

# UNCORRECTED PROOF ISSUE

**Tuesday 4 June 2019 - Estimates Committee A (Hodgman)**

## LEGISLATIVE COUNCIL

## ESTIMATES COMMITTEE B

**Tuesday 4 June 2019**

### MEMBERS

Mr Armstrong  
Ms Armitage  
Mr Dean  
Ms Howlett  
Ms Rattray (Chair)  
Ms Siejka  
Mr Willie

### 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

### Brand Tasmania

**Todd Babiak**, CEO, 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

**DPIPWE**

**John Whittington**, Secretary

**Jason Jacobi**, Deputy Secretary, Parks and Wildlife Services

**Pete Smith**, Director, Heritage Tasmania

**Louise Wilson**, General Manager, Natural & Cultural Heritage

**DPAC**

**Mandy Clark**, Executive Director, Standards & Performance

**Robyn Webb**, Chief Parliamentary Counsel, Office of Parliamentary Counsel

**Simon Roberts**, Director, Office of Security & Emergency

**Bob Rutherford**, Deputy Secretary, Industry and Business Development

**Tourism**

**Mark Jones**, Chief Operating Officer, Tourism Tasmania

**Amy Hills**, Manager, Corporate Affairs, Tourism Tasmania

**Emma Terry**, Chief Marketing Officer, Tourism Tasmania

**Adam Sproule**, Director, Events Tasmania

**Hans van Pelt**, Director, Access & Aviation, Tourism Tasmania

**Gary Davies**, Director, Botanical Gardens

**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 8.58 a.m.**

**CHAIR** (Ms Rattray) - It's a couple of minutes before 9 and it appears that everyone's here, eager and ready to go, so we might declare our session open. Welcome, Premier, and welcome particularly to your team whom I expect have spent many hours putting together the paperwork that you require for this. I noted on the radio this morning that you were in the other place yesterday, so there will probably be some repeat questions, but I hope that our committee are able to ask some other questions that you may not have had.

**Mr HODGMAN** - Certainly.

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**CHAIR** - And I would like to introduce our team. Natasha Exel is our secretary. Members are Robert Armstrong, Jane Howlett, myself, Tania Rattray, Rosemary Armitage, Ivan Dean, Jo Siejka and Josh Willie. That is Committee B. I'm very proud of my team.

Premier, as always, we give an opportunity to provide a brief overview. Our first item is Brand Tasmania, so I think we'll start there. You might like to provide a brief overview.

**Mr HODGMAN** - I will be brief. I can talk a little more as to the whole-of-agency work that's being undertaken by DPAC, but Brand Tasmania is an excellent place to start. I believe it's one of our Government's great initiatives. It's established and has been well supported across parties, but more importantly I believe across our community which has a keen interest in the preservation, maintenance and the promotion of our brand, which is one of our state's greatest assets. We've established Brand Tasmania as a statutory authority. We have recently appointed a board, which is chaired by Nick Haddow, CEO and founder of Bruny Island Cheese. The board is cross-sectoral and covers key segments of our economy and our community that reflects the important objectives of Brand Tasmania. I should note as well that I'm very proud to say it's the first statutory place branding authority in Australia and one of only a few in the world. Unsurprisingly, its creation has captured the imagination of those across the globe who have an interest in not only what we're doing here, but also how we might best promote our brand to make sure we stand out from the pack.

As a result of that interest, we have been able to secure a new chief executive officer for Brand Tasmania, Mr Todd Babiak, who joins us today. He has not long been in our state after leaving his home in Canada to make his new home in Tasmania. I acknowledge Mark Bowles who was previously the interim CEO for the excellent work he's done in the transition, but we welcome Todd who has extraordinary experience in place branding, marketing, advertising and media. He is highly acclaimed and is regarded as one of the world's leading experts on place branding.

He also has an understanding of Tasmania, having previously worked here with the Hobart City Council in a major project they undertook, the Hobart City Vision, in 2017, and also with Tourism Tasmania on the soon-to-be launched, revitalised tourism brand. Similarly, with the Department of Premier and he undertook some work in developing a Tasmanian story project, which was a precursor to the establishment of Brand Tasmania. It was a very competitive process not only to get board members selected, but also the CEO.

It's a big job and we welcome Todd to Tasmania. I'm sure he'd be keen to provide some insights for the committee as to the work of the statutory authority. I believe it's a significant move by our state to take our brand to the next level and provide it with additional support and resources in the Budget as we are doing. The real work starts now and so we are happy to answer questions.

**CHAIR** - Welcome to your second day of Estimates, Todd.

**Mr HODGMAN** - He's only got one question, sadly, so.

**CHAIR** - Really? We'll try and improve on that.

Thank you, Premier. Can I have some idea of how the former organisation that promoted Tasmania's work will be used? I wouldn't like to see some of that work completely lost.

**Mr HODGMAN** - No, it certainly won't be. It's a very good question. I take the opportunity to thank all members of the former Brand Tasmania council over a couple of decades, with great

stewardship by Mr Robert Hazelwood who was the CEO for some time and left the Brand council in very fine shape for us to do what we'd promised. That is to provide the body with more government support and resources, a refreshed board. Those who served on the Brand Tasmania Council did an exceptional job over many years. I thank each of them. Their work has been an important part of their transition process. It has been handed to Nick Haddow and to Todd as well in very fine shape.

It was always my view that our brand deserves more than what it had been. Previously it was a very exceptional group of intelligent people working off the smell of an oily rag with limited resources, and less structure and less coordination in their efforts. With our budget allocation, the structure that comes with it and being a statutory authority, it now has as a body to not only flex our brand muscles a little more but to also receive greater support from government and non-government sectors. I think it's very well-placed to achieve our objectives.

**CHAIR** - Can we have some idea of what the staffing will be? Which brands are within the organisation?

**Ms GALE** - Through you, Premier, one of Todd's first roles will be to determine the staffing requirements. You may be aware that previously the Brand Tasmania Council had three employees, the chief executive officer and two other employees from the public service. Todd and Brand Tasmania will now have a budget. One of the first roles will be to determine the nature of the staff and the number required in this start-up phase. We have two or three people working closely with Todd now from DPAC, who will be the support. But Todd will be spending the first few weeks and months determining the nature of the types of staff he requires to support him in his role.

**CHAIR** - Given that in the first year of operation, there will be focus on establishment, developing a strategic plan, and engaging with industries and communities, and then developing a website, that's a lot of different skills. I am thinking that two or three people are not going to meet all those needs, unless there's somebody exceptional. I'd be interested to know whether Todd's had a think about what he might need when it comes to staffing to deliver what's been put forward.

**Mr HODGMAN** - Thank you. Yes, Todd.

**Mr BABIAK** - Through you, Premier. When we're looking at this, we'll need someone devoted to engagement, though that will be partly my job as well, someone who really understands marketing and communications. We will do an audit of that. We will also have someone handling overall governance, government and the organisation itself, so with that and the support person the dream would be five people in total.

**CHAIR** - So Premier, is the budget enough to deliver what's a pretty heavy workload?

**Mr HODGMAN** - Yes, certainly. Like any matter, it would be subject to ongoing review. A lot of work has been done to date to develop a strategic plan and workshops have been held. We have a very active board who are generously and enthusiastically giving of their time and input to supplement the work that Brand Tasmania does. I'm very confident we'll be able to make great progress over the years, but certainly during this first important year. We will revisit any additional demands and budgets requests in due course, but this is a significant uplift on where we've been.

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**CHAIR** - Correct me if I'm wrong, but the board already possibly has the contacts already in place that Todd and his team will be able to tap into, as well as the previous Brand Tasmania Council contact.

**Mr HODGMAN** - Certainly.

**CHAIR** - Is that the expectation?

**Mr HODGMAN** - Yes, and there is an interconnection in that Nick Haddow, Chair, was formerly a member of the Brand Tasmania Council. If I can inform the committee of who is on the board, it will give you a sense of the calibre of the people we have on board, and well over 200 applicants for positions -

**CHAIR** - And 11 members. That's a big board, minister.

**Mr HODGMAN** - It is.

**Ms ARMITAGE** - It's a big board when you're cutting boards and numbers.

**Mr HODGMAN** - It is, but we were very conscious -

**Mr DEAN** - Hopefully, you can satisfy this committee that you need 11 on this board.

**Mr HODGMAN** - Yes.

**Mr DEAN** - To me it seems outrageous, but anyway, we'll let you go.

**Mr HODGMAN** - If you listen to the quality of the board. As well you'd appreciate the act prescribes certain skillsets. It's important to have a gender balance, a geographic and cross-sectional balance as well. It was quite a task arriving at the list. Whilst we were not necessarily inclined as a government to have boards as large as this, it was an exception and it was something that was strongly advocated for by other parties and stakeholders in developing the legislation.

The board comprises: Nick Haddow as chair; Jenny Gale is an ex-officio member of the Secretary to the Department of Premier and Cabinet; Brett Torossi, very well experienced, as a nominee of Tourism Tasmania, again prescribed under the act; Jessica Richmond, who's the commercial manager at Grange Resources; Kim Clifford, managing director at Incat; Kym Goodes, CEO of TasCOSS, for our community sector representation; Leigh Carmichael from Dark Mofo and DarkLab, his credentials in this space are well-established; Michael Cooper, former CEO of Juicy Isle fruit juices; Philippa Dawson, former chief operating officer at Austrade and based in Launceston, currently CEO at FermentTasmania; Robert Atkinson, Deputy VC (Global) at the University of Tasmania, another important partnership and intersection there; and Sheralee Davies, the CEO of Wine Tasmania. So, there's a very strong group established.

**Mr DEAN** - Not gender balanced, is it?

**Ms ARMITAGE** - It's not gender balanced at all; there are seven women. It should be on skill, not on gender.

**Mr HODGMAN** - Well, it certainly is and I do -

**CHAIR** - I don't think they're questions, Premier.

**Mr HODGMAN** - No, I mentioned gender balance in passing. We have a government commitment for gender equity on government boards and committees and we are making great progress. This will take us even closer to our goal of 50-50.

**Ms ARMITAGE** - I'm more concerned with the Tasmanian representation as opposed to gender balance.

**Mr HODGMAN** - Sure. They are all locals including Todd, who's now a Tasmanian officially.

**CHAIR** - Can I ask about the regional representation of your board?

**Mr HODGMAN** - Mr Haddow's based in Bruny Island in the south. Jenny Gale resides in the south. Brett Torossi is in the south. Jessica Richmond is from the north-west. Kim Clifford is in the south. Kym Goodes is in the south but TasCOSS covers the state. Leigh Carmichael is in the south. Michael Cooper is in the south. Philippa Dawson is in the north. Robert Atkinson is in the south too but you would argue very much that he has a whole-of-state focus as indeed does Sheralee Davies, whose whereabouts, I'm not sure of.

