Action Package will be protected is because a lot of the expenditure has already been targeted over the next two years and because of that there are MOUs in place, there are arrangements in place for the expenditure of that funding. I

am quite confident that the Jobs Action Package will not be targeted as part of the savings measures of DPAC.

Mr O'BYRNE - You have moved from saying it won't be included to being quite confident it won't be. Which is it?

Ms GALE - It won't be included in the savings measures.

Mr TUCKER - Premier, can you explain how the whole-of-government gifts policy works and how registers are kept and publicly disclosed?

Mr HODGMAN - It is another example of the transparency changes and improvements under my Government. The Whole-of-Government Gifts, Benefits and Hospitality policy took effect on 1 December 2016. It sets out broad principles to be applied by all, and to all, Tasmanian State Service employees and officers in relation to the offer, acceptance or refusal of a gift, benefit or hospitality. All agencies are required to maintain a register of gifts by employees and they are all published on the DPAC website. All gifts, benefits and hospitality with a value of \$100 or more require the approval of the Secretary of DPAC before the gift can be accepted and the whole-of-government policy requires minimum annual reporting of gifts. However, heads of agency have agreed to at least report quarterly.

Similarly, the Code of Conduct for Ministers requires that the Department of Premier and Cabinet maintain two registers: first, the official ministerial gifts received register and, second, the official ministerial gifts given register. Gifts valued at \$50 and under are not recorded but gifts between \$50 and \$500 can either be kept, remain the property of the Crown, or be donated to an organisation of the recipient's choice. Gifts valued at over \$500 must remain the property of the Crown, or be donated to a not-for-profit organisation. Both registers are tabled in the parliament each year and are also published on the DPAC website.

CHAIR - Mr Bacon sought the call before you Ms O'Connor.

Ms O'CONNOR - Have you done a count of the questions?

CHAIR - Yes.

Ms O'CONNOR - There are a number of questions that you are not writing down and I have taken note and written them down.

CHAIR - What is your count at the moment?

Ms O'CONNOR - I will add them up and tell you in the break.

CHAIR - You do realise it is three to one?

Mr BACON - Premier, has the decision been made regarding a legal liability for TasNetworks in terms of exposure to dioxins from herbicides?

Mr HODGMAN - Just give me a second.

Mr BACON - You don't remember making that decision?

Mr HODGMAN - I just want to get you some facts, Mr Bacon. It is a most serious matter. The Government is determined to do all we can to assist any worker affected, or any worker who may feel they have been affected, through their work and had any exposure to herbicides. Through our collaboration with TasNetworks we are now examining the legacy workplace use of the herbicide known as 245T by former Hydro-Electric Commission employees and Tasmanian State Service employees from the 1960s through to the 1980s. TasNetworks is in direct contact with all the people it currently knows of who may have come into contact with the herbicide at the time and is providing them with information and support.

There is no record of any Tasmanian State Service employee presenting with any medical condition known possibly linked to exposure to that herbicide. We publicised the fact that if any current or former employee may be concerned, they are encouraged to visit the WorkSafe Tasmania website or to call them. We have a responsibility as a government to ensure the safety of our workers and this Government takes the responsibility seriously.

We have a strong and effective regulatory framework in place for the regulation of chemicals. An initial review of the State Service files indicates no record of any claim by an employee. We want to continue to monitor the situation with stakeholders as part of our duty of care to all past and present employees. That work is being done through close collaboration with TasNetworks.

Mr BACON - Has a decision been made to transfer the legal liability from TasNetworks to the Crown?

Mr HODGMAN - No.

Mr BACON - Has it been considered?

Mr HODGMAN - No, I am not able to say that is so.

Mr BACON - Was there a Cabinet minute prepared around this issue?

Mr HODGMAN - I am prepared to say that the matter has been considered by Cabinet on more than one occasion and at length because it is a serious matter. We have a working group between government and TasNetworks to handle this matter effectively and ensure that any workers concerned or unsure as to their circumstance are in touch with government and we with them.

Mr BACON - Can you give an indication to the committee about the size of the liability?

Mr HODGMAN - No, I am not able to advise you of that.

Mr BACON - Has there been involvement through the Minister for Energy in terms of the Cabinet preparation?

Mr HODGMAN - Yes.

Ms GALE - The Department of Premier and Cabinet has provided the information, in consultation across a number of agencies.

Mr BACON - Is this the normal Cabinet process that this has been through Premier?

Mr HODGMAN - Yes.

Mr BACON - In terms of preparation with GBEs, is the work normally done through DPAC?

Mr HODGMAN - I am not following you.

Mr BACON - A GBE generally brings forward an issue for consideration by the government. Is it generally done through the shareholder minister, or is it normally done through yourself as Premier?

Mr HODGMAN - It would depend on the issue. Typically, yes, an Energy minister principally and predominantly deals with energy business but this is a matter that we believe a whole-of-government response and approach to is appropriate given the seriousness of the matter. It is being appropriately and dutifully considered by Cabinet as a result.

Mr BACON - You took the submission to Cabinet rather than the Minister for Energy?

Mr HODGMAN - I am not going to get into who has taken what to Cabinet. I am telling you the matter has been considered by Cabinet and our response to it, and on more than one occasion.

Mr BACON - I don't understand the nature of your refusal to answer the question about who took the submission to Cabinet. If, as you say it is a whole-of-government issue, then you took the matter to Cabinet, there is no secret in that.

Mr HODGMAN - Because it is entirely appropriate and usual for any premier or minister not to disclose matters that are brought before Cabinet. Of course, when we are in a position to make announcements with respect to any matter including one as serious as this, we will and do. I have already outlined a number of the things we are doing with respect to this matter.

Mr BACON - When would you expect an announcement around this issue?

Mr HODGMAN - In which respect?

Mr BACON - If there is going to be a decision of Government to take liability off TasNetworks.

Mr HODGMAN - When that decision or any decision is made.

Mr BACON - But it hasn't been made yet?

Mr HODGMAN - When it has, as I would expect on any matter of public interest, Cabinet will disclose that publicly and that includes in relation to a matter such as this.

Ms O'CONNOR - Premier, as the former minister for Aboriginal Affairs, you promised to reset the relationship with Aboriginal Tasmanians. Since then your Government has encouraged off-road vehicle use in the cultural heritage landscape of the Tarkine Coast, dragged the TAC through a court process, put heritage at risk in protected areas, demoted the portfolio to a junior minister, and stalled land returns. How do you justify this frantic back-peddalling from your commitment to reset the relationship with Aboriginal Tasmanians?

Mr HODGMAN - Our Government stands by our record to reset the relationship to formally recognise more Tasmanian Aboriginals under the new Government policy, which was more inclusive and provided greater recognition. A number of initiatives have occurred over my term as minister but also, as you will learn when you speak to the Minister for Aboriginal Affairs, will continue to occur.

Ms O'CONNOR - You have demoted the position though, from Premier to a different minister to a junior minister.

Mr HODGMAN - That is offensive not only to the minister but to the work we are actually doing.

Ms O'CONNOR - It is to Aboriginal people.

Mr HODGMAN - Under this minister and this Budget there are investments in growing our social, cultural and economic outcomes, and promoting greater understanding and appreciation of Aboriginal culture. There is new funding across the forward Estimates to support activities and initiatives that demonstrate this commitment. For example, greater involvement of Aboriginal communities in government decisions consistent with our statement of intent between the Government and Tasmanian Aboriginal people.

Ms O'CONNOR - It is a statement of intent between the Government and TRACA. You've excluded the Tasmanian Aboriginal Centre.

Mr HODGMAN - No, they self-excluded.

Ms O'CONNOR - What efforts are you making to bring them back.

Mr HODGMAN - We welcome all Aboriginal groups to come together and I am often -

Ms O'CONNOR - You're playing favourites.

Mr HODGMAN - No, we are not at all. We are recognising their important role and contribution as well, and I think TRACA has been quite immense in its impact in bringing communities from across the state together for their voice to be heard.

Ms O'CONNOR - I don't disagree with that, but you are playing favourites here.

Mr HODGMAN - Not at all. We have a Young Tasmanian Aboriginal Women's Leaders award program, as well as forums, more support and activities for reconciliation events across the state, and more community-led consultation. We are certainly endeavouring, as we can and as we are doing nationally, to close the gap on the inequalities experienced by Aboriginal people. That includes initiatives such as continued support for Aboriginal Tasmanians who have been impacted by family violence and permanent funding to support a coordinated approach to increase the number of Aboriginal people employed by the State Service. We have invested significantly into cultural and tourism enterprise, most notably at wukalina with the cultural walk there. We are finalising the review of the dual naming policy. I have mentioned our initiatives to help reduce family violence.

UNCORRECTED PROOF ISSUE

We are finalising the development of a new Aboriginal employment strategy, we are exploring joint land management and arrangements of land return, and a number of others. The formal recognition of our Aboriginal people and our constitution is something that occurred when I was minister.

Ms O'CONNOR - But Premier, your Government has not returned any land.

CHAIR - Order.

Mr HODGMAN - Aboriginal trainee rangers have commenced in new positions. We have an allocation for the joint management of reserves initiative which supports programs to ensure the extraordinary Aboriginal cultural values of the TWWHA are appropriately recognised. There are a number of things we are doing. Jacquie Petrusma is a fine minister and she is certainly very engaged and consultative and will have more to say.

Ms O'CONNOR - Thank you, Premier. My original statement and the question stands. Do any Tasmanian government agencies or entities hold any Aboriginal heritage? That would include, for example, the Tasmanian Museum and Art Gallery.

Mr O'BYRNE - You know what she's saying.

Ms O'CONNOR - An answer to that question would be helpful.

Mr HODGMAN - I think it is self-evident.

Ms O'CONNOR - Can you confirm that the Tasmanian Museum and Art Gallery holds Aboriginal remains or partial remains?

Mr HODGMAN - Did you say QVMAG or TMAG?

Ms O'CONNOR - TMAG, but if there is some at QVMAG, could you provide details of that as well?

Mr HODGMAN - I am advised that the Arts minister has requested and received some information from QVMAG about the human remains in their collection. Ms Archer has been advised by the director that all Aboriginal human remains that were previously part of the QVMAG collection were repatriated in the 1990s, after extensive consultation and in line with the QVMAG policy. Ms Archer has been told there are currently no Tasmanian Aboriginal human remains in their collections, nor any Australian Aboriginal remains from other jurisdictions. The minister was advised that the recent advert for a QVMAG internship was to carry out research on non-Aboriginal human remains and a part of the natural history collection was previously used for teaching at QVMAG and were acquired in the early twentieth century.

Ms O'CONNOR - Do you have information on the Tasmanian Museum and Art Gallery, because QVMAG is the responsibility primarily of the Launceston City Council, is it not?

Mr HODGMAN - Yes, and I am aware of that situation there but not with respect to TMAG.

Ms O'CONNOR - Can I put that question on notice, whether there are remains or partial remains?

Mr HODGMAN - Certainly.

Ms O'CONNOR - Premier, can you explain why your Government in five years has not returned any significant lands to the Aboriginal people of Tasmania?

Mr HODGMAN - As I said in my previous answer, it is a matter than remains of importance and it is not one we have yet progressed. We have made advancement, as the minister will outline and as I have just provided in overview, with respect to joint land management options. We will have more to say about that -

Ms O'CONNOR - Joint land management is not the return of lands.

Mr HODGMAN - Sure, but it is an arrangement, for want of a better word, that many within the Tasmanian Aboriginal community are supportive of and are encouraging this Government's efforts.

Ms O'CONNOR - Everyone is supportive of that but, more broadly, the question of your Government's failure to return any lands to the Aboriginal people remains. How do you explain that in five years since you came to government - and on Australia Day 2015 you promised to reset the relationship with Aboriginal people - you have not returned any land?

Mr HODGMAN - As you know from previous experience in government, it can be a fraught or complicated process.

Ms O'CONNOR - At least we brought legislation to parliament. It was knocked off upstairs, but at least we tried.

Mr HODGMAN - Well, we want outcomes, we want to deliver -

Ms O'CONNOR - You haven't tried.

Mr HODGMAN - We are reviewing the land return model now. It has commenced and there is a discussion paper that was released in the second half of last year. I am advised that over 150 submissions were received. Stakeholders from across our community, including two-thirds of the respondents, were people who identified as Aboriginal, and a consultation and stakeholder feedback report is being prepared and is due for release imminently.

Ms O'CONNOR - Do you foreshadow lands being returned in this term?

CHAIR - Order. Ms O'Connor, I have allowed you significant questioning.

Ms O'CONNOR - I think the Premier wants to answer it, Chair.

Mr HODGMAN - It would certainly be my hope and intention that land management arrangements that this review is considering be progressed within this term of government -

Ms O'CONNOR - The question was about land returns.

Mr HODGMAN - Potentially land returns as well, yes. They're not exclusive.

UNCORRECTED PROOF ISSUE

Mr BACON - Premier, has TasNetworks requested that government take over the legal liability?

Mr HODGMAN - No, there are no claims.

Mr O'BYRNE - No, that is different. I understand there are discussions and the main claim is going to court. The question was about whether TasNetworks asked the government to take over the liability. That is not a claim, that is -

Mr HODGMAN - No, that wasn't the question.

Mr BACON - It was the question. I may have worded it badly, but that is the question - has TasNetworks asked the Government -

Mr HODGMAN - I can take advice as to that matter but there have been no claims made, as the secretary has said, and I do not want to compromise any claims that may be made, nor the Government's response to them.

Mr BACON - So no request has been made by TasNetworks?

Mr HODGMAN - I answered the question.

Mr O'BYRNE - Premier, has wording on MPS contracts changed since Tim Baker took on the role of chief of staff?

Mr HODGMAN - 'Wording', did you say?

Mr O'BYRNE - The wording of the MPS contracts.

Mr HODGMAN - No, not that I am aware of.

Mr O'BYRNE - Can you explain why you have greater than the one FTE in your electorate office? More than anyone else.

Mr HODGMAN - I am advised it is because of the significant workload that comes through the office. I can get advice as to how long an arrangement of that nature has been in place.

Mr O'BYRNE - That is because it is the Premier's office?

Mr HODGMAN - It is the nature of the office.

Mr O'BYRNE - That is just for you?

Mr HODGMAN - Minister Rockliff similarly has 1.5.

Mr O'BYRNE - I understand MLC Ms Howlett also has an extra staff allocation?

Ms O'CONNOR - Really?

Mr O'BYRNE - It is remarkable.

Ms O'CONNOR - Why would she need that?

Mr O'BYRNE - I don't know.

Mr BACON - The Deputy Premier has 1.5.

Mr O'BYRNE - You have two. The Deputy Premier has 1.5. How many does Ms Howlett have?

Mr HODGMAN - I am searching for that information as we speak. I can take that on notice.

Mr O'BYRNE - The Health portfolio and the Housing portfolio, in my electorate office, are the two big sources of constituent concerns and issues raised. We forward them to the ministers' office to see if we can seek resolution. How come you and Mr Rockliff and, we understand, Ms Howlett get extra staff but the Health minister does not?

Mr HODGMAN - Through the nature of my position and the Deputy's, and I will take advice as to Ms Howlett's, throughput and workload has necessitated and required additional staffing.

Mr BACON - Does this mean that other members, if they have a busy office, can get more staff? Do you compare your office to other offices?

Mr HODGMAN - It has happened in the past where requests for additional support have been made for electorate offices. They are all under considerable strain.

Mr BACON - The question is why some offices and not all offices, if you are going to be equitable about treating people's inquiries?

Mr HODGMAN - The aim is to ensure equity across electorate offices. It is a matter I will make further inquiries about.

Mr O'BYRNE - Will those roles be ringfenced? Will those roles be protected from any savings measures?

Mr HODGMAN - No, not with respect to any excess beyond an equitable allocation of resources for all members of parliament.

Mr O'BYRNE - When you look at your form, and when you look at predicting behaviour, you look at the Government's form, you had a 50 per cent increase in your government media unit. In three years you have just under a 30 per cent increase in your total ministerial staff. You get an extra staff member. Mr Rockliff gets an extra staff member and, we understand, Ms Howlett gets an extra staff member. How can you with a straight face say to Tasmanians that you will do the right thing in tightening the belt when it is clear there is a rule for you but a very different rule for other departments and other areas of your Government?

Mr HODGMAN - We will, as we have done before, make savings in areas where we are able to meet our Budget objectives. That includes MPS. We have done it before so we can and will do it again.

Mr O'BYRNE - The head of DPAC in a previous answer said that some initiatives will be protected and not be considered for savings. Is this the same sort of treatment? Some things will be picked out for protection based on your benefit.

Mr HODGMAN - Nothing is protected. The secretary was referring specifically to a budget allocation where there are agreements, MOUs.

Mr O'BYRNE - She made it clear Government initiatives would not be impacted.

Ms GALE - Premier, through you, I did not. I indicated that particular initiative. I said that is an initiative that has had money budgeted for, through agreements and so on. Therefore, that particular initiative would not be part of the savings. I clarified it when you asked a further question.

Mr O'BYRNE - And said it would be part of the savings. Initially you said it wouldn't then you said it would. Now what are you saying?

Ms GALE - No, I didn't. I said quite clearly that it would not be part of the savings.

Mr O'BYRNE - Because it was an initiative?

Ms GALE - As I explained at the time, it wasn't because it was an initiative. I explained it was an initiative that had already been budgeted for and therefore it would not be part of my consideration when I was determining what would be part of the savings for DPAC that would go through to the Premier.

Mr TUCKER - Aside from the whole-of-government gifts policy and disclosures, what other information is the Government routinely disclosing? What other measures is the Government taking to improve transparency, openness and accountability?

Members interjecting.

CHAIR - Order.

Mr HODGMAN - I can add to a previous answer. The advice we have received is that Ms Howlett has one electorate FTE or officer.

Mr O'BYRNE - Is that through the Legislative Council?

Ms GALE - Through parliament.

Mr O'BYRNE - So there is one paid through parliament and one paid through the Government, is that right?

Mr BACON - Does Ms Howlett have one DPAC employee.

Mr HODGMAN - That is my understanding. I will take further advice and report back to the committee on that.

UNCORRECTED PROOF ISSUE

Thank you, Mr Tucker. In response to your question, throughout the year we have continued our efforts to increase and improve transparency and accountability through a number of measures. They include more information being released under our routine disclosure of information policy. There are around 67 new routine data sets on line. We continue to expand public access to information on the activities of government, launching a new government information gateway web page that is available on DPAC to make government information that is proactively disclosed easier to find. We are continuing to publicly report on gifts, benefits and hospitality across all agencies, at least quarterly and in many cases monthly.

Last year we updated the ministerial code of conduct and we are supporting the parliament's adoption of a new members' code of conduct. We are undertaking a review of the Electoral Act 2004, including in relation to electoral donations. We are continuing to publish information released under 48 hours of that information be released to an applicant. Plus, we have the ongoing publication of submissions which requires agencies to publish all submissions received in response to major policy legislation reviews and all ministers have now delegated their responsibilities under the RTI Act to independent departmental RTI officers.

Ms O'CONNOR - Of course then they are exempt from review. As you know it is a loophole we pointed out to you repeatedly that you said you would fix.

CHAIR - Order.

Mr HODGMAN - We have improved the integrity of parliamentary decision-making by expanding the disclosure of spouse interests and financial information through amendments to the Parliamentary (Disclosure of Interests) Act requiring disclosure to be published on the parliament's website. The Budget provides funding of \$245 000 per annum across the forward Estimates to support the Office of the Ombudsman in its Right to Information work with the funding being used to establish an RTI team through the recruitment of a new principle officer and new investigation and review officer to continue dealing with new RTI review matters in a timely fashion and finalising the backlog of such matters.

Ms O'CONNOR - Premier, the longest serving Liberal premier was Robin Gray, who served seven years and 34 days. Are you intending to lead this Government to the next election?

Mr HODGMAN - Yes.

Ms O'CONNOR - It is not your intent to simply get past Robin Gray's longevity and then retire from the premiership.

Mr HODGMAN - No.

Ms O'CONNOR - You are absolutely committed to taking the Liberal Party to the next state election?

Mr HODGMAN - Yes.

Ms O'CONNOR - Thank you. Premier, we were talking earlier about Right to Information and you confirmed that ministers have delegated RTI decisions. As you would be aware there is a longstanding loophole in the Right to Information Act which means that decisions made by

UNCORRECTED PROOF ISSUE

ministers' delegates are not subject to internal review and therefore cannot be reviewed by the Ombudsman under the act.

You made it clear in the budget Estimates of 2015 that you would work to close that loophole. Yet here we are all these years later; you have made no improvements to the Right to Information Act and still decisions are being delegated by ministers who are not subject to internal review and therefore cannot be reviewed by the Ombudsman. How do you explain your failure to strengthen the RTI act?

Mr HODGMAN - We have strengthened the RTI act.

Ms O'CONNOR - How have you done that?

Mr HODGMAN - As I outlined.

Ms O'CONNOR - Not according to the Ombudsman and Rick Snell from the University of Tasmania.

Mr HODGMAN - In relation to this particular issue to which you refer, and that question as to whether or not a minister or minister's delegate decision is reviewable by the Ombudsman, there is a matter before the court. The court has decided, confirming they are now assessing the public interest test and the RTI act, decision-makers must expect to discuss any relevant criterion in schedule 1 of the RTI act in detail, even if the decision-maker gives weight to the criterion actively stating that all relevant matters in schedule 1 have been considered enough.

Ms O'CONNOR - Okay, get to the point of my question. I know you are lost in a document. I know the act quite well and how it is being abused.

Mr HODGMAN - It is an important act though. You will understand why I am providing this context. The Supreme Court's decision related to a judicial review of the original decision of the RTI's delegate not to disclose information relating to the Government's 2018 election policy.

Ms O'CONNOR - How many people can afford to seek review through the courts?

CHAIR - Order, Ms O'Connor.

Mr HODGMAN - The court determined that the original decision made by the RTI delegate should be overturned and decided afresh on the basis of the failure to record active consideration of a number of public interest considerations prescribed in the act. I want to put that on record because that is important and it does go to RTI delegates.

When the fresh decision of the RTI delegate was different to the first decision, the outcome was the same, as the information was exempt under the RTI act, notwithstanding the Government has long held the view that the RTI act provided for external review of the decisions of ministers and their delegates.

The judgment of the Supreme Court has also clarified that this is not the case and that RTI officers must give active consideration to all relevant public interest considerations. This no doubt will ensure that RTI officers give appropriate consideration and expressly refer to all relevant public interest considerations.

The Government is considering the full implications of the decision and we will respond in due course.

Ms O'CONNOR - Premier, as you are aware, all it would take would be for you as the head of the State Service to issue an instruction that ministers are not to delegate RTI decisions in such a manner that prevents internal review and then external review by the Ombudsman. Why have you not done that?

Mr HODGMAN - As I say, the implications of the decision to which I have referred will be fully considered by the Government and we will respond in due course.

Ms O'CONNOR - Premier, on the RTI -

CHAIR - Order, Mr O'Byrne has the call.

Ms O'CONNOR - I asked two questions, Chair. I have a line of questioning on Right to Information which is in the public interest. I have asked for another question.

CHAIR - You can come back to that line of questioning. There is no limit to how long you can go.

Ms O'CONNOR - Why is it that I get to ask two questions and Labor gets to run 12.

CHAIR - That is not the ratio. As you are aware, the ratio is three to one from Labor to the Greens.

Ms O'CONNOR - It is more than that at the moment. They are well ahead on quota. The Premier should answer this question.

CHAIR - You can come back to that question. I have given the call to Mr O'Byrne.

Mr O'BYRNE - Premier, on 25 February, your former Cabinet minister and member for Lyons, Mr Rene Hidding, resigned from parliament over historic sex abuse allegations. What was the total amount of the payout Mr Hidding received when he left parliament?

Ms O'CONNOR - I don't understand why you would want to give Labor more than their allocation. I just don't.

CHAIR - All I am trying to do is be fair.

Mr HODGMAN - It is not a matter for DPAC. It would be through the parliament as to any entitlement he may have.

Mr BACON - Would it be through the Treasurer in terms of RBF?

Mr O'BYRNE - How do we find this figure?

Mr HODGMAN - Can I take that on notice? I certainly have not -

Mr O'BYRNE - I must admit it is hard for us to do the parliament because you have changed the circumstances under the Budget Management Act where they formerly came under you and now they don't.

Mr BACON - You are happy to take it on notice?

Mr HODGMAN - Yes, I will see what I can find out.

Mr O'BYRNE - When your former primary industries minister, Sarah Courtney, was found guilty of breaching the Ministerial Code of Conduct over her relationship with DPIPWE secretary, Dr John Whittington, your response was to reward her with the Building and Construction portfolio. Under the code, you could have sacked Ms Courtney, more appropriately, or demanded her resignation. Premier, despite changing portfolios Ms Courtney is still required to work with Dr Whittington. Will you finally release the protocols you claim to have put in place to manage her ongoing conflict of interest in working with Dr. Whittington?

Mr HODGMAN - There are a number of questions there that I will seek to address and I am happy to do so. With respect to the code of conduct and its application, it is a matter for determination as to whether there is a breach, how that is investigated but also how I, as Premier, would respond to the matter in question. Whilst it was determined that there had been a breach with respect to Ms Courtney's conduct it was as advised by Mr Damian Bugg, QC, considered to be a minor breach.

As a result, my decision was to ensure that Ms Courtney was counselled with respect to her performance and to her conduct. No other irregularities were found with respect to her conduct. Additionally, in undertaking its review DPAC did not identify any irregularities in relation to the decision-making of Ms Courtney. Given the nature of the breach and no issues identified as part of the review into her decisions, I determined the appropriate way to manage the declared conflict was for her to cease holding her existing portfolios and assume responsibility for the portfolios of Resources and Building and Construction. I certainly counselled Ms Courtney with respect to the need to bring any such matters to my attention sooner.

I should note as well that the Integrity Commission, in tabling its report on 28 March 2018, dismissed allegations of impropriety and supported Mr Sealy's findings. He inquired into Dr Whittington's circumstances but there was no evidence that any decision by Ms Courtney or Dr Whittington was in any way improperly affected or influenced by the relationship.

With respect to what actions had been undertaken to ensure integrity in decision-making in these circumstances, I can inform the committee of the following steps that have been taken. First, I instructed Dr Whittington to meet with the Secretary of Department of Premier and Cabinet to discuss the importance of managing conflicts of interest and to further discuss the appropriate steps to disclose, manage and avoid any future actual perceived or potential conflicts if they arise. That meeting occurred on 5 November last year. On 31 October last year I advised Ms Courtney in writing to be conscious of any matter which may create a potential or perceived conflict of interest. Should a concern of this nature arise that she should seek advice from the Secretary of DPAC or directly from the Solicitor-General as to how to manage this.

I also met separately with minister Courtney and Dr Whittington to counsel them on and reiterate the importance of upholding the integrity of government decision-making processes and outlined my expectations to them to effectively manage conflicts of interest going forward.

Ms Courtney provided me with an updated list of declared interests relating to her new portfolios that was received on 1 November 2018, and Dr Whittington provided the secretary of DPAC with an updated declaration of interests on 7 November 2018.

DPIPWE and DSG have reviewed where interactions across two portfolios might give rise to a perception of conflict of interest and where there is any potential for a conflict, delegations or authorisations will be put in place, whether ministerial or through the secretary of DPIPWE. To the extent of any current interactions across the minister's portfolios and Dr Whittington's responsibility, particularly with matters concerning forestry, it has been identified that minister Courtney, in her capacity as Minister for Resources, has no powers of direction over the Forest Practices Authority, and she shares responsibility for Sustainable Timber Tasmania with the Treasurer, Mr Gutwein.

Necessary steps have been considered to ensure that if any actual conflicts arise, my Government will take appropriate steps to manage any conflicts. For minister Courtney this would be comparable to the Government's management of the Burial Information Act Review, for instance, where the Attorney-General was responsible for the review due to a declared conflict by the Treasurer.

Ms O'CONNOR - Was he an undertaker in his other life?

Mr HODGMAN - A respected family member was buried at one of the contentious burials.

Minister Courtney and Dr Whittington are aware of their responsibilities under their respective codes of conduct and the appropriate steps they should take. Maybe there are elements of the question I have missed.

Mr O'BYRNE - Premier, she misled you for over a month and you committed publicly to releasing a protocol that would enable us to be confident that these conflicts of interests were being managed. Apart from the retrospective investigation and a couple of meetings towards the end of last year, what are you doing to manage this ongoing?

Mr HODGMAN - I just outlined at length the arrangements that are in place.

Mr O'BYRNE - You committed to establishing a protocol and releasing it. You have not done it. You have talked about a couple of matters that would be considered and declared, but what is the protocol?

Mr HODGMAN - I have outlined the protocol, the processes of ensuring that a conflict, including a perception, and certainly any real conflict be appropriately handled. Minister Courtney and Dr Whittington certainly have a clear understanding as to their requirements to meet that, and also their respective codes of conduct.

Mr O'BYRNE - They failed it once, so what are you putting in place to ensure they are not going fail that again?

Mr HODGMAN - All that I have just outlined. To be clear, there was no actual conflict of interest. I changed minister Courtney's portfolios to remove any perception of a conflict and -

UNCORRECTED PROOF ISSUE

Ms O'CONNOR - But you picked the wrong portfolio; you put her straight into another conflicted situation.

Mr O'BYRNE - That's right.

Mr HODGMAN - Chair, adequate measures, in my view, are in place to avert any conflicts.

Mr O'BYRNE - Premier, at the time there were a number of questions raised about the use of taxpayer money in this, particularly on the international trip, and I understand you have answered that in some respects. Another question was raised about the secretary's travel north and south and spending more time in the north of the state. That is an ongoing perception and an ongoing concern. You have not given this committee and anyone any confidence. Apart from relying on people to do the right thing, what measures are you putting in place?

Mr HODGMAN - There are processes in place.

Mr O'BYRNE - You really have not outlined them apart from a couple of declarations. What are you putting in place to ensure that taxpayer money is not being used in terms of accommodation and costs for Dr Whittington over and above what he normally would have been expected to claim?

Mr HODGMAN - I can run you through that. There are obviously well-established rules for claiming reasonable travel expenses, both for members of parliament but also our state servants, all heads of agency and, as is appropriate, in Dr Whittington's circumstance, he is entitled to reimbursement for expenses reasonably incurred on official business. These are the same rules that have applied to all heads of agency for a number of years. Dr Whittington is entitled to live wherever he chooses and his primary place of residence is Launceston, but he will continue to spend time in Hobart as required, ensuring that there is a presence in both the north and the south.

However, the Government does not expect Dr Whittington's claims for intrastate travel will be materially different from that which he has previously claimed. As DPIPWE's operations are provided for on a statewide basis, just as they have been for many years previously, regular intrastate travel is required to effectively perform the duties of the role of the secretary of DPIPWE. Dr Whittington is aware of his responsibilities in claiming travel expenses reasonably incurred on official business. No variation to his current contract is required to ensure appropriate policy and procedures are adhered to. Travel claims are approved in the same manner in every agency.

Mr O'BYRNE - Are you saying there has been no change to his travel pattern before and after the relationship started?

Mr HODGMAN - As to his travel pattern, so to speak, I cannot comment as to what he claims. What we expect he would be able to claim would not be materially different from his previous arrangements.

Mr O'BYRNE - This is not about reasonable expenses, this is a material change.

Mr HODGMAN - I assume you are talking about what he does during work hours?

Mr O'BYRNE - That's right.

UNCORRECTED PROOF ISSUE

Mr HODGMAN - As I say, the Government would not expect him to claim above what he previously has or in a way that is inconsistent with previous claims.

Mr O'BYRNE - So you are not aware but your view is that there has been no change?

Mr HODGMAN - What he has claimed to date, do you mean?

Mr O'BYRNE - Yes, he is a long-term public servant.

Mr HODGMAN - I need to take advice from Ms Gale.

Ms GALE - No, not in relation to what Dr Whittington has claimed because that would go through the Department of Primary Industries and Water. In reviewing Dr Whittington's travel, the expectation would be that he would be in Hobart about two days a week, depending on what is required of him and as his duties require.

Mr TUCKER - Our rural agricultural shows are a big part of the Tasmanian way of life. What is the Government doing to bolster the shows so they can survive and flourish in our regional communities, Premier?

Mr HODGMAN - Thank you, Mr Tucker; I know you are a regular at many of our regional country shows around the state. Agfest is without doubt the most prominent and well-supported and one of the best in the country, but that is sadly not the case for other rural shows, a number of which are struggling and do it tougher.

This year at Agfest the Government piloted a small exhibit focused on TasALERT and TasRECOVERY, the emergency and recovery information services offered by government. It was especially relevant given the recent bushfires around the state.

This year and across the next three years DPAC will coordinate a whole-of-government exhibit at a number of agricultural shows. These shows are a great way of taking information about government services, whether it is biosecurity or the Parks and Wildlife Service and our endangered species, right to the heart of our regional communities through the agricultural show circuit. They are a valuable way of engaging one-on-one with members of the community and understanding their interests and concerns but also educating our community about the range of services governments offer.

A budget allocation of \$315 000 has been provided to stage the exhibits and this will include site and infrastructure hire, display, development and the reimbursement of staff salaries, travel and display costs to agencies. These exhibits have occurred under past governments and it will be good to see this regional outreach start up again, engaging at our grassroots in our communities and with a view to insuring the long-term sustainability of our country shows right across the state.

CHAIR - And a marvellous day at the Campbell Town Show on Friday and Saturday.

Ms O'CONNOR - I'm interested in fleshing out some more details around the administrative arrangements that prevent any conflict in relation to the secretary of DPIPWE and the Minister for Resources. Because you will not provide the committee or parliament with that arrangement, the protocol -

Mr HODGMAN - I have just outlined it.