**CHAIR** - It's very southern focused, Premier. It will be a watching brief to see whether the regions are strongly represented at Brand Tasmania, which should be balanced, you would think. But you've appointed them now; we can't unappoint them. We'll have to see what they deliver.

**Mr HODGMAN** - I'm advised Sheralee Davies is in the north.

**Mr DEAN** - What's the cost of the board? What is the payment to each board member?

**Ms ARMITAGE** - You have to wait your turn. That was one of my questions. You weren't on the list.

**CHAIR** - While we're talking about the board, we will ask about its cost. I also ask for the bands for the staff as well, thank you, which is a perennial question, Todd, certainly not directed at you.

**Mr HODGMAN** - Board remuneration for all members of the Brand Tasmania Council only occurred in the 2018 calendar year at a cost of \$19 000 in comparison to the annual remuneration costs of the board.

**Mr DEAN** - Sorry, what was that cost again?

**Mr HODGMAN** - \$19 000 in 2018. To give you some background, in comparison the annual remuneration costs for the board of Brand Tasmania are approximately \$285 000, excluding travel reimbursements and superannuation.

**Mr DEAN** - Is that \$285 000 a year for the board?

**CHAIR** - No wonder there were so many applicants, Premier.

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**Mr DEAN** - Yes, I would have applied too if I'd known.

**Mr HODGMAN** - I can take that on notice.

**Ms GALE** - It's the equivalent of SES 4 for the CEO.

**CHAIR** - Thank you. Much appreciated. And a supplementary on the makeup -

**Ms ARMITAGE** - You said including travelling, so is that travelling to meetings or is that travel that they're actually going to do. Where have they been? Have they been to China?

**Mr HODGMAN** - No, it is principally for meeting expenses.

**Ms GALE** - That would be travel for meetings.

**Ms ARMITAGE** - But they're within Tasmania. Can we have a breakdown of the \$285 000? It is a little ambiguous at the moment - \$285 000, including travelling. What are the expenses and what are -

**Mr HODGMAN** - Yes, we can get a breakdown of budgeted -

**Ms ARMITAGE** - Normally we have an amount of what board members are paid and what the chair is paid.

**Ms GALE** - Sorry, just to be clear, the \$285 000 excludes travel.

**Ms ARMITAGE** - Sorry, I thought that was including.

**Ms GALE** - Travel reimbursements would be for people who need to travel from the north-west and the north to attend meetings if they were in the south and/or vice versa.

**Ms ARMITAGE** - Okay. If we could have a breakdown of the \$285 000, it would be good. If we could also have the figure of what the travelling and meal allowances and what the externals were for that year.

**Ms GALE** - This has only just started so there won't be any.

**Ms ARMITAGE** - Sorry, I thought you had one previously.

**Ms GALE** - No.

**Mr HODGMAN** - That was just a comparison point. What it cost in the first year.

**Ms ARMITAGE** - Okay.

**CHAIR** - The full board has only just been appointed, is that correct?

**Mr HODGMAN** - Yes.

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**Ms GALE** - That's correct. The remuneration has been done through DPAC as is the case with all the government's boards. The fee for the chair is approximately \$40 000 per year and \$23 500 for board members, which constitutes the \$285 000 and that's consistent.

**Ms ARMITAGE** - I have another supplementary question with regard to the board.

We decided there were two north; were there two north? One north-west and the rest are all southern. I accept, Premier, that you're looking at gender balance. But, as you know, I have always had a concern with regard to boards and where they're located. One of my issues is the fact that we are a state. I would have thought, particularly with something like Brand Tasmania, we would be looking to cover the state. So, when people are applying for board positions, do I understand that three, six, nine people only had the skills in the south and you didn't get any applications from anyone in the north or north-west who could have taken those positions?

**Mr HODGMAN** - It would be worth spending a minute on the selection process, which was handled at arm's length from me.

**Ms ARMITAGE** - I'm not saying anything against you.

**Mr HODGMAN** - No, I only say that to make the point that we were very keen to ensure that it's not seen to be -

**Ms ARMITAGE** - You're just carrier of the bad news.

**Mr HODGMAN** - It's not seen to be a political set of appointments. There were many received. It's true to say that well over half were from southern Tasmania. There were 144 applicants from the south, 37 from the north, 16 from the north-west and the rest were people from other states. The selection panel comprised Ms Gale, Mr Haddow, Mr Neil Armstrong, an independent panel member from the north-west, whose business name escapes me, he's involved in agribusiness, and Caroline Rockefeller, another independent member.

The panel considered a shortlist group of applicants and made recommendations to Government based on the panel's deliberations. Of 14 applicants for appointment, from which eight were appointed by the Governor on the recommendation of the Premier, with the other statutory representatives already in the skills mix. The skills mix of the board needs to cover: place; branding and public diplomacy, of which a number of members can satisfy that criteria; trade and exporting from Tasmania; similarly, industry development; brand marketing and communications including research and digital technologies; heritage conservation; biosecurity, environmental conservation; and natural resource management.

There were members with those skillsets. Plus, community engagement, corporate governance, including finance, accounting and strategic planning; legal and commercial skills in public sector administration. In each of those areas there are at least two members, if not a lot more who are able to provide that skills mix for the board.

**Ms ARMITAGE** - Am I correct in assuming that the gender of the applicants was considered by the selection panel? You mentioned that you wanted to make sure you had gender balance.



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**Mr HODGMAN** - No. The determination is made on the basis of skills mix. I mentioned gender balance because we have a target to achieve of 50 per cent on government boards and committees.

**Ms ARMITAGE** - You do. I wondered whether if you had two applicants, whether a female was chosen over a male.

**Mr HODGMAN** - No, I can't speak as to that part of the process as I was not in it.

**Ms GALE** - Premier, it was skills mix to start with. The panel developed a skills matrix and looked at the skills mixed across all the applicants. We had some quite detailed information from the applicants' applications. As a secondary factor, we then put the regional spread across and the gender spread. The main attribute we were after was the skills mix, but of course, we considered the other two factors as well.

**Ms ARMITAGE** - Regional didn't fare too well, I note.

**Ms GALE** - The Premier has just read out the number of applications that were received.

**Ms ARMITAGE** - I understand.

**Ms GALE** - It is largely proportional to where the applications came from. Not quite, but largely proportional.

**Ms ARMITAGE** - Thank you, Premier.

**CHAIR** - Thank you. Ms Howlett?

**Ms HOWLETT** - Premier, what are the next steps for Brand Tasmania? How will we better promote and protect our Tasmanian brand?

**Mr HODGMAN** - Thank you, Ms Howlett. As I've said, the announcement in October 2017, was in the fact the transition to where we're at now. It has been a significant piece of work for government, led by this agency. It reflects the excellent work done by the Brand Tasmania Council. I pay tribute to past and present members of the Brand Tasmania Council, Mr Hazelwood and current former chair, Mike Grainger, at Pioneering Work.

We were able to secure a unanimous support in our parliament for the legislation that establishes the structure under which Brand Tasmania will operate. It commenced its operations in March of this year, having been established as the statutory authority in accordance with our commitment by 31 March. It is the first statutory place branding authority of its type in the country, which is a significant thing and appropriately so. Our brand is such an important part of who we are and it supports so many of our businesses and our tourism sector. As well, our exporters benefit from the strength and the attributes of our brand.

We've introduced our new CEO. Having provided Brand Tasmania with my statement of expectations on 29 March, which is available on the Brand Tasmania website, and with formalities well out of the way, we've got on with the job of achieving the objectives and the goals of Brand Tasmania. Already in this year, in such a short time, a consultation with stakeholders has commenced and further engagement with Tasmanian communities planned, right across the state.

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The Brand Tasmania board met for two days last week and started work on the development of the strategic plan. They've also started to engage across government. They'll get input from government agencies about the brand perspective. For example, in biosecurity or our GMA status, our tourism brand intersects with the overall brand. That is a really important job for Todd and the team and we wish them well.

**CHAIR** - Following up on your reference to biosecurity, Premier, is it achievable to protect the Tasmanian brand when some things are outside our control, for instance, the blueberry rust issue? That rust had a detrimental effect on Tasmania's brand. My question is probably to Todd. How does an organisation like Brand Tasmania protect the brand when there are forces that will be outside of the control of any organisation, government included, biosecurity included?

**Mr HODGMAN** - I will defer to Todd because we have experts here to help us with the task. I'm sure the minister will speak to the relevant committee about the size, scale and effectiveness of the large biosecurity campaign that was able to avert a very critical situation. There is no doubt it would affect our brand. It did and we needed to take, remedial action to ensure that we did all we can, including in key markets overseas and working very closely with the sector to re-establish the quality of that brand. Our efforts in trying to prevent these things occurring in the first place, are critical. But, as you say, we can't always prevent things beyond our control impacting on our brand. There's a lot we can do, but Todd might give us some insights into how he thinks we could best manage these matters for our beautiful island.

**Mr BABIAK** - Biosecurity is a nice example. We met with Lloyd, the head of biosecurity last week. It was fascinating to begin to understand. Every one or two months, we will meet with Lloyd and others like him who are owners, like all Tasmanians, of the Tasmanian brand. In these early days, we see ourselves as a client-service organisation, as people seek to understand how they can best leverage the Tasmanian brand and express it in their work and protect it together. That's a big part of what we'll do. We're not going to be the voice; what we will do is help people who are the voice, which is all Tasmanians, with whatever they're doing or creating. On the side of protecting, our board takes it very seriously. We will have an entire board committee to identify the key risks to the Tasmanian brand. If you think historically, how have other places used this?

If you remember the volcano in Iceland, they were ready to respond to plumes of ash being sent all over across Europe as the world was watching. This was a negative thing, but as the world was looking at Iceland, they were able to tell their story at an opportune moment. Being prepared for those opportunities is a big part of this.

**Mr DEAN** - Premier, what is local government doing in this area to sell and protect Brand Tasmania?

**Mr HODGMAN** - They're an important collaborator and in many respects, a good example of what -

**Mr DEAN** - I don't see their name mentioned too much. When I read through the papers -

**Mr HODGMAN** - No, they're an important partner. I think it reflects that in the past we've perhaps been less connected into all levels of government, including the national government to support our effort. Again, it's something I know that Todd or Mark who have been engaging and undertaking the community engagement, can talk to.

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**Mr BABIAK** - I worked with the Hobart City Council on its strategic plan, which used place brand techniques. So luckily, we have some connections there and a shared motivation. We will be Launceston in the next week to look at work they're doing on their tourism brand going forward, how we can broaden that for them and how they can plug into our work.