Ms O'CONNOR - I will use a specific example. Every forestry coup that is being administered by the Minister for Resources potentially has threatened species within it, which would mean that advice presumably will come up from DPIPWE to go to the Minister for Resources. How does your protocol deal with that in practical terms? How does your protocol deal with the fact that from 1 July next year 356 000 hectares of high conservation value forest will be opened up for logging? They will contain threatened species. Advice from will need to come up from DPIPWE to the Minister for Resources. How do you make sure that there is integrity in that process so that the advice that is coming up is not in some way or another benefiting the Minister for Resources in her decision making?

Mr HODGMAN - I will get to some specifics or to your scenarios. It is not true to say that we have not put in place mechanisms and structures to ensure that there is integrity -

Ms O'CONNOR - I did not say that.

Mr HODGMAN - I have publicly released a letter to Ms Courtney in relation to potential conflicts of interest and outlining the matters, including taking advice of the secretary who also liaises with the Office of the Solicitor-General. I have outlined at some length today and again previously in the parliament going back some time what we can do to ensure that occurs. Will minister Courtney still need to deal with DPIPWE on some of her portfolio matters? Yes.

Ms O'CONNOR - Well, you would hope so as she is looking after, at some level, forested lands.

Mr HODGMAN - There is no conflict of interest simply because of that. The Minister for Resources' interactions is with statutory officers such as the EPA director, or the director of crown land or with the delegate of the secretary.

Ms O'CONNOR - Aren't they under the secretary?

Mr HODGMAN - Or the delegate. Suitable delegations are in place to ensure that Dr Whittington is not and will not be directly briefing or advising the Minister for Resources.

Ms O'CONNOR - But signing off on briefing notes to the minister?

Ms GALE - Through you, Premier, there is a new instrument of delegation for the Threatened Species Protection Act and an instrument of authorisation for forest practices procedures threatened species which have been implemented through DPIPWE authorising the deputy secretary to act on behalf of the secretary to avoid any perception of a potential conflict of interest.

Ms O'CONNOR - So the 1.2 people that are in the threatened species unit will be pleased to hear that. Is there more that you wanted to say?

Mr HODGMAN - Yes. I would. It does extend to the procedures under the Threatened Species Protection Act and where appropriate processes and procedures are in place to ensure transparency in the provision of advice to the independent Forest Practices Authority. Under these procedures experts within the natural and cultural heritage divisions of DPIPWE, including the threatened species section, consider whether a proposed harvest plan or forest practices plan makes

UNCORRECTED PROOF ISSUE

a sufficient contribution to the conservation of our threatened species. Any advice is provided to the FBA's chief forest practices officer by the deputy secretary, as she is the authorised officer. In addition, it is normal business for offices held by the secretary of DPIPWE to be delegated, for example his position as Director-General of Lands and Director of National Parks and Wildlife.

Ms O'CONNOR - In the 356 000 hectares of forest that your Treasurer calls a wood bank but which is 356 000 hectares of high conservation value forest, there are threatened species that include the Tasmanian devil, the eastern barred bandicoot, spotted tail quoll, giant freshwater crayfish, wedge tailed eagle, orange bellied parrot, swift parrot - the list of our beautiful endemic species goes on. Are you saying that the advice on those threatened species that are in lands that will the administrative responsibility of the Minister for Resources will come through the deputy secretary of DPIPWE only?

Ms GALE - Through you, Premier, there is also advice in relation to these types of issues that goes through the Environment and Resources Heads of Agency Committee, which I am on and which the secretary of the Department of State Growth is on, as is the secretary of DPIPWE.

Ms O'CONNOR - That is not reassuring at all. The deputy secretary of the Department of State Growth looking after threatened species. I don't think so.

Mr O'BYRNE - Also, the fact, Premier, that you can't answer that question shows that this conflict of interest was a significant concern for the Tasmanian community. They need to know that there is trust in our decision-making systems and processes. The fact you could not clarify in the example given by Ms O'Connor, how can the average Tasmanian know?

Mr HODGMAN - Which bit wasn't clear to you?

Mr O'BYRNE - The bit about the process of who makes the final decision and where it goes.

Ms O'CONNOR - Who signs off on the briefings to the Minister for Resources relating to threatened species in land that your Government wants to log?

Mr HODGMAN - Under the delegation, the deputy secretary, as I said. It is the process. Which bit of that don't you understand?

Mr O'BYRNE - You have been prompted to give that answer, with respect. You could not answer that.

Mr HODGMAN - I have given you that answer already. Because you pretend you don't understand it or ask it again doesn't mean I don't -

Mr O'BYRNE - No, not at all.

Mr HODGMAN - I had already outlined that.

Mr O'BYRNE - Can I clarify -

Ms O'CONNOR - Does Mr O'Byrne have the call?

CHAIR - No, he doesn't actually, Ms O'Connor.

Mr HODGMAN - It is a little perplexing. If I look a little stunned it is because you ask me a question, I answer it and then you ask it again claiming I haven't told you.

Mr O'BYRNE - No, not at all. No, it was a clear question of clarification.

CHAIR - Order. I do need to go back. If you have further questions, as I said to Ms O'Connor previously, Mr O'Byrne, you can come to back to that line of questioning. Ms O'Connor did have the call.

Ms O'CONNOR - Thank you. On the Right to Information Act, Premier, here are a couple of examples of what is happening under your Government.

For example, in May last year we asked for information relating to DPIPWE expenses or requested investment relating to the South Coast Track. Three months later the department asked us for an extension because they needed third party consultation. We agreed to that. Within five months we had no information so we had to go to the Ombudsman.

A year after the original request, 84 documents were captured by it. Nine were released, most of which were redacted. We have requested copies of the Reserve Activity Assessments from multiple expressions of interest. We get no response.

Mr HODGMAN - What do you mean, no response?

Ms O'CONNOR - We submitted the application on 15 May 2018. Did not get a response until 3 April 2019.

Mr HODGMAN - You did get a response.

Ms O'CONNOR - Then it was all exempt under information in relation to business affairs of a third party. It took just under a year -

Mr HODGMAN - Heaven forbid, a third party might have some rights -

Ms O'CONNOR - Rights over public protected areas. You have given them unfettered rights in our public protected areas and there is no capacity for the people to have a say or to understand what you are doing in those areas.

Mr HODGMAN - No. That is not true.

CHAIR - Do you have a question for the Premier, Ms O'Connor?

Ms O'CONNOR - My question to the Premier relates to the Right to Information Act. It is routinely being misused or misinterpreted. There are lengthy delays and requests for extensions. It can take up to a year to get a response from an agency and then we are told there is nothing there.

What are you going to do to strengthen the Right to Information Act and to actually hold true to the promise you made to the people of Tasmania to be transparent. Transparency has gone backwards under your Government.

UNCORRECTED PROOF ISSUE

Mr HODGMAN - No.

Ms O'CONNOR - We have so many of examples of the act being abused.

CHAIR - Order. You put the question Ms O'Connor. Allow the Premier time to answer it.

Mr HODGMAN - We have had this discussion ad nauseam in the parliament -

Ms O'CONNOR - You said you would fix that loop-hole.

Mr HODGMAN - I have pointed to improvements to the RTI act -

Ms O'CONNOR - No, there have been no improvements.

CHAIR - Ms O'Connor, order.

Ms O'CONNOR - The Premier is misleading.

Mr HODGMAN - It is the same system that was in place under your government.

Ms O'CONNOR - The difference is that we did not delegate it so it was not subject to internal review.

CHAIR - Order, Ms O'Connor.

Mr HODGMAN - I am not sure if that is true or not.

Ms O'CONNOR - Well, we didn't. The department took care of everything. It did not come to the minister's office until the end of the process.

CHAIR - Ms O'Connor, rather than statements, if you have no more questions for the Premier, I will move on to Mr O'Byrne.

Mr O'BYRNE - Just one question of clarification on the answer surrounding Dr Whittington and his travel. You mention that he now resides in Launceston and will only be travelling south two days per week. My understanding was that he used to be a resident of Hobart and since this has occurred he has moved to Launceston and therefore will be incurring costs to Hobart. Have I got that wrong?

Mr HODGMAN - He has moved to Launceston.

Mr O'BYRNE - That is a change from his previous residence.

Mr HODGMAN - Yes.

Mr O'BYRNE - So the costs to get him to Hobart more regularly now are incurred by the state.

Mr HODGMAN - No. As I have said, there are established rules for claiming reasonable travel expenses. Every head of agency is entitled to reimbursement for expenses reasonably incurred on official business and these are the same rules that have applied previously, so there is

no changing the rules here. He is entitled to live wherever he wants and his circumstances have changed. His primary place of residence is in Launceston. As secretary of DPIPWE it is a whole-of-state agency so it will be of benefit for him to be in the north and the south, as and when required. However, the Government does not expect Dr Whittington's claims for intrastate travel will be materially different from that which he has previously claimed, notwithstanding his change in residence.

Mr O'BYRNE - Thank you. The Speaker announced there would be access to OPC for House of Assembly opposition parties. Where will it be based and how will it function?

Mr HODGMAN - It is a good initiative which this Government will deliver appropriately.

Mr O'BYRNE - A minority government now.

Mr BACON - Thirteen.

Mr HODGMAN - No, it is a majority. Not every member in every government will always support everything the government does. As the Leader of the Greens would say, it may not be a bad thing, but when push comes to shove, we have a majority.

Mr O'BYRNE - Pushing and shoving? Perhaps you should rethink the wording there.

Mr HODGMAN - The Office of Parliamentary Counsel has an important function in drafting bills and subordinate legislation and having previously drafted amendments for the Government and more recently other members, we have a budget allocation to provide that service to support all members of parliament.

Ms O'CONNOR - Doesn't the Legislative Council already get access?

Mr HODGMAN - On some occasions they do. It has been done on a case-by-case basis.

Ms O'CONNOR - So if the Legislative Council asks, they get access.

Mr HODGMAN - This will allow more access to OPC for the independent drafting of legislation for the non-government members, so that is a good thing. As to where it will be placed, that will be determined and there are differing models in other jurisdictions as to how that occurs. It could be placed within the parliament and its library and research service or it might be within the Office of OPC itself. We would want members who collectively bring forward legislation to not only have access to experts in drafting but also some independent process in which they can do that separate from government, lest there be any suggestion of interference. Those matters will be determined.

Mr O'BYRNE - Have you a view about where it should sit?

Mr HODGMAN - No, we are seeking some advice as to the appropriate model and way forward and it should also be done in consultation with the presiding officers as well as OPC.

Mr O'BYRNE - What is the allocation for that?

Mr HODGMAN - It is \$150 000.

Mr O'BYRNE - Premier, Service Tasmania plays a crucial role in delivering services to communities across the state. Are there any plans to close any of the Service Tasmania shops in the foreseeable future?

Mr HODGMAN - No.

Mr O'BYRNE - Are they considered front line in terms of the efficiency dividend, given they are dealing with people?

Mr HODGMAN - They are, and they are a part of the agency's considerations in how we can make savings and efficiencies. Our intention is not in any way to impact on frontline service delivery or frontline service deliverers.

Mr O'BYRNE - So you would consider Service Tasmania frontline staff?

Ms GALE - Yes, in the shops.

Mr HODGMAN - Yes, they are very much a retail frontline service. If we can improve on their efficiency and effectiveness in providing support and resources to people in the community, of course we would always do that. If you go to the Paranaple Complex in Devonport, you can see how effective and interactive the newer model is.

Mr O'BYRNE - That is the reason we are asking. Are there any new Service Tasmania outlets in the pipeline?

Mr HODGMAN - There are none planned.

Mr TUCKER - Premier, most regional communities around the state have convenient access to a range of government services through Service Tasmania centres and online. Can you tell the committee how many face-to-face and online transactions Service Tasmania now handle and the satisfaction rate for their services?

Mr HODGMAN - Thank you for the supplementary question, Mr Tucker. Service Tasmania continues to enjoy high levels of overall satisfaction. The results from the June 2018 survey showed an overall satisfaction rate of 90 per cent and 93 per cent related to the quality of service.

Established in 1998, there are now 27 centres, with 653 services available over the counter, 559 by phone, 38 bills can be paid electronically over the internet or phone, and customers can pay bills, purchase government publications, find government information and apply for licences, permits, grants, et cetera.

Over the past 12 months to 31 March, Service Tasmania centres handled 1.5 million transactions, collected \$163 million in revenue, received 277 572 telephone calls, with 224 661 electronic payments made.

Over the past six years, the number of face-to-face transactions has been declining as more people use electronic ways as a means of doing business. Service Tasmania anticipates they and their workforce will change flexibly too, with the establishment of virtual contact centre seats based in service centres in recent years to take increasing numbers of calls. For example, in May 2015,

UNCORRECTED PROOF ISSUE

the contact centre was answering approximately 430 calls per day but in March of this year were answering 1106 calls per day, making an average of 323 callbacks so people do not have to stay waiting on the line for too long.

We are continuing to invest in Service Tasmania's capital infrastructure. The Hobart service centre redevelopment is anticipated for mid-2020. Funds have been committed to the New Norfolk redevelopment and the new Launceston service centre is nearly completed. I think we might have some images available. I know certain members of the Legislative Council have been concerned about the Launceston Service Tasmania centre for some time and while there is a new model with a new concierge counter to assist customers as they arrive to ensure they have the required paperwork to undertake the transactions, the same model was introduced in Devonport and is working well.

I want to take the opportunity thank Service Tasmania for their efforts throughout the year and also their recent response to the bushfires earlier this year when they supported our response through its phone and service centres with a single number for people to call for information, as well as opening centres in Hobart, Burnie and Launceston for people to apply for the emergency assistance grants. I am advised that between 25 January and 25 February there were 2333 calls received on the dedicated Tasmanian emergency information service line and 2441 emergency assistance grant applications processed through the Service Tasmania centres.

CHAIR - Before you start, Mr O'Byrne, we have less than 10 minutes left. So, a couple of questions.

Mr O'BYRNE - How many staff currently reside in the public sector management office at the moment?

Ms GALE - If you mean the State Service Management Office, 22.57 FTEs.

Mr O'BYRNE - Will they be exempt from any efficiency dividend?

Ms GALE - My plan has not been determined yet. I have been working with the executive of DPAC to identify where we will make the savings. When we have identified those savings, we will put forward a plan to the Premier for his approval.

Mr BACON - Do you know the size of your task?

Ms GALE - Through you Premier, the Premier indicated earlier that, no, we have not had the exact figures provided to us yet.

Mr BACON - Is there a ballpark figure, Premier?

Mr HODGMAN - We are determining that.

Mr BACON - There isn't a ballpark figure, given the department has already started the work?

Mr HODGMAN - As I outlined earlier, we are commencing a process by which the secretary and the taskforce will undertake the requirements to find the efficiency dividend across the agency to not impact on frontline services, to not force or to sack people, to reduce costs of travel,

consultancies and consumables. Where there is natural attrition or workforce renewal incentive payments available then those measures would also be employed.

Mr O'BYRNE - You are pushing towards over a billion dollars in debt, the RER allocated -

CHAIR - I do need to move on, Mr O'Byrne. You can come back if you have time.

Mr HODGMAN - This is to make savings and efficiencies in government which you have been calling for us to do. In other areas it is appropriate that that might also occur.

Ms O'CONNOR - At a time of accelerating climate disruption which is affecting Tasmania and the lives of Tasmanians and our landscape and our agricultural producers and our biosecurity, how do you see savings measures, the 0.75 per cent efficiency dividend impacting on the climate office?

Mr HODGMAN - We cannot add anything further than what we have previously said to the committee on a number of occasions this morning.

Ms O'CONNOR - The funding for the Climate Change Office, from this year which is around \$2.17 million, falls to \$1.5 million in the final year of the forward Estimates 2022-23. Over the course of this Government, there will be a cut to the funding of the climate office that is already detailed in the budget papers. There is the efficiency dividend on top of that. How do you justify that in an age of accelerating climate disruption?

Mr HODGMAN - With respect to the plan the budget papers outline the finances for the office, which the Minister for the Environment and responsible for climate change will happily talk to as well. Our efforts to deliver on our action plan but also other key initiatives, which I have already outlined this morning to ensure that we do continue to be a world leader and to meet our words with action and reduce our emissions, be a renewable energy state entirely within a couple of years, as well as deliver a number of important practical initiatives and incentives for people to be better able to reduce their impact on the climate.

Ms O'CONNOR - Premier, why was there no mention of climate in your state of the state address? Can you confirm that some of your Cabinet colleagues wanted it removed from your address?

Mr HODGMAN - I stand corrected but I would be surprised if it didn't. It is not in any way to suggest that it is not an important priority for the Government. I can confirm that no Government minister or member for that matter has asked me in any way to alter my Budget reply speech, or indeed any other. They might add to it and supplement and improve it.

Ms O'CONNOR - Do you have climate deniers in your Cabinet? Can you foreshadow across the forward Estimates that given what you have said about funds for the climate plan drying up at its conclusion in 2021, are we likely to see an increased investment in the Climate Change Office across the forward Estimates? Are we likely to see an increased investment in bushfire prevention across the forward Estimates? Will you be taking a personal interest in the development of the climate plan that follows the expiry of the 2021 plan?

Mr HODGMAN - We have increased our funding for bushfire management in the TWWHA. We have delivered a Climate Action 21 plan for the state. Yes, it was discreetly funded because its

UNCORRECTED PROOF ISSUE

operations and its actions are over the four-year period. As I said, as happened with family violence and our action plan there, it was subject to review as we approached the conclusion of the term of its operation and its funding. I would anticipate we would certainly do that again and I will continue to have a strong interest in this area.

Ms O'CONNOR - So funding has been cut to the Office of Security and Emergency Management across the forward Estimates?

Ms O'BYRNE - Premier, you are pushing the state towards a \$1 billion in net debt. It has been clear under questioning today that your offices have exploded in terms of their resources. Your ministerial offices. Your own electorate office, and under questioning you have to be surprised about the deterioration of the books, given the RER gave you the picture back in January. How can you not provide an answer to one, how much are you expecting your department to carry the weight of the \$450 million? You can't define front line or back line. You are confused in your answers around what is a government initiative, what is policy, what is going to be investigated? How can Tasmanians trust you in leadership to respond to the challenge of a budget of your own creating?

Mr HODGMAN - It is not a budget of our own creating, as we have made it clear and yes, we do have updates on our budget situation throughout the year, and in our Budget, we responded to those matters as they exist now. Yes, it is true to say we have had massive writedowns in our revenues, in GST and it is through no fault of the Government. You can't blame us for that one, nor indeed conveyance duties.

Ms O'CONNOR - You blamed us for it when it happened.

Mr O'BYRNE - You blamed us when we were in government.

CHAIR - Order.

Mr HODGMAN - It may have been when you weren't here. GST receipts fluctuate. They go up and down and you make provision for it. Good governments do and should.

Mr O'BYRNE - No, you haven't. You have had to push to \$1 billion in net debt.

Mr HODGMAN - We have done that in successive budgets, kept our budget in surplus. We were able to introduce and implement a savings strategy on coming into government when our budget was in much worse condition than it is now.

Mr O'BYRNE - Did you deliver?

Mr HODGMAN - Yes, we did.

CHAIR - Order. Premier, I need to inform you and the committee that the time for the deliberation of the Premier and DPAC has now concluded.

The committee suspended from 1.10 p.m. until 2 p.m.

UNCORRECTED PROOF ISSUE

CHAIR - We will now begin this afternoon's session. For all those who have just been buoyed by lunch and all that sort of thing, I need to remind you that we are not halfway yet, just to put a downer on that subject. Two three-hour sessions are very long sessions, so we might have a quick break after two hours and another one two hours further on. We are here this afternoon to deliberate on the Estimates process including Parks and Wildlife.

Premier, I would ask you to introduce the officers at the table and make an opening statement.

Mr HODGMAN - We have Dr John Whittington, secretary of the Department of Primary Industries, Water and Environment and Mr Jason Jacobi, Director of Parks and Wildlife Service.

I am very pleased to be the minister for Parks and have the opportunity to talk about this Budget and what it means for protecting, preserving and supporting one of our state's most precious assets but also to ensure that more people are able to enjoy them. They are certainly one of the top things that makes our state such a wonderful place to live in but also to visit, and we know from the latest data that close to half of our 1.3 million visitors coming to this state visit a national park while they are here. In the 2018 calendar year visitation to key reference sites across our national parks and reserves was up by 5 per cent to 1.46 million visits, so they are a very important part also of supporting Tasmania's visitor economy, especially in our regions.

With over 47 per cent of our land conserved in national parks, reserves and Crown land our spectacular environment is one of the most precious attributes of our state. We are investing \$32 million into our iconic national parks and reserves, which includes \$4 million in addition to the \$1.83 million previously committed to further improve infrastructure and heritage sights on Maria Island to realise its potential as a major visitor drawcard to Triabunna and the lower east coast; \$1.5 million to upgrade popular camping sites including those at Diana's Basin, Humbug Point and Mt William National Park; and \$800 000 in master planning and infrastructure at Cockle Creek to improve the southern gateway to the Tasmanian Wilderness World Heritage Area.

The Government recognises that maintenance is a critical piece of work to ensure our parks are safe, fit for purpose and present the standard we expect and also preserve our precious environment. The Parks and Wildlife Services manages a suite of approximately 23 000 assets with a combined value in excess of \$1 billion, which is why we have provided an additional \$8 million dedicated funding over a four-year period.

The 2019-20 Budget will also continue to advance our commitment to the Cradle Mountain masterplan, an unprecedented investment in the region by the Government of \$56.8 million including \$21.8 million for the redevelopment of essential infrastructure for the visitor gateway and Dove Lake, as well as the Australian Government's commitment of \$30 million which will bring the Cradle Mountain master plan to life. These are strategic investments to ensure the visitor experience at Cradle Mountain matches the spectacular beauty and magnificence of the area.

We are working very closely with the federal Morrison Government on a \$7.2 million investment to support tourism infrastructure upgrades identified through the Freycinet master plan. Freycinet National Park is one of our most popular and fastest-growing tourism destinations and this additional funding will create new transport infrastructure to reduce congestion and support the development of new shelters, lookouts and walkways through the national park as well as showcase Freycinet's rich indigenous heritage. They are just some of what we are doing as a government included in this Budget and I welcome the opportunity to be scrutinised on Parks at today's hearing.

Ms STANDEN - I thank the Premier for that overview. Beginning with budget savings, what proportion of the \$450 million in savings that have been identified within the Budget will be coming from your portfolio?

Mr HODGMAN - We will have more to say about the savings measures that will be implemented and determined by work done by the department under Dr Whittington and decided upon by the Government to determine where savings can be made without impacting on service delivery and without ensuring that our objectives, as I have outlined and more broadly, are adhered to. Where we can make savings predominantly in the first instance in areas such as travel, consultancies, consumables, without needing to reduce our workforce wherever possible but where we are able to do so through the process of natural attrition or voluntary workplace renewal incentive programs as we have previously done, we will so do. Over the next little while, our agencies will be working to identify those areas and we will consult and engage with Cabinet to determine the best way to make the savings as our Budget outlines.

Ms STANDEN - Premier, you say you will be identifying those savings. What work has been done internally to date to identify savings on your portfolio and when did you first become aware of the efficiency dividend?

Mr HODGMAN - The efficiency dividend has been part of the Budget in its preparation which takes place over some period, and it was determined by Government to be an important part of keeping our Budget in a sustainable position to meet the writedown in revenues from GST and conveyancing duties which come at a cost of \$530 million. We need to make sure we can keep our budget in surplus, which we are doing, and implement that efficiency dividend of a modest 0.75 per cent of government expenditure, which is actually less, I hasten to point out, than efficiency dividends in other jurisdictions, a number of which governments have permanent or at least very constant efficiency dividends measured into their budgets.

The decision was made by Government. We will work with agencies to identify savings in areas such as consultants, travel, transport, advertising, promotional expenditure, targeted vacancy control and natural attrition, but we are certainly determined and committed to protecting the front line of our essential services - and that includes in Parks - to minimise any impact on service delivery. We will update the House and the public in due course in the second quarter of the new financial year as to those measures when they are determined.

Ms STANDEN - How would you define frontline services? Are there areas within Parks and Wildlife that will be quarantined from the budget cuts?

Mr HODGMAN - As I say, we don't intend to reduce any services to Tasmanians, nor indeed impact through our savings measures on those who deliver essential services to our community. Our agencies are best placed to inform government as to how and where that can occur.

Ms STANDEN - So would staff maintaining tracks be considered frontline?

Mr HODGMAN - They have a very important role to play and, as I say, we don't intend to reduce the number of public servants performing essential roles to government. This process does not necessitate that.

Ms STANDEN - So there would be some staff within your agency who are performing unessential roles, is that right?

Mr HODGMAN - I am sure in any government there is, at any time, an important responsibility to ensure that not only those who work within our service but the roles that exist within our public service are as efficient and effective as they can be. Through the processes I have outlined, we will ensure that is so. We are not forecasting any shift in our policy position which would threaten the employment of any of our workforce, as has previously been asserted by your colleagues.

Ms O'CONNOR - Premier, the fires that devastated vast tracts of the Tasmanian Wilderness World Heritage Area, including rainforest and alpine eco systems, started on 27 December 2018. Can you explain why a reconnaissance flight from the Parks and Wildlife Service did not go up until 28 December? It was a charter flight from Hobart Cambridge Airport for the purpose of fire spotting on 28 December. It had a non-qualified or trained observer on board. This is the fire that started in Gell River.

Mr JACOBI - I can give you an answer to the question. The spotter flight that detected the Gell River and Battlement Hills fires were sent the morning of 28 December. There was lightning across the state on the previous evening. Early on in the flight, two fires were detected in the Tasmanian Wilderness World Heritage Area - Battlement Hills and nearby Gell River. On confirmation of this PWS firefighters were despatched to attack the fire and a PWS incident management team was established to manage the fires.

As part of the initial response, the PWS identified bushwalkers in the area and organised for them to be relocated. The walking tracks leading to the area of the fire were closed and information posted on the Parks website and social media. Early partial containment of these fires was aided by a fuel reduction burn adjacent to Battlement Hills that was conducted in 2015, which slowed the eastern and southern spread of the fire during first few days of the fire.

The Gell River fire subsequently joined up with and subsumed the Battlement Hills fire during the period of high fire weather during the afternoon of 28 December 2018.

One of the key things to remember is that in these conditions, it is not always possible to put up aircraft for spotter flights at all times. In this case, the spotter flight that was deployed identified these fires in the very early stages. I am advised that on 30 December, a spotter flight with infrared capability was despatched to detect hot spots, often otherwise invisible. Thirty hotspots were identified and crews were deployed to undertake direct attack. On 31 December, all hot spots were suppressed, no additional fire activity was detected and crews were withdrawn from the fire ground. Later that day, the fire flared up and crews were redeployed.

Ms O'CONNOR - Thank you, Mr Jacobi. Can you confirm that the flight that went up on 28 December was in the morning? Are you able to provide the committee with advice on what information was gathered and passed on to the Parks and Wildlife Service as a result of that flight, about the Gell River fire particularly?

Mr JACOBI - In relation to the Gell River fire, my understanding was the spotter flight was deployed that morning and, obviously, as is normal practice, any information identified during the spotter flight is directly relayed back to the incident management team.

Ms O'CONNOR - Of course, Mr Jacobi. That was not my question - through you, Premier, the question was what was the nature of the briefing that was provided to Parks as a result of that

UNCORRECTED PROOF ISSUE

spotter flight. The historical record is that we know that the Gell River fire got out of control sometime after 28 December.

Mr JACOBI - I do not have the exact details of the incident log. I am sure we can provide that.

Ms O'CONNOR - Can I put that question on notice, that we have the incident log from 28 December spotter flight?

Mr HODGMAN - I assume it is appropriate to release that?

Ms O'CONNOR - I cannot imagine why it would be sensitive information if we are all trying to work to make sure that we are protecting the TWWHA.

Mr HODGMAN - If there is an issue, that will be dealt with through the process. I can accept that question on notice, thank you, Chair.

Ms O'CONNOR - The last question on that line of questioning. Why wasn't thermal imaging used on the spotter flights that were going up. First of all, why did the firefighters go in apparently on the 28th and then walk out on 29th and it flared up on 30th and became the massive fire storm that it was? What level of decision-making was there about walking away from the fire on the 29th?

Mr JACOBI - I am entirely confident that our decision-making in relation to our response to the Gell River fire was appropriate.

Ms O'CONNOR - At what point?

Mr JACOBI - At all points, I am confident that our decision-making was appropriate and timely. We had specifically asked that the response to both the Gell River fire and the Riveaux Road fire is dealt with as part of the Cronstedt 2019 fire review. I am expecting that review will fully investigate and provide advice in relation to the effectiveness of that response.

Ms STANDEN - Premier, fire crew members of the Parks and Wildlife Service are career specialist bushfire fighters and they are obviously dedicated to the protection and maintenance of crown and reserve estates and assets. They are not only firefighters, they are involved in a range of land management practices throughout the year, including track maintenance.

I understand there is a permanent crew of 18 positions, though during the last fire season they were supplemented by a further 20 staff during the fire season. Can you confirm that five of those permanent positions are currently unfilled?

Mr JACOBI - Through the Premier, I can confirm that we have an incredibly large capacity of capability in remote area firefighting, up to 89 remote area fire fighters across the parks service. We also have a considerable number in addition to those who are able to be deployed for firefighting purposes. It is correct that there is a dedicated fire crew of 35 staff comprising approximately 18 permanent positions and supplemented annually with an additional 19 seasonal staff. Last year, 17 seasonal staff were deployed. We still had a full complement of 35 staff. There were some vacant positions; you are correct in that there were approximately five vacant positions. Those positions were back-filled, so we had a full complement at all times as we would normally have for our fire response.

Ms STANDEN - Premier, are you satisfied with the adequacy of the parks service fuel reduction program?

Mr HODGMAN - Yes, certainly. It has been enormous in its scale and in its funding and scope. It covers what are identified as priority areas for fuel reduction.

Anecdotally I was informed that our fuel reduction burns on the west coast were largely responsible for averting a more critical situation for that township, which was well under threat.

I refer you to the preparatory work undertaken with a \$55 million investment in our fuel reduction program. There is a further \$4 million to improve bushfire management in our wilderness areas. There are a number of other important strategies that are undertaken to avert the wildfire impact in our wilderness areas especially the TWWHA, including by air and on ground.

I am often informed by our chief fire officer that our fuel reduction program is nation leading and is a strategic risk-based approach that, importantly, encompasses both private and public land through our fire service, Parks and Wildlife Service and Sustainable Timber Tasmania.

There is a lot to be done, but over the first four years of the program 533 fuel reduction burns were completed across the state encompassing 63 752 hectares, with 10 848 hectares of that on private land. It is a contemporary approach to bushfire mitigation and community fire safety. It reflects modern thinking, research and emergency management and recommendations that came from recent bushfire inquiries and a Royal Commission following the devastating events in South East Asia and Victoria a few years back.

Ms STANDEN - I am informed that the bushfire management and the TWWHA initiative around planning litigation response of \$2 million over four years is more around policy responses and desktop exercises and stuff rather than people on the ground undertaking bushfire mitigation strategies. Can you outline the impact of the 2019 bushfire season on the ongoing work program, like preventative maintenance, tracks and weed and pest control, et cetera?

Mr HODGMAN - Right, as opposed to the impact of the fires themselves?

Ms STANDEN - Yes.

Dr WHITTINGTON - Clearly during the bushfire season it was all hands on deck to fight the fires. Now we are back to normal business, so the normal routine business of Parks continues. As to whether there is some sort of legacy issue, we have to manage the impact on the natural values and infrastructure that was damaged in the parks and we have a budget allocation of \$8.3 million to do that so we will get along do that. As for the broader work of Parks, that continues.

Ms STANDEN - Obviously with climate change and so on there is an increase in frequency and severity of these sorts of natural disasters. I am wondering if there has been consideration of making the seasonal workforce of Parks and Wildlife permanent in that context so as not to fall behind on ongoing work programs.

Mr HODGMAN - Certainly in my view the state was very well prepared for the event. The PWS fuel reduction program enabled multiple planned burns of about 60 000 hectares inside and adjacent to the TWWHA. The fire management section of PWS consists of dedicated fire

management staff who support the three regions to deliver the fire management program on reserved land and following our commitments to the TWWHA the PWS now has dedicated fire operations officers for the TWWHA whose roles are to focus on planning and conduct fuel reduction ecological burns within the TWWHA and high-priority research as well and so we are able to plan ahead and respond to development projects. A lot of that will be wrapped into the broader inquiry, but these are not only responsive but also preventative measures that have been undertaken. In 2017 we had an extra \$500 000 per year over four years for the dedicated burning program on lands adjacent to the TWWHA as well.

I make these points to affirm the fact that we are constantly evolving not only our preventative measures but also our responses to bushfire events, which are very common. It may be that our personnel could be deployed better in a hypothetical way, but I have been well informed by all our agencies and notably the Chief Fire Officer that they never wanted for an appropriate number of personnel on hand or resources from government to fight the fires.

Ms STANDEN - With respect, Premier, the question was about consideration of making the seasonal workforce permanent and trying to get ahead of the game.

Mr HODGMAN - Yes. Sorry, I did mean to address that.

Dr WHITTINGTON - We have a permanent fire crew of about 18 and that crew obviously does firefighting over the summer and does fuel reduction burning on the shoulders and there is a lot of maintenance work and planning they can do during the wetter months. As part of our increased fuel reduction burning, three seasonal firefighters were converted to permanent to assist with that load but, in the end, firefighting is a seasonal job and we are trying to structure our workforce to meet demand and the most efficient and effective way of doing that is to apply the resources when they are required, not carry them during periods when they are not required.

Mr TUCKER - Premier, can you please update the committee on how the investments of the Government along with the significant efforts of the Parks and Wildlife Service and their interagency colleagues minimised the impact of the recent summer bushfires on the Tasmanian Wilderness World Heritage Area?

Mr HODGMAN - Thank you, Mr Tucker. I have to some extent already done that but I will again state some important matters. In partnership with Tasmania Fire Service, Sustainable Timber Tasmania and a number of interstate and international emergency service personnel, Parks and Wildlife Service worked over a long period, two months or so, in difficult, sometimes unpredictable conditions, to contain the recent fires here. The Parks and Wildlife Service used every tool available, including the use of heavy machinery, sprinklers, retardants and water-bombing in order to halt fire spread and to protect life, property and infrastructure. I heard in my travels across the state that many people were anxious as to whether the Government and its agencies were using every tool available. The clear advice I have and what I did see was that the Parks and Wildlife Service was doing so.

Vulnerable natural culture and historical values were also successfully defended from the fires. Targeted natural value protection plans formulated on a daily basis by specialist teams determined the best tactics and resourcing required to secure important environments from the threat of fire. There is no question that these fires have impacted on the TWWHA but it is important also to note that not all fire impacts are negative. Indeed, many areas of the TWWHA contain fire-dependent ecosystems that would not be maintained in the absence of fire. I am advised that as at 22 May this

year fires had burned approximately 210 000 hectares. Approximately 95 430 hectares of that is within the TWWHA, which equates to around 6 per cent of the Wilderness World Heritage Area, and of the area burnt in the TWWHA, 80 per cent was in fire-adapted communities. I am advised that desktop analysis to date indicates that less than 1 per cent of extreme fire-sensitive communities occurred within the mapped boundaries. I am committed to protecting the TWWHA and have made substantial investments in developing strategies, systems and tools for managing bushfire risk in the region.

There is no doubt that our national-leading fuel reduction program has significantly reduced the state's fire risk and we will continue in this Budget to invest into the targeted fuel reduction program \$9 million per year, \$2 million of which over four years is quarantined to undertake fuel reduction burns specifically designed to protect and mitigate against fire in the TWWHA. Following significant bushfire events in 2016, we also committed \$250 000 for a TWWHA bushfire and climate change research project to investigate the impact of climate change in the TWWHA and recommend ways to improve how we prepare for and respond to bushfire in the TWWHA. In response to the project we have allocated \$2 million over four years. These projects are significantly improving current knowledge and capability and prioritise strategic investment. There is also \$4.2 million contributing to our commitment to meet national and international responsibilities to protect the outstanding universal value of the TWWHA.

Ms O'CONNOR - Premier, you don't protect the outstanding wilderness values of the TWWHA by allowing more tourism operators into it to degrade the wilderness.

My question relates to the Gell River fire. The firefighters moved out of the Gell River fire bed on 29 December, as I understand it, but within 24 to 36 hours, as I understand it, that fire had flared up again and became a major source of the damage, along with the Riveaux Road fire. Can you honestly engage with the committee on any concerns that you might have about the decisions that were made to withdraw from the Gell River fire and state that it was under control or out. The level of resourcing, the fact that there was no thermal imaging done apparently, the fact that there was no night firefighting undertaken, because we do not do that here in Tasmania. Have you inquired into the response to that fire and what honestly have you learned from it?

Mr HODGMAN - I will certainly answer honestly and, yes, I have inquired into these matters. The chief officer who is here today and also the director would confirm that to be so. I know many people in the community have asked questions about these matters and they will be subject to an independent inquiry through the process that we have established and which is underway. We will unreservedly look to any matters where there might be improvement. I have made those inquiries. As has been outlined, there was a response early on 28 December following the lightning strikes across the state. The previous evening Parks and Wildlife Service firefighters were dispatched and an incident management team was established.

Ms O'CONNOR - Where was that? Was that the one at Strathgordon?

Mr HODGMAN - Yes.

Ms O'CONNOR - Okay, thank you.

Mr HODGMAN - Bushwalkers were heard in the area and they needed to be relocated and the walking tracks leading into the area of the fire were closed and information was posted on the

Parks and Wildlife Service website and social media. Early partial containment of these fires was aided by a fuel reduction burn adjacent to the Battlement Hills.

Ms O'CONNOR - The question I am asking specifically is about the Gell River fire and the response to it. You are reading from a brief. To be fair as Parks minister I thought you might be a bit more across the details of what happened in that fire instance.

Mr HODGMAN - With respect, I am well across it and I am very determined in proceedings such as this for the committee to be informed with the facts as they are provided to me. If you have a problem with that, or you would rather me not provide the committee with accurate information on the briefings that I have received - and I have received them verbally, I have received them over some time at the time that the fires were underway across our community and in relation to this specific area. I am only seeking to provide you with the facts as they are presented to me, yes, some in written form but I am happy to leave it at that point if you so wish.

Ms O'CONNOR - I want to finish this line of questioning. Dr Tony Press's report, which to you credit, your Government commissioned, the final report was delivered in December 2016 after the devastating January 2016 bushfires. It contains 18 recommendations but some of the key recommendations have not been implemented. What is the Government doing, for example, relating to lightening and ignition detection specifically? That is recommendation 7. Recommendation 8, capital investment installing new automatic weather stations in the TWWHA, mapping of values in the TWWHA - is that work being undertaken? How many of Dr Press's recommendations have been adopted in full? Those that have not been, why haven't they?

Mr HODGMAN - Forgive me for referring to my notes as I go. I previously acknowledged that work is well progressed in a number of the recommendations, not all of them, as you have identified, and we accept that. Following those fires to which you refer the work was done. Of the 2016 research project's 18 recommendations, the Government supported 13 in full and five in part with some having now been implemented and other long-term recommendations continuing to be progressed.

There are detailed and multifaceted recommendations and some of those relate to ecosystem monitoring and rehabilitation in the wake of the fires. It will take several years to complete. A committee comprising representatives from the Department of Primary Industries, Parks, Water and Environment, TFS and DPAC meets quarterly to monitor implementation of the recommendations. In response, we have funded \$2 million over four years to progress critical research projects.

In relation to the specifics of those not yet undertaken -

Ms O'CONNOR - Yes, or adopted. There are significant ones that talk, for example, about the need for better aerial fire suppression, better remote, rapid risk assessment which it would appear failed in the instance, particularly of the Gell River fire.

Mr HODGMAN - The fire suppression technique methods, which is one supported in part and partially implemented and funded -

Ms O'CONNOR - Is it possible, to save the committee time - and I am trying to be helpful here - maybe name which recommendations have been adopted in full and which have not yet or, as you described them, have been adopted in part.

UNCORRECTED PROOF ISSUE

Mr HODGMAN - Yes, and I am happy to provide reasons as well.

Ms O'CONNOR - Yes, that is fine. I have your Government's response document here. I understand that but that is now a few years ago.

Ms STANDEN - I see the Premier is reading from a document. Perhaps he could table that.

Ms O'CONNOR - Do you want to table that? Do you want to have a look at it before you table it?

If I put a question on notice, what recommendations have been fully implemented and which have not or in part?

Mr HODGMAN - And why?

Ms O'CONNOR - And why. Sure. You are trying to be helpful, I know. Thank you.

Ms STANDEN - Previously we were talking about budget savings and you conceded that travel, together with some areas might come into consideration in that. This is a question regarding Dr Whittington's travel specifically. When he lived in Hobart, how often was he in the north and now that I understand he has moved to Launceston, how many nights is he in Hobart? How much of that travel is he claiming?

Mr HODGMAN - As per an earlier discussion with respect to these matters, first I will say when it comes to Dr Whittington's travel, the only concern of mine and I am sure everyone else's, is what occurs when he is at work and exercising his responsibilities as secretary of the department which has statewide responsibilities as it happens, certainly, very much so in DPIPWE.

Ms STANDEN - I am not questioning that. A little sensitive perhaps.

Mr HODGMAN - No. It is important to put it on record. Anyone who is viewing these proceedings or later reading about them might appreciate the context as well. I make that point because, notwithstanding the fact that Dr Whittington now resides in Launceston, as you implied by your question, it would not be unreasonable to expect him to travel the state in the course of his business as is required and is appropriate. This is the case also with every head of agency.

There are established rules for claiming reasonable travel expenses for any head of agency. Dr Whittington is entitled to reimbursement for expenses reasonably incurred on official business. The same rules that have applied for all heads of agency for a number of years.

Dr Whittington is entitled to live wherever he wants. His primary place of residence is in Launceston, but he will continue to spend time in Hobart as required, which ensures that statewide presence for out senior official. However, the Government does not expect that Dr Whittington's claims for intrastate travel will be materially different from that which he has previously claimed. I know that Dr Whittington is fully aware of his responsibilities in the claiming of travel expenses reasonably incurred on official business. No variation to his contractual arrangements is required to ensure that appropriate policy and procedures are adhered to.

Ms STANDEN - Those weren't the questions though, Premier. With respect, are you saying that there is any variation in his pattern of work in the north and in the south from when he lived

previously in the south of the state? So, will there be any additional costs incurred to the department?

Mr HODGMAN - No, I have made that clear. I do not envisage anything that would disrupt Dr Whittington from undertaking his functions and responsibilities as head of agency, as he has done prior to relocating his residence to the north of the state. Nor should that be so now.

CHAIR - Members should be aware that there was a specific line of questioning earlier on today within DPAC. Those three questions have already been asked once, and the response is on record. If you wish to continue down that line, that is fine, but I am just informing you that there has been a line of questioning already put today.

Ms HADDAD - Thank you, Chair.

Premier, my question is about the foreseeability of how the agency will deal with its component of the \$450 million Budget savings? While the Government has identified travel as one of those areas where money might be saved, we are hearing reports already that DPIPWE staff are being told they might not have the budget available to cover the fuel to conduct parts of their work. We are hearing that directly from staff within Parks and Heritage. The point of that line of questioning was not to question whether or not Dr Whittington does his job appropriately. Of course members of the senior executive must travel for their work.

How is the Government going to identify who those frontline staff might be within the Parks and Wildlife Service? If you take out the people who everybody would consider to be frontline staff from the State Service - nurses, firefighters, police, teachers, doctors, and so on - that is about half of the 29 000 employees in the public sector, meaning that the remaining 15 000 would have to be cut by 10-15 per cent. That would be frightening across the Parks and Wildlife Service, especially considering more rangers were employed last year to cope with the ongoing and increasing demands of managing the Parks and Wildlife Service.

How will those frontline staff be identified across the Parks and Wildlife Service?

Mr HODGMAN - It assumes a reduction in staffing numbers when our very clear commitment is to first identify savings that will focus on travel, consultancies, consumables, advertising and promotion, and so on.

For those who might cease their service with the state through natural employee attrition, which occurs in every agency every year, or who might choose to change their employment through a targeted voluntary workforce management incentive program, which we have previously used. Those people will not be anything but voluntarily leaving their employment. I would not want anyone to think, as you suggest in your question, that there are going to be mass sackings and sackings of public servants against their will and an impact on services. We are clearly committing to protecting our frontline essential services and minimising any impact on delivery, notwithstanding those efficiencies we propose to make in those areas, and which we had previously done in government.

We will be updating the House once the early work has been done by our agencies to determine how that can best occur, including in this one. In the second quarter of the new financial year we will outline the savings measures.

UNCORRECTED PROOF ISSUE

Dr WHITTINGTON - I want to make it quite clear that we have not yet developed a formal savings management plan. We are in the process of starting that and a formal savings measures plan will be developed over the next month, as requested. It will focus on meeting the Budget tasks while minimising any impact on department services.

If staff are required to go into the field they will go into the field and they will get all of the appropriate allowances for that field work. We don't have a plan yet but we will be developing one over the next months.

Ms HADDAD - If I could follow that up either at agency level or at whole-of-government level. Do you have an anticipated percentage of that \$450 million savings target that could be broadly attributable to areas you have identified - advertising, consultancies, travel and so on - across government?

Mr HODGMAN - I don't want to speculate. Those matters will be determined through the processes we have outlined.

Ms O'CONNOR - Premier, I would like to go back to Tony Press's report. Perhaps Dr Whittington or Mr Jacobi will have more detailed information on this. The Tasmanian Parks and Wildlife Service should review its immediate medium and long-term fire suppression capabilities, including staffing. Is that work underway and has any advice been provided to the minister on the basis of that review? Why, in relation to recommendation 11, has there not been greater use of volunteers in the firefighting effort? I understand this is a human resource management issue in part. It is a specific recommendation of Dr Tony Press. Particular emphasis has been placed on capital investment, installing new automatic weather stations in the TWWHA. Have new automatic weather stations been installed in the TWWHA and nearby areas?

Mr HODGMAN - I am happy to provide the information I have and either Dr Whittington or Mr Jacobi can supplement it. In response to the first question on our volunteer workforce, the TFS has a volunteer sustainability strategy. A volunteer coordinator has now been appointed to further analysis how volunteers can be effectively deployed. This recommendation will be dovetailed with the Parks and Wildlife Service model of fire cover work under way and the resource to risk underway in TFS. This project reviews current risks and where resources are deployed in the state. The second stage involves reviewing future risk and longer-term response requirements. That work is being done.

Ms O'CONNOR - The first question related to recommendation 10, review of immediate, medium and long-term fire suppression capabilities, and whether advice had been provided to you yet as minister on that review.

Dr WHITTINGTON - We have work in process to develop a model of cover for operational capability. The 2018-19 bushfires and the learnings from that will supplement that work. Following the completion of the work we will draw on the previous fires and the 2018-19 fires for a model of cover which includes the workforce capability plan.

Ms O'CONNOR - When will that work be completed? In time for this coming bushfire season in an El Niño year, which has been forecast?

UNCORRECTED PROOF ISSUE

Mr JACOBI - Through you, Premier, the model of fire cover has commenced. It is best described as a resourcing strategy - how we would deploy our resources to best respond to the fire. Currently we need a draft completed by June 2020 and then there will be some consultation.

Ms O'CONNOR - So that would be three and a half years after Dr Tony Press handed down his recommendations?

Mr JACOBI - That would be correct but there has been substantial advancement on other aspects of the Press recommendations. I would be happy to provide you with an explanation of those.

Ms O'CONNOR - Thank you, Mr Jacobi. Has there been substantial progress on recommendation 8, which relates to capital investment, new automatic weather stations, facilities and equipment to enhance aerial firefighting, firefighting equipment available to fire agencies in different regions and improved communications facilities.

Mr JACOBI - There are actually a number of projects underway. Five weather stations have been purchased and were deployed to both inform our planned burning program last year but also the fires of 2019.

Ms O'CONNOR - In the TWWHA?

Mr JACOBI - I believe they were used in the TWWHA and were very effective in terms of providing real-time advice to our fire teams back at incident management control in relation to how the fire was behaving and the weather prediction. They are a very useful tool. We have a current project underway which is part of the TasGRN which is specifically looking at potential gaps in our communications across the state and Tasmania being an incredibly rugged and heavily-wooded landscape does make communications difficult in some locations. The Tas GRN project is to inform how we equip ourselves with the best and most contemporary communications to ensure that during any fire anywhere we are able to communicate with all our crews.

Ms O'CONNOR - Thermal imaging equipment was clearly a deficit last summer.

Mr JACOBI - This year in response to the fire season we used spotter aircraft with specialist people onboard the plane to identify fires. We still believe that is the most effective way in which to identify and pinpoint each fire and determine the best response for each particular fire. I am well aware of your views around using thermal imagery -

Ms O'CONNOR - It is not just my view. It is the view of people who have been fighting to protect and enjoy the TWWHA for many years.

CHAIR - Order, Ms O'Connor. I remind the whole committee that when an officer is speaking we allow them the privilege of finishing their comments rather than interject on them. It is bad enough that it is done to the Premier, but when an officer is at the table we allow them to complete their answer.

Mr JACOBI - Hand-held thermal imaging was used and we also used aircraft-mounted thermal imaging. TFS deployed the thermal imaging from Victoria which was used extensively to inform the condition and status of the fires. It is worth remembering that many of these fires were underground so the ability to actually detect and the effectiveness of thermal imaging from aircraft,

UNCORRECTED PROOF ISSUE

particularly through sometimes heavy cloud layer or thick smoke, was not the best way in which to determine the nature of the fire, exactly where it was and how to respond. The advice we were getting back from some of our operational debriefs was that the deployment of helicopters and specialist crews or spotter aircraft proved to be still the most effective way to identify and pinpoint the fires and how to respond.

Ms O'CONNOR - Unfortunately the message I am getting is that doesn't seem to have been any change in approach as a result of last summer's fires, which is a bit depressing, to be honest.

Mr TUCKER - Cradle Mountain is one of Tasmania's most iconic visitor destinations and a major drawcard and demand-driver for the north-west. Can you update the committee on investments being made to enhance this icon, improve the sustainability of the Cradle Mountain-Lake St Clair National Park and protect the wilderness of this iconic location?

Ms O'CONNOR - It is the Cradle Mountain Disneyland project.

Mr HODGMAN - I was wondering whether you would say that, or whether I might need to inform the committee of your claim.

Ms O'CONNOR - I won't be going back there when it's a theme park.

Mr HODGMAN - It is not. It is a great investment that goes right to the objectives you have outlined. It is a massive financial commitment by the Tasmanian Government of \$56.8 million and the Australian Government's commitment of \$30 million. It very much aligns with the objectives you have outlined but also the Cradle Mountain master plan and will ensure the experience matches the spectacular beauty of the area. It focuses on three key areas of the visitor experience.

The new visitor centre and Cradle Village precinct, and construction on the village gateway commenced in January of this year. I am pleased to advise that local building company Fairbrother was awarded the contract, which includes the construction of new buildings including a new visitors service centre, commercial tour operators building and café, essential infrastructure services such as power, water, sewerage and communications to service the gateway precinct. Other works include civil landscaping, rehabilitation works, access roads and carparking to be at the heart of the visitor experience. It is the first arrival point for visitors to the park and it will employ at Fairbrother around 24 employees and 35 subcontractors.

Second, the Australian and Tasmanian governments have committed funding to the capital construction cost of a cableway. It will create a standalone visitor drawcard and will ensure that visitors have all-year all-weather access to Dove Lake and reduce the environmental footprint in the area as well. It identifies the site as a strategic priority for government and \$60 million is committed to that and it will further drive private sector investment for the gateway precinct. We will also improve the visitor experience at Dove Lake with a new shelter to transform the experience, reduce the impact of parked cars by the lake and provide an all-weather facility for hundreds and thousands of people each year. There will be a bus shelter, amenities building, bus turning area and parking in connection to the Dove Lake walking tracks and a viewing platform. A lot of this reduces the environmental impact of people in the area but also improves visitor safety and circulation around the area, including the lake's edge.

I am pleased to advise that following referral under the EPBC Act, the development plan and environmental impact statement for the new viewing shelter has been found to be not a controlled

action by the Australian Government. It is anticipated construction works will be tendered in mid-2019. We are looking to secure a developer for a high-quality alpine village for the next stage of the gateway precinct and have \$5 million assigned to assist in that. We are managing the request for expressions of interest process to ensure that the next exciting phase is commensurate with all we seek to achieve.

In tandem with the master plan the Parks and Wildlife Service has completed a new tender for the shuttle bus service. Under these new arrangements a fleet of disability-compliant hybrid diesel-electric buses will transport visitors to and from the park.

These are strategic investments that will ensure that the visitor experience of Cradle Mountain matches the spectacular beauty of the area, boost our brand and our iconic national tourism destination and ensure that this precious environment which is much loved by Tasmanians and so many visitors is well maintained and preserved for future generations to enjoy.

Ms STANDEN - Premier, since we are talking about Cradle Mountain, I am interested to know when the cableway will be finished. I note there is no money in the forward Estimates beyond 2021-22 so does that mean the cableway will be built by then, or is it unfunded? Also when will the master plan be delivered in full and how much does it cost to subsidise the shuttle bus into Cradle Mountain?

Mr HODGMAN - There are a number of questions there. In respect to the cableway, both the Tasmanian and Australian governments have made commitments of \$30 million to the capital construction cost of the cableway. It is anticipated that it is a \$60 million investment.

Ms STANDEN - Yes, but when will it be finished?

Mr HODGMAN - Work is continuing on the analysis done for this. A follow-up site visit to Cradle Mountain by international cableway experts Eco-Transit was undertaken in September last year which assisted in progressing the feasibility project task and developing cableway cost estimates, technical specifications including system types, capacity cabin size, possible station and tower locations, possible tower line heights, off-the-ground buildability and visibility.

Ms STANDEN - When will it be finished?

Mr HODGMAN - This information will be presented in a cableway analysis final report and following an open tender process, the Office of the Coordinator-General will determine the preferred consultant to prepare a business case in accordance with the Australian Government funding requirements, and this work is underway. Once that is done we will have a clearer picture as to the likely completion time.

Dr WHITTINGTON - I think at the start of your question you wondered where the money was in the Budget.

Ms STANDEN - I just wondered when the cableway will be finished.

CHAIR - Order, Ms Standen. The same rules apply to you, thank you.

Dr WHITTINGTON - I believe you asked the Premier, where was the money and when was it going to be finished? The money is quite clearly tabled in Table 10.11, Capital Investment Program;

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it is the Cradle Mountain Experience. It shows an estimated total cost of \$65 million over the forward Estimates and that is outlined there. That funding flow is what the current expectation around construction looks like.

Mr HODGMAN - The Coordinator-General is managing the expressions of interest process, not selecting this point. He will manage the process to secure expressions of interest.

Ms STANDEN - Premier, if you won't answer when the cableway will be finished, will you answer when the master plan will be delivered in full?

Mr HODGMAN - It depends on all those matters coming together. How long is a piece of string? It depends on those processes being undertaken by all elements and all components of the master plan.

Ms STANDEN - You have a target of December 2019. Would you say that is on target?

Ms HADDAD - In the first-year agenda.

Mr JACOBI - There are several aspects of the master plan process that are well advanced. The whole visitor centre is under construction as we speak and it came out of the ground a couple of months ago so that is progressing very well. The visitor centre component and also Dove Lake comprises of \$21.7 million investment in Cradle Mountain. That is, by and large, a very substantial component of the whole master plan for Cradle Mountain. As the Premier mentioned, we have recently received Commonwealth approval for the Dove Lake shelter and we are actively progressing now with the detailed designs with the intention of going to tender for the construction of that shelter very soon. That would see the delivery of the Dove Lake shelter, all going well, by the latter half of 2020.

In terms of the cableway project, there are a number of sub-projects that are being led by the Coordinator-General's office. I suggest that it would be best to ask them the status of each of those different projects. Following an open tender process, the Office of the Coordinator-General has determined a preferred consultant to prepare a business case in accordance with the Australian Government's funding requirements and engagement as consultant is underway.

Ms STANDEN - Thank you, Mr Jacobi. Premier, in relation to your staffing can you provide a breakdown of FTEs located in your agency and how that relates to the policy you took to the election to recruit 15 additional park rangers? How many of those have been recruited? Can you explain why funding for those rangers disappears after 2021-22?

Ms O'CONNOR - That is when they will have fixed the climate, Ms Standen.

CHAIR - Order.

Mr HODGMAN - You wanted the table too, didn't you?

Ms STANDEN - Yes, a breakdown of FTEs in your agency.

Mr HODGMAN - In relation to rangers, following our additional commitment, \$7 million over forward, increased range with frontline staff -

UNCORRECTED PROOF ISSUE

Ms STANDEN - The full-time equivalent, the total.

Mr HODGMAN - Three out of 15 positions were approved as Aboriginal. We have recruited 13 of 15, two under secondary active recruitment process, three of them appointed are Tasmanian Aboriginal people. On the basis of the original recruitment process, unfortunately this was unable to identify successful candidates. Work is ongoing to secure them for the two outstanding.

Ms STANDEN - I asked for total FTEs in the department as well, that is the 15 rangers.

Mr HODGMAN - On rangers as well?

Ms STANDEN - Total FTEs across your agency.

Mr HODGMAN - You wanted rangers too, though? Correct? I can give you that, we are now up to 81 in March 2019 and in 2018, it was 68. In March 2018 there was 72 so there has been an increase in occupied positions.

Dr WHITTINGTON - The total FTEs in the agency as at March 2019 were 1333.5 of which 399.38 were in the Output group 8, Combined Parks and Wildlife plus crown land services. If I break that down, 377 FTEs were in Parks and Wildlife and 21.7 in Crown Land Services. That is FTEs; obviously the headcount is substantially higher than that as we have many people on flexible working arrangements.

Ms STANDEN - Okay, the final part of that question was around those 15 park rangers and the funding disappearing after 2021-22.

Mr HODGMAN - As per our election commitment, we are providing those additional rangers and we will review the future profile of the ranger workforce at that time.

Ms STANDEN - Presumably the tasks that those rangers undertake will simply cease to exist. Will they?

Mr HODGMAN - They will be continued to be funded by the additional support that my Government has provided over the budget period. Again, just to provide some context in terms of the overall FTE composition of the Parks and Wildlife Service. In June 2014 it was 292.7 FTEs, March 2017 it was 336.41, March 2018 365.02 and March 2019 377.68. There has been quite a significant increase in the FTEs in the Parks and Wildlife management.

Ms O'CONNOR - Premier, can you confirm that it was your Minister for State Growth who sought advice from the Solicitor-General in relation to the decision by the Central Highlands Council to reject the Lake Malbena proposal?

Mr HODGMAN - We have received advice in relation to that matter, that is the Government.

Ms O'CONNOR - Was it requested by the Minister for State Growth?

Mr HODGMAN - I am not able to advise as to where it may have come from more than one. The important point being we have received that advice.

Ms O'CONNOR - On request.

Mr HODGMAN - I can run through the reasons for seeking that advice.

Ms O'CONNOR - The advice was sought from the Solicitor-General? It was not an own motion provision of advice?

Mr HODGMAN - I would need to seek clarification as to that.

Ms O'CONNOR - Previously you have indicated that you were giving the reasons as to why the advice was sought.

Mr HODGMAN - I was speculating that it could have come from any number of sources. It is not wise to speculate, of course. Importantly the advice has been received; the appeal in question does raise important issues in relation to the interpretation of our laws and our state's statutes.

It is one of the non-political roles of the Attorney-General, as first law officer, to intervene in such proceedings to seek clarification from the courts so that they are clear and certain in their proper application and interpretation. As first law officer, the Attorney-General has issued instructions to the Office of the Solicitor-General to intervene in the appeal under the Crown Proceedings Act. This argument is considered to be an important legal question and one that needs to be answered. The appeal is an appropriate vehicle for this to occur.

Ms O'CONNOR - Premier, when we started discussing your expressions of interest process for development inside protected areas, one of the statements you frequently made was that these proposals will go through the normal planning processes prescribed under the Land Use Planning and Approvals Act - LUPA. Now a council has, through a loose statutory process, as it applies to EOIs, rejected an expressions of interest application to develop on Lake Malbena inside the World Heritage Area. Can you confirm that the reason the Government has joined this case as a party is in order to remove councils' capacity to have any sort of decision-making role on expressions of interest developments?

Mr HODGMAN - No, it is for the reasons I have just outlined, ensuring that this appeal process is the appropriate vehicle to test or have the matters that are in question determined. We will wait for that to occur.

Ms O'CONNOR - Do you realise what a time bomb you have set off? What happens if the court finds in favour of the Solicitor-General or the Government? Do you agree that what that will mean is that no local government, not one of Tasmania's 29 councils, will have any say at all in an expression of interest development in a protected area?

Mr HODGMAN - We will wait for the determination of the court on the appeal as to assess its findings and -

Ms O'CONNOR - That is an outcome, isn't it?

Mr HODGMAN - We will consider that, but at no point will we seek to deny interested parties, through any of our processes, the ability to engage through them and to ensure that the processes are robust -

Ms O'CONNOR - How can you say that with a straight face when you know that, should your government succeed in this court process, it will take away all planning powers from councils to have any decision-making role in an expression of interest project in a protected area and for the cable car on kunanyi-Mt Wellington?

Mr HODGMAN - If, as you speculate, that occurs, we will consider the implications of any decision and respond appropriately.

Ms O'CONNOR - Do you understand, Premier, how that has made people in local government nervous, as well as conservation groups, because it would mean that if your Government succeeds there will be absolutely no statutory process for expressions of interest projects in protected areas? It will all be decided by Parks through a dodgy reserve activity assessment process?

It will all be decided internally if your Government wins as a party to this case.

Dr WHITTINGTON - For clarification, the issue is about whether LUPA applies on national parks when there is a management plan in place. If there is a management plan in place, it is a question the Attorney-General has sought as to the extent that LUPA applies. It is not relevant whether the development has come through an EOI process or through any other process. It is constrained in that context and it is a matter of law as to what is the correct interpretation and the processes to determine what is the correct interpretation on our current statutes.

Ms O'CONNOR - To finalise this line of questions, this is a jurisdictional question, Dr Whittington, that goes right back to the 1990s. This is an issue that has been raised with Parks repeatedly about whether or not LUPA applies to reserved lands. Only now, Premier, is the state joining as a party to a court case in order to remove councils from decision making in relation to reserved lands. You have no statutory process that involves public participation in your management plans. That would mean absolutely zero opportunity for people who are concerned to make a representation. The first opportunity people had to make representation on Lake Malbena, apart from the short EPBC process, was to the Central Highlands Council nearly three years after the project first reared its poxy head.

Mr HODGMAN - It is not correct what you are saying. We will await the decision of the court and consider any matters appropriately that arise from that.

Ms O'CONNOR - That means council will not be the decision-making body in relation to kunanyi if you win?

Mr TUCKER - Premier, can you please update the committee on the significant investment the Government is making to improve statewide visitor infrastructure in our national parks and how this investment supported by our 'buy local' policy is stimulating regional economies and local employment?

Mr HODGMAN - Thank you, Mr Tucker. As we have said, there is an extraordinary cultural, social and environmental value to our parks, but also an economic one, particularly in our regions supporting many tourism operators, with people wanting to access our parks and our wilderness areas. We want to ensure that we sustain our visitor experiences and invest in our national parks and reserves. We have committed \$16 million to improve parks' infrastructure through the improved statewide visitor infrastructure program. It is in addition to the previous allocation of \$8 million for the tourism infrastructure and parks program that enabled projects such as the Bruny

Island Neck upgrades to come to fruition. We work with the Tourism Industry Council of Tasmania, local government and regional stakeholders, including the RTOs.

Parks and Wildlife Service has identified and progressed priority tourism infrastructure projects across the state. They will support local jobs. Through our 'buy local' policy, which we introduced in government in 2014, we will continue to back our local businesses. I am pleased to say that AJR Construct Pty Ltd recently completed works to the value of \$220 000 at the government huts at Mt Field National Park, as well as a \$300 000 investment in a new penguin viewing platform at Godfrey's Beach at the iconic Nut State Reserve in Stanley. Gradco Pty Ltd recently completed works on a new visitor car park at Ben Lomond National Park, following a \$400 000 commitment to improve the infrastructure there. The Parks and Wildlife Service, with in excess of \$1 billion of existing built assets that are fundamental to visitor safety and their experience, require the ongoing investment that I referred to a little earlier. The 2018-19 program has focused on the maintenance and renewal of toilet amenities and sewage infrastructure and so on. Again, many local Tasmanian businesses have benefited from this increased investment across the state.

Ms STANDEN - Premier, back to Cradle Mountain. A follow-up question. Perhaps you overlooked this one? How much it will cost to subsidise the shuttle bus into Cradle Mountain?

Mr HODGMAN - I am told \$3.3 million per annum.

Ms STANDEN - Premier, have you increased park entry fees? If so, why haven't you told the public?

Mr HODGMAN - Previous governments had it so that National Parks pass fees have remained unchanged since 2009. As the Budget papers openly state, given the number of people who visit our parks, their importance to our state, the costs that come with maintaining them, it is important to review parks pass fees and processes to ensure that funding is sustainable and also to ensure that the parks can be visited in a way that is affordable for Tasmanian residents. That work is ongoing. At any point in time when there is a change we will make that public. We have not yet done so.

Ms STANDEN - So you haven't increased park fees. What work has been done to determine what is the best model in relation to park entry fees? In particular, has consideration been given to any alternative models?

Dr WHITTINGTON - The department, as part of its business, routinely reviews our fees right across the agency, whether it is park entry fees or other fees, and we model what different fee structures would look like and how that would impact our revenue flows. In Parks we have had a significant increase in visitation over time so that has resulted in increased park entry fee revenue which has been reflected in the Budget. A few years ago we moved to a much more online presence for the purchase of park fees, and that also I think increased the amount of fees we were collecting because it was easier for people to pay so we actually got a step up from that. It is also true that we have been reviewing all the different models across the range of fees we have in place. We do that work ongoing and routinely and we have been doing that for park fees over the last period.

Ms STANDEN - The policy you took to the last election was for free park entry for Seniors Card holders. Why has this been extended to all seniors and what was the cost of that policy over the past year?

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Mr HODGMAN - It was an election commitment we introduced to provide one year free access to our parks for seniors and from 1 July 2018 over 19 700 seniors aged over 60 have registered for a seniors pass to enter our parks at no cost. The commitment also provides for an ongoing discount from 1 July 2019 where Seniors Card holders will be offered a seniors pass at a 50 per cent discounted rate for annual and two-year all-park passes. The 50 per cent discount will be applied to the concession price of the applicable pass. We want more of our seniors enjoying our parks and being active in them. PWS are working with DPAC to implement the initiative and the new discounted pass for seniors will take effect from 1 July 2019 and be available online, at parks, visitor information centres and Service Tasmania. The Parks and Wildlife Service will communicate the next stage of this initiative to seniors via the website in conjunction with the Seniors Card program. When you get your seniors pass you will also get a complimentary copy of the PWS visitor guide, packed with information on how to get the best use from the parks pass.

Ms STANDEN - Thanks, Premier. It is not that far off for you and me, is it? The question was about the policy decision extending the initiative to all seniors and the cost of the policy over the past year.

Mr HODGMAN - Dr Whittington has just reminded me about the constitutional issue that we have with implementing a policy of this type, which is not without some challenge.

Dr WHITTINGTON - Under section 117 of the Constitution we cannot charge non-Tasmanians a different rate to Tasmanians, so the application of the seniors pass has to be to all seniors.

Ms O'CONNOR - Can't we do it if they are international visitors under the Constitution? I think we can.

Dr WHITTINGTON - I am talking about for Australians and the bulk of our non-Tasmanian visitors are from interstate, so materially we could not have a postcode-based pricing system.