As you noted earlier, we are a small team, so we have to leverage partnerships as much as possible. Giving them an asset they can use makes their work easier and more powerful. This really isn't about Brand Tasmania, it's about Brand Tasmania helping all Tasmanians to bring focus and discipline to their brand work. We take this very seriously.

**Mr DEAN** - We've had the, 'We're moving forward on it'. I would have thought that they would have met with LGAT by this stage, to get them on board as they represent all the council. Has LGAT, met with Brand Tasmania at this stage?

**Mr BOWLES** - Through the Premier, we've established a stakeholder list of key priorities for Todd as the new CEO to meet, so certainly LGAT will be on that list. We have met with the Hobart City Council and talked to them about their branding initiatives, but as Todd's mentioned, there will be a program over the next month of Todd moving around the state and talking to key stakeholders.

**Mr DEAN** - I think that there's a concentration on the south. I'd see the north and north-west as being just as important but it seems that they're being left to last again. Somebody had to be, I suppose, but you sort of wonder why we look at the structure of the board in getting that mix right around the state. I question that.

My next question is that the Chinese have a big interest in this state at the present time with regards to a lot of our produce, cherries in particular. Premier where do they sit with Brand Tasmania and the protection of our brand in China for instance? Just one of them? Or others?

**Mr HODGMAN** - Certainly, Japan as well.

**Mr DEAN** - Japan, yes, absolutely.

**Mr HODGMAN** - When I visited on a recent trade mission, in both countries there's great interest in -

**Mr DEAN** - I was going to get to the trade mission and what you did in relation to Brand Tasmania.

**Mr HODGMAN** - In both instances, the work we do to protect and support our brand as well as back it with the integrity of the quality of our produce is absolutely critical to those export markets. The great advantage we have is our reputation for clean, pristine environments in very high-quality premium-grade product. So, in my recent trade mission to Japan, the work we are doing to establish the authority was a matter of great interest to them, as were other matters including the biosecurity risks that we've spoken about. Our GMO status, our environmental management, our sustainability in other sectors including forestry is as important, so I have no doubt that Brand Tasmania will become an increasingly important part of trade mission activity and also outreach from Tasmania to assure those markets of the integrity of our brand and its values.

**Mr DEAN** - Have there been discussion with them already though? The bills passed; they are in place. We've got things in place. The board's in place. Have there been discussions with the

Chinese and the Japanese on Brand Tasmania and the critical nature of it and the importance to this state?

**Mr HODGMAN** - Yes, very much so. We proactively communicate to them what we're doing to support our producers, for example. Similarly, they have great interest in inquiring from us as to what we're doing to avert any biosecurity issues to protect our brand to be able to assure their customers of the integrity of our product. These matters are very, very important to consumers in Asia. It is certainly is a central part of what the Government is doing, not just through Brand Tasmania but also through the Department of State Growth and our trade mission activity. I know we will talk a little more about trade a little later, but it is very much a key part of the pitch that we put to our markets and trade partners, but also similarly something that they will inquire about as well. They need assurances and Brand Tasmania, under this legislation with a statutory authority, will be much better placed to provide those quality assurances in those markets.

**Mr DEAN** - My next question is on biosecurity. We are currently working through the biosecurity bill in our place. Premier, is Brand Tasmania satisfied that the section within that thick bill will give the appropriate support to Brand Tasmania and the protection of Tasmania in that regard.

**Mr HODGMAN** - I'm not sure if Todd's had a chance to read that in the few days he's been here yet.

**Mr DEAN** - This bill is currently going through our place. I would have thought that Brand Tasmania ought to be looking at it to make sure that they're comfortable with it.

**Mr HODGMAN** - No doubt.

**Ms GALE** - As part of developing the bill, you'd be aware that there is consultation across all agencies, which included DPAC. That brand lens was put over that as we provided our feedback. Obviously, Brand Tasmania, although it commenced earlier this year, is just getting the staff on board now, so that would have been DPAC's responsibility to do that.

## **7.1 Safe Homes, Safe Families**

**CHAIR** - Thank you. Premier, there are no other questions in this output group, so we will move on. We thank those at the table and invite your team that supports you for output 7.1, which is 'Safe Homes, Safe Families'.

Thank you and all the best Todd and Mark.

Premier, we see we have a change of personnel at the table. I ask you to introduce them.

**Mr HODGMAN** - Mandy Clarke is Executive Director of Standards and Performance in Communities Tasmania and importantly one of our lead officials on the Fight Family Violence Action Plan in government. She coordinates our efforts and assists us in delivering.

**CHAIR** - Do have some key points that you'd like to share?

**Mr HODGMAN** - I'm happy to answer questions. I have some key points that I would welcome the opportunity to make.

Action to address and eliminate family violence remains a top priority for the Government. We allocated \$26 million over four years. We've made significant progress in delivering the 23 actions across three priority areas. In addition to ongoing service delivery in 2018, we undertook a review of the Family Violence Service system to provide a comprehensive way forward, the next steps, to eliminate family violence.

It was always our intention and expectation that we would need to constantly review our actions. The Family Violence Service System Review included evaluation of each of the 23 actions under Safe Homes, Safe Families. It identified evidence of strong service delivery under Safe Homes, Safe Families. The 2019-20 Budget commits a further \$27 million over three years to fund the single combined Family and Sexual Violence Action plan, which will commence on 1 July. This includes funding for ongoing delivery of the most current Safe Homes, Safe Families actions, an additional \$6.6 million for new family violence and sexual violence actions. It certainly reflects a long-term commitment to our community and the new combined family and sexual violence action plan to build on the important work that we've achieved to date.

**CHAIR** - Thank you, very much, Premier. I invite Ms Siejka to ask the first few questions.

**Ms SIEJKA** - Can you confirm that the Assistance Service Review called for an increased investment in primary prevention? What funding are you allocating to primary prevention? Who will provide for that work?

**MS CLARKE** - Yes, primary prevention was an identified need as part of the review process and there is an increased investment in primary prevention. The new plan will be released by 1 July. The detail of that action will be in the new plan.

**Ms SIEJKA** - So there are no figures at this time.

**Mr HODGMAN** - No, not as yet. But they are not far off.

**Ms SIEJKA** - Not far off. I'm wondering what is the cost of the Safe Families coordination unit? How many people have been supported through the unit? What are the outcomes for victims most recently?

**Mr HODGMAN** - Thank you for the questions. It is a literally a central part of the plan in bringing our government agencies together in statewide units to provide timely responses, ensure we have the best available information from across government and the broader community to collaborate in our efforts to identify families at risk and hold perpetrators to account. Under the new plan, which is due for release shortly, the coordination unit will receive additional funding to provide increased support to non-government schools and to support better data collection, building the evidence-base for targeted responses to family and sexual violence. From 1 July 2018 to 31 March, the coordination unit completed the following: 4685 family violence reports reviewed; 196 families identified as high risk and assessed through the mapping process; 2557 children identified as affected by family violence; and 1808 notifications sent to and attended on schools - 1795 to government schools, and 13 to non-government schools; and 187 priority family violence perpetrators were assessed. The coordination unit was allocated approximately \$5.8 million and, as I say, under the review its funding will be increased.

**Ms SIEJKA** - By how much is it to be increased?

**Mr HODGMAN** - It's still in the late stages of development.

**Ms SIEJKA** - Will that be in next year's budget? I mean, we have the Budget for this coming year -

**Ms CLARKE** - Through you, Premier - the new action plan does allocate, as the Premier indicated, additional money to the Safe Families coordination unit. That is included in the budget figures.

**Ms SIEJKA** - But you haven't got a breakdown of what that will be yet?

**Ms CLARKE** - No, not at this point.

**Ms SIEJKA** - Are there any particular outcomes for victims that you can highlight?

**CHAIR** - Premier, while they're searching for that answer, can you tell us whether there'll be an efficiency dividend required in this department as well?

**Mr HODGMAN** - Yes, there certainly will be across all government agencies. That will be a matter determined in collaboration between ministers and their agencies who are now undertaking work to determine where we can make savings and efficiencies to improve our services for Tasmanians without impacting on our frontline public servants. We are looking to things like travel consultancies, supplies, consumables, advertising, and as has previously been the case. We're there is an opportunity for natural attrition in our public sector or people can be redeployed into areas where they are of more value to our community or indeed may seek a voluntary incentive program to relocate. We will obviously engage those options as well.

**CHAIR** - I'm sure we'll have more time to talk about that later. I wondered if this agency was expected to provide savings, given the type and nature of work they undertake. It would be a sad day to see them lose staff.

**Mr HODGMAN** - This is a priority area for government that's well-understood.

**CHAIR** - Sorry, I'll let you get back to the question at hand.

**Mr HODGMAN** - Obviously, with the commitments we've made and the very innovative approach to family violence, I'm assured and aware of the significant progress we have been making. I'm conscious also of the additional reporting that has occurred, as we expected it would, but I can advise the committee that under Safe Homes, Safe Families, there's been a decrease in the number of reported high-risk family violence incidents. Students affected by family violence are getting better support. Aboriginal families have greater access to culturally appropriate support. Victim survivors have greater access to counselling services and practical support. There's more crisis accommodation and supported housing options available to those affected to family violence.

Perpetrators are obviously dealt with by the law, but they're also more supported to address and to change their violent behaviours. Young people are being taught and are learning about respectful relationships and this is part of our driving towards a zero tolerance of family violence. Our legislative responses to family violence is now much stronger. Impacted people and families have greater access to legal support advice. Our largest employer, the State Service, has taken significant

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action to support staff with leave entitlements and provisions where family violence is a demonstrated issue, victim survivors can also have family violence injuries documented by a specialist forensic nurse examiner giving police and the justice system the best possible chance of convicting perpetrators.

They are the headline outcomes from the plan and they're well-supported by the work that's been done in the budget and also the efforts of those who work within the system. Since 1 July 2016 to 31 March 2019 there's been a significant increase in mapping of high-risk family violence incidents, state-wide rollout of safe choices has provided support and information referrals to 792 clients, so they are the victims and fleeing family violence. I can break down a lot more of the detail, if you have specific areas of concern.

**Ms SIEJKA** - That's okay. I just had one more question back on the unit. I am a little bit confused. So the budget's come out, the plan's coming out, and I know that at this time of year much smaller sums of money are already allocated in budget. So I'm just confused as to why, even at this time of year in Estimates, you can't say what's going to be allocated to the unit.

**Mr HODGMAN** - It really is a timing issue where work is underway and well-advanced on -

**Ms SIEJKA** - But there's clearly money set aside for it.

**Mr HODGMAN** - In anticipation and as a demonstration of our commitment to provide a response where we know there is a demand and a need, but I don't want to impose upon our experts in this area and who are delivering this plan to rush in making a final determination and an allocation of our funding priorities before they're able to do so. We regularly meet and in recent weeks have had our cabinet subcommittee meet to discuss the issues and to understand fully what our priorities are and how they can best be funded, and we are very close to arriving at that point. I'm sure when the next iteration of the plan is released, there'll be full clarity around our funding allocations and our increased resources. Does that cover things?