Ms STANDEN - Okay, and the cost of the initiative over the past year?

Mr HODGMAN - It is \$1.5 million in forgone revenue of course, because they are now free. In the first year it is estimated the impact will be approximately \$333 000 per annum in ongoing years. Given the expansion of the offer to all Australian Seniors Card holders it is certainly something we can boast about that you are able to get such a great concession here. Statistics indicate that the majority of current parks visitors, as Dr Whittington has said, are interstate visitors, the majority of whom would currently be purchasing the \$60 visit pass. The offer of free entry and then reduced annual pass fees in subsequent years is anticipated to be a significant reduction in the sale of holiday passes to the over-60s, resulting in a decrease in revenue.

Ms STANDEN - Finally on that, Dr Whittington indicated that you have done some modelling around different options. Are you able to provide the committee with information about how many people visited national parks last year, what percentage were from interstate or overseas, a breakdown of the different categories like annual passes, holiday passes and day passes?

Dr WHITTINGTON - I don't have the breakdown you are requesting on visitation.

Ms STANDEN - Premier, would you be prepared to take that on notice?

UNCORRECTED PROOF ISSUE

Mr HODGMAN - Sure, we will take that on notice.

Ms STANDEN - And any information too about price sensitivity of visitors?

CHAIR - Just on that last point, was that a separate question?

Ms STANDEN - Would you be happy to include that within the question?

Mr HODGMAN - The secretary said he would have a look at what information, if any, may be available.

Ms O'CONNOR - Premier, is it the Government's position that local government should have no jurisdiction over development in reserved lands?

Mr HODGMAN - No.

Ms O'CONNOR - Then why is the Government a party to the Lake Malbena appeal?

Mr HODGMAN - Our position is to have this matter determined through the legal channels which do not pose the threat you claim but will allow us to have some clarity over these legal matters.

Ms O'CONNOR - Can you explain why it doesn't pose a threat to councils' jurisdictions under LUPAA over development in reserved lands? Can you explain how that is not a threat to public participation as well as the powers of local government?

Mr HODGMAN - I don't presume to offer an opinion on that. It is a matter to be determined through the court process underway.

Ms O'CONNOR - Just for clarity, the court process which was initiated by the proponent was in response to the Central Highlands Council's rejection of the Lake Malbena proposal on the basis that they had received around 1400 representations against the development. That was the first opportunity that people concerned about commercial exploitation of Lake Malbena had to participate. This is a really important question so I hope you are listening. Should the Government's decision to join the Lake Malbena appeal succeed, what opportunities will there be for the owners of Tasmania's protected areas, Aboriginal Tasmanians, and the Tasmanian community to have input into development decisions in the World Heritage Area and other protected areas?

Mr HODGMAN - There are at least three elements of proceedings on foot that are important. You have referred to one of them. Secondly, as I have said, the Attorney-General, as first law officer, has the ability and responsibility to intervene in such proceedings and seek clarification from the courts on the proper interpretation of Tasmania's laws.

Ms O'CONNOR - Which we believe the Treasurer has asked her to do, Minister for State Growth.

CHAIR - Ms O'Connor, order.

UNCORRECTED PROOF ISSUE

Mr HODGMAN - clarification from the courts on the proper interpretation of Tasmania's laws and second, as well, the director of Parks has sought leave to become a party to the appeal given the potentially broad reaching significance of the appeal.

Ms O'CONNOR - That is shameful.

Mr HODGMAN - Why?

Ms O'CONNOR - Because it means that there will be no public participation opportunities. There will be no public comment on EOIs.

CHAIR - Order, Ms O'Connor.

Mr HODGMAN - These are the reasons why it is appropriate for government and its agencies to be party to the proceedings. Not for the purposes that you claim, and sensationally say.

Ms O'CONNOR - I have asked you, what will be the public comment opportunities on any development application in the TWWHA?

CHAIR - Ms O'Connor, order. If you continually keep interjecting and the Premier is trying to answer the question, I will move on.

Ms O'CONNOR - Is this when you change management plans? There will be an opportunity to comment?

Dr WHITTINGTON - I will go back to the start. When our management plan is made, there is a statutory process around public comment.

Ms O'CONNOR - I get that.

Dr WHITTINGTON - As we know, with a TWWHA management plan, it is a comprehensive process. Once a management plan is in place, it has had public consultation in its development over reserved land, there is a legal question about whether or not it complies. That is the purpose for the Attorney-General to intervene. Under my own statutory role, I have also sought to intervene because I believe the decision of the council was not correct. That is the reason I have joined.

The RAA process provides for public consultation on larger and more complex or more contentious matters -

Ms O'CONNOR - Only on Level 4 RAAs, Dr Whittington.

CHAIR - Order.

Dr WHITTINGTON - Under the larger or more complex processes, the current RAA process provides a process for public consultation as part of the decision-making process. In the context of this particular application, it also required consideration under the EPBC Act, which also had a public consultation process within it. What we don't want is a process that has three or more public consultation processes around the one application. What is better practice is to have a process where public consultation is more encompassing of all of the different aspects.

UNCORRECTED PROOF ISSUE

Ms O'CONNOR - Thank you, Dr Whittington. Just so we have some clarity here, the only level of RAA, Reserve Activity Assessment, that has a compulsory requirement for public comment, as I understand it, is the Level 4 when it is lodged with the Commonwealth under the EPBC Act. What we have had confirmed here today, is if the Government wins here, along with the developer, the only opportunities for comment for Tasmanians - and this is public land - will be where management plans are developed or changed; then, when a Level 4 Reserve Activity Assessment goes to the Commonwealth. Otherwise, what you are proposing -

Mr HODGMAN - And Level 3.

Ms O'CONNOR - No, it is not a compulsory provision under a Level 3. Otherwise what you are saying here is that it is the Government's position that the people of Tasmania should have no say in particular developments in protected areas, that they should only have a say at the development of a management plan or if something is so environmentally threatening, potentially, it goes to Level 4 under the Commonwealth. That is a disgraceful erosion of public rights.

Mr HODGMAN - I'm advised that through the process of review, it will require a Level 3 -

Ms O'CONNOR - Is this the RAA review which has gone into the never-never?

CHAIR - Order, Ms O'Connor.

Mr HODGMAN - It hasn't gone into the never-never.

Ms O'CONNOR - There is no statutory process, other than the LUPA process. Is that correct? That is correct, isn't it Premier?

Ms STANDEN - You know your time frames have blown out on the RAA review promised by the end of last year.

Mr HODGMAN - Once finalised, there will be a number of simple refinements to the system already underway. These refinements include the requirement for public consultation on all Reserve Activity Assessments that are ranked as Level 3 or Level 4, and surely will improve transparency and will enable public input on all relevant developments.

Ms O'CONNOR - No rights of appeal though. We have had it confirmed that you are taking powers away from local government by stealth.

CHAIR - Order.

Ms STANDEN - Premier, you said that you are not increasing park entry fees. Can you state whether the budget papers include any additional revenue from an increase in park fees and whether you have signed off on a new park entry fee schedule as minister? Finally, will the park fees be increased this coming financial year?

Dr WHITTINGTON - The Budget statements provide for an increase in the sale of goods and services and a part of that increase in sale of goods and services is increased revenue arising from increased visitation. There is an increase in the sale of goods and services, in total 10.12, and that is a footnote that makes it clear that that is there.

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Ms STANDEN - So, just down to increased visitation? Premier, you can rule out then an increase in park fees in this coming financial year?

Mr HODGMAN - No, we have said that we are reviewing parks fees now. If at any time we choose to vary them, we will make further announcements at a later time. But that is not -

Ms STANDEN - You are saying that you have not signed off on a new parks' entry fee schedule as minister?

Mr HODGMAN - That is not what the Budget allocation or the Budget increase, which I assume you are referring to, relates to?

Ms STANDEN - No, I understand that, but as minister responsible for Parks, have you signed off on a new schedule for parks' entry fees?

Mr HODGMAN - I have not decided upon nor am I in a position to make any public statements about any change to parks' fees.

Ms HADDAD - Has a location been decided upon for the next major iconic walk?

Mr HODGMAN - No, but we - the collective 'we' not I - have effectively short-listed, through our process but at this point, no decision has been made as to that.

Ms HADDAD - Do you intend to consult with the public on that short list?

Mr HODGMAN - Certainly a number of public submissions have been received in relation to proposals across the state. In excess of 20 and a lot of work has gone into that, including public submissions and consultation. The next step is to finalise the short list against the evaluation criteria and then to progress to a more detailed feasibility study which will assess, amongst other things, the economic, environmental and social benefits of the proposal and whether it does stack up. It is an extraordinary experience and there will be further work done to determine the suitability of all those on the short list. As to the capacity for further consultation, there is nothing to prevent that occurring, obviously, as we progress through the planning processes formally then that will trigger other processes.

Ms HADDAD - Are any or all of the short-listed possible sites submissions that have been made as a result of the EOI process, and those projects that are listed under round 1 of that EOI process on the Coordinator-General's website?

Dr WHITTINGTON - Do you mean, are any of the submitted ideas also in the Government's expressions of interest process from back in 2014?

Ms HADDAD - Correct. In the mix for the next iconic walk.

Dr WHITTINGTON - As far as I am aware, no.

Ms HADDAD - Premier, last year at Estimates we talked about the expected economic gains of the next major iconic walk being based on those economic gains that have been felt by the Tasman Peninsula as a result of the Three Capes Walk.

In answers to questions on notice that were provided after last year's Estimates, you clarified that while at Estimates you anticipated that 39 500 extra bed nights were spent on the Tasman Peninsula as a result of the Three Capes Walk when in fact only 12 per cent of those extra bed nights, 6064, were spent on the Tasman Peninsular. Recognising that error in assumptions about the economic impact on the Tasman Peninsular from the Three Capes Walk, have you adjusted the Government's policy on developing a new iconic walk to consider that error?

Mr HODGMAN - It is a fair question. Every effort goes into assessing the impacts of infrastructure investment such as this, including its economic return. I am advised that an economic contribution of \$3.29 million was spent on the Three Capes Track and stage three by the Three Capes Track business enterprise on maintenance and capital improvements and on the Cape Raoul/Shipstern Bluff upgrade in 2017-18. Of the 84 businesses or contractors we engaged, 59 were Tasmanian owned. The average length of stay for the 74 state and overseas visitors extended their stay either side of the walk and the Three Capes Track was 9.7 nights.

To answer your question, every endeavour is made to assess their economic impact. John are you able to speak to your processes.

Dr WHITTINGTON - As part of the process, once the short list has been finalised and the preferred walk or walks identified, we will then go into detailed feasibility studies which will include the costings but also the social and economic benefits that derive from that particular model. As you can imagine, depending on where the walk is, how it is constructed and how it is designed will impact on the economics of it. The detailed feasibility stage will flesh out that economic modelling and social modelling.

Ms O'CONNOR - Premier, are you able to update the House on where we are at with the first round of the expressions of interest process for commercial developments inside protected areas? I have the downloaded list of proponents and projects here today. Two people have disappeared from the list since we printed it out on the weekend. Are you able to give us an update on how many of the projects have proceeded to lease and licence stage? We can start from the top and go down the table.

Mr HODGMAN - Would you like the operational projects?

Ms O'CONNOR - We want commercial development structures - lodges, huts, so-called standing camps, that sort of thing.

Mr HODGMAN - If there are any commercial sensitivities then I would be cautious in releasing any information that might compromise that.

Ms O'CONNOR - God knows to the owners, the people of Tasmania.

Mr HODGMAN - I can tell you in relation to lease and/or licence signed: Blue Derby Pods Ride, Eagles Eyrie Mountain Bike, Maydena Adventure Experience, Freycinet Eco Retreat Walk, Freycinet Lodge extension, Moulting Lagoon, Adventures Precinct, Project Point Adventure, Rotorlift Aviation landing sites, Stanley Horse Riding, Tasmanian Boat Charters, Tasmanian eBike Adventures. They are all that are operational. None of them sound like Disneyland to me.

There are others under negotiation. Would you like me to tell you them?

Ms O'CONNOR - Yes, please.

Mr HODGMAN - Artists in Residence, Recherche Bay, Avalon Ocean Pavilion, Cradle Base Camp Experience, Cradle Mountain Canyoning, Frenchmans Cap Walk, Lower Gordon River Kayak Cruise, Mount Field Campground and Dobson Lakes Huts Management, Mt Roland Cable Car and Adventure Precinct, Overland Track Wilderness Puffer Pods, Overland Track Experience, Recherche Bay Eco Resort, South Coast Track Huts Walk, South East Cape Walk, Lighthouse Project Gordon River, Maria Island Wildlife and Heritage Experience, Walls of Jerusalem Wilderness Puffer Pods and Walls of Jerusalem Lodge Walk.

Ms O'CONNOR - Can you understand the concerns we have raised in here before that have been raised by bushwalkers and people who enjoy the TWWHA and the wilderness unspoiled why, for example, putting puffer pods and a lodge in the Walls of Jerusalem National Park in the TWWHA will degrade its natural values, will degrade the wilderness experience, and compromise the wilderness? You can't have lodges in the wilderness by definition, by a scientifically accepted definition.

Mr HODGMAN - The approvals processes around them -

Ms O'CONNOR - It is not an assessment process is it? It is just an approval process?

Mr HODGMAN - Will prevent against that occurring. Dr Whittington has informed me that the puffer pods to which you refer are specially designed cold weather tents that will help to provide comfort for trekkers, be demounted at the conclusion of the season, in the depths of winter. I would strongly suggest that does not amount to degradation.

Ms O'CONNOR - There is no development inside the Walls of Jerusalem at the moment and you are proposing to put it in there. I want to go to round two of the expressions of interest process. How many applications have been received? Can you give us some detail on what commercial exploitation developments are being proposed and what the time frame will be on those decisions to further degrade the wilderness?

Mr HODGMAN - What number in total?

Ms O'CONNOR - For round two.

Mr HODGMAN - For round two I believe there are 24.

Ms O'CONNOR - Is there anything you are able to tell the owners of the Tasmanian Wilderness World Heritage Area and other protected areas about those developers and projects?

Ms HADDAD - Would they be listed on the Coordinator General's website, along with round one?

Mr HODGMAN - Yes.

Ms O'CONNOR - Can you explain, Premier, why it is appropriate for a company, ERA Planning, that has clients who are proposing developments in the World Heritage Area, that is the Tasmanian Walking Company, should be given the job of undertaking the Tourism Master Plan work when it actively represents and is paid to represent the Tasmanian Walking Company? Do

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you see that as much of a conflict of interest as the average person would? I will hear justifications now for why you think it is okay, but you have a company doing a master planning job that is representing the developers and you hopefully don't wonder why people don't have faith in this process who have been fighting to protect the wilderness for decades.

Mr HODGMAN - With respect to the conflict of interest, it was disclosed and is being managed.

Ms O'CONNOR - You cannot manage that sort of conflict.

Mr HODGMAN - If you listen to what is being done I think it will assure you. It might not but it should comfort anyone who is concerned. ERA Planning was awarded the contract for the development of the TWWHA tourism master plan following what was -

Ms O'CONNOR - That's convenient.

Mr HODGMAN - It was an open and competitive tender process and ERA Planning was successful on the strength of their local Tasmanian context and knowledge and their proposed extensive consultation program included comprehensive engagement with Aboriginal communities and value for money. ERA was also the only local Tasmanian company who submitted for the tender.

It is important to note, though, that a Tasmanian business was successful in that competitive process. Prior to being successful for the tender for the development of the TWWHA tourism masterplan, ERA Planning was engaged by a proponent who has been approved to progress to the next stage of approvals with their proposal within the TWWHA to provide planning services. This is a longstanding contractual arrangement, with ERA initially engaged back in February 2016. I can advise that any relevant conflicts have been declared and managed appropriately. ERA Planning has reallocated project management of the proponent's portfolio to ensure it is independent of the project management for the TWWHA tourism masterplan.

Ms O'CONNOR - It's a stitch-up, absolutely.

CHAIR - Order, Ms O'Connor

Mr HODGMAN - I am also advised that since being appointed as consultants for the development of the TWWHA tourism masterplan, ERA Planning has declined approaches by other proponents with proposals within the EOI initiative who were seeking their services -

Ms O'CONNOR - They don't need other proponents. They've got Tasmanian Walking Company.

CHAIR - Ms O'Connor, you asked the question. Allow the Premier to answer it or I will move on to Mr Tucker.

Mr HODGMAN - ERA planning is committed to not being engaged on any new project during the contract period for the TWWHA tourism master plan. All reasonable measures have been undertaken and any real or perceived conflicts of interest have been managed or mitigated appropriately.

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Ms O'CONNOR - This is the last question on this issue. ERA is representing four particular proposals in the TWWHA - it is a corrupted process.

CHAIR - Order, Ms O'Connor, you are always trying to get the last word in for whatever reason.

Ms O'CONNOR - Because I'm sick of rubbish and corrupted processes that degrade the wilderness.

CHAIR - Order. Mr Tucker has the next question. I need to inform Labor that the Greens have almost asked as many questions.

Ms O'CONNOR - Yes, but it is Parks.

CHAIR - Well, two Labor after Mr Tucker's question.

Mr TUCKER - Premier, the Tasmanian Parks and Wildlife Service staff do an incredible job promoting, protecting and enhancing our national parks and reserves. Can you please update the committee on the steps this Government is taking to engage the Aboriginal community on the management of our protected areas and to allow the younger generations to return to country?

Mr HODGMAN - Mr Tucker, it gives me great pleasure to inform you of the exciting Aboriginal employment programs operating within the Parks and Wildlife Service. Parks and Wildlife Service rangers play an important role in managing our world-renowned national parks and reserves. Their role is pivotal in protecting and presenting the natural, cultural and heritage values of our reserved estates to the visiting public.

To help support their management and preservation, we have committed \$7 million over four years to increase ranger and frontline staff in the Parks and Wildlife Service. I am pleased to confirm that three of the 15 positions were approved as Aboriginal-identified to support career opportunities for Tasmanian Aboriginal people and continue the management of our rich cultural history, heritage and values in collaboration with the Aboriginal community. The PWS proudly manages a team of seven Aboriginal trainee rangers through the Working on Country trainee ranger program, with four trainee rangers located in the southern region and three in the north. These seven positions are jointly funded by the Tasmanian and Australian governments and we invest approximately \$166 000 per annum in support.

The trainee rangers undertake a four-year development program that delivers a dual qualification in conservation and land management and public safety firefighting operations. These positions provide a practical opportunity to collaborate with the Aboriginal community and to share knowledge and they are making an enormous contribution to the service. Upon successful completion of the four-year program the participants are provided permanent ranger positions within the Parks and Wildlife Service. Members may be aware that the PWS has recently advertised two vacant positions in its Working on Country trainee ranger program. These vacancies have arisen due to the promotion of one program participant and a second trainee transitioning into a permanent position, so it is a good career pathway for these participants.

The program and in particular the recent career success of these two participants highlights our strong commitment to improving social, economic and cultural outcomes for Tasmanian Aboriginal communities. The Aboriginal rangers share and practise their culture on country and engage visitors

as well as local Tasmanians, creating an important connection to place. As members may be aware, the Aboriginal Discovery Ranger program was awarded the Qantas award for excellence in the Aboriginal and Torres Strait Islander tourism category at the 2018 Tourism Awards, which was wonderful to see.

Aboriginal rangers within the service are also fire-trained and in the Working on Country trainee program that includes fire management as a core learning outcome. Many of the trainees are heading to the mainland to participate in a hands-on cultural burning workshop and they will bring that experience and knowledge back to the service as well. Presently there are 14 positions within the PWS which are identified specifically for Aboriginal people, including seven trainee ranger positions, and currently 32 staff within the service identify as Aboriginal, which is 6.9 per cent of the overall PWS workforce. Opportunities to further increase representation of Aboriginal people in the workforce is continually being explored by the PWS and both the Working on Country trainee worker program and the Aboriginal Discovery Ranger program present the State Service with a unique and successful opportunity to increase the representation of Aboriginal people in our workforce, grow their capacity to influence engagement and provide opportunities for connection to country and the Tasmanian landscape.

Ms HADDAD - Premier, returning to the next iconic walk, you told us that you have shortlisted and the next stage will be evaluation of that shortlist followed by a feasibility study including economic modelling. Could you outline for us the process used to reach that shortlist, what process will be used to decide which will go further to that feasibility stage or if all of them will continue onto feasibility stage and when that shortlist of sites will be announced?

Mr HODGMAN - Being an expert-led inquiry process to undertake and determine the next best iconic walk for the state, it would be appropriate for Mr Jacobi and Dr Whittington to speak to the process, from which I have been entirely at arm's length.

Ms O'CONNOR - Maybe that is part of the problem with this portfolio.

CHAIR - Order.

Mr JACOBI - There were 24 submissions received from across the state and all of those submissions represent the passion and interest that Tasmanians have for their particular patch. All submissions were assessed by an expert panel comprising representatives from Tasmania and interstate and from government and the tourism industry. The assessment rated each of the proposals against a number of criteria and those criteria are fairly important and extensive, but just to put them into broad buckets, the tenure on which the land was proposed was obviously one of the key considerations, any constraints or impediments relating to that tenure, and environmental factors such as how sensitive the area is they are proposing to put the track through. As you would know, as part of the public expressions of interest process we made it quite clear that the Tasmanian Wilderness World Heritage Area was something the plan would have to consider in any submission that was lodged for that site.

Ms O'CONNOR - Considered or applied?

Dr JACOBI - It would have to be applied, but we have not received any proposals that substantively enter the Tasmanian Wilderness World Heritage Area. Social considerations were a key factor, so what sort of economic return might the walk generate for a local community and what other businesses would benefit from the particular walk proposal. Obviously the nature of the walk

was one of the most important considerations and we know from research that there are particular lengths of walk, for example four days and three nights, that are attractive to the walking community. Walks much longer than that are not considered to be appealing, so we were particularly looking at the proposal in terms of how achievable it was for that sort of length of walk.

Those criteria were assessed. The assessment panel did a number of site inspections and has looked at several of the proposals in detail, but the most important is that given the amount of time the community have put into some of the submissions, and some of them were up to close to 100 pages long, given the amount of time and investment, we felt it was very important that we carefully consider them. It also meant actually going out onto the ground and looking at the proposal to see if it really matched the expectation of the submission. In some cases it did, and in some cases it hasn't. We are still working through that on the ground.

Ms HADDAD - Have you got a final number of those short-listed from that 24?

Mr JACOBI - No, we don't have a final number at this stage. We are still working through a number of different proposals. The investigations are quite complex, particularly when you get down to the walk going through a piece of foreshore, which might be somebody's private property. It is important to determine how practical is that proposal. What would it mean for the landholder? And obviously we are looking for proposals that are able to be implemented and are straightforward.

Ms STANDEN - Premier, when will the Freycinet master plan be released? You promised it by June 2019, or quarter 1 in your second-year agenda document.

Mr HODGMAN - Thank you for the question. What we have endeavoured to do is ensure that our master plan, once concluded, is best able to future-proof what is a remarkably popular place: Freycinet National Park, one of the fastest growing and most popular tourism destinations in the state with 310 000 visitors in the 2017-18 year.

We are undertaking an extensive consultation; two rounds of public consultation. It is not often, some might say, that governments decide that they want to engage further in another round of consultation, because we are very conscious of many interested, passionate groups who represent sectors of the community. We want, as much as we can, people who live at Freycinet or are regularly there, visitors, to be supportive of the master plan.

We appreciate there are some who may not, but we have been very encouraged by the community engaged with the process to have their say, and we will consider all suggestions that have been made in this latest round of consultation and refining the master plan. It will provide a clear framework on what we see as the best steps forward. In terms of its conclusion, it is scheduled for mid-June this year.

Ms STANDEN - Thank you, Premier. I understand there was a large gathering of 250 or so people on 22 April, resulting in 10 motions or recommendations. Will your master plan take into account those recommendations?

Mr HODGMAN - We will certainly be taking into account matters that are raised and brought forward through our consultation. The master plan will be released in the not too distant future.

Ms O'CONNOR - Will it have as many typos in it as the draft master plan had?

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CHAIR - Order, Ms O'Connor.

Ms STANDEN - Premier, what in particular do you say about the carrying capacity of the Freycinet National Park, and how will that inform infrastructure investment?

Mr HODGMAN - Certainly it has a major factor in the appropriate planning and infrastructure planning to manage pressures on what is a very special area. We don't propose or support the call to put a cap on visitors.

Ms STANDEN - Any limit though on carrying capacity?

Mr HODGMAN - We do identify a number of improvements. There are some small and some large by way of infrastructure improvements, with a major sewerage issue for the region right through to improved parking for boats, trailers and footpath works. We do intend, through the master plan, to identify improvements to ensure that there is good access, safety and capacity for people to walk or get their boat to the foreshore.

We have commenced the construction of a shared-use path from the proposed carpark hub through to the Wineglass Bay trail heads so that there are fewer people bringing in their own vehicles but are able to get into the park. By providing a walking line initially between the Freycinet Visitor Centre and the Wineglass Bay car park the trail is aimed at reducing car park congestion and the risk to visitors. We will continue to manage increased infrastructure demands as best we can through the master plan.

CHAIR - Premier, I did indicate that we would have a break after two hours, however Parks has 2.5 hours of deliberation which will take us through to 2.30 p.m. From an efficiency point of view, we will have a break at 4.30 p.m. when the changeover happens between Parks and Tourism and Hospitality.

Mr HODGMAN - Work is underway on the plan to undertake a detailed investigation into the wastewater management options and \$365 000 is committed to the planning work and how to inform us as to sewage treatment options across the peninsula and also new infrastructure upgrades funded through the federal government's recent \$7.2 million commitment, which includes \$5.7 million towards the new visitor gateway, including the transit hub to which I have referred, new road access and car parking, shelter and information area; \$655 000 for an Aboriginal education program and to expand the Discovery Ranger program; \$450 000 for a new Wineglass Bay lookout; and \$400 000 for a foreshore walkway.

Ms STANDEN - Finally on the Freycinet master plan, I have received representations from community groups concerned about the lack of transparency around the EOI process conducted by the Coordinator-General as part of developing the master plan. What do you say in response to that?

Mr HODGMAN - I don't believe people can be critical of the consultation process we have undertaken. That included putting out a draft of the first stage of the master plan for people to look at and contribute to and extending the consultation period for such an important area.

Ms STANDEN - With respect, Premier, that is more around input to the broad concept rather than the initiatives within the master plan.

Dr WHITTINGTON - There were a small number of EOIs for the Freycinet park that were paused until the master plan is resolved. We are not progressing those until the master plan is complete.

Ms STANDEN - Do you have anything further to add about community input into those EOIs and the opportunity for them to understand what those paused EOIs are?

Mr HODGMAN - If and when unpaused, they will go through the same process.

Ms O'CONNOR - Premier, are you aware of a public meeting that was held in the north-west last week in relation to UPC Renewables' proposal to install a 170-kilometre pipeline from Robbins Island that would, on its current path, go through the Duck River Regional Reserve, possibly the Savage River Regional Reserve and all that intact forest around it, the Arthur River Regional Reserve, the Deep Gully Regional Reserve and Leven Canyon Regional Reserve, as well as forest areas listed as permanent timber production zone lands?

The concern raised by community members up there who are supportive of more renewables, as we all are, is that the proposed infrastructure would cut through protected areas and wilderness reserved places when there are alternatives, including for example, using the Woolnorth energy corridor. Have you made inquiries about that development? Are you concerned about its impact in landscape and wilderness values and places like Leven Canyon, which is a hugely popular place for north-west coasters and others?

Mr HODGMAN - I am well aware of the issue, including the recent public meeting which I understand was also attended by representatives of the proponents, which they responded to and welcomed the opportunity to hear from local community members about their concerns. There is an extraordinarily significant opportunity for investment into our renewable energy sector, especially in this part of the state. Windfarms, or proposed windfarms of this type, like other developments of this size, are subject to development and environmental approvals with the opportunity for public submissions.

UPC Renewables is considering their options to connect the windfarm to our state transmission network. I would expect that the options they take into account include feedback and input from groups such as those who attended the recent public meeting. UPC Renewables has advised the options for a transmission path were at the early stages of assessment. All options are being considered. We will certainly encourage community engagement for all developments and that is something UPC are clearly conscious of and for developments of this type, a proposed windfarm would need to pass and be subject to development and environment approvals.

Ms O'CONNOR - So a reserved activity assessment that probably would not be part of a public process? Do you agree that it is not appropriate for our reserve estate and other scenic areas like Leven Canyon to become infrastructure parks for projects like windfarms when there are other alternatives?

Mr HODGMAN - I do not know what you mean by 'infrastructure parks'.

Ms O'CONNOR - What I mean is this is an area that is protected under whatever the tenure is under the nature conservation act, yet it is seen as open-slather and open for development for energy infrastructure under your Government. Do you think that is inappropriate?

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Mr HODGMAN - There is certainly no open-slather arrangement here. Hydro Tasmania operates and has infrastructure in the TWWHA so it is possible for a coexistence of important state infrastructure and -

Ms O'CONNOR - You understand this is 170 km of above-ground power cable.

Mr HODGMAN - Yes. A matter which has not yet been determined will be subject to appropriate approvals, assessed and approved by the independent Environment Protection Authority board and those matters would be appropriately considered, necessarily considered, but also balancing the importance of our energy infrastructure and what it would mean for the state.

Ms O'CONNOR - But there are alternatives. Is Parks involved at this stage?

CHAIR - Order. I am going to Mr Tucker next.

Ms O'CONNOR - I have asked two questions, Chair. This is an issue that has really significant public interest, particularly on the north-west coast.

Mr JACOBI - Yes, absolutely we are involved. We are aware of the proposal but there has been no detail provided to us yet. We are waiting on further information from the proponent before we can even determine what tenures it might cross and what the implications of that might be and what assessment process is appropriate going forward.

Ms O'CONNOR - Do you think that the Government should take a role here in assisting UPC Renewables to make the right choice about where it puts its infrastructure and to perhaps look at alternatives to taking it through public reserved lands?

Mr HODGMAN - We certainly engage with proponents of projects of this nature with a view to assisting them and working with them to ensure a good and positive outcome, particularly for the communities affected.

Ms O'CONNOR - You don't want to see cables through Leven Canyon, do you?

Mr TUCKER - Premier, can you please update the committee on works being undertaken at Maria Island?

Mr HODGMAN - Thank you, Mr Tucker; I know it is an area close to your heart. Visitor numbers to Maria island are also on the increase, a 45 per cent increase for the 2018 calendar year. The Government has committed to the rediscovery of Maria Island through a \$4 million allocation provided in the Budget to further improve infrastructure and the extraordinarily rich heritage sites on the island. This is in addition to the \$1.8 million, \$3 million previously committed to the island as a major drawcard for the Spring Bay area. Our steering committee with representatives of the east coast and Triabunna tourism groups, local and state government and the Port Arthur Historic Site Management Authority, is guiding the allocation of these funds.

The project budget gives priority to both improving the visitor experience on the island as visitor numbers continue to grow as well as ensuring that core visitor infrastructure on the island is upgraded to meet the needs of the increased visitation at a sustainable level. Early gains have been made in the restoration repair and presentation of heritage buildings such as the Miller's and Ruby Hunt's cottages, which are now open to the public, and there is improved way finding signage and

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seating and the handling of luggage from the ferry to the penitentiary and camp ground and the presentation of visitor amenities. A high quality, reliable, daily ferry service is now well established, 150 passenger capacity on the vessel which reduces further barriers to visiting this amazing place.

The Parks and Wildlife Service is working closely with the Glamorgan-Spring Bay Council to allocate land under lease or transfer for the long-term development of the Triabunna port as an important regional gateway to Tasmania and for the public benefit. As these plans come to fruition the fundamental economic benefits to the Spring Bay area will be realised, resulting in new services, employment opportunities for residents and visitors alike.

Ms HADDAD - My last question is about the EOI process that we have talked about on the Coordinator-General's website. Earlier in a question, you said that 24 submissions had been received in Round 2 and that they would be listed on the Coordinator-General's website. I wondered when they will be listed and when Round 2 closes?

Mr HODGMAN - If either of you don't know when that might occur, I can take that on notice.

Mr JACOBI - Through you, Premier. The EOIs are only listed on the Coordinator-General's website when they have progressed to lease and licence negotiations.

Dr WHITTINGTON - Round 2 is open-ended.

Ms HADDAD - Does that mean the list will be continuously on the Coordinator-General's website?

Members interjecting.

CHAIR - Please, Ms Haddad has the call.

Ms HADDAD - Mr Jacobi has said they are listed on the site once they reach lease and licensing stage. Is that a rolling process that we can expect to see that list of projects continuously updated and with what level of regularity? How quickly do projects reach that lease and licensing stage?

Dr WHITTINGTON - It is a rolling process so as projects come through they will be listed on the website. How long it takes to get to that place is dependent on the nature of the application, the complexity and the quality of information provided. Until we have enough information the assessment panel cannot make a decision. It varies depending on a range of factors.

Ms HADDAD - Do you know when the list was last updated? When the last project was added?

Dr WHITTINGTON - We will have to take it on notice.

Ms STANDEN - Premier, can you provide an update on the initiative to move 100 DPIPWE staff north. How many staff have relocated and what has been the cost to the department for those relocations?

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Mr HODGMAN - The policy to which you refer which will take our departmental offices and staff out into our regions, particularly, heaven forbid, north of Hobart to an area of our state which is so often synonymous with the agricultural powerhouse that is Tasmania - our north-western communities - appreciate the notion that government is not just about Hobart.

We did commit to move 100 DPIPWE positions to the north and north-west. The recruitment policy commenced in June 2018. To date, 44 positions included as part of a northern recruitment policy - including three positions that have been voluntarily relocated - as part of the department's northern recruitment relocation assistance policy, which came into effect on 23 August 2018. The northern recruitment relocation assistance policy provides for DPIPWE permanent employees to voluntarily relocate to the north or north-west via an internal expression of interest process.

To accommodate the increased numbers of employees in the north and the north-west, the northern accommodation project was also initiated in this Budget with an allocation of \$2.4 million over four years. This includes capital funding of \$600 000 to support the capital works and fit-out of the office spaces for a policy which was very well received, not just by the north and north-western communities, but also to ensure that those who work there are in very contemporary, fit for purpose, accommodation.

Did you wish to add anything, Dr Whittington?

Dr WHITTINGTON - All the staff who are going there are being located into our existing buildings at Mt Pleasant, Prospect and at Stoney Rise, and various Parks' offices. We are not a tenant of the C. H. Smith building.

Ms STANDEN - The secondary question was in relation to the cost to the department, and I note that in the Budget papers, you have allocated \$1.8 million over four years for this initiative with \$400 000 budgeted last financial year. Could you provide a breakdown of that \$1.8 million?

CHAIR - Repeat the question again?

Mr HODGMAN - The \$1.8 million allocation -

Ms STANDEN - Yes, over four years for that initiative. In your budget papers, page 226, you talk about \$1.8 million being available over four years from 2018-19, so I am interested in the cost for relocations to date and can you provide a breakdown of that \$1.8 million?

Dr WHITTINGTON - The way that we are running the relocation policy of 100 DPIPWE staff north is to use a variety of tools which you have policies for. As each position becomes vacant in the agency, we make a decision about whether or not that position can be undertaken from the north or not, and if it can be undertaken from the north, it is advertised in the north. It is through that process that we are doing the bulk of the transfer, the bulk of the 44 positions, have been achieved through active recruitment into the north.

We also have a policy in place that if an officer wants to move to the north, they can ask, 'Can I go to the north?' and then we will have the normal State Service assistance.

Ms STANDEN - There have been three voluntary transfers?

Dr WHITTINGTON - Yes. For example, things like relocation allowances, all the things that would normally be available to a state servant who was moved as part of their job, they can apply and because they are voluntary, all of those are available. As the Premier, said, we have only had a small number of the 44 in that space. I do not have the exact number of the expenditure now but it would not be a huge amount of that \$1.8 million to date.

The balance is in capital updates to those three major sites I mentioned - Mt Pleasant, Prospect and Stoney Rise - and we are using this as an opportunity to increase the number of workstations there for the increased number of staff, but also to improve the amenity for the balance of the staff who work on those sites.

Ms STANDEN - Yes, but your budget papers talk about \$1.8 million for facilitating the movement of staff with additional capital funding of \$600 000, so the total envelope is \$2.4 million, and you have not drawn down on that \$1.8 million substantially then?

Mr WHITTINGTON - Not substantially at this moment in time.

Ms O'CONNOR - Premier, are you able to give the committee, and the people of Tasmania, any indication at all of what the lease arrangements are around the Three Capes Track? What is the developer, the Tasmanian Walking Company which is a subsidiary of the Australian Walking Company, which is moving in on protected areas - that last free real estate all over the country including on Kangaroo Island - ball-park figures on the lease arrangements?

Are the developers paying anything close to commercial terms for their exclusive use of the Three Capes Track? Is that commercial-in-confidence?

Mr HODGMAN - Yes.

Ms O'CONNOR - Oh dear. How did I know you were going to say that? We now have 14 expressions of interest going through stage 1 and none of the details of those leases under your Government's policy will be made public? Is that correct?

Mr WHITTINGTON - The leases that we have in place are commercial-in-confidence documents between ourselves and the Government.

Ms O'CONNOR - You are acting on behalf of the people of Tasmania, with respect, Dr Whittington.

CHAIR - Order, Ms O'Connor.

Ms O'CONNOR - Let *Hansard* show that there is no answer to this question. Are you able to give, Premier, any sort of ball-park indication of what the Tasmanian Walking Company which has proposals in for huts in the Walls of Jerusalem National Park, more huts on the Overland Track, a permanent camp at Frenchman's Cap and huts at Cradle base? Are you able to give any sort of indication at all as to whether or not those leases will be on anything close to a commercial term, given that you are exclusively gifting, as I understand it, 40 years of exclusive use under your Government's lease arrangements, to favour developers?

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Mr HODGMAN - We can provide some information with respect to the guiding principles around this and the parameters in which these arrangements, appropriately struck, are determined. With respect to matters that are commercial-in-confidence, I know it distresses you.

Ms O'CONNOR - It distresses a lot of people.

Mr HODGMAN - We need to preserve and protect those commercial sensitivities, but with an assurance that it is only ever in the state's best interest.

Ms O'CONNOR - Over natural values. Can you confirm that these leases are routinely of 40 years or so in duration, that the Three Capes walk is a 40-year lease?

Mr JACOBI - I can't confirm about the Three Capes Track. The arrangements with TWC were invited under expressions of interest process. TWC were awarded that on the basis of being the best provider of that service on the Three Capes Track. In terms of our leases more broadly, when we enter into negotiations with a proponent, it depends on a whole suite of different factors, but certainly the public benefit and the public interest are front of mind in all of those negotiations.

Ms O'CONNOR - How would we know that, with respect, Mr Jacobi when no details are made public.

CHAIR - Through the Premier, Ms O'Connor.

Ms O'CONNOR - Through the Premier, how would we know that it is in the public interest and to the public benefit when none of it is made public?

Mr WHITTINGTON - When it comes to the term of a lease, we have to operate within the parameters of the National Parks Reserves Management Act and the Crown Lands Act, depending on the land we are operating within.

The terms of a lease in times of length are prescribed in the legislation what the maximums are and we have to work within that. It is within the law. When it comes to rental, we go through a process of setting a commercial rental, and we use the Valuer-General to assist us in determining what a commercial rental would be for a site, and we apply that as a principle to the setting of rent on a site.

On a combination of the law which sets out the time frame. We are bound by the legislation and when it comes to the rental fees, we take advice from the Valuer-General around what a commercial rent for that property under those circumstances would be and we apply that as a principle. They are the two guiding parameters for rents and costs.

CHAIR - I am sorry, Ms Standen, I did give you the next call but it has gone 4.30 p.m. so time for deliberation of Parks has now concluded. We will next swap over to Tourism, Hospitality and Events but first have a five-minute break if anybody needs to grab a coffee.

The committee suspended from 4.30 p.m. until 4.36 p.m.

DIVISION 22

(Tourism Tasmania)

Mr HODGMAN - I have the secretary of the Department of State Growth, Kim Evans, to assist. Sadly, due to a family bereavement the CEO of Tourism Tasmania, John Fitzgerald, will not be with us today. I am sure he is tuned in and here in spirit but our sympathies to him and his family. I have Amy Fields and Mark Jones available to assist on matters with respect to Tourism Tasmania and its business.

By way of overview, the growth in Tasmania's visitor economy continues to meet and in many respects exceed expectations. Through a deliberate approach to not only continue the growth in our visitor numbers but also ensure that our visitors stay longer, see more of the state and spend more whilst they are here, we are now starting to see a significant increase in the number of nights spent outside Hobart and also record levels of expenditure. To December 2018, \$2.46 billion has been spent by visitors. This is exceeding the targets set by industry and the T21 visitor economy strategy and is sustaining jobs and local businesses across the state.

We have had significant investments in this year's Budget which continue our strong support for the tourism sector and the visitor economy and have been widely welcomed by industry leaders as I have mentioned in previous opportunities. We will continue to strongly support our tourism and hospitality sectors as well as our events sector and other elements of the visitor economy, which is one of the key reasons our economy is performing so strongly.

Ms WHITE - Premier, what proportion of the \$450 million in cuts will need to be achieved by your agency?

Mr HODGMAN - As we have discussed in respect to other agencies, these matters will be determined with a process now underway across agencies to determine how we can make savings, starting with cuts to supplies and consumables, travel consultants, advertising and marketing. This does not include Tourism Tasmania's marketing budget. Across agency operations we anticipate it can be done with no impact on staffing other than through natural attrition and/or workplace incentives for the redeployment of existing staff.

Ms WHITE - Will Tourism Tasmania be subject to any budget cuts?

Mr HODGMAN - Our agency will determine those matters and consult of course with Cabinet before we make an announcement as to the savings measures which we will do.

Ms WHITE - But the marketing campaign for Tourism Tasmania will be.

Mr HODGMAN - Certainly not. The marketing budget for Tourism Tasmania is not included in that. The marketing in that I refer to an advertising promotion does not relate to Tourism Tasmania's marketing budget.

Ms WHITE - So Tourism Tasmania's marketing budget is exempt from finding savings but the health system is not.

Mr HODGMAN - Tourism Tasmania is not exempt from making savings.

Ms WHITE - But the marketing budget is.

UNCORRECTED PROOF ISSUE

Mr HODGMAN - That does not deny that Tourism Tasmania will be also part of the department.

Ms WHITE - Premier, can you provide a definition of what a frontline worker is in Tourism Tasmania, in the agency that supports Tourism Tasmania?

Mr HODGMAN - As I have said, broadly speaking and with respect to any agency including Tourism Tasmania, where that person performs a service that benefits our community and those who rely on the agency, Tasmania's tourism industry, its businesses, its employees within the broader community. As I have said repeatedly it is not the Government's intention to impact on this delivery of essential services across Government, nor to impact on the state service and its staff, as has been suggested by Opposition parties.

Ms WHITE - That is not a very clear definition of a frontline employee. Basically, any employee could argue that they provide those benefits.

Mr HODGMAN - As I said to you this morning, it is not about identifying individuals. It is about roles and that the role provides to the community in making decisions as to its value, its importance, its effectiveness in delivering services, how we might do things better or differently, and it is an appropriate course of action for Government to undertake.

Ms WHITE - What sort of roles would you regard as frontline roles in this agency?

Mr HODGMAN - It is a matter for the agency through the process that we have initiated to determine the suitability of roles and to meet its budget savings target.

Ms WHITE - You are the minister for this agency in respect to this portfolio. They will be looking to you for guidance around who is determined to be frontline.

Mr HODGMAN - Not our processes, in fact the other way around. As we have outlined it is for our agencies to assist and inform us as to those matters.

Ms WHITE - So it will be their fault if people lose jobs?

Mr HODGMAN - No, we will accept responsibility. As I have said, those who may leave the public service across agencies are likely to be those who leave the State Service via natural attrition, which does occur, or through other incentive programs that may be utilised, and have been by Government in the past. When it comes to meeting our savings strategies across Government, and the work we need to undertake to ensure the budget does remain in sustainable position, we accept responsibility for that. We will be supported by our agencies in how we best achieve it.

Ms WHITE - You have said the marketing budget will be quarantined from cuts. Are there other areas or roles that will also be quarantined?

Mr HODGMAN - No, I am not anticipating that.

Ms WHITE - Everything else would be assessed by your agency, advice provided to you.

Mr HODGMAN - As I said to you this morning, in consultation with and through working with ministers in Cabinet, decision will be made and an announcement as to the savings strategies and details around that a little later in the year.

Ms WHITE - Premier, are you aware of any other area of any agency across Government that has been quarantined except for the Tourism Tasmania's marketing budget?

Mr HODGMAN - Again, I will let other ministers speak to those matters. I am telling you that with respect to Tourism Tasmania's marketing budget, that is separate to the areas of savings in which we will seek to make, including in Tourism Tasmania.

Ms O'CONNOR - In correspondence to Mr Jacobi, the deputy secretary of the Parks and Wildlife Service, dated 17 December 2018, the consultant your Government has engaged to develop a tourism master plan for the Tasmanian Wilderness World Heritage Area makes this statement:

ERA Planning has been engaged by the Tasmanian Walking Company to provide planning services in obtaining the necessary authorities and approvals to progress the Cradle Base Camp proposal, being a one- to two-night guided walk experience which includes the establishment of a new overnight node at Lake Rodway within the Cradle Mountain-Lake St Claire National Park.

This was a contractual agreement that the consultants which your Government has engaged to develop a tourism master plan had initially entered into in February 2016, with revisions in October 2016 and then March 2018.

Premier, in any sort of normal jurisdiction where conflicts of interest were well understood and avoided by government, do you agree that engaging a consultant that has a vested interest in a proponent in the TWWHA development is inappropriate and a conflict of interest whichever way you cut it?

Mr HODGMAN - As I have previously informed you and this committee, steps have been taken to avert any real or perceived conflicts and to manage and mitigate any as they arise, including in relation to the engagement of ERA Planning, which was awarded the contract for the development of the TWWHA Tourism Master Plan following an open and competitive process. It was the only Tasmanian company that was submitted for tender and has been successful in competing with others to secure that contract. It was also successful on the strength of its local Tasmanian context, knowledge, its proposed extensive consultation program that did also include extensive consultation with Aboriginal communities and also, importantly, value for money which is not an insignificant matter either.

Prior to being successful for the development of the TWWHA Tourism Master Plan, ERA Planning was engaged by a proponent, has been approved to progress to the next stage of approvals with our proposal to provide planning services. It was a long-standing contractual arrangement, as I have said previously, initially entered into in February 2016. Any relevant conflicts of interest have been declared and managed appropriately. ERA Planning has reallocated project management of the proponent's portfolio to ensure it is independent of the project management for the TWWHA Tourism Master Plan. I am also advised that since being appointed as consultant for the development of the TWWHA Tourism Master Plan, ERA Planning has declined approaches by other proponents with proposals within the EOI initiative who were seeking its services.

Ms O'CONNOR - So ERA has acknowledged and declared a conflict of interest. You have a single entity, ERA Planning, that is receiving money from a proponent for a tourism development in the TWWHA and receiving money from the Government of Tasmania to develop a plan for tourism development in the TWWHA.

Mr HODGMAN - And doing all those things to mitigate.

Ms O'CONNOR - You are talking about one small Tasmanian company, ERA Planning, that has proponents on its books for the very process that you are asking it to develop a tourism master plan for. Are you able to explain to the committee the selection panel's advice to you as minister in engaging a conflicted entity to prepare a tourism master plan for the TWWHA, which is two-and-a-half years overdue, actually three?

Mr HODGMAN - As per the matters I have just outlined in competing in a tender process and meeting the necessary criteria,

Ms O'CONNOR - Was not having a conflict of interest a criteria?

Mr HODGMAN - I should add that ERA Planning has committed to not being engaged on any new project during the contract period for the TWWHA Tourism Master Plan. All these steps have been put in place to mitigate any real or perceived conflicts of interest and manage them.

Ms O'CONNOR - Point of order, Chair. There is a real and perceived conflict of interest but I did ask the Premier to advise the committee on what the selection process was and the advice that was provided to you as minister to engage a company which is conflicted.

Mr HODGMAN - The advice that I received as minister is that ERA Planning was successful on the strength of its local Tasmanian context and knowledge, its proposed extensive consultation program that included comprehensive engagement with Aboriginal communities and also value for money.

Ms O'CONNOR - Tedious repetition.

Mr HODGMAN - You asked what the criteria were and I told you.

Ms O'CONNOR - Premier, do you understand then why recreational users and defenders of the TWWHA have little to no confidence in your process for developing a tourism master plan when what it looks like is you have chosen a company that will deliver the plan that you as a Government want?

Mr HODGMAN - It was a competitive tender process, entirely consistent with other tender processes under Treasurers' instructions that has delivered a result whereby the only Tasmanian company which submitted the tender was fortunate enough and successful in achieving it.

Ms O'CONNOR - Was it chosen because it is Tasmanian? Because it could fix it for you and give you the plan you wanted?

Mr HODGMAN - No, I think

UNCORRECTED PROOF ISSUE

CHAIR - Ms O'Connor, either you wish to listen to the Premier's answer or I will move on to Mr Tucker, which I am going to do anyway.

Ms O'CONNOR - We are just getting tedious repetition.

Mr HODGMAN - There is no conspiracy here. As I say the process undertaken was entirely consistent with tenders as per Treasurers' instructions.

Ms O'CONNOR - That is even more worrying. What you're saying is through your tender processes you will engage conflicted companies.

Mr TUCKER - The Hodgman Liberal Government has committed to growing Tasmania's hospitality sector. Can you explain how government funding has supported expansion of the Great Customer Experience Program.

Mr HODGMAN - This is an important program that we are delivering in partnership with our tourism and hospitality sector. It supports a number of key objectives, most notably to ensure that the experience that our visitors receive is a positive one that will cause them to return and to speak positively about our state. We have committed \$2.8 million over four years to support the continued rollout and expansion of the Great Customer Experience Program. It is a customised program which is free to tourism and hospitality businesses across the state. It is designed to make it as easy as possible for hospitality businesses to participate in the program, delivered in their place of business. It is very hands-on and as a result has high levels of engagement. It is relevant to staff, owners, operators across businesses, it caters for venues of all sizes. It helps businesses to develop a culture of customer experience excellence.

It does so by boosting staff engagement in the business which leads to higher standards of work, encouraging staff to consider the business's reputation and understand the impact a poor customer experience has on commercial outcomes. It teaches staff what a great customer experience is like and ensures that staff understand their responsibilities and are equipped with the right skills.

Government funding for the Great Customer Experience is supporting the program's expansion to 2000 businesses. They will also receive industrial relations and human resource training. Since the program began 590 venues have participated in the program state-wide; 459 of these have completed the program. Of the 590 participating venues the regional breakdown is 20 in the west, 255 in the south, 128 in the north west, 98 in the north, 79 in the east and 14 in central Tasmania. This equates to around 9000 individual staff in the hospitality sector participating in the program. Of the 590 venues 341 received training during 2018-19 to increase our support and our emphasis on the program and to ensure that we make strong progress on the target of 2000 venues by 2022.

Businesses that undertake the program successfully get a seal of approval and staff participants are certified as well. Importantly contractors providing this in-venue service operate in all regions of the state. Each has a background working in the hospitality industry. It helps them also understand the challenges and issues that the industry is facing and tailor their approach to suit individual businesses. This helps contribute to the success rate of the program and the overall number of venues which participate. Looking ahead, contractors will be armed with more information, including a heavier level of venue testimonials, written electronic derived from businesses who participated in the program. This helps to ensure our hospitality businesses and

UNCORRECTED PROOF ISSUE

enterprises are sustainable and promotes growth and development in one of our most important industries.

Mr TUCKER - The Hodgman Liberal Government has provided \$1.2 million for a new Business Events Attraction Fund. Can you please explain how this will support growth in the visitor economy?

Mr HODGMAN - Thank you, Mr Tucker for your next question. We have announced a \$1.2 million investment into our Business Events Attraction Fund to support Business Events Tasmania to secure major national and international business events to be hosted in the state. They are high yielding and participants usually spend more and are often repeat visitors who come here for the business event.

The Business Events Attraction Fund builds on our existing support to Business Events Tasmania. We currently provide \$790 000 a year to Business Events Tasmania for them to secure more events for the state through targeted sales and marketing. International business events of strategic importance to the state can bring a great direct spend to the economy and have a good return on investment.

The economic return to our state of hosting events is significant. In 2017-18, the T193 bids for the state brought 18 730 delegates to the state and there are ongoing social, economic and educational benefits to the community through the facilitation of trade investment opportunities, the transfer of skills, and the interaction of other organisations in business events.

This will help Business Events Tasmania to compete against other states and jurisdictions because it is a very competitive market. Often organisers seek a financial contribution when choosing a venue or a state in which to host their event. We need to be able to compete with that so this will provide greater certainty and budget security for Business Events to compete.

A tourism and hospitality supplier side unit will now develop a governance structure which will develop guidelines for the allocation of funds with a key aim to increase the focus on pre and post event itineraries for delegates to encourage them to stay longer, travel further and spend more.

Business Events Tasmania has a good track record of securing high yielding events for the state. There are a number of upcoming ones including Cider Australia's annual conference and the Australasian Drama Studies Association National Conference, which will be held in Launceston later this month.

Ms WHITE - Premier, can you explain why visitor growth is flatlining according to the Tasmanian Visitor Survey data?

Mr HODGMAN - It is not flatlining.

Ms WHITE - A very small amount of growth.

Mr HODGMAN - There has been a decline from what were extraordinary numbers over some years. Pleasingly, our regions have experienced growth and at least remained steady with the south up 3 per cent, east coast is down, north up 3 per cent and Cradle Coast up 4 per cent, with 1.32 million visitors to the state. This is 4 per cent more and that is to December 2018, 4 per cent more than the 1.27 million who came here in the same period to 2017.

There are a number of reasons as to why that is so. While it is true to say - and we acknowledge that the overall growth in interstate and international visitation has slowed from what were record levels that we have experienced over recent years. At the same time, we are also seeing an increase in interstate visitation, which is good, an increase in cruise visitation and importantly, a massive increase in the amount that our visitors are spending here. The national visitor survey also shows that Tasmanians are travelling more within the state as well.

There is still a lot to be encouraged by. It is a reminder that we can't rest on our laurels. We need to invest. We need to support our visitor sector, to increase access, to continue to improve on the visitor experience and we do need to continue to market the state as effectively as we have done to stay ahead of the pack and as this Budget allows.

Ms WHITE - Based on the current growth rates, do you believe that Tasmania will reach 1.5 million visitors which is a target that you have set for your Government to achieve?

Mr HODGMAN - We will need to ensure we continue to grow at a strong rate to meet that target. It is certainly our commitment to do so and our growth rates will fluctuate. This is a reminder that if we are to achieve those targets we need to do those things, to invest more and to ensure that Tasmania's appeal as a destination remains strong.

Ms WHITE - You remain committed to that target? And the date you set out to meet it by?

Mr HODGMAN - Yes.

Ms WHITE - In addition to that you have as part of your strategy your plan to increase international flights to Tasmania. What progress has been achieved?

Mr HODGMAN - Yes, and I will ask Mr van Pelt who is here to join us because this is a matter of some interest. First and foremost, what needs to happen is for Hobart airport to become truly international and to be able to facilitate direct international flights. That is some process that requires approval from national authorities and that work is well underway. Until such time as that occurs we need to be continuing our efforts to engage international carriers to keep their interest in our state as an opportunity front of mind. That is the work largely done by Mr van Pelt and his team. It might be appropriate, as much as you can, to inform the committee of your progress.

Mr VAN PELT - We are seriously talking to a few airlines now but we have a potential route out of Asia and a potential route out of New Zealand. We are clearly needing to time that with the airport's ability to extend its terminal and for us to have sufficient and everchanging requirements from a security perspective around international passenger processing. This is all scheduled to become part of an extended terminal here by the end of 2020. The work we are doing with the carriers - we are now competing globally - is to show from an inbound and an outbound perspective there is enough demand year around to provide a flight option for them to make an investment, to put the airplane asset into Hobart. We would like to try to work that through so we can announce something hopefully by early next year for a completion or an actual start date late 2020 in line with the terminal expansion project at the airport.

Mr HODGMAN - I should add that the Tourism Tasmania works with airlines to increase seat numbers in and out of the state, and have done so successfully. Hobart airport has announced a \$230 million terminal expansion project to accommodate the forecast increase in passenger

UNCORRECTED PROOF ISSUE

numbers but also allow for the required facilities for international passenger processing to occur effectively and in line with Border Force and other security requirements. These are a critical part of the master planning process for the airport, as discussed.

Ms WHITE - Has the Tasmanian Government been asked to provide any funding toward that upgrade?

Mr HODGMAN - No.

Ms WHITE - The Commonwealth Government has been asked for funding to assist with the upgrade.

Mr HODGMAN - They have provided it, the former Commonwealth Government provided funding of \$48 million for the extension of the runway. I have certainly not been asked, nor am I aware of any request for funding from Hobart airport.

Mr EVANS - Premier, the federal government has committed funding through the Hobart City Deal and established a Border Force capability here.

Ms WHITE - The cruise ship visitation is of interest to many Tasmanians. Are you able to provide a breakdown of cruise ship visits to Tasmanian ports last season and provide numbers of forward cruise ship bookings, as well? Whilst you are getting that data, I would also be very interested to know what your strategy is to manage cruise ship participation -

Ms O'CONNOR - Just keep shovelling them in.

Mr HODGMAN - There are 105 port calls by cruise ships to Tasmania during 2018-19. This amounts to a total of 275 951 passengers and crew days in port. This is a decrease from 125 port calls and 346 230 passengers and crew port days in the previous year. An increase in port calls is expected for the next two years, and currently there are 135 port calls booked in 2019-20, and 146 port calls booked for 2020-21. The expenditure direct expected estimated from these cruise ships' passengers and crew amounts to around \$30.5 million in 2018-19, based on average spend, and there is indirect expenditure as well. The Australian Cruise Association estimating it \$15 million.

So, a significant economic injection into our state from our cruise shipping and the access working group as well. It is not just about the air. It is also developing a strategic plan for release in June, this month, which will provide initiatives aimed at delivering sustainable cruise growth and growing yield, and encouraging dispersal of cruise passengers, of course, off the back of work that we have previously done to -

Ms O'CONNOR - Are you going to get them out of Wine Glass Bay?

Mr HODGMAN - We have been able to do just that, to reduce and limit visitation around the state. We have a whole-of-government framework across TasPorts, Parks, MAST, EPA, Tourism Tasmania, and our regional tourism organisations for the assessment of cruise ship bookings at small ports and anchorages, to establish under what circumstances these areas can be safely visited. We are ensuring that our relationships with cruise line operators are strong and that shore-excursion operators are also in the mix to influence longer stays in port, longer itineraries, more overnight

UNCORRECTED PROOF ISSUE

port calls, turnaround port calls, as well as the Wine Glass Bay policy which we have previously announced.

Ms O'CONNOR - But there will still be cruise ships in Wine Glass Bay this summer, won't there?

Mr HODGMAN - It is very limited.

Ms WHITE - I asked for a breakdown, not just of the numbers, a total, but where they are calling, which ports are they calling into?

Mr HODGMAN - We will need to take that on notice.

Ms WHITE - Thank you.

Mr Van PELT - I can answer that. For the forward bookings for next summer, 67 for Hobart, 39 for Burnie, 23 for Port Arthur, one for Beauty Point or Inspection Head, and there are five bookings for piloted cruises around the East Coast, which excludes Wine Glass Bay.

The summer thereafter, there are 80 bookings for Hobart, 31 for Burnie, 25 for Port Arthur, eight for the Coles Bay cruises minus Wine Glass Bay, and two for Beauty Point.

Ms O'CONNOR - So, no parking in Wine Glass Bay? Is that correct?

Mr Van PELT - We have an agreement now with all the cruise companies to exclude Wine Glass Bay from all of their itineraries.

Ms O'CONNOR - That is helpful, thank you.

Premier, can you confirm that the contract to deliver the tourism master plan was announced publicly on 13 December 2018?

Mr HODGMAN - I would need to check that.

Ms O'CONNOR - We have some right-to-information documents here which would indicate, although they are so heavily redacted it is hard to make sense of them, but they seem to indicate that a public announcement was made on 13 December last year.

Mr HODGMAN - I would need to check that.

Ms O'CONNOR - Can someone get that information to the table reasonably quickly?

Mr HODGMAN - I have that advice before me. We will do that as quickly as we are able, I am sure.

Ms O'CONNOR - Thank you. It would appear to us that an announcement was made publicly on 13 December last year, yet we have here a letter from the successful consultant, which is conflicted, to deliver the tourism master plan, dated 17 December, and it refers to a letter from Mr Jacobi dated 14 December 2018, in regard to the management of actual or perceived conflicts of interest relating to our work in assisting the Tasmanian Government in developing a tourism

UNCORRECTED PROOF ISSUE

master plan for the TWWHA. When was the first time either the Parks and Wildlife Service or your office or anyone in government asked this company about the perceived actual conflict of interest and how it would be managed?

Mr HODGMAN - It is a pity you didn't ask these questions a while ago.

Ms O'CONNOR - I did ask some of these questions and now we are in Tourism and this is about the Tourism Master Plan.

Mr HODGMAN - I know but you had at your disposal the secretary and the director of Parks available to perhaps provide that information.

Ms O'CONNOR - If there had been fewer Dorothy Dixers from Mr Tucker I might have had an opportunity to ask them.

Mr HODGMAN - You did ask me the same question more than once.

Ms O'CONNOR - What we need to understand here is when was the first time the Parks and Wildlife Service, the state of Tasmania, any responsible entity, asked ERA Planning how it was going to manage an actual conflict of interest?

Mr HODGMAN - Given the specifics required I need to take advice from the relevant agency to determine that.

Ms O'CONNOR - Thank you. I hope you come back to the committee and sort this out because it would appear that a public announcement was made on 13 December that ERA Planning was the successful consultant.

Mr TUCKER - Point of order, Chair. We have gone past the Parks output and the people have moved on, haven't we?

Ms O'CONNOR - Thanks for your point of order. This is your first Estimates and we are talking about the Tourism Master Plan.

CHAIR - It is a point. We did have the responsible officers at the table in the last session and we have moved on. We generally stick -

Ms O'CONNOR - We have the responsible minister at the table.

CHAIR - Excuse me, Ms O'Connor, we generally stick to overview but the reality with these processes that we are supposed to go through.

Ms O'CONNOR - Perhaps you can come back to the table and clear this up for us, but it would appear that the decision to award the contract was made before formal advice was sought on managing a conflict of interest by ERA Planning. The contract had been awarded and then the question was asked.

Mr HODGMAN - I would need to check, take advice as to those matters before arriving at any conclusion, as you have done.

UNCORRECTED PROOF ISSUE

Ms O'CONNOR - I have a question from one of your constituents down on the Tasman Peninsula. This relates to tourism and the Three Capes Track and the impact of helicopters on local amenity. 'Good morning, Premier. It is a long time since I needed to contact you on any issue but we now have an issue here at Port Arthur as our lives have been impacted by helicopters. Can you please explain why in Tasmania dogs, cats, bicycles, cars, lawnmowers, chainsaws, boats, kayaks, have rules and regulations but not helicopters? Can you please find out why the Parks Service has not made the Fly Neighbourly Agreement public yet after two years of working on it? Thank you for your time.' Dennis Emmitt, (TBC) who owns Classic Cottages self-contained accommodation.

Mr HODGMAN - Again, there was the opportunity for you to ask this question.

Ms O'CONNOR - Again, it is the impact on tourism operators who are not Tasmanian Walking Company receiving favoured treatment from your Government of helicopters and the amenity of all people on the Tasman Peninsula.

Mr HODGMAN - A Fly Neighbourly Agreement is being drafted.

Ms O'CONNOR - When will it be made available?

Mr HODGMAN - I will need to take further advice as to that. We are conscious of the impact. Whilst aviation services are not regulated by the state, we are conscious of the impact on our tourism industry, on amenity for residents, locals. We are conscious of that, hence the development of the Fly Neighbourly Agreement.

Ms O'CONNOR - Mr Emmitt has an agreement from Parks to make available the Fly Neighbourly Agreement for the Tasman Peninsula by December 2017. So, 18 months later this agreement is not available. It has not been made public and the impact on the lives and businesses of people who are not your favoured developer down there in the Tasman National Park is significant.

Mr HODGMAN - Yes, whilst the state does not regulate civil aviation activity - CASA does that - and Parks and Wildlife does not have the authority to control the airspace. It can control take-offs and landings within reserved land. In order to ensure a harmonious relationship between aviation activities, conservation, visitor enjoyment, the Parks and Wildlife Service has developed a set of voluntary fly-friendly guidelines, the Fly Neighbourly Advice. They are issued by CASA and generally adopted by operators who fly over these areas. They include preferred standard scenic flight routes, heights and timing parameters for popular areas to attempt to reduce disturbance of ground users or sensitive wildlife. Fly Neighbourly Advice guidelines exist for Freycinet, including Moulting Lagoon, Maria Island, Mt Field and the TWWHA.

Due to concerns raised by visitors and local residents in the Tasman area, the Parks and Wildlife Service is facilitating the development of a Fly Neighbourly Advice. It is intended to apply primarily to the southern sections of the Tasman National Park as well as to nearby locations where aircraft activity is known to have caused disturbance. I can seek further advice as to when it is due for completion. It is not enforceable but -

Ms O'CONNOR - Are you waiting to get your instructions from Brett Godfrey and the Tasmanian Walking Company?

Mr HODGMAN - No.

Ms O'CONNOR - Then why does it take so long?

Mr HODGMAN - I am happy to seek further advice as to when it is expected to be concluded. There is significant use by private and commercial operators using both fixed wing planes as well as helicopters. It has been happening for many years. This is not a recent development. There is a lot more activity now than there has been before. There are amazing opportunities for people to visit areas of our state they might not have been able to do so in inaccessible areas.

Ms O'CONNOR - I will put that one on notice. When will Parks be delivering its Fly Neighbourly Advice and also put on notice what was the date that the announcement was made about ERA planning?

Mr HODGMAN - Yes.

Ms WHITE - Premier, I wanted to talk about the cruise ships visiting Port Arthur. As you would be aware, when cruise ships have booked there, the site sets up large marquees and special barbecues for the passengers of cruise ships that visit. When cruise ships cancel because of bad weather, because no deposit is taken the staff are only told that morning of the visit that they are no longer required to come to work. Staff who are rostered to be on work are then told the morning of that they are not needed and therefore they are not paid.

Mr HODGMAN - Port Arthur staff?

Ms WHITE - Port Arthur staff. You have indicated that there will be 23 visits to Port Arthur in 2019-20, 25 visits the year after. This causes significant disruption to the locals who are employed to support this visitation. Can you indicate to the committee what your plan is to ensure that either a deposit is taken so staff can be paid or some other arrangement is made so that staff are not told the morning of when they are expecting to go to work that they are no longer required?

Mr HODGMAN - I am certainly happy to follow that up. Mr van Pelt might add some further context.

Mr VAN PELT - Of the 105 port calls last summer, six were cancelled through weather around Tasmania. We have started a process with all of the cruise companies to see if we can book the shore excursions two years out, when they publish the itineraries. As those sailings happen whether there is an opportunity then for operators to share in those numbers, should there be a weather cancellation. I am not sure, we may have to take on notice how many were cancelled out of Port Arthur this summer as I don't have the information with me. It is very much a work in progress to see if we can make that happen. We are conscious of the impact of those cancellations.

Ms WHITE - Is that the only way you could support those staff due to a weather cancellation is to secure funds two years out?