**Ms GALE** - Planning is well underway, it is just that we haven't reached the final plan yet, and so therefore reluctant to indicate any indicative funding in case that changes as a result of the final plan being approved.

**Ms HOWLETT** - Premier, what about sexual violence? What work has been done on this and has any funding been allocated in this budget and across the forward estimates?

**Mr HODGMAN** - You may have noticed in my earlier remarks where I highlighted the important and tragic issue that is also sexual violence being a critical part of our Family Violence Action Plan has been a significant shift in focus. It's not something that government was unaware of but requires also, tragically, our increased efforts. In addition to the Family Violence Action Plan, which has been well-recognised as nation-leading, we were able to engage with other stakeholders, particularly women and children whose lives had been changed by the plan but also to ensure that there is a wider family violence service system available in our state.

We began last year a review, a whole-of-government review of sexual violence in our state, and as a result of our collective reviews and combined efforts, I'm pleased that in this year's budget, the 2019-20 budget, there's a further \$27 million committed over three years to fund the single Combined Family and Sexual Violence Action Plan. We will announce this shortly. The full details of how that can be best allocated is a work in progress and well advanced, but the combined

approach, I am advised, is based on findings from the reviews but also contemporary research and best practice evidence.

The new Family and Sexual Violence Action Plan will operate under the existing governance structure established under Safe Homes, Safe Families, including a family violence cabinet committee, a family violence cabinet steering committee an across agency working group and the wider family violence consulting group. Additional funding will allow us to build on the important work we've done over the past four years but also include a more targeted response to family and sexual violence.

**Mr WILLIE** - Premier, the first Family Violence Action Plan included the Respectful Relationships program in schools. That's being developed. Can you guarantee that that's being rolled out in full in every school, and what accountability is there around that program?

**Mr HODGMAN** - It is an important support to students to build healthy and respectful relationships and address attitudes and behaviours that lead to family violence. It's a multi-generational challenge ahead of us. The best place is often to start with our youngest, and that's the motivation for getting the program out and into our schools. The package includes an extensive range of resources to support schools. It was implemented in all Tasmanian Government schools by the end of Term 1 2018. Development and delivery of the package was allocated \$355 000 over four years. The Department of Education developed the Respectful Relationships Education Package as a holistic whole-of-community approach. It's informed by evidence, curriculum focused and strength basis. Is there anything else?

**Mr WILLIE** - So it's rolled out in full in every school?

**Mr HODGMAN** - Yes. My advice was that it was implemented in all Tasmanian government schools by the end of Term 1 2018.

**Ms ARMITAGE** - Premier, I noticed on the DPAC site that following an initial spike during the first year of Safe Home, Safe Families, a number have reported family violence, arguments and incidents that were similar in 2015-16, and 2016-17. Do you have the figure for 2017-18 of the arguments, the incidents and the total? The same for the police family violence orders and the family violence orders issued.

**Mr HODGMAN** - The number of family violence incidents and arguments reported in 2017-18 was 5605.

**Ms ARMITAGE** - So it's increased.

**Mr HODGMAN** - Yes.

**Ms ARMITAGE** - I thought I heard you say earlier that reporting family violence had decreased?

**Mr DEAN** - Serious - you said serious family violence.

**Ms ARMITAGE** - I'm sorry.

**Mr HODGMAN** - Right, that may have been an element. Yes.



**Ms ARMITAGE** - Okay, right.

**Mr HODGMAN** - Yes, and there are categories -

**Ms ARMITAGE** - There are normally. In 2016-17 it was 5154 and now it's 5605.

**Mr HODGMAN** - Yes. The number of family violence incidents reported across all regions similarly increased to 3377 up from 3149. The number of young people being present at an incident has increased. This year, or in 2017-18, to 1871, that's up from 1787. I can go through them all, if you'd like.

**Ms ARMITAGE** - Maybe you'd like to table it?

**Mr HODGMAN** - We can, yes.

**Ms ARMITAGE** - That would be easier for you.

**Mr HODGMAN** - I can certainly do that.

**Ms ARMITAGE** - One other question. When you were talking about 'across all regions', do you have a breakdown of regions?

**Mr HODGMAN** - Yes.

**Ms ARMITAGE** - Is the reporting of family violence occurring more in one region than another, or is it pretty well balanced across the three regions?

**Mr HODGMAN** - Basically, across the south it has remained relatively consistent. Across the north, there's been a more significant increase from 828 last year to 922 this year, but from 799 in 2015-16. Whereas the net change in the south is 13 victims. In the north, it's gone down and then back up again. I can table that breakdown. It's remained relatively consistent, sadly.

I stand corrected on anything earlier I said that may have misled you to think that it may have been in relation to the serious breaches only.

**Ms ARMITAGE** - It may be that people are now reporting more than they did.

**Mr HODGMAN** - I don't say that to indicate that we're not making - well, we are making progress, but we aren't reducing the incidents of family violence. It certainly continues. We're more aware of it.

**CHAIR** - Perhaps they're reporting more.

**Mr HODGMAN** - Exactly. I don't want anyone to think that we're necessarily getting on top of this, which is why we've another major commitment to the second plan.

**Mr DEAN** - I want to go straight into that area. The police have already broken down this area to family violence incidents and family arguments. Yet we hear again, it's been broken down again from that to serious family violence incidents. I'd like to know what constitutes family violence,

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which police have broken it down as, as opposed to arguments. What constitutes a serious family violence incident?

**Ms GALE** - Premier, through you, that's a matter for the police. We would need to take that on notice to understand what they consider as serious family violence.

**Mr DEAN** - I'd certainly like to know. They don't refer to that in their annual reports at all. They simply refer to 'family violence incidents'. Then the numbers are steadily increasing and the family violence arguments are increasing as well. As the member for Launceston mentioned, it could more people reporting.

Premier, where is the evidence to show that more people are now reporting? There is no evidence that I can find anywhere to demonstrate and support that to answer the fact that we're having more incidents committed.

**Ms GALE** - Through you, Premier. As part of the Family Violence Service System Review, we looked to put a data analyst capacity into the Safe Family's Coordination Unit, the police-led unit as we've talked about earlier. The data analyst has only just started over the last three months. Certainly, when we look at that data the indication to date that's being presented through incidents and arguments is leading us to believe that a number of those incidents and/or arguments are people who have presented for the first time. They've not actually been in the system. At this point, I don't think that data is mature enough for us to be able to be satisfied and very confident that that is exactly what it's telling us. It's pointing to that at this time. We need to allow the data analyst to complete their work for us to be able to make some confident conclusions.

**Mr DEAN** - Premier, how can it point in that direction as more people reporting, simply because we've got new people reporting it? It may well be that these crimes are being committed on these people for the first time. We've got first time offenders. So how can we extrapolate that? Because new people are reporting it? How do you make that statement?

**Mr HODGMAN** - Yes. It's a valid question. As per the previous answer, we get a data map. We're able to modify -

**Mr DEAN** - My concern, Premier is that if we continue to look down this path and the police have told us this for the last 10 years, it's more likely more people might be reporting family violence if we continue to go down that path. Are we ever going to accept that it is increasing and we need to do more about it? That's my real concern in this area.

**Mr HODGMAN** - We certainly accept that.

**Mr DEAN** - I'd like to get some answer around that.

**Mr HODGMAN** - Yes, and what's behind this.

**Mr DEAN** - My other question relates to the coordination unit. I think the coordination unit has 3000 plus cases. What has come of the reviews? What changes have we seen as a result of all of these reviews being undertaken? It's all very well to review but if nothing comes of it, why do it?

**Mr HODGMAN** - We'll have a whole new plan with different approaches to targeting these issues. I expect improved responses to that. A large number of reports are reviewed to inform and target our responses to assist victims, to identify perpetrators.

**Ms GALE** - Premier, through you. Each one of the actions in the Safe Home, Safe Families area is targeted as support for those families that are reporting. There are 23 actions that are in place. When those reports and reviews come through the Safe Families Coordination Unit, then the appropriate action is put in place for those families. Some of them may well be through the support for children in government and in non-government schools. There is adult counselling, there's crisis accommodation, perpetrator programs - and practical supports for supporting victims and survivors of family violence to remain in their homes when it's safe to do so. For example, we have a program that provides access to security upgrades for women and children experiencing family violence, so that they can remain safely in their own home or a home of their choice. Each one of the actions is available for those families that present through the Safe Families Coordination Unit.

**Mr DEAN** - What are the 23 actions? In relation to the review process, how many repeat offenders have been involved? After the reviews and further discussions, have there been any further incidents within those families?

**Ms GALE** - I'm not sure that we have that level of detail in the data. Mandy is looking to see whether that's there. In relation to repeat programs, we have new and extended programs to reduce offending by family violence perpetrators. We have new and extended programs to reduce offending by family violence perpetrators, so we have access to rehabilitative services and programs if that's necessary, and we believe that is necessary to achieve that long-term change that you've been referring to. We have things like a telephone counselling and referral service. It's called the Men's Referral Service delivered by 'No to Violence'. We have behaviour change programs being delivered in the community. We have also those programs being delivered in a corrections' setting, for example, and an extended health and criminogenic needs assessment service for perpetrators, so for those people who are repeat offenders, then they are the types of programs that we put in place to try to modify, I guess, their behaviour.

**Mr DEAN** - I hear all of this all the time; I've been hearing it for the last 20 years. Where is the evidence, Premier, to show that any of this is working? That's what I want to be told. I want to know where all of this activity is working. Where is the evidence to show that it is working? If I could be satisfied of that I can accept it, but if I can't I won't.

**Ms GALE** - Much of the evidence that we have is anecdotal, apart from the reference made before to improving the data analytics which we are going to do. The anecdotal evidence comes from our schools and our workplaces, from the stories about women who are feeling safer, and perhaps, Mandy, you would be able to talk about the interviews that were conducted recently in terms of the anecdotal evidence that we have.

**Ms DENBY** - The review actually engaged with approximately 500 people with lived experience which certainly gave us some insight from a victim/survivor perspective. We also engaged with over 70 organisations, and/or government departments, which involved about 810 people. I think the actions themselves since the development of the first plan have also matured and we have become more educative around dealing with this issue, but particularly through contemporary research, that continues to grow, as does evidence practice research through national research bodies that have now been invested into this issue.