Mr VAN PELT - If the cruise company ends up collecting then, ultimately, we need to talk to the cruise company to see if there can be some form of compensation. Weather is a hard one because effectively it is wind which stops them getting in there and swell.

Ms WHITE - The staff at Port Arthur I understand are employed by the Port Arthur site, they are not private operators who have booked on land trips which I think, the reference you are also

UNCORRECTED PROOF ISSUE

making, is they are disadvantaged when visitation is cancelled due to weather. Given these are public sector employees, they are your staff, Premier. Is there a different way to deal with this than expecting the cruise ships to pay?

Mr HODGMAN - Yes. I will follow this up and take further advice from the authority as to what arrangements are in place under their workplace agreements. I have received some preliminary advice that where a ship is cancelled it may be that staff are paid minimum hours required, or given alternative duties in the first instance, but I will take up the matter.

Ms WHITE - Do you want me to put that on notice for you to follow up?

Mr HODGMAN - Yes, I am happy for you to do so, and get some further advice to the committee on those arrangements.

Ms WHITE - I would be keen for that to occur.

Mr HODGMAN - Yes, certainly.

Ms WHITE - Thank you. Premier, we did touch on it this morning but I wanted to ask about it in this section as well, and that is the federal election campaign of course, and to ask why you allowed MONA to be used as a political football throughout that campaign. It is such a significant icon, it is a significant drawcard, it has helped to reshape the way we think about ourselves as Tasmanians, and yet it was used as a political football during the political campaign to score votes.

Mr HODGMAN - As I said this morning, there has been no stronger supporter of MONA and all that it is than this Government. We have invested significantly in their events to allow them to further impact our communities, to lift our cultural confidence.

Ms WHITE - Why did you stand beside Scott Morrison and your Liberal colleagues in the north of the state when they said those things? You did not correct them.

Mr HODGMAN - I would suggest that no Government has done more to unify -

Ms O'CONNOR - Tedious and untrue repetition.

CHAIR - Order.

Mr HODGMAN - As I said this morning, we have taken MOFO to the north, we have invested more in their events here.

Ms WHITE - I did not hear you say any of those things through the campaign.

Mr HODGMAN - I absolutely stand true - more than that, we have back then at every step, and that includes providing support for the MONA hotel.

Ms WHITE - How have you provided support for that?

Mr HODGMAN - We have said that we are prepared to speak with them about what role the state might play, the Treasurer has already publicly acknowledged that MONA has spoken to us

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about what role we might play to ensure this project gets up off the ground, and we are working through that with -

Ms WHITE - Are you supportive of MONA securing a loan guarantee to build the hotel?

Mr HODGMAN - Those matters need to be assessed and worked through with our relative agencies looking at any proposal.

Ms WHITE - Are you personally supportive of that being provided if helps them achieve the outcome?

Mr HODGMAN - That is by the by. That is not for me to be personally supportive.

Ms WHITE - You are the biggest supporter of MONA, didn't you just say?

Mr HODGMAN - Going through good process and actually getting the work done, work through with the proponents, having our agencies ensure that it is good investment of public funds, I think is very important for me as Premier and Tourism Minister to do those things as well. We need due diligence. I don't think that you are suggesting that I would simply hand over whatever MONA want.

Ms WHITE - Do you concede that that full proposal, including the convention centre, is unlikely to be realised without some kind of public support?

Mr HODGMAN - I am happy to work through with MONA about what their needs are to pursue any sensible option.

Ms WHITE - I did not hear you say that through the federal election campaign, Premier.

Mr HODGMAN - I didn't see much of you during the federal election campaign.

Ms WHITE - I was out there working every day. But I am talking about what you said, statements that you made as the leader of this state, refuting the false statements that were made by your colleagues about the MONA proposal - and I haven't even got onto football yet, but we can talk about that in a moment. I am just very surprised that you didn't say anything to refute the slur and allegations that were perpetuated as truths when they were not true.

Mr HODGMAN - I have been asked before, including outside our parliament, about the Government's support for MONA, for the hotel development, its events. Our record is very strong. We will continue to work closely with them on the concept before us, which is a major infrastructure investment. They have sought support from the Government to act as a guarantor to support financing for the development. Any sensible person would expect the Government to fully assess the project before offering support, ensure that due diligence is undertaken.

State Growth is working through the proposal supported by Treasury to determine what options are available to us to provide that support.

Ms WHITE - Did you see the advertising material that your federal Liberal colleagues were going to use before they started to distribute it in relation to MONA?

UNCORRECTED PROOF ISSUE

Mr HODGMAN - No, I didn't see any of their advertising material before they decided to use it. Did you see all of Labor's?

Ms WHITE - Did you raise any concerns with them about that material when you did see it?

Mr HODGMAN - As I say, I am quite prepared for the federal parties to campaign and be judged by voters on the strength of their campaigns.

Ms WHITE - Even if they are lying?

Mr HODGMAN - It would be a little rich for somebody from the Labor Party to claim some moral high ground when it comes to informing people about the truth on matters. We can revisit some things that you and your state Labor team did and said during our election campaign only 18 months or so ago.

CHAIR - Order. I do need to move the questioning on. Ms O'Connor has the next question but I need to remind the committee that at the end of the time people will be saying, 'We haven't asked these questions'. That is the third time I have heard these questions being asked today. If we run out of time and you have doubled up on your questions because you didn't like the answer the first time, don't blame the Chair.

Ms O'CONNOR - Thank you, Chair. The questions get asked again because they are not answered. That is why they get asked again.

Premier, do you agree Simon Currant is a tourism icon and a leader in Tasmania? While we as Greens may not agree with everything he says and does, we recognise his contribution. Do you agree?

Mr HODGMAN - Yes, certainly and totally. I don't agree with everything he says either but he is certainly an industry icon.

Ms O'CONNOR - What is your response then to the concerns that he publicly raised last Thursday that the proposed Cambria Green development at Dolphin Sands on the East Coast is a 'complete snow job'? 'It is inappropriate for Tasmania'. 'It will damage us'.

Simon Currant regards that development as a threat to the brand. Is he right?

Mr HODGMAN - I respect Simon Currant and his right to express views about such matters. He can and is well entitled to express his opinions. As Leader of Government, we need to be conscious of the fact that a proposal was brought forward last year that Glamorgan-Spring Bay Council initiated a process

Ms O'CONNOR - No, it did not initiate a process. The developer initiated the process.

CHAIR - Order, Ms O'Connor.

Mr HODGMAN - Yes, there is an independent statutory process under LUPA to determine the matter. We have confidence in a thorough and independent planning process and should have no involvement, that is the Government, in an independent planning process undertaken by the commission.

Ms O'CONNOR - Do you agree if it were to be approved, that the Cambria Green development would damage Tasmania, as Mr Currant has said and that it is a threat to the Tasmanian brand?

Mr HODGMAN - I have to exercise confidence in our planning authorities to make determinations that go to matters within its realm and to respect that process.

Ms O'CONNOR - Let me put it to you this way. Do you as Tourism minister and as minister responsible in many ways for maintaining and protecting the brand, which you are doing poorly I would argue because of the threats to the wilderness, think that the Cambria Green development is the sort of development that Tasmania should be seeking, soliciting, approving?

Mr HODGMAN - I have to express confidence in our planning processes where I or the Minister for Planning has a role to play in determine the zoning of land within a municipal area. It is a matter appropriately undertaken by the council and with the approval of the independent Tasmanian Planning Commission. It is important to respect those independent processes when decisions like this are being made and, in this instance, in train.

Ms O'CONNOR - Premier, these are questions that have been put to us by the CPSU and they relate to the impact of the increase in visitation on councils and on Parks staff. The question is, isn't it true that when tourism hotspots, like Freycinet National Park, for example, and Coles Bay, are packed full, visitors and locals will move on to other areas, and that many of these areas do not have the infrastructure for such impacts? We have heard reports of Parks staff replacing minor infrastructure at their own expense; of composting toilets overflowing with excrement in protected areas. There is an efficiency dividend being applied to Parks and we are seeing visitor numbers continue to rise and rise. What are you doing to tackle the escalating problem of what is becoming industrial-level tourism?

Mr HODGMAN - We have had the discussion at some length about the master plan for Freycinet. That includes our yield and dispersal strategy, which is having an impact. Seeing more of our visitors getting out of Hobart and into our regional areas is important. We are investing in infrastructure to better support massively increasing numbers in some cases in those areas. Maria Island, the Overland Track, the East Coast, Tasman National Park gateway, Cockle Creek, Bruny Island, Freycinet, the Nut, Macquarie Heads -

Ms O'CONNOR - What are you doing in these places, otherwise you are just rattling off names off maps?

Mr HODGMAN - I am glad you asked. They are all destination hot spots, so we are responding by way of infrastructure investments.

Ms O'CONNOR - You can give me the dot point infrastructure, do not read out the whole page, thanks.

Mr HODGMAN - Okay, I won't read out the whole page but I will tell you, it is a page-and-a-half of things we are doing.

Ms O'CONNOR - Please do not do that.

UNCORRECTED PROOF ISSUE

Mr HODGMAN - Maria Island, \$4 million to improve the infrastructure heritage sites and associated visitor experience. That's in addition to \$1.83 million allocated in the 2017-18 Budget towards the Maria Island Rediscovered project. On the Overland Track there is \$3 million towards renovating the public huts on this famous walk -

Ms O'CONNOR - It is the least you can do seeing as you are expanding the number of private huts.

Mr HODGMAN - Three million dollars on the east coast; \$1.5 million to upgrade popular camping sites on the east coast, including at Diana's Basin and Humbug Point, and areas within the Mt William National Park.

Ms O'CONNOR - Does that include toilets? Toilets are a big issue.

Mr HODGMAN - Yes. The Tasman National Park gateway there are toilet facilities, viewing platforms, tracks, car parks including the Devils Kitchen and Tasman Arch.

At Cockle Creek, \$800 000 to improve parking, camping, visitor amenities. Southern gateway to the Tasmanian Wilderness World Heritage area. Bruny Island, improving the infrastructure at the Light House, to upgrade the day use area, which is also increasingly popular. It is the southernmost tip of Bruny.

At Freycinet, in addition to the master planning process and all that it captures, \$680 000 for the shared-use track from the visitors centre to Wineglass Bay car park, which we spoke about at some length earlier.

At the Nut, \$450 000 to upgrade visitor infrastructure. At Macquarie Heads, \$435 000 towards the new jetty to replace what is a condemned structure. On Sarah Island, \$400 000 to improve the visitor experience through track upgrades and conservation works. Ben Lomond, \$400 000 to upgrade the lower car park below Jacob's Ladder.

At Strahan, there is \$300 000 to revitalise the historic bond store and customs house buildings. At Highfield House, \$250 000 towards visitor amenity improvements at that wonderful heritage property and attraction there, an events venue for the beautiful town of Stanley.

The majority of the projects are well into planning and procurement phases, with commencement of construction soon to follow. This is in addition to the \$8 million allocation for tourism infrastructure in Parks, providing the PWS with a capacity to invest more. That is in addition of course to our tourism roads upgrade.

Ms O'CONNOR - What about the small spots? Places like the St Helens camping ground where a leaky tap cost a whole tankful of water, and it wasn't fixed until a Parks officer came along and did it on their own coin and in their own time?

Mr HODGMAN - I am not familiar with the tap.

Ms O'CONNOR - No, but that's an example that we're aware of. It all seems to be around mass tourism infrastructure.

Mr HODGMAN - It is to ensure that those places can cater for the large number of visitors.

Ms O'CONNOR - Be good if St Helens camping ground could cater as well.

Mr HODGMAN - Worth a look.

Mr TUCKER - The Hodgman Liberal Government has invested \$6 million to grow cycle tourism in the state. Premier, can you explain the benefit of this please?

Mr HODGMAN - Yes, the state has a very strong growing.

Ms O'CONNOR - This is one of the most insulting Dorothy Dixers that has ever been asked at the table.

Mr HODGMAN - Why?

Ms O'CONNOR - Well, who doesn't know the benefits of cycling?

Mr TUCKER - Me, I am only new to the game.

Mr HODGMAN - Our reputation as a destination for cyclists has become quite profound. It is growing. Our landscape and topography make it a perfect fit for many cycle experiences and people are coming here and more Tasmanians are catching on to what is a wonderful way to spend some time on the back of a bike at wonderful tourism cycle spots around the state - Latrobe, St Helens, Maydena of course. We have facilitated the implementation of the Tasmanian Cycle Tourism Strategy, which we released in September 2017 as part of T21 visitor economy strategy.

That funding is for infrastructure, business support and education, marketing and events projects. We have included 10 infrastructure projects in that funding, three marketing and business-support initiatives and three cycle events. These projects support the strategy to grow our attractiveness and also ability for locals to enjoy world-class cycling experiences. Work on a number of projects is now complete. Stage two at Maydena, stage one at the Dial Range strategic mountain bike trail plan, the Mt George mountain bike trail feasibility report.

The TICT's bike-friendly accreditation program we launched last October in Derby, to get local businesses in those areas attached to the boom in our cycle tourism market. Stage two of the Blue Derby mountain bike trails was officially opened in November last year.

Three events have also received support. The GTR events to secure the tour of Tasmania road race from 2018 to 2020, a premier event for cycling Australia's national road series. The Oceania road cycling championships for 2019 and 2020, a three-day event sanctioned by the international union Cycliste Internationale. The 2019 event was held in March with five major races. Of course, the Enduro Continental Series MTB events and the Enduro World Series MTB in 2018 and 2019 held in Derby and the north-east attracting thousands well and truly supporting that local economy.

So, \$6 million in investments delivering significant benefit for our state. We all appreciate the benefits of getting onto a bike, but we are now much more aware of our capacity to attract many visitors to our state, and to the eyes of the world who have an interest in cycle tourism and the events that we have secured here. Ensuring that we have another element, as our tourism strategy identifies to target niche areas, high-yield experiences and opportunities for Tasmania to differentiate itself from the rest of the country and stay ahead of the pack.

Ms WHITE - Premier, did you or your Government suggest to MONA that it approach the Australian Government and the federal opposition about seeking funding for its development as part of the election?

Mr HODGMAN - Yes, I certainly have and I know the Treasurer has written to MONA suggesting such a thing. It is very sensible advice to give to any organisation looking for funding in the run up to the federal election to suggest that they might make inquiries and in fact advocate for federal government support.

Ms WHITE - You suggested and the Treasurer indeed wrote to MONA suggesting they seek federal government support. They then secured support from one political party, the Labor Party, and then you actively campaigned against them with the slogan saying 'stop them' in the lead up to the election. Do you realise how schizophrenic that is?

Mr HODGMAN - The federal Liberal Party may not agree with everything we choose to do with Tasmanian taxpayer money.

Ms WHITE - I didn't hear you speaking out in support of MONA.

Mr HODGMAN - I don't presume to tell them, nor indeed the unsuccessful Shorten opposition what they may or may not do. It is a matter for them to justify their actions. We were strongly supportive of MONA. We have supported a thorough investigation into the proposal before us and will continue to do so. We are not fair-weather friends. We have been very good friends and partners of MONA since we came into Government and will continue to be so. It would be silly not to suggest to any well-credentialed organisation to seek funding from federal parties in the run-up to the federal election.

Ms WHITE - Premier, how can any organisation in any good conscious ask for your support ever again knowing that you will throw them under a bus if a political opportunity presents itself?

Mr HODGMAN - You are connecting dots that don't exist.

Ms WHITE - Everybody saw what happened, particularly in the north of the state. Now you are saying you encouraged MONA to ask for that funding. When they secured that commitment you then actively campaigned against them and didn't speak out about it, not even once, as Premier, as Tourism minister, you didn't say, 'Well, we support this. We wrote to MONA and suggested they do this'. You stood by and let your colleagues divide the state and actively say 'Stop them' during that election campaign.

Mr HODGMAN - The federal Liberal Party, the federal Labor Party are well able to justify their commitments made on behalf of the Australian public. Yes, it is a matter of fact that the federal Liberal Party did not support the Shorten plan to pump money into AFL football here in Tasmania. That does not impact at all on our capacity -

Ms WHITE - I am talking about MONA.

Mr HODGMAN - For MONA, they expressed their views that Tasmanians voted upon during the federal election. It was their policy platform that they and the Shorten alternative or indeed any other party can justify.

Ms WHITE - Are you embarrassed about the mixed messages you are sending Tasmanians here?

Mr HODGMAN - Not at all. We have a strong message of support to MONA.

Ms WHITE - Unless there is a federal election.

Mr HODGMAN - Almost at every single turn when it is justifiable public expenditure, when it supports the growth in our visitor economy.

Ms WHITE - You flip-flop all over the place. Where is your backbone? What do you stand for, apart from a vote?

Mr HODGMAN - The person sitting to your left asked you that question. I know you are after a little theatre at this late hour. That is what people say about you when they say 'What about your pokie policy that you took to the state election that you have abandoned?'

Ms WHITE - You just revealed you wrote to MONA, encouraged them to secure funding in the lead up to the election. We did not win the election. You happen to be in a position where you're Premier and you are the Tourism minister and you have actively undermined one of the most iconic operations in this state, particularly when it comes to tourism visitation. It is a major drawcard. You actively undermined them for a few votes. Aren't you embarrassed?

Mr HODGMAN - I am not embarrassed. I am not for one minute going to take a lecture about intestinal fortitude from someone who abandoned the signature election policy that she took to the election.

Ms WHITE - You have been exposed. You should be so embarrassed. If you now provide a guarantee to them you will be shown to be even more a hypocrite because you didn't back them when they had the chance. You could have said nothing but you actively campaigned against it.

Mr HODGMAN - We have actively backed them, including progressing their proposal through appropriate channels, including supporting their events across the state, signing up stronger newer deals that secure their future.

Ms WHITE - MONA does not need an enemy when it has a friend like you. I want to ask a few other questions regarding the commitments you have made to the people of Tasmania, particularly on the regional tourism organisations that you said you would announce in the first quarter of this year. That is very soon. Are you able to update the committee on progress?

Mr HODGMAN - Our RTOs are an important piece in the puzzle, and very important for determining, not only opportunities in our regions, but also dispersal into regions. Through an industry-led governance structure, the four RTOs set a strategic direction for tourism in their region. They identify annual priorities and deliver programs that engage the participation of their industry and stakeholders. They are a leading contributor in supporting content development for tourism marketing activity. They play an important role in coordinating the activities and working with state, local governments, industry bodies, operators, and in supporting industry and product development.

The Government has committed funding support to Tasmania's four regional tourism organisations for three years 2019-20, providing a total of over \$3.75 million over three years. As further evidence of our support we are currently finalising new three-year grant deals a year early, ensuring there is certainty of funding through to June of 2022. The surety enables the RTOs to successfully deliver core activities and secure additional funds provided by their local government partners and by industry on a project-specific basis.

In kind support is also provided by Tourism Tasmania through cooperative marketing activities and sharing of imagery and other marketing content with the RTOs. A recent RTO pulse check has reaffirmed the value of the partnership between Government and the RTOs to help shape the forward work program in setting future grant deed expectations. We envisage a very strong and important role for our RTOs.

Ms WHITE - What about the north west regional tourism organisation and the appointment of the chair and the subsequent members of the committee. Where is that at?

Mr HODGMAN - That is an evolution of the arrangements on the north west coast. Over the past six months a Government-convened transition committee, which has included both industry and local government representation, has worked through a process to determine the best future model in governance structure for an RTO in the Cradle Coast region. During the process the Cradle Coast Authority has decided to discontinue RTO services beyond 30 June this year. As such a new Cradle Coast Regional Tourism Authority will be established and operational by 1 July 2019. Expressions of interest for the chair and board positions for the new RTO have been called. The new entity will align with the industry's needs and the broader region's needs without compromising the focus of the RTO or its ability to be the voice of industry, while working in partnership with the Cradle Coast Authority.

There is strong intent that the new RTO will retain a close working relationship with the Cradle Coast Authority and local government stakeholder in the region. I have spoken with stakeholders on both fronts to ensure that that can occur. It is evidenced also by the Cradle Coast Authority and local government having nominated positions on the board of the new RTO. The Cradle Coast Authority has continued to work collegially with the transition committee to establish the new entity. It has been a difficult process and one which has required strong leadership from the transition committee. I thank them for their efforts and all key stakeholders, including the strong representation of our industry sector in the north-west and west coast. That will be funded more than \$1 million over a three-year period from July 2019 to June 2022 through a grant deed arrangement, which is consistent with the regional tourism organisation model and existing funding commitments of government. Tourism Tasmania and the Cradle Coast Authority are currently working to acquit grant deed obligations up to the 30 June this year.

Any identified surplus of operating funds will transition to the new RTO, but the exact financial position of it will not be known until after the acquittal on 30 June 2019.

Ms O'CONNOR - Premier, that allocation to the Tasmanian Hospitality Association after the last state election and the enormous support that they gave your re-election was \$6.8 million as I understand it. This is a \$4.8 million increase on their funding before they helped you the election. Where is that in the budget papers? Is it under Output group 5, Culture and creative industries, events and hospitality?

Mr HODGMAN - That is correct.

Ms O'CONNOR - That is what I thought and a footnote to that line item does not mention the THA. It says, the increase in events in hospitality in 2019-20 and 2021, primarily reflects additional funding for MONA FOMA, the ICC 20 World Cup and the Taste of Tasmania support. Why wasn't the Tasmanian Hospitality Association mentioned in that line item. Is that something that you want to conceal? Are you embarrassed? You should be.

Mr EVANS - I think I can answer that. The funding was provided in last year's budget across the forward Estimates so that footnote relates to the additional new funding for MONA FOMA.

Ms O'CONNOR - The footnote also relates to additional new funding.

Mr EVANS - It is embedded in the funding already provided, as reflected in last year's budget.

Ms O'CONNOR - The increase in events and hospitality in 2019-20. Thank you for that, Mr Evans. Premier what has the state received in return for that enormous increase in funding for the THA who helped you win an election.

Mr HODGMAN - It is recognition of the importance of this industry sector, it is a large part of the reason why we have such strong levels of growth to the state, more being spent here because so many of our visitors come into contact with our hospitality venues across the state. For many, many years they have hardly been supported by government. As the minister for Hospitality I wanted to demonstrate, and have done -

Ms O'CONNOR - But you know who did you the big favour.

Mr HODGMAN - That our hospitality sector is -

Ms O'CONNOR - A mighty solid.

Mr HODGMAN - valued and appreciated by my Government and we recognise that the THA is the peak body that represents the sector and they appreciate that. Both with the THA and the broader hospitality sector we have been able to develop an industry strategic plan. You have to remember too that tens of thousands of people are employed in this sector right across this state.

Ms O'CONNOR - Of course, but this is about the pokies money and quid pro quo for them helping you to win an election.

CHAIR - Order, Ms O'Connor.

Mr HODGMAN - We have an industry development plan, Clubs Tasmania initiative, the great customer experience which I have spoken about today and the significant uptake for that. We are working with the sector to ensure that industry is also involved in skills and workforce development to lift the profile and recognition. I want the hospitality sector to be a career of choice for Tasmanians, as it should be, because it is really a great sector to work in. It supports our -

Ms WHITE - Have you ever worked in it?

Ms O'CONNOR - Forty years ago.

UNCORRECTED PROOF ISSUE

Mr HODGMAN - Yes, I have not put out an ad about my previous work experience.

Ms O'CONNOR - I saw you down at Knopwood's, but it was not behind the bar.

Mr HODGMAN - I have worked for Gary Baker back in the day at the Mayfair Tavern and Graeme Lynch at the Aberfeldy Bottle Shop, to name but a few, I also worked in the UK in the hospitality sector and I am a strong supporter of it and visitor at many pubs, for the record. There are a number of important things that we are doing with them.

Also, to improve public safety for patrons, the Coward's Punch Campaign, the strategic plan and workforce I have spoken about as well.

Supporting the state's clubs and the THA is well equipped to support other clubs, sporting clubs, RSLs to provide a dedicated resource for them.

Ms O'CONNOR - Thank you, Premier. We have a good overview of what you think the money has bought. You are just reading out a brief.

CHAIR - Ms O'Connor, if you don't like the answer, you cannot cut the Premier off and go onto the next question.

Ms O'CONNOR - Thank you, Chair, but to be fair, I have been listening to that answer for close to four minutes. Premier, the THA which was the beneficiary of \$6.8 million in publicly funded largesse after you won the state election is also responsible for venues. There was that awful drink spiking event where late last year a Hobart woman had her drink spiked at Salamanca. I have written to you about that drink spiking event. I wrote to the THA on behalf of the Tasmanian Greens, urging them to adopt simple, easy to access drink safe measures to keep women safe when they are out. The THA refused to be part of the solution, despite the fact that they had received \$6.8 million in funding from your Government following their assistance with your election win.

Can you explain why the THA shouldn't be taking a leadership role in preventing women from having their drinks spiked, potentially being assaulted, raped, while they are out socialising?

Mr HODGMAN - Yes, I can and I responded to your correspondence, as has the THA.

Ms O'CONNOR - The THA said 'no'.

Mr HODGMAN - It should be evidence-based and there are a number of issues with respect to technologies available. Every effort will be made by any hospitality venue and its industry representatives to ensure that people in venues are safe, that we are reducing the number of incidents.

Ms O'CONNOR - How can you make that assurance when nothing has changed?

CHAIR - Order, Ms O'Connor, please.

Mr HODGMAN - To rebut your suggestion that the THA and the Australian Hospitality Association are not interested in protecting women, especially in their venues -

Ms O'CONNOR - You are verballing me. What I said was that they have responded to my letter by saying basically 'it is not our problem'.

CHAIR - Order, Ms O'Connor.

Mr HODGMAN - I think you are verballing them. They take these matters seriously. They have partnered with the Jodi Law Foundation to rollout the 'Ask for Angela' campaign which is all about supporting women in venues who feel threatened. It has been successfully rolled out in New South Wales. It is a patron safety campaign in our premises. They have a number of initiatives to interact with their staff to highlight that anyone who feels unsafe, particularly women, can safely and discreetly seek assistance. That will be a campaign that will be promoted through venues and through information to patrons.

Ms O'CONNOR - Premier, don't you agree we need an industry wide standard and the THA which now is rolling in money as a result of your dispersal of public funds to them, should be taking a leadership role in developing an industry wide standard for Tasmania to keep women safe from people who spike their drinks? Safe from predators.

Mr HODGMAN - Yes. As I say, in collaboration with the Australian Hotels Association, the THA will do these things.

Ms O'CONNOR - Have they made you that assurance?

Mr HODGMAN - They have, certainly. I am sure the THA, in responding to you, provided assurances as to their commitment to ensuring that people can be safe in venues. There are questions that have been raised as to the effectiveness of technologies in drink spiking, the incidence of it occurring and how people can best be protected.

Practical matters for example about often not being alcohol that is the substance that is used to spike someone's drink that won't even be detected by some of the technologies to which you refer.

Ms O'CONNOR - Premier, I don't doubt for a moment that you regard this as a very serious issue. I am not trying to verbal you. Here is part of the response from the THA to my letter. They talk about some of the problems with the technologies because we had said, why aren't they using sip-safe wrist bands and other technologies and they say -

Tackling this unacceptable behaviour will require a broader approach and addressing the behaviour of the people who conduct these acts.

There is no commitment there to show leadership in this area. I argue that given they took \$6.8 million in public funds after helping you people win the election, it is the least they can do.

Ms DOW - Premier, can you provide an update on the destination action plans which were commenced some time ago around the state, particularly in the regions, and how many have been completed to date, and is there any funding for these in this year's Budget?

Mr HODGMAN - DAPs is another initiative of the T21 strategy under priority 4, to build capability, capacity and community, and are developed through facilitated workshops in close consultation with RTOs. The four RTOs in partnership with the Department of State Growth have completed 31 destination action plans. The tourism and hospitality supply-side unit in State Growth

has established a grant program to support the implementation of active DAPs and the implementation of the strategy.

The amount allocated for funding for the 2018-19 financial year is \$250 000. Supporting the implementation of priority projects highlighted in the DAPs will continue to be the focus, and a number of projects were in fact secured from the first round in 2017-18. I have another long list of smaller projects that were secured through that process. There are a number of additional projects currently being considered for funding. Destination leadership groups work closely with our RTO to access the fund. The RTO, State Growth and Tourism Tasmania are currently developing an ongoing strategy for review of individual DAPs to ensure they stay up to date, and they do reflect the rapidly changing visitor economy and stay current, meaningful, and most importantly achievable. They will also feature a part of the development of the next iteration of T21.

They really do by their nature belong to their communities. They are a living thing, but through a coordinated review and implementation process they play a key role in delivering benefits to our visitor economy, and I anticipate will continue to do so.

Ms DOW - Just following on from that then, around the criteria for the new tourism loans that were introduced in this year's state budget. What will be the criteria for those loans across regional Tasmania?

Mr HODGMAN - They are to be developed by the department.

Mr EVANS - Broadly speaking, the intent is to provide loans to businesses to expand the attractions in regional areas. The Government has named a number of potential areas that we might focus on including distilleries, adventure tourism. The next step is that we will consult with the industry through the T21 Steering Committee and provide advice on the specific guidelines to the Minister for Tourism the Premier, the Minister for State Growth. The scheme will be administered through the Tasmanian Development Board because that is where the legal power to operate loan schemes sits.

The Minister for State Growth will delegate or assign responsibility to the Tasmanian Development Board. We are targeting end of June to have those guidelines worked through, but we do need to go through some detailed consultation with the industry, with Tourism Tasmania, the RTOs and others in working out the specifics around those guidelines.

Ms DOW - Premier, can you provide an update on the Drysdale training kitchen as part of the Devonport Living City project?

Mr HODGMAN - A \$1.5 million funding commitment, part of the 2018 state election, for the development of a new state-of-the-art cooking school at the Providore Place building in Devonport. The facility will deliver a contemporary cooking school, together with a co-location of bakery training for all Drysdale students in north-west Tasmania. The Providore Place centre will replace the current Valley Road kitchen training facilities and the rented bakery training facility in Burnie. It is hoped that over time the location of training school and the Providore Place centre will provide additional training opportunities for students and businesses operating from the centre, primarily hospitality related businesses.

As to an update to its status -

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Mr EVANS - In terms of its status, the responsibility sits with TasTAFE rather than with my agency so it is probably better to ask the Minister for Education.

Ms DOW - One final one, can you please provide a list of events funded under the \$4 million events attraction fund which was announced in last year's budget?

Mr HODGMAN - I have some more information on Devonport. Progress is well underway. It is scheduled to open in the middle of the year -

Ms WHITE - That is now.

Mr HODGMAN - For further advice, ask the Minister for Education.

Ms DOW - Getting back to that previous question, can you provide a list of events funded under the \$4 million events attraction fund that was announced in last year's budget? How many of those were regional events?

Mr HODGMAN - As part of our events strategy 2015-20, we are committed to supporting events that encourage people to visit the state and its regions. It is also in line with T21. The funding program was launched on 26 September 2018. It is administered by Events Tasmania. There is \$4 million over four years to secure mass participation events. The fund has so far secured Special Olympics Australia, BMXA National -

Ms WHITE - Could you also indicate where the events were held, please?

Mr HODGMAN - Yes, I can, and when. That is an event for the north. It is under contract for two years, 2020 and 2022, with a contract amount of \$500 000.

The BMXA National Series is for the south. It is a much smaller amount of \$60 000 to secure that in 2019-21.

The Australian Musical Theatre Festival is for the north. It recently occurred this year. There is \$671 500 for four years from 2019-23.

The Oceania and Australian Laser Championships for the north, \$85 000. That is a total of \$1 316 500, expected to bring over 12 000 visitors to the state over the life of the contracts, with an economic injection of \$12.8 million.

There are a number of other event organisers in discussion with Events Tasmania to bring their events here as well. However, negotiations are commercial in confidence until such time as agreements can be reached.

Mr TUCKER - The Hodgman Liberal Government has committed to boost visitation in regional areas across the state. Can you explain what is being done to achieve this goal?

Ms O'CONNOR - Point of order, Chair, we have had the Premier asked and answer that very question at length. It is a waste of the committee's time.

CHAIR - I can't tell people what questions they can and can't ask. As I have mentioned to you, you have asked a number of questions the same all through the day. Premier.

Mr HODGMAN - I have explained our dispersal strategy, designed to achieve just that. There are a few things we have yet to touch on. Our marketing activity to target new visitor segments, there has been some discussion on that because they are the types likely to stay longer, travel further, spend more. Access into regional areas through growing the number of flights into Launceston, improving visitation through Burnie and Devonport and trialling flights from Hobart to Strahan to get more visitors to the west coast. Cruise visits to regional ports, we have spoken about with more onshore activities to get our cruise passengers further afield. The Western Wilds Drive journey to encourage more people to explore between the Derwent Valley and the west and north west. We are prioritising plans for a new drive journey in the south following the devastating bushfires earlier this year. Two new drive journeys in the north and the north west will follow in the footsteps of the very successful Great Eastern Drive, which you know well.

I have just spoken about the new events that have been secured through the new events attraction fund launched last year. A new pilot initiative called Reimagining Our Regions, which we started on the north west coast and which I launched not long ago, brings some of the country's best tourism minds together to identify opportunities to enhance the visitor experience. It looks at things with fresh eyes and creates new products in regions, starting with the north west. We plan to look at rolling out a similar project in other parts of the state to make sure that investments are well targeted and that local industry is able to provide new reasons to visit our regions. The response from Mr Fitzgerald and other participants is very positive about the level of interaction up on the north west coast. That one covers Circular Head, Waratah and Wynyard and has been well-supported by key industry leaders. I thank them for their involvement, including an extensive four-day field trip. Leaders from around the country, including former Tourism Australian managing director, Andrew McEvoy, were involved in this highly credentialed and experienced group.

We look forward to the results of that program. It is all about ensuring we are continuing to stay ahead of the pack with locally lead leadership in our industry and well supported by the Government to make sure that our regions are well visited.

Ms WHITE - Premier, I wanted to ask you about the Great Chefs Series Program for 2019. You would be aware that representations were made to you by Josef Chromy relating to this. He wrote to you on 5 April 2019. Drysdale previously had run the project. Originally it was designed as a way to grow tourism numbers in the north. Unfortunately, Drysdale was unable to run it last year and the Josef Chromy group ran it. This year they started to organise chefs again and procured four top quality chefs to come to Tasmania in August. They have now been told by your department not to bother. Can you update the committee on what is happening with the Great Chefs Series Program?

Mr HODGMAN - I seek some advice as to your last assertion.

Ms WHITE - Drysdale say that they have naming rights for the Great Chefs Series. They told Josef Chromy group they couldn't operate that program.

Mr HODGMAN - The Great Chefs Series was a concept developed in 2015 and started in 2016. It was an initiative of TasTAFE Drysdale north in Launceston. I am advised the 2016-17 great chefs project, which lacked appropriate financial controls, was a factor leading to an issue for TasTAFE and its reputation. It was the subject of one of the internal audits of 2018. Also in 2018, the series was coordinated by Tourism Northern Tasmania with funding from the Department of State Growth's Tourism and Hospitality Supply Unit. Drysdale was a secondary partner putting in

place the recommendations for the audit, which included business planning and project management and closely managing the overhead operating costs.

At the end of 2018 a review suggested that there had been benefits to the students who had been involved but opportunities existed for greater student engagement. Tourism Northern Tasmania made recommendations regarding the future of the Great Chefs Series, which were endorsed by the Drysdale subcommittee. The subcommittee's support for the proposal was conditional on Drysdale and Tourism Northern Tasmania securing support from partners that have the appropriate capacity to leverage the non-educational aspects of future events. A rebranded event is currently being finalised by Tourism Northern Tasmania in consultation with Drysdale, Tourism Tasmania and funding support from the Department of State Growth.

For 2019, Drysdale's exposure will be limited to the actual events being the Great Chefs Dinners that are to be held and the Drysdale premises in Launceston. The Great Chefs Series 2019 will focus on achieving relevant culinary learning outcomes alongside a quality student experience. TasTAFE will reinforce its code of conduct through the development of an induction program for all visiting chefs and support staff, which includes curriculum outlines, TasTAFE code of conduct information and campus orientation and safety procedures. The 2019 Drysdale chefs series project outputs include three chef events in Launceston between August and November. I am told the majority of tickets are already sold.

There has been measurable improvement in the engagement of students in courses, engagements of local chefs with our apprentices participating in events, marketing content professionally produced and syndicated through agreed channels to agreed target audiences, and marketing materials available for Drysdale course promotion that provide visibility of career pathways in cookery hospitality and tourism. The final report of the 2019 series includes performance against agreed measures. I am not sure if there is anything you need to add.

Ms O'CONNOR - Surely, that is enough.

Mr HODGMAN - It is a comprehensive answer.

Ms WHITE - I am keen to understand why Joseph Chromy, who has done so much for Tasmania, particularly northern Tasmania, wasn't given notice sooner that JAC Group would not be running the Great Chefs Series.

Mr EVANS - I am unaware of that but I am happy to take that on notice and follow up directly with them.

Ms WHITE - They had already engaged four chefs and planned events in August.

Mr EVANS - We are not directly involved in the organisation. It is NTD and Drysdale -

Ms WHITE - If I can put that notice I would be grateful.

Mr EVANS - but we are happy to talk to them about it.

Ms WHITE - Yes, I appreciate that. Thank you. Another matter is the Qantas call centre, which is not directly in your Tourism portfolio but helps increase visitation to the state. There is an allocation of funds to Qantas of \$1 million per year for 10 years from 2014-15. This was a deal

UNCORRECTED PROOF ISSUE

you struck with them. They announced this year that a number of jobs would be leaving that call centre. Do you regard this as a good use of taxpayer funds when those jobs are not secure in our state?

Mr HODGMAN - I will run you through the nature of the agreement we struck. It was for \$10.9 million to establish its combined contact centre in Hobart when they were restructuring our national operations and Tasmania was able to secure them here. That also resulted of the operation of more than 200 FTEs. In response to a shift in customer demand, Qantas advised that they are reportedly implementing new technology resulting in an adjustment to some jobs. Qantas has not initiated any forced redundancies, choosing to invite expressions of interest for voluntary redundancies. Up to 30 responses were expected and reportedly up to 60 were received. Qantas has confirmed that its Hobart contact centre remains critical infrastructure to deliver on its core objectives beyond 2024 and should they breach their grant conditions at any time it will be subject to repayment conditions. I am advised this has not occurred -

Ms O'CONNOR - Why not?

Mr HODGMAN - They have not breached their agreement.

Ms WHITE - Who wrote the contract? The jobs have left.

Mr HODGMAN - Whilst there are changes in operations of this nature occurring across the world and across industry sectors including here, it is important to note that Qantas has maintained its Hobart contact centre for a lot longer than it could have been. They have chosen Hobart as the preferred location to consolidate. That was at the expense of Brisbane and Sydney. I would rather see Tasmanian jobs, with the greatest respect to those in Brisbane and Sydney who were impacted by this.

With respect to the package, to ensure the centre remains here for at least 10 years, the upfront refurbishment and the claim portion of the relocation grant benefit are subject to pro rata repayment conditions should Qantas close its centre prior to 31 December. The payroll tax rebate benefits are managed separately by the Department of Treasury and Finance. Qantas has responded to changes in their technology base and have recently deployed additional platforms to meet their business and customer demands. It may be, I would hope, that it opens up opportunities for new and upskilled job profiles as they are deployed here.

Ms O'CONNOR - Premier, the 2017-18 government services budget paper 2 volume 2 talked about the establishment of a hospitality school at Kangaroo Bay on the Eastern Shore, which included -

... a commitment of \$200 000 in 2017-18 to support TasTAFE's involvement in the development of a new international hospitality training college at Kangaroo Bay. The hospitality training college will contribute to meeting the skills needed by the Tasmanian tourism and hospitality sector by providing Tasmania with a high-end, contemporary training facility.

Premier, what has happened to that high-end contemporary training facility?

Mr HODGMAN - It was an important addition to the skills and training provider mix that our state needs.

Ms O'CONNOR - Well, it transpired to be nothing.

Mr HODGMAN - It is still under consideration and a work in progress for Government, as you know. I was asked about this by either yourself or your colleague in parliament recently. It is a project concept to build significantly on our reputation for premium products, services and a location for an international best-practice hospitality training provider, an \$85 million development, world-leading international hospitality management college linked to a boutique hotel, restaurants and conference facilities. Clarence City Council has agreed to a six-month extension to commence the construction of the Kangaroo Bay Hotel and Hospitality School but has noted that if there has not been substantial commencement at the end of that period, council will consider a buyback of the land. Council has reiterated this is a significant development for Clarence and will continue to work constructively with developers to progress this development.

Ms O'CONNOR - Premier, there was no funding allocated in the 2018-19 Budget or in this year's Budget toward that hospitality school. On the numbers, it would appear that your Government has recognised this hospitality school is unlikely to deliver. Was a decision made a couple of years ago on the basis of the known information that the Chambroad Petrochemical Company's plans for Kangaroo Bay's hospitality school were unlikely to bear fruit.

Mr HODGMAN - No.

Ms O'CONNOR - What has happened in the past two years?

Mr EVANS - The hospitality school partner was envisaged to be TasTAFE. Now with TasTAFE's new management and the problems that it has been through, it has reviewed its willingness to participate in that joint venture. It is still very keen to be involved as a service provider but not as a partner and so the Coordinator-General is engaging, as we speak, to identify an alternative education provider.

Ms O'CONNOR - Premier, through you, the secretary has just confirmed that the Coordinator-General will be going to China. Is there likely to be a sweetener offered to the proposed developer? The Mayor of Clarence is likely to go with the Coordinator-General, as I understand it. What is the purpose of the Coordinator-General's visit to the town where Chambroad Petrochemicals is based?

Mr HODGMAN - As I have advised parliament, the Coordinator-General and the Mayor of the Clarence City Council will visit China. Their visit will include meetings in a number of cities. They will emphasise that bringing the development to fruition is a high priority for both the Tasmanian Government and the Clarence City Council.

Ms O'CONNOR - What is being offered by the Government and the council to the developers because going along to a developer, which is part of a stalled process, just for a visit and a nice cup of green tea is very different from what must be happening. That is, that the Coordinator-General and the Mayor of Clarence are going to try to persuade the developer. The question is what kind of incentives, or sweeteners if you want to call them that, has the Coordinator-General been directed, authorised or empowered to offer this developer?

Mr HODGMAN - I am certainly not aware of any. That is a matter that can be best pursued through other avenues. The Office of the Coordinator-General is doing its job and actively seeking

UNCORRECTED PROOF ISSUE

investment for the state in an area where there is strong growth in our hospitality sector and which is demanding, calling out for more skilled staff across the state. This would certainly provide that.

Ms O'CONNOR - Premier, are you absolutely confident that the 'new international hospitality training college at Kangaroo Bay' - which was flagged in your budget papers - will happen? Are you confident that that area of public land which was sold for a song to this developer will become an international hospitality training college?

Mr HODGMAN - That is certainly the plan and that is why the Coordinator-General and the Mayor of Clarence are going to China to emphasise the importance of this development to our state and to work.

Ms O'CONNOR - Do you think they really care what the Coordinator-General and the Mayor of Clarence say to them, the developers?

CHAIR - Order, Ms O'Connor.

Mr HODGMAN - They have shown an interest in our state for this project up until this point, why would they not if they -

Ms O'CONNOR - Are they looking for some incentives?

CHAIR - Order.

Ms WHITE - Premier, what is the preferred model for the future of Drysdale?

Mr HODGMAN - My preferred model is a Drysdale that is performing to the highest level, has a great reputation as a trainer for people in our hospitality sector, working within -

Ms WHITE - That is not a model that is an ambition for output. What is the model?

Mr HODGMAN - It is certainly our goal. Do you mean with respect to industry representation?

Ms WHITE - Either that, or any other model that you have planned for Drysdale, hence the question.

Mr HODGMAN - Yes. I am just asking for some specificity, as Kevin Rudd would say. I do believe that the objectives that I have outlined are not only laudable and visionary but critical, given the situation that TasTAFE is in. They are not unconnected.

Ms WHITE - Do you think the model has to change to achieve those outcomes?

Mr HODGMAN - Yes, I believe the model for Drysdale - and I am happy to talk to it - could better serve the needs of industry and also be a more important part of TasTAFE's overall operations because -

Ms WHITE - Can you provide some more detail regarding your thinking then?

Mr HODGMAN - I certainly can.

Ms O'CONNOR - Don't give him an excuse to read out another page of briefing.

CHAIR - Order. The Premier hasn't concluded his answer.

Ms WHITE - I want to know if he makes some significant alterations to the model.

Mr HODGMAN - No, I'm not. Just some key points and they're interesting whether they're read or sung from the rooftops -

Ms O'CONNOR - It's all read out. You're not across your brief.

Mr HODGMAN - No, I am but I'm just very conscious of people like you that if I make the slightest mistake then suddenly you say I've got to resign for misleading everyone and I'm very much a details kind of guy.

Ms WHITE - I encourage you to answer the question, Premier. Don't be distracted.

CHAIR - Order. I need to inform the committee that the time for the deliberation for Tourism, Hospitality and Events has now concluded. We will have a quick changeover and a -

Ms WHITE - We didn't start exactly on time, Chair.

Mr HODGMAN - We have been pretty good.

Ms WHITE - We were a little bit slow. I thought we had another few minutes. I'll take guidance from you, Chair, but I did think we started after 4.30 because I came down from another Estimates committee.

CHAIR - We did in fact, yes, I stand corrected there.

Ms WHITE - Maybe if the Premier could answer the question around his vision for Drysdale.

Mr HODGMAN - Have I given that back?

Ms WHITE - Surely you know it without having to read it, Premier.

Mr HODGMAN - I do but again, I want to touch on some key points in case you feign -

Ms WHITE - Can you rule out privatising it? Maybe that's a simpler question.

Mr HODGMAN - Rule out privatising Drysdale? Certainly. We have had a commitment to ensuring that there is an industry-led board of management, that is hospitality industry people. We are working through that and its governance arrangements, including with the board of TasTAFE. There is a subcommittee to support it, the Drysdale subcommittee as well. The TasTAFE board is currently reviewing the best governance option for Drysdale and is expected to report its findings in August, so not far from here.

Ms WHITE - When will the public learn about those matters? When will we know about that, because presumably they'll report then to yourself?

Mr HODGMAN - As soon after Government has considered the matters contained within it. It is certainly our publicly stated commitment to refocus Drysdale and to provide industry leadership because it is widely accepted that the current business model hasn't been as effective as we'd like. We need to do things differently and this would be quite a new approach to TasTAFE's operations and maybe a model for other industry sectors as well but there is a lot of work.

It is not uncomplicated - and I do not have time to go through some of the legal and governance issues around it - to make sure that we don't make things worse or set them back by not fully considering all those options. As you would appreciate, the chair of TasTAFE, Mike Blake, former auditor-general is very well-equipped to steer us through these matters. Together with relevant industry and TAFE leaders, the minister and I recently met just to canvass some of the issues to make sure work is proceeding, which it is.

Ms WHITE - On that point, Premier, do you anticipate that it will continue to be solely publicly-funded or would the industry make a co-contribution to courses offered from Drysdale in the future under a new model that you might imagine? So, it wouldn't be a public-private partnership of any kind?

Mr HODGMAN - No, I've not considered any proposal for public investment into Drysdale, nor am I aware of such a proposal. My officials confirm that to be so.

CHAIR - Ms White, the last question.

Ms WHITE - Thank you. I ask also about the Claremont Drysdale campus. You've provided an update previously about the allocation and what that meant for Devonport but the Claremont campus is important as well, particularly for the northern suburbs. Can you update the committee with progress on that?

Mr HODGMAN - Certainly, and a \$2 million commitment for Drysdale to establish a delivery point in Hobart's northern suburbs at Claremont College. The working group was established comprising Claremont College principal, Bill Jarvis; Deputy Principal, Sharon Reibel; Jim Ransom, head of VET; Luke Martin, CEO of TICT; and Mark Wilson and Lisa Puncheon (TBC) as interim CEO at Drysdale. The group has met and at these meetings captured ideas to explore further, including potential training infrastructure and foundation programs to engage the cohort with both education and industry opportunities and the Drysdale Centre of Excellence's Project Officer role was approved in late 2018, and that role is shortly to commence, and that role will have the capacity to provide the support to the working group to progress the Drysdale Centre of Excellence concept at Claremont.

Ms WHITE - Your budget paper last year indicated that project would already have started and be finished for operation next year. Is that on track?

Mr HODGMAN - I would need to seek advice.

Mr EVANS - I am not certain about that, but I have an update on Providore Place, and that is scheduled to be finished end of July, but I don't know about Claremont.

Mr HODGMAN - We can take that on notice as to whether there has been any change to the completion date.

Ms O'CONNOR - Thank you very much, Mr Shelton, this relates to the tourism industry. The Blue Derby mountain bike rides, the West Coast Wilderness Railway - they are inside reserved lands, lands that are noted by Forestry Tasmania as informal reserves. Your Government plans to open up the so-called future potential production forest lands to logging on 1 July next year. How are you going to protect the interests of not only Forestry Tasmania in getting the best deal but you've got the tourism industry? If you start opening logging up into high-conservation value forests that underpin our -

Mr HODGMAN - We would always do so in a way that does not compromise those things. And as has been the case in this state for generations, tourism, forestry, mining, agriculture can all coexist.

Ms O'CONNOR - It is a bit different now because these are informal reserves.

The committee suspended from 6.37 p.m. to 6.43 p.m.

DIVISION 11

(Department of State Growth)

Output Group 1

Industry, Skills Development and Business Growth

1.2 Industry and business development

CHAIR - Thank you, Premier.

Mr HODGMAN - Thank you, Chair. I will provide a brief opening statement as Tasmania's first ever trade minister with our state's first ever trade strategy now under way. Our objective being to ensure principally Tasmanian businesses can capitalise on extraordinary opportunities offered in the global economy. We have seen in recent times how Tasmania can outperform the rest of the country in terms of the export value of our fine products, produce and services.

Last year we released the trade strategy which outlines key actions to be undertaken as we work to achieve a target of \$15 billion per year by 2050. We engaged Tasmanian business and industry as to how we can help them get ahead in domestic and export market places and to ensure we are globally competitive. There are initiatives contained across four priority areas to build trade and key sectors, showcase the state and priority markets, including supporting inbound buyers and delegation support, trade logistics and market access, including the appointment of a market access coordinator, and to build export capabilities of our businesses with a range of programs, toolkits and an advisory service. We are now working with industry to develop the first year's annual action plan that details the calendar of coordinated trade- and sector-specific activities for the years ahead. There are a lot of very positive stories to tell about Tasmania's trade performance which I won't stall the committee's deliberations on now. Amongst the initiatives are trade missions. It is one of the key means of promoting Tasmania's trade opportunities in our priority markets.

In recent times a trade mission to China and also Japan with the support of Tasmanian businesses and industry leaders shows our commitment to engage particular markets where we have

established some very important international relations and trade connections. The 2019-20 Budget invests an additional \$4.4 million to support the actions of the trade strategy and to support our exports and export businesses, to take our trade literally to the next level.

I am assisted this evening by the Secretary and Ms Erin Buttermore, who is the Executive Director of Trade and International Relations; Lara Hendriks, whom I saw just a minute ago outside another committee hearing, is not far away, she is our Acting General Manager in Business and Trade Tasmania. I am sure our senior executives can assist me in answering any questions. I look forward to receiving those.

Ms WHITE - Premier, I wanted to ask about the reduction across the forward Estimates. Can you give an indication as to why there is such a sharp reduction across the forward Estimates for this output? I have read the footnotes, but those don't provide enough detail.

Mr EVANS - I have a detailed reconciliation, bearing in mind this output covers a whole range of stuff, including Skills.

Ms WHITE - Hence my question, because the footnotes don't explain that at all.

Mr EVANS - The decrease in the Industry and Business Development output from 2018-19 to 2019-20 relates to the transfer of funding for the Theatre Royal performing arts centre to the Arts portfolio - that is \$7 million. Decrease in 2019-20 to 2020-21 is the ending of the Business and Jobs Attraction and Population Growth Initiative, which is \$1.9 million, funded in previous years; the ending of the Community Infrastructure Fund, again funded in previous years at \$3.7 million; the ending of the industry assistance funding to Norske Skog in this year's Budget of \$1.075 million; a runoff of the 2018-19 election commitment improving mobile coverage for the Great Eastern Drive at \$2.374 million; and a cessation of the 2017-18 budget initiative small business grants to support apprentices, trainees and youths, which sits in the Skills area, at \$1.357 million.

In the following financial year, 2021-22, the cessation of funding for the Coastal Pathways Project at \$3.12 million, as part of the matching funding provided by the Commonwealth; the cessation of industry assistance funding to Dundas Mining; and in the last of the financial years in the forward Estimates, the cessation of industry assistance funding of \$0.589 million to CGI Technologies and \$0.363 million to DXC, which were industry assistance packages funded through the Tasmanian Development Board.

Mr HODGMAN - I suppose the short point to all that is nothing concerning our trade.

Mr EVANS - We can reconcile those funds across the outputs and none of those impact on the trade budget.

Ms WHITE - So there is a commitment of \$4.4 million over the forward Estimates, the \$1.1 million a year for trade. It is specific to the Trade Strategy. Could you detail what that funding is for?

Mr HODGMAN - Under our Trade Strategy, there are a number of initiatives that we have outlined or that have been identified through the consultative process. There is now the next phase whereby we will develop the annual action plan that will detail coordinated trade and sector-specific activities. They are being developed also in consultation with businesses to ensure that they capture the targeted needs across our economy. They will be an annual thing too so it will give us some

UNCORRECTED PROOF ISSUE

flexibility and agility to tailor our approach to international engagement depending on changed circumstances and market conditions.

The first action plan will be released in July this year. It will be made publicly available and whilst I do not want to pre-empt the content of the first annual action plan, it will consist of a number of activities outlining our participation, both domestic and international, then some activities across sectors and capability-building activities for the years ahead.

The Trade Strategy as well, as I mentioned in my opening, will create a new position, a Tasmanian Government embedded TradeStart adviser. This position will support the existing Tasmanian TradeStart Adviser who coordinates export assistance to businesses in conjunction with the TCCI. TradeStart is a program of national network advisers administered by Austrade, which provides advice to qualifying export-ready businesses.

Ms WHITE - How many staff are in Trade Tasmania?

Ms BUTTERMORE - Eleven FTEs.

Ms WHITE - Premier, the Budget obviously has \$450 million in cuts that need to be achieved across agencies. Will Trade Tasmania have to meet its efficiency dividend targets?

Mr HODGMAN - As part of the Department of State Growth, that will be a matter under consideration under the process previously outlined, which will be led by the secretary and which will be publicly announced by the Government later this year.

Ms WHITE - Do you think that the staff in Trade Tasmania are frontline or backline workers?

Mr HODGMAN - They are important state servants whose positions will not be impeded upon by savings measures that our Government has foreshadowed.

Ms WHITE - They won't be?

Mr HODGMAN - Nor will any state servant because our plan is to not sack public servants. Our plan is to save the public purse through reductions in consultancies, travel, consumables, advertising and promotions, and to manage our public sector workforce through natural attrition and RIPS.

Ms WHITE - Are there any areas that will be quarantined from budget cuts?

Mr HODGMAN - Again, that will be a matter determined in consultation with our agency leadership as we work through the process of determining how we can best manage our state sector efficiently and effectively to deliver good outcomes for our state.

Ms WHITE - The tourism marketing budget is the only area of government that is quarantined from budget cuts that you have been able to identify?

Mr HODGMAN - Matters concerning the trade unit will be subject to inquiry by the agency head and decisions by the Government as to any efficiencies we can make through this process.

Ms WHITE - How many consultants did the agency engage in the last financial year?

Mr HODGMAN - For the whole of State Growth?

Mr EVANS - I only have a breakdown of those at the whole of State Growth level. Across the agency, we awarded 39 significant contracts and consultancies over \$50 000. They totalled \$124 797 000. The bulk of those and the quantum relates to the roads program. If you want to look at consultancies awarded by portfolio, then in the State Growth group, there was one -

Ms WHITE - In the Trade portfolio?

Mr EVANS - None in the Trade portfolio.

Ms WHITE - So, they can't make any cuts there.

Ms O'CONNOR - Premier, in the other Estimates and as reported in the Fairfax newspapers, expenditure on travel for the first nine months of this financial year by the Department of State Growth was \$940 000. Is that correct?

Mr EVANS - Yes, that is correct.

Ms O'CONNOR - Perhaps you could explain how a government department can spend almost \$1 million on travel, and whether there might be some savings to be made there?

Mr EVANS - Putting that into context -

Ms O'CONNOR - As I would expect you to do.

Mr EVANS - That number applies to all intrastate, interstate and overseas travel across the organisation, including airfares, accommodation, and other travel expenses. For the year 1 July 2018 to 31 March 2019, \$940 809 -

Ms O'CONNOR - Presumably, Mr Evans, given that the Coordinator-General is off on yet another trip to China, by the time we reach the end of this financial year, State Growth's travel budget is likely to be in the order of \$1 million?

Mr EVANS - I can't say for certain, but it is significantly higher than last year. You have to take into account that we have had two significant trade missions in the past 12 months. We have had a trade mission to China; we have had the Japan trade mission, which would be considered in terms of those costs.

Ms O'CONNOR - So, a minister's costs, a minister or a premier and their staff who attend, their costs are not covered by the \$940 000 that has been allocated so far this financial year, are they?

Mr EVANS - This is departmental travel.

Ms O'CONNOR - That is right. So when there is a trade mission and bureaucrats from State Growth or the Coordinator-General go overseas, their proportion is covered in that allocation. So the cost of travel for State Growth trade missions is likely to be much higher than the \$940 000 so far this financial year? Are there figures for that?

Mr EVANS - I would re-emphasise that is the total travel and accommodation -

Ms O'CONNOR - Yes, I heard you.

Mr EVANS - across intrastate, interstate and overseas travel.

Ms O'CONNOR - Do you know how that compares to previous years, Mr Evans? Are you able to put that information on the record?

Mr EVANS - For the same period in the previous financial year it was about \$100 000 less. About \$840 000 last year. In fact, for the same period it was \$838 308.

Ms O'CONNOR - That is for the first nine months of the previous financial year.

Mr EVANS - For the same period this year \$940 809. As I have explained we have had two significant trade missions in this current financial year.

Ms O'CONNOR - I would note, through you, Premier, that it is good to see you diversifying your trade destinations from early in your term of Government where you spent a lot of time going back and forth and cosyng up to a totalitarian regime. Well done and well noted, as Mr Barnett would say.

Were any memoranda of understanding signed between the state and any other government entity from any of the nations that were visited for these trade -

Mr HODGMAN - The nations?

Ms O'CONNOR - Nations: China, Japan, Korea, Singapore, Thailand, Malaysia, India, Sri Lanka, government to government or Tasmanian Government to business? Are you able to provide information on what those MOUs are and whether they will be made public?

Mr HODGMAN - Are you are going way back to trade missions beyond this financial year?

Ms O'CONNOR - No, after last year's Estimates when we had asked a series of questions on MOUs that were signed, which was a question we asked in the previous two or three Estimates. We got access to all that we thought were signed to that point. We had the reassurance from your office that that was the case, but I don't know if that is. What we are looking for -

Mr HODGMAN - They have all been published online.

Ms O'CONNOR - Every MOU the state has entered with any other entity, including governments and businesses, is published online? I am not sure that is true.

Mr HODGMAN - I am advised all MOUs from China have been publicly released on the Department of State Growth's website as a routine disclosure. This includes from the 2018 mission Win-Chain and the Tasmanian Government, signed September 2018. This established a cooperation mechanism to improve the international market competitiveness of Tasmanian fresh food products and the Shanghai Win-Chain supply chain.

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Win-Chain is owned by Alibaba and focuses on promoting the fresh food industry. It carries Tasmanian beef from Greenhams and cherries from Hansen Orchards. Under the MOU of September 2018, the Minister for Primary Industries and Win-Chain promoted the premium value proposition of Tasmanian beef in the online market place in a campaign covered by 20 local media outlets in Shanghai and broadcast to mass audiences.

Ms O'CONNOR - We've got that one. Sorry, Chair, with your indulgence, what I am trying to find out is if there have been any other MOUs signed since the last time we were in Estimates, if that gives you a better -

Mr HODGMAN - Right, so you were talking about the last financial year.

Ms O'CONNOR - No, because you were not listening to my response before when I said I thought we had most of them.

Mr HODGMAN - On our recent trade mission to Japan a memorandum of understanding was struck between the Crown and JABA on agricultural collaboration, which I can table if you would like.

Ms O'CONNOR - Thank you. That would be nice.

Mr HODGMAN - JABA is one of Japan's leading co-ops representing the agricultural sector in Hokkaido. I was the first Tasmanian Premier, I think first premier, to visit Hokkaido.

There are many similarities between our agriculture sector and theirs and many opportunities. It is a fairly high-level statement of memorandum of understanding to exchange and collaborate in education and training research and development; counter seasonal trade opportunities; research and field trials to Japanese vegetable crop growing in Tasmania with potential future cooperation for a Japanese vegetable industry; showcase opportunities for female role models in agriculture which recognise and celebrate the contribution of women.

Ms O'CONNOR - Thank you. So that other members can ask questions, is that the only one that has been signed since the last Estimates, for and on behalf of the people of Tasmania by yourself or any of your ministers or secretaries?

Mr HODGMAN - My advice is that trade-related, this is the only one.

Ms O'CONNOR - This one with the Chinese agricultural company. Thank you.

Mr HODGMAN - Japanese agricultural company, Ms O'Connor. I think you said Chinese.

Ms O'CONNOR - Yes, okay, thank you.

Mr TUCKER - Can the Premier update the committee on Tasmania's record exports of \$3.76 billion and how our exports are continuing to grow across sectors?

Mr HODGMAN - There certainly has been cross-sectoral growth and a fast rate of growth for our state. We have set that ambitious but achievable target of \$15 billion worth of trade by 2050. The strategy is designed to provide the impetus to increase exports, identify cross-sectoral

opportunities and implement strategies to maximise these opportunities, including trade missions and attendance at targeted trade fairs.

The estimated nominal value of overseas merchandise exports increased by 13.5 per cent to \$3.74 billion in the year to January 2019 compared to the previous year. The near-term outlook for Tasmanian exports is positive, despite volatility in international markets.

Overseas markets, the goods predominantly are in China, Japan, Malaysia, Taiwan, Thailand and Indonesia, accounting for two-thirds of Tasmania's total goods exported, China being the top market. As the strategy identifies and as per our discussions, there are other significant opportunities for our exporters.

Our exports across the board do continue to increase and it is important that we support all key sectors. We have initiatives for the fruit and vegetable industries for export market development, and for the wine industry for market development and branding. Also, strong growth in our service sectors which I alluded to in my opening, which should not be understated. It totalled a record \$909 million in 2017-18, an increase of \$120 million or 15 per cent on last year.

Tourism and international education represent our third and fourth most valuable exports respectively. International students contributed \$423 million to our economy in 2017-18. International visitation around \$549 million to our tourism industry visitor economy.

I can point to one outcome from a relatively recent trade mission to India, which was the first official visit by a premier to India. As a result of that, there are now 1337 Indian student enrolled in Tasmanian educational institutions, a growth of 55 per cent from 2017. At the end of 2018 they were the second largest group of international students studying in the state.

It shows - and there are factors behind that - that trade activities are working. As I have mentioned, the action plan will further outline the platform for achieving all of those actions in our trade strategy.

Ms WHITE - Premier, I would like to pick up on that point. In the performance information it talks about growing the value of Tasmania's premium exports to international markets and an increase year on year. The footnote was quite cute. It says 'The target for 2018 was increased during annual reporting process to provide a more aspirational target'. I would be keen to understand if that is a realistic target and not only an aspirational one. Also, where and what is expected to drive that growth? Whereas in the markets and what is in the products?

Ms BUTTERMORE - Sure. What we have found mid-year is that our exports were already tracking extremely well. What we are expecting to see is much higher export trade than we had originally projected at the beginning of year.

In particular, we have seen growth in iron, ores and concentrates. That is not included in that. We have also seen growth in our premium food exports, particularly red meat and seafood exports.

Ms WHITE - Where are the markets for those products?

Ms BUTTERMORE - China, Japan and the United States are our key markets for those products.

Ms WHITE - What does the TPP mean for access to those markets? Does that alter at all?

Ms BUTTERMORE - Free trade agreements can really help Tasmanian exporters get into international markets. We had some analysis done on the TPP and that looks like being of assistance to Tasmanian exporters. I would have to do some research to give you the specifics in exactly how those tariff reductions are going to play out.

Ms WHITE - Red meat, seafood. Seafood, I presume, is things like crayfish, as well as salmon, or are there other products that make up that category?

Ms BUTTERMORE - We have a big export category for seafood of both wild caught and farmed seafood. That would include both those things but also shellfish. Abalone in particular is a key export to our China market.

Ms WHITE - On analysis of the free trade agreements that have been struck by the Commonwealth Government with other countries, are you able to provide an update to the committee on recent trade agreements that have been struck and what impact they will have for Tasmanian exports?

Mr HODGMAN - Yes, I would be happy to come back to our Tasmanian Trade Strategy targets as well if there is interest in that.

The Australian Government has entered into 11 free trade agreements with countries, or groups of countries, most of which are within our key international trading partner segments. It is estimated that over two-thirds of Tasmania's total merchandise exports by value, receive the benefit of these free trade agreements. For example, all tariffs on seafood entering China, have been reduced year on year, and were completely eliminated by the start of this year. This amounts to over \$168 million worth of seafood exports and support for Tasmanian producers.

Under the strategy we have released, and the Market Access Coordinator in our Austrade -

Ms WHITE - Which strategy one is that one you are referencing?

Mr HODGMAN - Our trade strategy.

Ms WHITE - That is the one to be released in July?

Mr HODGMAN - No that's the Action Plan. It does reference the role of free trade agreements in determining our priority markets and the work of the Coordinator-General and the advisers. Also, a dedicated trade portal for our businesses to provide a platform for them. There is also support for technical market access, or behind the border issues, to facilitate a mechanism to secure those markets. This is an identified action or priority under the strategy, in addition to the 11 FTAs, there are a number under negotiation, or yet to come into force.

They include India, the EU, of course. We had the ambassador here recently. The Gulf Cooperation Council, the Pacific Alliance, the Regional Comprehensive Economic Partnership which has 15 trade partners across ASEAN, and the Trade in Services Agreement.

Ms WHITE - And Britain perhaps?

Mr HODGMAN - True.

Ms WHITE - You spoke about two-thirds of our merchandise receiving a benefit, so obviously there has been a disadvantage to some sectors, or a no net gain. Are there any that have been disadvantaged as a result of those trade agreements in Tasmania?

Mr HODGMAN - I am not aware of any. I know that our free trade agreement with China has very strongly supported our key export sectors and had quite a dramatic increase in the removing of those tariffs I referred to, and goes right across some of our key areas of competitive strength: dairy, beef, meats, wines, apples, cherries, veggies, seafood, et cetera. That has had quite a profound impact. As to any negative outcomes, I am not aware of any.

Ms O'CONNOR - Has there been any analysis done, Premier, of the risk to Tasmania's export as a result of the ongoing tensions between Donald Trump's United States and China over trade?

Mr HODGMAN - Yes, and the advice we receive through DFAT and Austrade is these developments are being closely monitored and there are implications for Australia. They are obviously a matter of some concern and are well and truly at forefront of our international relations.

Ms O'CONNOR - We talked about you diversifying your trade strategy, which is very welcome and somewhat overdue. What kind of contingencies are being thought through or put in place in terms of our trade exposed industries, if the relationship between the US and the Chinese governments continues to deteriorate?