We have also learned from other jurisdictions and the approaches that other jurisdictions have taken, and also the learnings from the Victorian Royal Commission which has occurred subsequently since the first plan was introduced. So we've taken that into account as well in those learnings, and I think the actions to date also align with national activity and things that are occurring across the country collectively with the necessarily technical experts about in actually dealing with the challenges and complexities of the issues. The review also engaged with some round tables which involved about 150 people also in relation to particular topics. That's how the new plan has been developed, and that's where some of those actions have come from and where some of the new activity will be drawn from as well.

## **Output Group 1** **Support for Executive Decision-making**

### **1.1 Strategic Policy and Advice**

**CHAIR** - Premier, we'll now move to - unless you have something you want to share.

**Mr HODGMAN** - No.

**CHAIR** - Okay, but you will take some figures on notice?

**Mr HODGMAN** - Yes.

**CHAIR** - Perpetrators? Is that the one?

Premier, I invite you to head to Output Group 1, Support for Executive Decision-making, and the first line item is 1.1, Strategic Policy and Advice. Have you got anything on that, Mr Dean?

**Mr DEAN** - Yes.

**CHAIR** - Good. Thank you. This is where you will probably provide an overview, Premier.

**Mr HODGMAN** - I'm happy to go straight to questions. We're joined by Melissa Gray from DPAC. I'm happy to provide a brief overview if you'd like. I'll just give you some things to perhaps provoke some discussion and questioning.

Over the past 12 months, DPAC and its policy division has been working with other government agencies to deliver on a number of key priorities, including supporting a whole-of-government response to the national drought agreement; disability and aged care royal commissions; national school reform agreement and funding agreements for Tasmanian schools; Skilling Australians fund agreement; the National Disability Insurance Scheme, full scheme bilateral agreement; supporting the finalisation of the Hobart City Deal noting that we'd already got the Launceston City Deal by then; progressing our strategic priorities including establishing Brand Tasmania; jobs MOU between the TCCI and TasCOSS and establishing a strategy and engagement unit; as well as supporting the review of Tasmania's Electoral Act.

Priorities for the year ahead include leading our negotiations for a new five-year national health agreement supporting the implementation of the Hobart City Deal; leading the implementation of the NDIS; supporting the next steps to progress Project Marinus, the second Bass Strait interconnector; monitoring federal election commitments; making sure they're all delivered and

monitoring implementation of those commitments; and continuing to support Cabinet decision-making high quality analysis.

The output revenue has increased from \$4.228 million to \$5.602 million in 2019-20 and it's increased as a result of funding for a function dedicated to strategic engagement across government and externally offset by the transfer of funding to the Brand Tasmania Authority.

**CHAIR** - Thank you, Premier.

**Mr DEAN** - Perhaps you might outline a bit more about the new five-year national health agreement that you're working on because we're not faring too well in that area. I was wondering what we're doing.

**Ms GALE** - Premier, through you, that agreement is being negotiated at the moment through the COAG processes, so there's no information available about the nature of the agreement at this point in any detail that we provided. You're probably aware that those things are negotiated over time, and those discussions are continuing with the Commonwealth.

**Mr DEAN** - Wouldn't we have our position fairly clear, though, as to where we were going with that?

**Ms GALE** - So that's a more detailed question that we would need to get advice from the Department of Health. We work with them. We coordinate the meetings with the Commonwealth and so on, and all of that type of thing, but the actual detail would need to be obtained through the Department of Health.

**Mr DEAN** - Okay. So that will come obviously at the appropriate time?

**CHAIR** - Today.

**Ms GALE** - Yes.

**Mr HODGMAN** - So the nuts and bolts of all of these agreements developed by relevant ministers and their agencies, DPAC has an important whole-of-government lens that we apply across them as well as facilitating their execution, so to speak, or not, at a national level and negotiations.

**Ms GALE** - We have a set of high-level principles that we apply across all of the agreements but the actual detail is done with the line agencies.

**Mr HODGMAN** - So obviously aligning with our core objectives, minimising bureaucracy and administrative costs, minimising GST impacts, for example.

**Mr DEAN** - Yes, just so I understand the process, so the process would come from the department and I suppose it would come into the Cabinet for a Cabinet discussion.

**Mr HODGMAN** - Yes.

**Mr DEAN** - And it comes out for the further discussion. Right?

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**Mr HODGMAN** - Yes, any ratification of a national agreement would go through Cabinet. A number of them are signed off, so to speak, by me with the support of DPAC - some aren't - but DPAC provides, as I say, a helicopter view of some of the broader issues ensuring accountability and risk management.

**CHAIR** - Do you want to table that, Premier.

**Mr HODGMAN** - Actually, yes.

**Ms GALE** - Premier, so we're putting on the table the Commonwealth state agreement approval process for members' information.

**CHAIR** - I'm sure they'll rush home and read that for homework.

**Mr DEAN** - Premier, there is an increase, I think, in the Budget provided for strategic growth initiatives, the increase is almost I think \$1.5 million if I'm reading it right and it then grows over the next three years. Can you explain what extra activities and work and why that growth is in the budget?

**Mr HODGMAN** - Yes, it's as per my earlier advice to the committee. The funding for a function dedicated to the strategic engagement across government and externally, but also offset by the transfer of funding to the Brand Tasmania Authority. I can explain in more detail what these elements are. Is there a person to explain the reconciliation of that if needed?

**Mr DEAN** - Yes, if I can have further information because it says clearly that there's an increase to this area. Are you saying that a part of that funding has been transferred across to Brand Tasmania? Is that it?

**Ms GALE** - Yes, that's right. Through you Premier, the increase is the additional allocation for the strategic growth framework for strategy and engagement, but that's offset by funding coming from DPAC which was \$400 000 across to the new Brand Tasmania Authority because they will be responsible now for their own budget and expenditure and so on.

**Mr DEAN** - I'm obviously having difficulty with understanding.

**Mr WILLIE** - So the \$1.5 million, just on that, is reflective of the TasCOSS budget submission, is that - not the dollar amount but that's the initiative?

**Ms GALE** - So the \$1.4 million per year is for the strategic growth initiative.

**Mr WILLIE** - So as per the TasCOSS budget submission?

**Ms GALE** - So are you talking about the jobs -

**Mr WILLIE** - They had a strategic or an inclusive growth strategy that they put to the Government. It had a bigger dollar amount. It's not that?

**Mr HODGMAN** - It's not to fund that, no.

**Mr WILLIE** - No. Okay. Bits of it, but -

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**Mr DEAN** - Just so I understand, sorry, the Budget identifies and I go pick up the Brand Tasmania again, I think one point something million dollars to Brand Tasmania, so that was specifically identified within the Budget to then. Are we talking about additional moneys in this lot going to Brand Tasmania as well? Is that what we're talking about?

**Ms GALE** - So there was a previous allocation of \$400 000 which DPAC was managing because of the transition program. That money now is subsumed into the budget for Brand Tasmania.

**Mr DEAN** - But they've got their own budget, \$1.4 million or whatever it was.

**Ms GALE** - It's gone from DPAC's budget into the Brand Tasmania budget -

**CHAIR** - Well, why hasn't yours gone down?

**Ms GALE** - Because we no longer have responsibility for Brand Tasmania.

**CHAIR** - Well why has the line item budget gone up instead of coming down then?

**Mr DEAN** - That's right, I would have thought it would come down \$1.4 million.

**Ms GALE** - For DPAC?

**CHAIR** - Yes.

**Ms GALE** - Because of the addition for the strategic growth funding. They're both in there. It goes one in and one out and then amount coming in is higher than the amount going out.

**Mr DEAN** - So the strategic growth funding is for what again? Just explain that to me.

**Mr HODGMAN** - Yes, all right. This is a new initiative that we're implementing and which I've spoken to previously about wanting to ensure that our economic growth is something that's more participated in by Tasmanians across our state in all regions in key areas of disadvantage, whether it be youth, unemployment or long term unemployed. It's designed to ensure that we break down any barriers to employment: whether it be transport, health and wellbeing of a person, their ability to get to education or to training. So that we are working collaboratively with non-government organisations, which does include TasCOSS -and whilst the submission to which the member for Elwick referred was well received by government and it's the same concept - we need to be more coordinated in ensuring that the \$3.6 billion infrastructure program we've got is meeting and making opportunities for younger Tasmanians and Tasmanians of any age to get work through that infrastructure build. We are working with non-government organisations, not just TasCOSS, but the TCCI to improve transport networks.

There are some budget commitments already in train to do a lot of these things, but we need to apply a more strategic approach to how we plan for skills shortages, for work in regional areas. There will be a lot of work done, not only in investigating and implementing initiatives in those areas, but also getting our data set right. We've got regional data profiles, working with local government authorities, forecasting current and future job projections, population and settlement trends and so on and also participation rates and requirements so that we can have that pipeline of

skilled workers to match to job opportunities. The initiatives, as I say, complement a number of new and existing policies. We do have a \$4.1 million partnership with TasCOSS and the TCCI and that's rolled out in regions across the state, in Derwent Valley, Sorell and Southeast Break O'Day and West Coast. We've got a jobs action plan overarching that and that's had some significant success in getting 431 people to employment and training related outcomes for them.

The approach, the initiative, will be governed by a strategic growth committee of cabinet to oversee the development and implementation and monitoring of this whole-of-government approach and there'll be more allocations coming through that process into future budgets. I sit on that along with the Treasurer and other relevant ministers or heads of agencies working together. We've also committed to establishing consultative committees of key industry sectors, community and organisational stakeholders, local government, the TCCI, TasCOSS, the university and to literally make sure that the economic growth and prosperity that's being enjoyed in some regions or parts of the state is enjoyed by all.

**Mr DEAN** - The efficiencies and so on will be met within this department as well, I take it, that they are.

**Mr HODGMAN** - Yes.

**Mr DEAN** - Will those efficiencies be picked up by what I think are changes in consultancies and all of those areas? What's likely to be picked up? Do you have any idea at this stage? Is there a target, say, within this department for what you want to get back?

**Mr HODGMAN** - The agency will commence work now on identifying the savings which will, as you say, focus on consultants, travel, transport, advertising and promotion expenditure. There is also the opportunity for natural attrition in the public service and targeted vacancy control. We are certainly committed to ensuring that the frontline essential services that Tasmanians need and to minimise any impact on service delivery. We have an efficiency dividend rate of 0.75 per cent across government expenditure which is less than efficiency dividends in other jurisdictions across the country and it's an important part, in my view, of what government should be doing to ensure the budget remains in good shape and we're able to better target our resources and our personnel to deliver the best results for Tasmanians.

Just by way of context, last year New South Wales increased its efficiency dividend from 2 per cent to 3 per cent. The Commonwealth has an efficiency dividend of around 2 per cent. The Northern Territory has one at 2 per cent. The Victorian government in its last most recent budget has had to implement similar strategies to ensure that its budget remains in good shape and this of course in the context of a \$535 million write down in GST receipts and conveyance duties which we need to budget for.

Agencies will commence the work of identifying savings strategies and they'll be ratified in due course by Cabinet.

**Mr DEAN** - So when would Cabinet expect to receive these efficiency returns to the Government?

**Mr HODGMAN** - We expect to announce publicly in parliament our savings strategies in the second quarter of the new financial year, end of this year.



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**Mr DEAN** - So could I be given a list - an understanding of the moneys spent on consultancies this current year; and travel and all of those areas that fit within the area that you are currently targeting - and then, Madam Chair, that's it.

**Mr HODGMAN** - Certainly.

**CHAIR** - Premier, can I take you back to the output group on page 215 of budget paper. I'm not an accountant but my reckoning is that Brand Tasmania has a permanent funding allocation in this year's Budget for \$143 200 000, yet there's an increase in this strategic policy and advice area. It's gone up. This year's Budget is \$5 602 000 from \$4 228 000, which is an increase of \$1 384 000. How does that show me that this strategic policy and advice area has forwarded on to Brand Tasmania the \$400 000 plus the additional \$1 million, yet they've still got an allocation of \$5 602 000.

**Ms GALE** - Through you, Premier - if you look at the footnote at the bottom of the consolidated -

**Mr DEAN** - Page 217, is it?

**Ms GALE** - I've got a separate one. If you look at the footnote at the bottom of table 9.2 -

**CHAIR** - It states:

The increase in strategic policy and advice primarily reflects funding provided for the strategic growth initiative, partially offset by a decrease relating to funding transferred to Brand Tasmania.

which is the \$400 000 you told me.

**Ms GALE** - That's correct.

**CHAIR** - But why has the budget been increased by \$1.38 million, regardless of that?

**Ms GALE** - For the strategic growth initiative as per the footnote. There is \$1.4 million allocated now for the strategic growth initiative which is the growth in the DPAC budget line. It's decreased by the \$400 000 that has been transferred across to Brand Tasmania, which now has a new section in the Budget - I am not sure what the page number is in yours, but it is -

**CHAIR** - Page 4.

**Ms GALE** - Page 4, Brand Tasmania.

**CHAIR** - In the other?

**Ms GALE** - That's correct; and the \$400 000 has been subsumed into the \$1.4 million for Brand Tasmania.

**Mr WILLIE** - Just while we're talking about that if I may, Chair? Is the \$1.5 million a continuation to the job action package with the TCCI and TasCOSS?

## UNCORRECTED PROOF ISSUE

**Ms GALE** - No, it's not.

**Mr WILLIE** - So that's been discontinued and this is a new -

**Ms GALE** - Through you, Premier, it hasn't been discontinued. We're halfway through a four-year program and that will continue for the next two financial years.

**Mr WILLIE** - But the funding is elsewhere in the Budget?

**Ms GALE** - The funding continues, so the footnote reflects the additional funding going on for the strategic growth.

**Mr WILLIE** - Thank you.

**Ms SIEJKA** - While we're on consultants, I am interested in consultants across the whole agency, if that's possible?

**Mr HODGMAN** - Yes, I can provide that. The department entered into 14 consultancy contracts valued at \$5 million or more in the 12 months to 31 March 2019. The total value of these contracts is \$1 486 757 million. Eleven contracts representing 79 per cent of all contracts were awarded to Tasmanian businesses. The total value of these is \$1 084 907. This is 73 per cent of the total value of contracts.

Four of the contracts awarded during the year constitute standing contract arrangements resulting from a single procurement process, specifically the Energy Efficiency Expert Panel appointed by the Tasmanian Climate Change Office to carry out energy efficiency building audits. All of these contracts were awarded to Tasmanian businesses. Procurement for all contracts was conducted in accordance with the applicable Treasurer's instructions, including instruction 1119 by local policy.

Tasmanian businesses are encouraged to participate in the department's procurement processes. Successful service providers are identified based on total weighted scoring achieved across all evaluation, resulting in the identification of the service provider best representing value for money to the state. Information regarding consultant costs is routinely disclosed on the department's website.

**Ms SIEJKA** - Is the agency expecting to engage any consultants in this financial year coming forward?

**Ms GALE** - Through you, Premier, part of our decision-making as we produce our plan for the savings will be what we will and we won't be putting out to consultants

**CHAIR** - Are external recruitment agencies included in the consultants or are they a separate line item?

**Ms GALE** - Through you, Premier again, the contracts referred to are those over \$50 000. If recruitment companies are used, it is likely that they would be under that amount, so not in relation to -

**CHAIR** - Have we got a cost of those?

**Ms GALE** - We would need to take that on notice.

**CHAIR** - I am happy for you to take advertising on notice as well.

**Ms GALE** - No, we have advertising.

**CHAIR** - You do have advertising?

**Mr HODGMAN** - Yes.

**CHAIR** - Thank you.

**Mr HODGMAN** - Advertising: the total advertising expenditure to 31 March was \$875 019. This comprised \$797 925 in campaigns and \$77 094 in non-campaign advertising. I can explain the difference between those. There were a number of one-off awareness campaigns in this financial year, including: bushfire thank you events; TasAlert promotion; Tasmania Brand Story; housing campaign; total fire ban; meningococcal campaign; short-stay accommodation rules; wage agreements campaign; and more detailed breakdown on other advertising forms including via Facebook, advertisements in our newspapers.

**CHAIR** - Thank you.

**Mr HODGMAN** - I can speak more to the specific campaigns.

**Mr DEAN** - That document's been tabled, those consultancy -

**CHAIR** - No, we're getting the other advice.

**Mr WILLIE** - When you say Tasmanian businesses concerning consultancies, do you mean businesses that have headquarters in Tasmania? If not, how's that defined? If a global consultancy firm has an office in Tasmania, does that mean it is considered a Tasmania business?

**Ms GALE** - It would be under the Treasurer's Instructions.

**Mr WILLIE** - So yes.

**Ms GALE** - We provide you with the Treasurer's Instructions.

**Mr WILLIE** - Okay. Just take that on notice.

**Mr HODGMAN** - Yes, okay.

## **Output group 2, Government Processes and Services**

### **2.1 Management of Executive Government Processes**

**CHAIR** - Moving to output group 2, Government Processes and Services and 2.1 is the Management of Executive Government Processes. Sounds very official.

## UNCORRECTED PROOF ISSUE

**Ms HOWLETT** - Premier, I noticed in today's paper that there's been a recent development to the Football Tasmanian Board and the AFL project team that is currently being put together. Could you please provide us with some details about that?

**Mr HODGMAN** - I welcome the opportunity because I know it is an issue of great interest to our whole community, as indeed it is to government.

A lot of work is underway to ensure that first and foremost, and most importantly, Tasmania's football community come together and address grassroots football needs and increased participation in this sport, along with other sports across our state for the obvious social and health benefits of so doing, noting the decline in participation rates in the great game of Australian Rules. We also want to ensure that Tasmania is best placed to be more positioned when we're able to secure a licence within the AFL for both men's and women's sides. I am pleased that we've been able to secure a very high-powered team of business and football leaders, appointed to help us in this effort to build the case for a team of our own. The project team will be chaired by founding CEO of Virgin Australia, and National Tourism Industry Leader, Brett Godfrey. He'll be joined on the project team by former Woolworths CEO and great Tasmanian footballer, local footballer, Grant O'Brien.

We have local football membership through football Tasmania board member and Lauderdale Football Club President, Julie Kaye, our prominent Tasmanian business identity, Erroll Stewart is part of the team. We were able to secure, fortuitously through the recent appointment of Tas Racing CEO, Mr Paul Erickson, who's previously the former GWS Giants Chief Financial officer. The executive chairman of dynamic sports and entertainment, James Henderson, a Tasmanian with very strong connections into the football community will also be part of this team. Collectively it represents decades of experience at the highest levels of Australian business together with extensive experience in football, which is obviously important. It's a team very well equipped to demonstrate to the AFL Commission of our capacity to be included within the national competition. I do not believe it can be called a national competition until it has a Tasmanian team in it. We need the team.

To support our efforts at not only a sporting level and there are many great Tasmanian footballers who want to assist us in our efforts including past and present greats. We will certainly enlist their support. There is a need to have a high-level corporate governance structure around our team which we'll consult with the Tasmanian community, football community, the Football Tasmanian Board, the AFL, across government to develop a business case, which we hope will be done by the end of the year. This would include consideration of governance and organisational structures, club support, membership, financial requirements including estimates of revenue and expenses. Corporate and government support, infrastructure, facility and capital requirements and football community pathways and they'll also provide advice on the most appropriate organisational structure to progress the bid. This would include the establishment of an entity to take ownership of a future license and there is an allocation within the budget of \$150,000 support the project team to complete its work.

**CHAIR** - Premier, in this output group, it talks about official visits to Tasmania and there's a table. We've only had 10 official visits in the last two financial years, but there's a target of 13. Are we trying to attract some official visitors to Tasmania or do we have some potential increase in number coming up?

**Mr HODGMAN** - Fifteen are proposed for 2018-19.

**CHAIR** - It's 13 in the papers, but that's fine.

**Mr HODGMAN** - So that's - well, it's -

**Ms GALE** - The targets -

**Mr HODGMAN** - We've got, yes?

**Ms GALE** - Sorry.

**Mr HODGMAN** - Yes. Proposed. So as to the discrepancy, I'm not sure.

**CHAIR** - So we are going to have an increase.

**Mr DEAN** - What's the target?

**Ms GALE** - Through you, Premier, the 13 is a target, but in fact if all of these visits are completed, we will have gone beyond the target.

**CHAIR** - Okay. That's good.

**Mr HODGMAN** - Yes, and visits are often planned and sometimes unexpected.

**Ms GALE** - Don't occur.

**Mr HODGMAN** - That's true, sometimes they don't occur. There is in fact a wait list for the remainder of this year to manage our visits but there are certainly regular diplomatic delegations to the state.

**CHAIR** - Do you class the after the fires barbeques as official functions or are they not classed?

**Mr HODGMAN** - They're in a separate area. But they're not part of -

**CHAIR** - They should be.

**Mr HODGMAN** - Yes. They are very important. They're very official, but they're not part of our visiting diplomatic program.

**Mr ARMSTRONG** - There's funding in the budget for \$200 000 per annum for community participation and appeals. What is that funding actually used for?

**Mr HODGMAN** - Thank you, Mr Armstrong. The community participation appeals fund was established by Government in 2015-16 to support the continued requests for significant community cultural events and charitable appeals. Before then they were typically provided from the Premier's discretionary funds. So, it was a little more ad hoc and less structured and by their nature, discretionary.