Mr HODGMAN - The key one is diversification. China currently at around 30 per cent of our exports is a massive market for us. Any substantial decline there would be significant to us. This is why we are targeting more deliberately other markets identified by the strategy.

Ms O'CONNOR - So the strategy identifies the risk and identifies it as real.

Ms BUTTERMORE - Yes. We identify a number of markets so we can diversify. It is also important to note a trade war between two other nations can pose risks, but also opportunities because those nations may seek to trade with other markets.

Ms O'CONNOR - Thank you, Ms Buttermore. But they can also pose very significant risks to a small export dependent economy like Tasmania with such a trade imbalance with China. Premier, my next question related to, sorry -

Ms WHITE - Can I ask one.

Ms O'CONNOR - Can you ask one? Will we trade? Can we trade a question?

CHAIR - Yes.

Ms O'CONNOR - Yes, thanks.

Ms WHITE - Premier, I wanted to ask about the cessation of Australian government funding for exporter assistance, which goes from \$462 000 to nothing in one year. Who will be affected by the cessation of that program?

Mr HODGMAN - Under the federal budget?

Ms WHITE - Yes. It's on page 296 of State Growth. You'll see Commonwealth Grant Recurrent Grants; down the bottom the footnote says it reflects the cessation of Australian Government funding for exporter assistance. Who would be affected by that?

Mr HODGMAN - Excellent question.

Ms WHITE - Do I receive a gold star for the excellent question. Wow.

Mr EVANS - I need to take some advice on that.

Ms WHITE - Yes. If I may, who will be affected, but also, what the grant enabled those exporters to do.

Ms O'CONNOR - I have my question now and it relates to that one. Is its possible decline related to the Commonwealth Freight Equalisation Scheme disbursement? I do ask this question each year. Are you able to provide the committee with information on the amount of support state exporters have received as a result of the Commonwealth Freight Equalisation Scheme?

Mr HODGMAN - I can seek that advice.

Ms O'CONNOR - Are we still subsidising containerised woodchip and whole log exports?

Mr HODGMAN - All eligible products under the scheme are well supported by the extended Freight Equalisation Scheme and budgeted for \$173.7 million to 2019-20, which is good. The Rural and Regional Affairs and Transport References Committee of the Senate is conducting an inquiry into priorities for Australian shipping including the TFES. As general monitoring and review of the TFES occurs and will be undertaken regularly every four years, by the Bureau of Infrastructure, Transport and Regional Economics. That is due to conclude in 2017, but a turbo-charging of Tasmania's export sectors through the TFES and a strong case I would suggest to the federal government to continue it.

Ms O'CONNOR - Premier, sorry to interrupt you but did you just misread that? Was the review due to be completed in 2017 or 2019?

Mr HODGMAN - 2019. Reviews will commence in 2019.

Ms O'CONNOR - Okay, so can you confirm, Premier, that there are still forest-logging companies that are accessing the Commonwealth Freight Equalisation Scheme for containerised woodchips and whole logs?

Mr HODGMAN - I can confirm that exporters shipping eligible goods via the mainland are able to claim assistance of \$700 per 20-foot equivalent unit.

Ms O'CONNOR - So that is a yes, which is actually probably worth more than the woodchips in the container.

Mr HODGMAN - The extension of assistance through the scheme is estimated to be in excess of \$200 million to our state over four years. The scheme also provides an additional 15 per cent for

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exporters shipping goods from King Island and the Furneaux Islands, and it has been a massive injection into our economy over some years. Tasmanian governments previously have made strong submissions to inquiry processes into the benefits to our economy provided by the TFES and will continue to do so.

Ms O'CONNOR - But we are shipping containerised low-value woodchips and whole logs at public expense?

Mr HODGMAN - All eligible goods under the scheme, it doesn't amount to what you claim is a subsidisation of -

Ms O'CONNOR - It amounts to a really lucrative deal for a timber company that is woodchipping and leaving whole logs on Macquarie Point.

CHAIR - Do you have a question, Ms O'Connor?

Mr HODGMAN - It benefits the state, you should be applauding it.

Ms O'CONNOR - I never applaud subsidies to mendicant destructive industries.

CHAIR - Do you have a question, Ms O'Connor, or do I move on?

Mr HODGMAN - You used to say that about tourism, didn't you?

Ms O'CONNOR - Tourism at its worst is a mendicant industry. At its worst, industrial tourism absolutely.

CHAIR - Do you have a question, Ms O'Connor?

Ms O'CONNOR - I do. Are you able to tell the committee, Premier, what timber companies are accessing the Commonwealth Freight Equalisation Scheme?

Mr HODGMAN - I don't have that information.

Mr EVANS - No, we don't have that information. The scheme is run by the Commonwealth. We just don't have access to that information.

Ms O'CONNOR - But you think it is okay that the taxpayers pay \$700 a container for woodchips to be shipped to China?

Mr HODGMAN - If it is an eligible participant. You should get Senator McKim to ask those questions, or a Greens member in the federal parliament.

Ms O'CONNOR - I ask these questions every year so I don't need advice from you.

Mr HODGMAN - It is a Commonwealth matter. You can ask them here and you will get the same answer.

Ms O'CONNOR - It is both, you said you have been advocating. You know about it. You are making it a part of the sweet deals you do with the forestry sector.

Mr TUCKER - Can the Premier advise the committee on the significance of our relationship with Japan and how the recent trade mission to Japan will assist Tasmanian businesses to grow exports and strengthen our economy?

Mr HODGMAN - Thank you to the member for the question. I have referred to the importance of our growth sectors. We have always felt it appropriate that we have a diversified approach to enhancing trade relations with key markets. It is why I have been to Japan recently, the deputy premier also in February 2017, to our second-most valuable international export market at around \$344 million a year. This has seen a 20 per cent increase on the year before, demonstrating the importance of Japan. It is why targeted trade missions are pivotal in building export demand.

We have had long established relations with Japan economically, culturally. It is our most valuable market for food and beverage products, valued at about \$138 million. And agri-food commodities as well exported to Japan - seafood, dairy products and beef. The trade mission was undertaken this year from 4 to 10 March, and the delegation comprised 15 leaders from key sectors: food, beverage, forestry and Antarctic. Key drivers of the mission were to facilitate investment through meetings with key investors, buyers, distributors and importers to reassure the Japanese market of our biosecurity advantages. They have a keen interest in our pest-free status following the fruit fly incursion. I mentioned our trade relationship and our trip to Hokkaido, we share counter-seasonal environments, to ensure that our great forest industry and its perceptions in Japan are strong and to update them on the sustainability, the viability of our great forest industry. The significance of GMO-free products in Japan and our moratorium on GMO influences trade to Japan, so that was important as well as our collaborative opportunities between the University of Tasmania and the National Institute of Polar Research. We had the opportunity to attend a FOODEX trade show, which is an enormous operation, and to showcase the Tasmanian product.

There was the MOU signed, which we have referred to, to strengthen relations with agricultural regulators. I was able to meet with a senior Japanese Government Minister for Agriculture, to reference some of the key points I have outlined. We continue to grow our export and our trade capabilities and I am sure Japan will continue to be an important focus of our trade activity.

Ms DOW - I am interested, with respect, in the Tasmanian Trade Strategy and the role of the Coordinator-General. I understand he has a role in investment attraction but what will his other roles be in line with this strategy? Will that be funded as part of the funding allocated to the Trade Strategy or will it be funded through the Office of the Coordinator-General?

Mr HODGMAN - The operations of the Coordinator-General, which have always involved investment attraction, have always been a trade-related role and will continue to be funded through the office. Any work that can be complemented or supplemented by the office will be part of our overall strategic approach, given the role, the resources within the office and the connections to other key agencies like Austrade, where we have personnel engaged to perform a role that does complement our trade effort. Do either of you want to add to that?

Mr EVANS - I would like to add that the Coordinator-General's main focus is on investment attraction, ours is to facilitate trade. The two go hand in glove. Our missions are not only about trade, they are trade and investment missions and the program is developed around utilising the Premier's time for the best benefit to help businesses with trade and to support the Coordinator-General, who participates on trade and investment missions in meetings with key

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investors. They are very much complementary and we work closely together but there are slightly different focuses.

Mr HODGMAN - Conversely, we have inbound trade delegations including from India some time ago and from Hokkaido soon, in response to our visit. That enables opportunity for the Office of the Coordinator-General to explore inbound investment opportunities.

Ms DOW - Could you provide a list of those inbound delegations for us?

Mr HODGMAN - Yes, I certainly can. Do we have them?

Mr EVANS - I will take some advice on whether we can get them because some of them will be commercial-in-confidence.

Mr HODGMAN - There are some of a diplomatic nature that frequently occur.

Ms O'CONNOR - Are they commercial-in-confidence?

Mr HODGMAN - No.

Ms DOW - We will put it on notice. I have another question around the Market Access Coordinator role that is introduced through this strategy and where that person will be based. Will it be within what department and what will their role be more broadly?

Ms BUTTERMORE - We have already assigned those duties to someone within State Growth. They will have a role of receiving inquiries from all facets of Tasmanian exporters from small to large, triaging those inquiries and directing them to sources of information or support that will help them with that query. That was something that came up very strongly that industry really wanted through the consultation for the trade strategy, that industry really wanted as a point of contact for the government.

Ms DOW - Yes.

Ms WHITE - Do you have a list of upcoming trade missions that you are able to share with the committee?

Mr EVANS - That's the purpose of the work we're doing at the moment on the first trade action plan under the strategy. We are in consultation with various industry sectors are mapping that out across the portfolios as well. That will all be revealed in the trade action plan to be released in July.

Ms WHITE - Okay, but there won't be any indication prior to July?

Mr EVANS - We've talked about a trade mission to the US, for example. There will be some more targeted bilateral missions but I don't have the details here.

Mr HODGMAN - A key part of the purpose of the Trade Strategy is to ensure our efforts are coordinated, that we give as much notice to non-government agencies and entities that want to participate in trade missions and take their feedback as to how we can best direct our efforts. It did come through in our consultations that our business and industry sectors would greatly love us to be doing as much as our interstate competitors do but we have budget limitations. We want our

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forward schedule to be more structured. I wouldn't suggest for one minute that any of the trade missions I have been part of or, perhaps, any recent government, would be anything but well-targeted and beneficial to our state. This will capture more effectively the Trade Strategy and our forward plan for trade missions and make sure we get best bang for buck out of these things.

Ms DOW - Premier, the Trade Strategy refers to freight and infrastructure being very important to ongoing trade with the states. What time frame is anticipated under the 10-year infrastructure pipeline for investment in the Burnie port in line with the master plan?

Mr HODGMAN - You need to ask for those specifics from the Minister for Infrastructure at his Estimates hearing.

Mr EVANS - That is a matter for TasPorts rather than -

Ms WHITE - What coordination do you have with those GBEs and state-owned companies? The Trade Strategy specifically names that as an important element for trade.

Mr EVANS - Yes, we do. The forward pipeline for TasPorts and other GBEs is captured in the 10-year infrastructure pipeline but they'll also feature in the 30-Year Infrastructure Plan. There is very close dialogue between the CEO of Infrastructure Tasmania and those businesses as there is with the Minister for Infrastructure, as the owner of those businesses.

Mr HODGMAN - Yes, as far as our trade activity is concerned, there is very close collaboration. The trade mission to Japan also included a delegate from Hydro Tasmania to talk about alternative renewable energy sources, including in hydrogen, and to -

Ms O'CONNOR - Not biomass, surely, not burning forests for energy.

Mr HODGMAN - I don't know. I don't believe that was part of the discussion, which was very much centred on the capacity for Tasmania to be a hydrogen producer and potential exporter with Japan's national energy policy directed to hydrogen power. Our expert research and technological capacity as well as the ability to generate and produce hydrogen was something of great interest to them. It was worthy of Mr Tony Field from Hydro Tasmania to join our delegation and separately undertake work with key industry corporate entities within an interest in this. It does typically involve our GBEs; Sustainable Timber Tasmania might be involved, or others.

Ms WHITE - How do you manage that interaction across agency and across GBEs and state-owned companies? The Trade Strategy is comprehensive and it touches on a number of different agencies. Whilst you might have a really clear plan for what it is that is required in order to facilitate both trade and export growth, unless those agencies are on board, it is a bit of a useless piece of paper. Do you have a subcommittee of Cabinet, or is there a working group across agencies? I am interested to know how you coordinate that and achieve outcomes as opposed to just reports.

Ms BUTTERMORE - We talked earlier about the 11 FTEs in Trade and that is a large part of what they do every day, getting out and consulting with all of the different stakeholders. We do have a formal working group in support of the Trade Strategy and we spend a lot of our time in consultation with GBEs and also businesses large and small, and various stakeholders across the state.

Ms WHITE - Are they all based in Hobart?

Ms BUTTERMORE - No.

Ms WHITE - Where are those staff based?

Ms BUTTERMORE - In State Growth we have a Launceston office and we also have a Burnie office. We travel around the state. When we advertise our positions for recruitment we make it an option for people to base themselves in the Burnie or Launceston office as well. Those of us in the south regularly travel to the north and north-west to visit our stakeholders there.

Ms WHITE - Where are the 11 staff currently based?

Ms BUTTERMORE - At present the 11 staff are in Hobart but the new TradeStart adviser position will be based in either the north or the north-west. We have set that as a goal.

Ms WHITE - You just said that they could opt to work elsewhere as a goal, but is it currently enforced?

Ms BUTTERMORE - No, that will be advertised as a position that is either in the north or the north-west. We can make either of those options available to the successful candidate.

Mr EVANS - It is important too to see that it is not just those 11 FTEs involved in the trade effort. We have people in the north-west regional office, which is headed by Lara Hendriks, actively engaged in this as well. We utilise the resources right across the organisation to facilitate trade. The same is true for international education. The same is true for tourism and other sectors that we are targeting.

Ms WHITE - One of the other questions that comes out of the Trade Strategy is around a skilled workforce because the Skilled Migration Program is mentioned in it. What strategies and initiatives do you plan to adopt to drive that?

Ms BUTTERMORE - The Skilled Migration Program is part of a broader effort to tackle skills gaps in the state. There are workforce development plans that are developed by that area of our agency, but one of my teams also looks after the business and skilled migration program. They have a strong industry liaison role, going around industries to find out what the skills shortages are and using that to inform the Tasmanian Skilled Occupations List, which we use to assist us in nominating skilled migrants. We have a detailed set of criteria in addition to the Australian Government criteria to make sure that applicants have demonstrated that they have skills and they have a genuine commitment to stay on and live and work in Tasmania. We have had several success stories.

Ms WHITE - That sounds very comprehensive. One of the things many Tasmanians feel is that they are being overlooked for jobs that are being filled by skilled migrants. Thinking about how you can provide opportunities for Tasmanians to be skilled up for these vacancies that you have identified through the rigorous process you have just outlined, Premier, what initiatives has your Government embarked upon to provide opportunities for Tasmanians to get the skills required to fill those vacancies so we can grow our economy and export more?

Ms O'CONNOR - It sounds like a Dorothy Dixier, with respect.

Ms WHITE - They are not doing it, with respect. There are clear skill gaps across the economy that have not been strategically addressed.

CHAIR - It is getting towards the end of the day.

Mr HODGMAN - We are. We have touched on this a little earlier, a range of initiatives, significant ones to get our kids through school and out the other end with the skills they need through centres of excellence in areas where there is key growth, with increased investments into TAFE -

Ms WHITE - Do you think it's working, given the clear gaps we have in some of these key sectors?

Mr HODGMAN - Yes, there is a big job and much more to do in this regard. We acknowledge that. The Education minister will enjoy outlining at length what we are doing to increase pathways into skilled employment across the state.

Ms WHITE - Are there additional skills that you have identified that have been added to that list since you have started doing that work?

Ms BUTTERMORE - We are constrained to using the broader Australian Government's Skilled Occupation Lists, so all we can do is specify within those lists which are particular needs for Tasmania. We are not able to add occupations that are off the Australian Government list.

Mr HODGMAN - I should add that the Prime Minister, Mr Morrison, identified as something that needs more attention and a more tailored response.

CHAIR - Premier, before the conversation continues and cutting into the last half an hour of the day, we now need to conclude our deliberations on Trade and move into Heritage for 30 minutes.

The committee suspended from 7.40 p.m. to 7.43 p.m.

DIVISION 10

(Department of Primary Industries, Parks, Water and Environment)

Minister for Heritage

Output group 3

Natural and cultural heritage

CHAIR - Thanks, Premier. For Hansard's benefit, an introduction.

Mr HODGMAN - Dr Whittington is back. Noting the short time we have left, I will be very brief in my opening statements. I know there are a number of matters of interest to members. It will not require me to talk to the importance of our heritage other than to say that there are important initiatives contained in this Budget that go to showcasing some of our finest areas of heritage.

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There is a funding commitment of \$3.6 million to the Royal Tasmanian Botanical Gardens to build a new visitor centre there to enhance the experience of a very special feature of our capital city and a much-visited place, and to ensure that the gardens are able to grow additional revenue streams following their bicentenary year and record visitor numbers in 2018. Also, a new initiative continues that we commenced last year, a \$10 million Heritage Places Renewal Loan Scheme, to facilitate tourism and related business opportunities through revitalising some of our unique historical heritage and to give property owners who meet the costs of maintaining their fine heritage properties some support to protect the property and also make it part of our visitor economy. The Budget also includes ongoing funding support for the work the National Trust Tasmania. In the interest of time I will leave my comments at that and invite questions from the committee.

Ms STANDEN - Premier, can you outline to the committee how many certificates of affected place have been issued by Heritage Tasmania officers since 2014?

Mr HODGMAN - Can we take that on notice? My officials have a number in their head but we can provide that to the committee.

Ms STANDEN - Thank you. Do you as Minister for Heritage have confidence in the accuracy of the certificates of affected place given that they are legal documents?

Mr HODGMAN - I do have confidence. I am wondering whether it is a trick? Dr Whittington is happy to elaborate.

Dr WHITTINGTON - I see what you are referring to is the integrity of the heritage register.

Ms STANDEN - Not exactly.

Dr WHITTINGTON - Certificates of affected place are used as part of the conveyance process to confirm whether or not the Tasmanian Heritage Council has an interest in a particular property under the act. They are issued on a routine basis, usually provided by lawyers or those engaged in the conveyance process such as private owners. Questions about the integrity of the register up to 2014 supplied the amendments to the act.

Ms STANDEN - Premier, how many RTIs or investigations whether internal or external to the department have there been into Heritage Tasmania staff concerning potential or alleged misconduct, including bullying or corruption.

Mr HODGMAN - We have whole-of-agency RTIs and we do have Heritage. As at 30 April 2019 four applications for assessed disclosure relating to the Heritage portfolio were received. Two applications were made by journalists and two were made by members of the public. The total number of applications received by the department during the period 1 July 2018 to 30 April 2019 was 59. In the corresponding year, for interest sake, it was 45. The number of applications for the previous five financial years are as follows: 59 for 2017-18; 94 for 2016-17; 77 for 2015-16; 78 for 2014-15; and 40 for 2013-14.

As to subject matter, can you just repeat the last part of your question?

Ms STANDEN - RTIs or investigations.

Mr HODGMAN - Into?

Ms STANDEN - I am about to ask, while you are looking at that, about past or current investigations, including by the Integrity Commission.

Mr HODGMAN - Into me?

Ms STANDEN - No, into Heritage Tasmania staff. It could be you too, Premier, but no.

Dr WHITTINGTON - As you would be aware if there was any I couldn't speak about any investigation by the Integrity Commission that is afoot. If there was one I couldn't speak to that.

Ms STANDEN - I am just asking how many.

Dr WHITTINGTON - I am saying I cannot speak to it one way or another. As for other complaints to the department I would have to take that on notice because I don't have a number in my head.

Mr HODGMAN - DPIPWE?

Dr WHITTINGTON - In relation to this portfolio.

Mr HODGMAN - Heritage.

Ms STANDEN - I understand there was an investigation underway by the Integrity Commission over more than six months resulting in a lengthy report into a Heritage Tasmania officer that was alleged to have solicited representations or submissions on work applications to object to works on which the officer was undertaking a supposedly objective independent assessment. What was the outcome of that investigation and what was the cost of the consultancies to undertake the investigation?

Mr HODGMAN - That is a matter that may have been investigated by the commission, of which I am not aware. As to its publication, if indeed such an inquiry and report has occurred, it is a matter for the Integrity Commission as to how and when, if at all, it publishes the report or any reports in relation to an investigation. I am not able to comment on the matter you raise, nor do I know of such an inquiry, as far as I am aware.

Ms STANDEN - Would the cost of consultancies around such investigations into misconduct, fall into your portfolio, Premier, or would they be covered under the Integrity Commission?

Dr WHITTINGTON - If an investigation is done by my department then the costs will fall to my department. If the Integrity Commission is doing the work then the Integrity Commission is responsible for any costs incurred. There are times when the Integrity Commission refers something to the departmental head to investigate, in which case the costs would accumulate to the department. That is a general statement, it is not about a particular matter.

Ms STANDEN - I assume you are unable to comment on a particular one?

Ms O'CONNOR - Premier, in relatively recent months it was revealed that somewhere between 500 and 1000 properties that were on the Heritage Register had the wrong cadastral mapping attached to them. Their entry on the register was incorrect. Are you able to tell the

UNCORRECTED PROOF ISSUE

committee exactly how many properties on the register have incorrect cadastral mapping details attributed to them?

Mr HODGMAN - I can speak further on that, but as for the specific number, we don't have that.

Ms O'CONNOR - You don't have it because it hasn't been determined or because you don't have it handy?

Dr WHITTINGTON - The register has more than 5000 entries within it. When the register was first developed a lot of information was put onto the register that was not particularly complete, but it was what was available at the time. Over time we have tried to improve the integrity of the register through a project about determining whether those things that were on the register actually had historic cultural heritage significance in the context of the act. There was a process to do that. More recently, we have been doing a project to make sure that those entries are appropriately described, which is what you are talking about.

When those entries went on there was an amendment made to the act back in 2013-14, which validated all of those entries that went on in the early days. They are currently valid entries on the act regardless of their boundaries. The work we've been doing since is making sure the integrity is correct. There are a number of entries in those 5000 that do not have an appropriate cadastre, which is why we are going through a process of improving it.

Ms O'CONNOR - My original question, thanks, Dr Whittington, was how many?

Dr WHITTINGTON - I don't have an absolute number across all of the entries. We are going through a process of fixing as we -

Ms O'CONNOR - Is it possible that it is more than 1000, given that this was all happening in the late 1990s?

Dr WHITTINGTON - What is important is that those places on the register are appropriately on the register and through the act are recognised, regardless of how they are described.

Ms O'CONNOR - I have gone to, on the basis of Ms Standen's question, section 94, which is Amendment of Register. It empowers the Heritage Council to amend an entry in the register, to update the entry, to correct an error in or relating to the entry. Has there been, since discovery of these errors in the coordinates of heritage properties, applications by the Heritage Council under section 94 of the act to alter an entry as it is recorded on the register?

Dr WHITTINGTON - Yes.

Ms O'CONNOR - Back to your original answer, why was it felt to use the section 94 provision if the amendments in 2013 validated all the entries?

Dr WHITTINGTON - We want an accurate register. The description might be, hypothetically, the yellow house on the corner and that is a valid entry but to have it spatially defined and have its CPR registered, they are all things about an improved register and that is the process we are going through. It is not only the yellow house on the corner. It has been appropriately described in the context of section 15 of the act.

UNCORRECTED PROOF ISSUE

Ms O'CONNOR - How many affected place notices has the Heritage Council issued in relation to those incorrect details in the register?

Dr WHITTINGTON - I can't give you an absolute number. I will have to take that on notice.

CHAIR - I need to move on to Mr Tucker.

Ms O'CONNOR - You can do an affected place search of the register and the number comes up. I am not sure why it would have to be on the -

CHAIR - We can come back to that line of questioning, if you wish.

Mr TUCKER - Premier, can you update the committee on the work undertaken by the Tasmanian Heritage Council?

Mr HODGMAN - Thank you, Mr Tucker. I will briefly, noting the shortness of time before us. The Heritage Council does fulfil a critical role in identifying and protecting historic heritage places and managing the works approval processes to places entered into the register. Over the past three years the council has facilitated \$670 million in development and maintained a 99 per cent works approval rate. A high approval rate and the low rate of appeals to RMPAT reflect the proactive the efforts of the Heritage Council and Heritage Tasmania to engage with property owners and developers offering pre-works application consultation. The Heritage Council's work guidelines document is a very useful tool.

The adoption of a strategic plan has also led the Heritage Council to focus on strategic initiatives that reflect its broad functions including, for example, the promotion of the Government's Heritage Places Renewal Loan Scheme, the launch of the VOICE Reimagine Tasmanian Heritage, a wonderful booklet to promote the benefit of heritage sites and engage the community in sharing their stories, and the ongoing development of Tasmanac, a web-based platform to draw together information on Tasmania's heritage places, collections and stories. In 2019-20, a new performance measure is being introduced to record the number of places permanently entered on the Tasmanian Heritage register. This measure acknowledges the importance of the Heritage Register as a statutory tool in tracking the total number of entries held that have statutory protection by virtue of their entries in the register.

Ms STANDEN - Premier, can you outline in relation to the Heritage Register how many places are currently open to legal challenge? In relation to the areas you have outlined, resulting from the cadastre and other issues, what resources have you committed to rectify those problems?

Mr HODGMAN - To assist in the effort of correcting inaccuracies, additional resources were allocated to Heritage Tasmania. A fixed-term data and spatial officer was appointed in 2017. Two permanent research officers were appointed in 2018. The councillors worked hard on its review on amendment and replacement of existing entries in the Heritage Register where warranted. The Heritage Council is also developing a registration plan and this will guide ongoing work to improve the quality, accuracy and currency of the register and facilitate greater access to the information it contains. With respect to the specifics of your question and claims made, I seek advice from Dr Whittington or Mr Smith as to whether that is available or should be available on notice.

UNCORRECTED PROOF ISSUE

Dr WHITTINGTON - My understanding of your question is, how many I am concerned about?

Ms STANDEN - How many do you think are open to legal challenge?

Dr WHITTINGTON - Due to section 100, I believe all the entries on the register are deemed valid, those that were put there before that amendment in 2013. That's all I can say.

Ms STANDEN - Premier, are you aware of any heritage concerns regarding the Peacock Centre following the fire? Can you clarify whether heritage values still exist?

Mr SMITH - As the member is aware, it is a Health department facility. It might be Communities Tasmania now, I'm not totally sure. The building in North Hobart is on the Tasmanian Heritage Register. There was productive engagement with the Department of Health and Human Services immediately after the fire that destroyed a significant part of the roof structure. As part of those arrangements, a temporary roof structure was installed to protect the fabric and the infrastructure so it can potentially be reused by government. I gather its future is under consideration by government at the moment. I know no more.

Ms STANDEN - With respect, through you, Premier. I gather the property is still heritage listed, do you know if the heritage values are still intact after the fire?

Mr SMITH - The heritage values are largely intact. There has been some diminishment of that because of the fire and the damage afforded but there has been no suggestion at this time that the building has lost its value to the point that it would warrant removal from the register.

Ms STANDEN - Are you aware of any heritage concerns regarding the Hobart General Post Office or the Duck Reach Power Station?

Mr SMITH - I am not sure of any specific concerns about the GPO. There is a relatively new listing on the Heritage Register for that and we are currently in the process of finalising an assessment for the Duck Reach Power Station along with one for Cataract Gorge.

Ms STANDEN - Okay. Moving onto the National Trust, I understand that National Trust manages 10 properties with heritage values and sought some \$3.26 million immediate injection in funding to address safety and maintenance issues. Are you able to inform the committee what, if any, funding was made available to the National Trust?

Mr HODGMAN - Yes. At present, it receives \$312 325 per annum from the Tasmanian Government and that's to help it deliver the Community Heritage Program and the Tasmanian Heritage Festival. to ensure its sound governance, the board of the National Trust has a new strategic plan that is helping to develop the more contemporary and sustainable business model and refresh its visitor experiences. As to its capital works program, with urgent safety and amenity issues, significant maintenance demands and conservation works on six of its properties, all owned by the trust and located across the state, the Government has agreed to commit \$350 000 in 2018-19 to help fund these works. This will better enable the trust to address its most pressing capital needs and to support the work of what is a very important community organisation.

Ms O'CONNOR - Premier, we will go back to the section 94 question and the cadastral details, have you been provided with advice that every section 94 amendment to place lodged by the Heritage Council has been done so lawfully since 2014?

Dr WHITTINGTON - Section 94 provides for the Heritage Council to make amendments and if those amendments are for clerical or very minor things, it can just do it. If they are more substantive, the more material, then there needs to be a notification to the owner. There is contention around the level of substantiveness in that space. That is a piece of work that we are working through. I go back to my previous statement that the section 100 part of the act provides for the original entries to be valid. If there was a section 94 notice made and it wasn't made properly, the entry still stands and we will go back through and fix those up through time.

Ms O'CONNOR - Premier, exactly how many properties are on the Heritage Register now? How many hectares are on the Heritage Register right now? And what is the difference between the hectarage of the register from 1 July 2014 to the present date?

Mr HODGMAN - We need to take that on notice.

Ms O'CONNOR - That's very good to know. Could I ask you about Kings Meadows - it is a question that is on a lot of people's lips, including heritage experts? Why wasn't the Kings Meadows Convict Station listed on the register, and what is your response to concerns from heritage experts that the site is of state significance and should be on the register?

Mr HODGMAN - I have been advised that further archaeological investigation conducted on the subdivision in Kings Meadows appears to have provided evidence that confirms the location of the Kings Meadows Convict Station. The level of archaeological investigation required to locate and match the evidence available on the ground with historical records highlights the challenge of reaching firm conclusions that precisely locate archaeological sites of this nature.

The Heritage Council has commenced its assessment of the nomination of the site, and we will seek a copy of the final report on the archaeological investigations conducted to inform its assessment. This will be particularly important given how hard it was to actually pinpoint its precise location, and once it has access to all the information available on the Convict Station's history and features and the outcomes of the archaeological investigations, it will be able to complete its assessment and make an informed statutory decision.

Ms O'CONNOR - But the development works have continued, have they?

Mr HODGMAN - No.

Ms O'CONNOR - There is a complete stop on it?

Mr HODGMAN - On that portion of the site.

Mr TUCKER - Can the Premier please advise how the Government is assisting tourism and business owners to reinvigorate heritage-listed properties around Tasmania through the Heritage Places Renewal Loans Scheme?

Mr HODGMAN - Thank you, Mr Tucker. I mentioned the scheme in my opening remarks. Loans are offered between \$100 000 and \$1.5 million to promote the good use of heritage properties

and also to provide for sensitive development so that those historic places can be used and enjoyed now and for many years to come into the future. Many business owners who own or operate businesses from a place entered on the register are eligible to apply for a low-interest loan to help them refurbish, refresh or develop a new or existing business operating in a heritage place.

Loans under this scheme have been approved to date to the extent of \$655 000. There is \$1 million-worth of applications currently lodged and being assessed. A great example, of course, of the opportunity that this presents is the very innovative new visitor accommodation opened earlier this year, Seven at Ritchies Mill - a complex on the Tamar River in Launceston.

Heritage Tasmania has been actively promoting this scheme with property owners, tourism operators, developers. I encourage anyone with an interest and a property space to consider the opportunity to secure some Government support to ensure that these places are well preserved and maintained. Those who are currently custodians and owners of these properties are able to ensure their long-term sustainability, and to be an important feature and part of our visitor economy, which is so often driven by great interest in Tasmania's built heritage.

Ms STANDEN - Premier, given that your department manages a range of collections in small places like Maria Island - we are out of time so I will not list others - are there plans to undertake a collections audit, particularly given the missing works at the QVMAG? Moreover, a collections database to take account of these precious assets?

Mr SMITH - Primarily, Arts Tasmania has a small museums and collections program and they work in conjunction with the major museums, QVMAG and TMAG, to assist a number of community entities across the state to manage local collections, such as those at Zeehan, at Queenstown, held by other entities like that.

Ms STANDEN - At Maria Island, I noticed specifically within your second-year agenda in terms of the heritage improvements, so I was wondering, Maria Island, Richmond Gaol, Lyons Cottage, Highfield House at Stanley; these are the sorts of collections that I am thinking of in terms of heritage values.

Mr SMITH - I would think they are more primarily a question for the Parks and Wildlife Service because they are sites that are managed by them. They have statutory responsibilities for them.

Ms STANDEN - Premier, it would be good if you could take that up, seeing as that it is within your jurisdiction.

Briefly, back on the National Trust, I note that they manage over 400 volunteers, one of the largest employers of volunteers in the state. They have had some ongoing issues with regard to, particularly the Penitentiary Chapel Historic Site. Given it has recently been National Volunteer Week, what are your views about volunteer management and the issues? How has your department been involved in assisting the Trust to engage volunteers in a meaningful way?

Mr HODGMAN - More broadly, our support for Volunteering Tasmania captures a number of important initiatives and ways to not only respect the enormous contribution of our volunteers, but also to provide them and the organisations, and the communities they serve. The National Trust, I am told, is implementing a more contemporary approach to managing volunteers to ensure that

UNCORRECTED PROOF ISSUE

they are able to recruit, induct, and train them in a way that reflects, not only the community's expectations about the role they play, but also their legislative obligations.

Ms STANDEN - But they have lost a number of long-term volunteers, with lengthy service.

Mr HODGMAN - Certainly, there have been exits, and a small number considering the context of, as you say, a dedicated team of over 400. The National Trust has appointed a dedicated volunteer engagement coordinator and has asked all of its volunteers to sign a volunteer agreement which has been developed in conjunction with Volunteering Tasmania. That is an important intersection there between the organisations, and we certainly encourage those volunteers to undertake -

CHAIR - Premier, I do need to inform you that, and I know you will be disappointed in this, but time has expired for this deliberation.

I know at the end of the day, you would like to thank the officers at the table, and we will conclude.

Mr HODGMAN - Thank you, Chair. Thank you, officers.

The committee adjourned at 8.15 p.m.