The fund was a way of providing some certainty to these appeals and events so organising bodies didn't have to keep applying each year, so funding in this budget across the forward estimates

of \$200 000 has been allocated to several of the long-standing charitable appeals including the Heart Foundation's Door Knock Appeal, the Salvation Army's Red Shield Appeal, Red Cross Calling Campaign, Colony 47's Christmas Lunch, the Smith Family Christmas Appeal, Give Me Five For Kids, the Centre City Mission Winter Appeal in both Launceston and Hobart. The Cancer Council's Daffodil Day, Vinnie's Christmas Appeal and Tasmania's Special Children's Christmas Party.

Small, cultural and long-standing events are also supported under the fund and they include Hobart Regatta Day Festival, The Greek Festival, The Kingston Beach Regatta Chinese Luna New Year, Fiesta Italia, the Tasmanian Craft Fair, and the Taste of the World and there's also funding for the RecLink Community Cup, the Myer State Student Film Festival and the Brave Foundation for Support for Pregnant Mothers.

**CHAIR** - Thank you. Would you be good enough to table your discretionary fund list of recipients?

**Mr HODGMAN** - Yes.

**CHAIR** - You probably have a little bit of spare cash now you're not doing defibrillators flat out.

**Mr HODGMAN** - There's been a massive uptake of those. I am aware of more than one occasion where they've actually probably saved a life out of this new program.

**CHAIR** - Absolutely. It's just the best program. Happy for you to table that.

**Mr DEAN** - They should be compulsory in certain organisations.

**Ms ARMITAGE** - Do you provide new batteries for them? For the clubs and the fire services because I believe that's quite a cost.

**CHAIR** - I think it's about \$500 for a battery.

**Mr HODGMAN** - That might be the next -

**CHAIR** - That'll be the next round. Once everyone's got one.

**Ms ARMITAGE** - They only last a short time, they've got to be replaced.

**Mr HODGMAN** - Yes, and ensuring that people in these organisations know how to properly use them is important as well.

## **2.2 Principal and Subordinate Legislation**

**CHAIR** - If there are no other questions in 2.1, I'd like to move onto my favourite area of 2.2 which is Principal and Subordinate Legislation. We have Robyn Webb at the table. Premier, the most important output group, I think, in your portfolio, really, is the legislation, particularly the regulations.

**Mr HODGMAN** - Yes. Robyn agrees.

## UNCORRECTED PROOF ISSUE

**CHAIR** - Obviously, in the most recent times, there's been quite a bit of discussion about availability of people who don't belong to the Government accessing OPC. I cite the transgender bill and the trials and tribulations that came with that. I'm interested in whether perhaps the Government may have perhaps reviewed their policy on how opposition and independent members may access OPC so that we don't ever have the same situation occur again as what we had in the past.

**Mr HODGMAN** - We're aware of representations that have been made by non-government members, including some way back, for the ability to access some supports and it has in fact occurred previously. Again, even sporadically where members have been able to access assistance through OPC and it occurred quite recently with respect to significant legislative amendments that were brought forward. But we will recognise that it is certainly time for a more structured support for non-government members to receive assistance in what is a most complicated area.

We have a budget allocation to support this and engaging with key stakeholders. It's important in my view to consult of course through our own government experts in OPC but also through our presiding officers and the parliament itself to determine the best model to provide this support as there is no common model, necessarily existing in other jurisdictions because it does present some challenges, not only in the funding, the appropriate funding of such a thing, but to ensure that it's independent and separate from government, but is adequately resourced and supported to provide non-government members with the expertise that allows us to not make things worse or more complicated in what is a very technical area. We're in the process of considering the best possible model for this to occur and where the resource might sit.

**CHAIR** - One of the issues that was taken away from that matter that I referred to was the fact that it was integral to our legislation in this state that it be consistent, and consistent in its language. That is so important, not only as that members of parliament to be able to know and understand what you're passing, but to have that support. So I wonder how we're going to facilitate this. Do you have something in mind?

**Mr HODGMAN** - That's why we're working through those matters because it is complex and we need to ensure that there's some consistency as best we can across a drafting agency and the work being done by OPC that doesn't obstruct, not only the business and the work of OPC and of government in its legislative agenda, but ensuring that when we get anything before either house it doesn't overly complicate or lead to unintended consequences and further delays and disruptions to what may be very well intentioned, but can cause more dramas, you might say, to OPC, and needing to deal not only with the legislation in hand, but other statutes.

**CHAIR** - I'm pretty sure that Ms Webb didn't get a January break. I'm absolutely certain of that, and other members didn't either, so the resourcing of OPC in itself, and I know that's difficult when we have Ms Webb at the table, but I'd be really interested in whether the resources are adequate given what we've just talked about.

**Mr HODGMAN** - That's right, so we need to be conscious of that, and also aware of the fact that OPC has only seven drafters, all lawyers, of course. They draft between 70 and 100 bills, 100 and 150 statutory rules each year for government, and any government of the day will have a strong, you would hope, legislative agenda, and important one to deliver as well, and that's their core business. It's difficult to recruit lawyers with experience in legislative drafting. OPC is currently fully occupied in drafting legislation for our Government's agenda, so we need to be conscious of ensuring that we don't lead to a situation where government legislation can't be drafted. That would

## UNCORRECTED PROOF ISSUE

be a most undesirable and unacceptable outcome for any government of the day, so we just need to consider those matters.

**CHAIR** - I acknowledge that we don't need a flood of private members bills going nowhere, if you like. We've seen a few of those and they've gone nowhere, so what's being put forward has to be realistic. It's certainly a discussion that I would like to see not only within amongst your group, but more broadly with, perhaps with Madam Speaker and Mr President.

**Mr HODGMAN** - Yes. Thank you.

**CHAIR** - They are the representatives of the both Houses, so, and I know Mr Dean is keen to add something.

**Mr DEAN** - Just to follow up from you, Madam Chair, that is, when it is likely to be known the position that will operate within the parliament in accessing your OPC.

**Mr HODGMAN** - I hope relatively soon. It's a work in progress. I understand that there's already some discussions being undertaken with presiding officers, for instance, and we'll certainly get advice more formally from OPC about these matters. We were keen as a government to advance the issue because it's been ongoing for some time and other jurisdictions have in place mechanisms to support non-government members. We are conscious of that. We had recently a large number of amendments to a bill come forward from non-government members and while the government of the day can be critical of the quality or the impact of those amendments, that then doesn't sit well alongside the needs of those members wanting to bring forward amendments to improve a bill to our parliament's deliberations.

**Mr DEAN** - I ask a question now about the capacity of this office to be able to keep up and do the work that's necessary and required. We also get this office and I commend them and what they do. Robyn and her team are listening in -

**CHAIR** - Sometimes we get our amendments while we're standing at the lectern. They start being delivered around the Chamber.

**Mr DEAN** - That's right. They're taking on board and watching what's happening and doing the amendments as they're being discussed, you know. It's a great asset. Do they have the capacity that's necessary to be able to -

**CHAIR** - I'm not sure that Ms Webb will be able to say that in front of the Premier, but.

**Mr HODGMAN** - I know very clearly as I've outlined, they're full.

**Mr DEAN** - Well, I think we ought to know how they're struggling or -

**Mr HODGMAN** - I readily acknowledge the advice I have, and certainly, Robyn, I will allow you to speak. I know that they've got enough on their plate and they're chockers. Ms Webb?

**Ms WEBB** - The only thing that I would choose to add to that is that we're rather like that expanding waistband that you have when the weight comes on, so we're doing our best to make sure that we can deliver those amendments, particularly on the floor when we can. If further



## UNCORRECTED PROOF ISSUE

requirements are put upon us, then we will simply have to rise to the challenge because I think that's essential for the functioning of parliament and that's our responsibility.

**Mr DEAN** - Thank you, Robyn, for that.

**CHAIR** - That's the best answer you will probably get today when you ask one of your people at the table to speak.

**Mr HODGMAN** - That's good.

**Ms HOWLETT** - Premier, both Houses have been asking OPC to provide marked-up amendments to legislation. Could you please update the committee on this request?

**Mr HODGMAN** - Yes, thank you, Ms Howlett. I am advised that the OPC has completed its upgrade to the enact legislation drafting and automatic consolidation system which will enable OPC to provide members of parliament with marked-up copies of legislation that's being amended, another great addition to the service. The cost in procedure for providing marked-up copies to parliament need to be determined. The department will be discussing these matters with the Chief Parliamentary Counsel and members of the Houses of parliament would also need to determine how marked-up copies are to be provided and used by members in parliament.

**CHAIR** - That's excellent news. I thank the member for Prosser for her question. I think most members of parliament will be very pleased to hear that. Members, any other questions in regard to this?

**Mr WILLIE** - Yes. On the access to Office of Parliamentary Counsel, do you have a time frame in mind on when non-government members will have access to this service?

**Mr HODGMAN** - As soon as we're able and as soon as we're in a position to settle on that model, but -

**Mr WILLIE** - So no goal of -

**Mr HODGMAN** - Work is being done as we - well, certainly the goal is as soon as possible. There's a budget allocation and we just need to arrive at a model that doesn't place an undue further burden on OPC; doesn't disadvantage non-government members; has appropriate structures and support in place to give the best quality advice. It's well advanced and I'm hoping -

**Mr WILLIE** - After the winter recess perhaps?

**Mr HODGMAN** - As soon as we're able. We're committed to it. We just need to get the best model that works.

**Mr DEAN** - Premier, you did mention a number of new bills that the office handles a year. Do we know at this present time roughly how many new bills will be coming in that they will be expected to draft in this coming year?

**Mr HODGMAN** - In this coming year?

**Mr DEAN** - We thought you should have an idea on that.

**Mr HODGMAN** - It's a lot. Robyn, do you -

**Ms WEBB** - It's very difficult to actually pin a number in advance because sometimes we have to draft bills to deal with emergencies.

**Mr HODGMAN** - Yes.

**Ms WEBB** - Some matters that were proceeding are then set aside for other matters, so we don't necessarily know the numbers that are coming in advance, and government can't necessarily control those either because of circumstances.

**Mr DEAN** - Right.

**CHAIR** - That was the tabling of the Premier's discretionary fund. No?

**Mr HODGMAN** - No. That's already been done, I understand.

**CHAIR** - That's already been tabled? Thank you. Is it something you're deciding on whether you're going to share with the committee, Premier?

**Mr HODGMAN** - Yes. I've just been helpfully advised that normally we get a question about our board membership. A brief has been prepared in advance, so I'm happy to table that as well. It's government business enterprises and state-owned companies' membership that -

**Ms ARMITAGE** - I was going to ask it on the floor of parliament, because often when I ask it here, you have to provide it.

**Mr HODGMAN** - We've anticipated -

**Ms ARMITAGE** - Taken notice.

**Mr HODGMAN** - Yes. It has the regional breakdown as well, which I know you're interested in.

**Ms ARMITAGE** - Has it improved, Premier? Do we have fewer interstate than we did previously?

**Mr HODGMAN** - There are interstate memberships -

**Ms ARMITAGE** - Do we have fewer though? Previously there were more from interstate than from the north and north-west.

**Mr HODGMAN** - Nice try.

**Mr DEAN** - I'm finished on my questions about the board.

**Mr HODGMAN** - We can cross-reference that to previous years. It has male and female, from interstate.

**CHAIR** - I think we've wandered out of Principal and Subordinate Legislation.

**Mr DEAN** - Could we ask one question on that, Chair?

**CHAIR** - Yes, Mr Dean. Before Ms Webb leaves the table.

**Mr DEAN** - From memory I think there are about 227 boards in the state.

**Mr HODGMAN** - Isn't it a sub-total?

**Mr DEAN** - It was my handout that somebody gave me.

**CHAIR** - I feel like I've lost control, Premier.

**Mr DEAN** - No, you haven't lost control.

**Mr HODGMAN** - Yes. My bad.

**CHAIR** - We'll blame the Premier.

**Mr DEAN** - Are all those boards paid?

**Mr HODGMAN** - We'll need to take that on notice.

**Ms GALE** - Yes, we'll take it on notice. But they're not all paid.

**CHAIR** - Well, that's good. Premier, when I ask my next question on the floor, you'll have it all ready for me. Thank you, Premier. We don't have any more questions on 2.2. We very much thank Ms Webb for her time and let her get back to the most important job in the parliament. Thank you.

**Mr HODGMAN** - We've got the Treasurer's Instruction in relation to the definition of Tasmanian business under the buy local policy, which is -

A Tasmanian business is a business operating in Tasmania that has permanent office or presence in Tasmania and which employs Tasmanian workers.

I'm happy to table the entire Treasurer's Instruction.

### **2.3 Tasmanian Government Courier**

**CHAIR** - Line item 2.3 is the Tasmanian Government Courier. I note from the budget papers that it is more expensive to operate that service. I'm interested in whether you think that the Courier Service is effective in the modern age of emails and technology and the like. Might you give me some idea of what you're thinking about that?

**Mr HODGMAN** - I believe that, as the Budget reflects, the service should have an increase in funding, which is due to indexation and the annual accrual of employee entitlements. That's the reason behind that. The service itself plays an important role in providing mail collection and

distribution service to government. It includes transportation of all mail and small parcels between government and departmental offices. It can do that a lot quicker than other modes.

**CHAIR** - Everything's quicker, with all due respect than Australia Post, Premier.

**Mr HODGMAN** - The courier works with Australia Post and other third-party mail houses, sorting incoming and outgoing mail, managing an external courier services that provide transport between Hobart, Launceston and the north-west, Devonport, Ulverston and Burnie. We've got couriers located in both Hobart and Launceston. There's no intention to reduce staffing levels or to alter the scope of services currently being provided.

The department relies on casual relief to provide assistance when permanent staff take planned or unplanned leave. We believe the service has an important function, even in this day and age and that is provided for in this Budget.

**Mr ARMSTRONG** - Premier, how many equivalent full-time people are employed?

**Mr HODGMAN** - There are five permanent staff in Hobart and two permanent staff in Launceston.

**Mr DEAN** - I was going to ask for an explanation of notes 4 and 5 on page 207. I'm trying to work that out. I've got one word that didn't come out properly. 'Relate to this area.'

**Ms GALE** - Less than or equal to indexation. The percentage change of the costs per delivery or collection point is less than or equal to indexation of general operating expenses, which means it's a little bit less expensive incrementally than it would be for general operating expenses.

**Mr DEAN** - Right.

**Mr HODGMAN** - Got it?

**Mr DEAN** - I will go to my next question and think more about it.

#### **2.4 Corporate Support to Ministerial and Parliamentary Offices and the Office of the Governor**

**CHAIR** - If there are no other questions in regard to the government courier, we'll move to output 2.4, which is Corporate Support to Ministerial and Parliamentary Offices and the Office of the Governor.

**Mr ARMSTRONG** - Premier, we usually get an update on the number of staff, the supports, and any changes in FTEs compared to the similar time last year. Could you please provide the break up between support to Parliamentary Offices and the Office of the Governor? There are two questions there.

**Mr HODGMAN** - The change from 31 March 2018 to 31 March 2019 goes 16.72 to 23.32.

**Ms GALE** - The Governor is included.

**Mr HODGMAN** - That's included.

**Ms GALE** - That's included.

**Mr ARMSTRONG** - Could you tell me the Government House building. It's a beautiful building. What work is s being done on its maintenance? Are there any big-ticket items?

**Mr HODGMAN** - I am advised that since the spending of around \$3 million on an extensive upgrading of Government House and its outbuildings in the early 1990s, the estate has been maintained and is in very good condition. Like all heritage buildings and sites, it requires regular maintenance and upgrading. The Government responds to these needs and provides an appropriate level of funding to ensure that buildings and grounds are maintained to a very high standard.

In addition, modest funds are also being raised through the estate to assist in heritage maintenance. This is the first initiative since Government House was completed in 1858. The current maintenance and conservation program is based on the Government House Strategic Asset Management Plan and its cyclical maintenance plan. The basis of this plan is being followed for the immediate future. To answer your question, there's nothing major planned for now.

**Mr ARMSTRONG** - Thank you.

**Mr HODGMAN** - I can give you a quick run-down on the projects for 2018-19: the restoration of selected furnishings in storage for reuse, including a rare 1940s ottoman couch; cataloguing and appropriate shelving of the dispersed Government House collection of books, maps and records of royal visits; continuing measures enabling modest income streams for heritage , including weekly tours, hiring out of the tennis courts and the croquet lawn and the bowling green; and some safety measures at the quarry pond walkways.

**CHAIR** - They're already working on their efficiency dividend I'd expect, by the sound of it. And probably selling produce out of the garden.

**Mr HODGMAN** - For 2018-19 and for 2019-20: the restoration of selected furnishings and storage for reuse including single beds, 1840s wine racks and book shelves; cataloguing and appropriate shelving of the dispersed Government House collection of books, maps and records of royal visits; photographic and descriptive database of every item of furniture, crockery, fine art; continuing measures enabling modest income streams as outlined; the upgrade of the 1880s tennis pavilion; conversion of the coal cellar into a wine cellar - that's a good idea.

**CHAIR** - I think it's too late for the inventory on the wine cellar. That was done a few years ago.

**Mr HODGMAN** - Upgrade of the archives room and the quarry pond walkways, safety measures there as well.

**Mr ARMSTRONG** - Premier, do you know what major activities the Governor will be undertaking in this financial year? I know there's change from time to time, but it was different.

**Mr HODGMAN** - I preface my comments noting, of course, Her Excellency is still receiving treatment and I again place on record my thanks to her and Mr Warner for the excellent job they are doing including through this difficult period.

**CHAIR** - Hear, hear.

**Mr HODGMAN** - But it has hardly impacted on the Governor's activities or disrupted her official duties. It is not only a great testament to her strength, but also her wonderful role model for any other Tasmanian person who is going through a similar process. Our thanks to Her Excellency.

The major activities planned for the Office of the Governor in 2019-20, obviously the support of the Governor's program are constitutional activities, support of the Governor's extensive program of community activities, promoting the state of Tasmania, preparing programs which promote, encourage a wide public understanding and appreciation of the activities and the role of the Governor and the Office of the Governor. Increased use of Government House as a major national cultural asset to promote Tasmania, including a range of tours to the state rooms, behind the scenes, artworks, furniture, gardens, significant trees and the forthcoming winter lectures series.

Upgraded database systems, redesign website and enhance security arrangements. Enhanced security arrangements include new FTE casual security guard and enhance risk assessment register. Enhanced database with every government artefact. Cultivation of the 1500 plant vineyard to reduce future budget expenditures. Renting out of four estate cottages and one estate freestanding weatherboard home, those funds are directed towards Government House maintenance. The initial implementation of the broad ranging 10 year forward plan which is enabled through the legislation that passed parliament in 2017, the Government House Land Amendment Bill to realise those modest income sources and redirect it to Government House maintenance. Implementation of the recommendations of the Spratt report, the government house building, structural and fabric survey in 2016 which identified some structural deficiencies in government house buildings and ongoing maintenance of the Government House estate.

In addition to all of the excellent activities in which the Governor and Mr Warner participate, and I'm sure they won't be doing all of those things personally, they have teams on hand to attend to those matters over the course of the coming year.

**CHAIR** - Thank you, very much. Mr Willie.

**Mr WILLIE** - Premier, yesterday there was a bit of discussion around one of your former employers, Mr Brad Nowland. Can you give me a date that he started as deputy chief of staff in the Treasurer's office?

**Mr HODGMAN** - It is on notice. We can take that on notice.

**Mr WILLIE** - You don't have the date available there?

**Mr HODGMAN** - I don't.

**Mr WILLIE** - Your staff?

**Mr HODGMAN** - No. We will get that to you as soon as we're able.

**Mr WILLIE** - A finish date as well? Just some further questions, Premier. The Treasurer appearing before this committee said that there was a review conducted into the position. Who conducted that review? He said that these questions are best directed at you. Who conducted that review and how long did it take?

## UNCORRECTED PROOF ISSUE

**Mr HODGMAN** - Yes. I am advised the date he was terminated was 28 September 2018.

**Mr WILLIE** - And the start date?

**Mr HODGMAN** - I don't have that. Yes, in terms of the review process undertaken by my office, I will need to seek some further advice as to the matters you raise.

**Mr WILLIE** - So the review was undertaken by your office?

**Mr HODGMAN** - Yes.

**Mr WILLIE** - Not DPAC?

**Mr HODGMAN** - As the employer, yes.

**Mr WILLIE** - And you're confident that the creation of that position in the Treasurer's office hasn't contravened recruitment principles?

**Mr HODGMAN** - No advice to suggest that is so.

**Mr WILLIE** - So you're confident that it hasn't -

**Mr HODGMAN** - Yes, I've not received any advice to disabuse me of that notion so again, I can take further advice on that and report back to the committee.

**Mr WILLIE** - While we're on staff support to ministerial officers and parliamentary officers, is there an employee from DPAC working with the member for Prosser?

**Mr HODGMAN** - No.

**Mr WILLIE** - No. The member for Prosser just has the one electoral officer supplied through parliament?

**Mr HODGMAN** - Yes, I'm advised there's not an employee from the Department of Premier and Cabinet. We provide 2.5 FTE in relation to Ms Howlett which is spread across both the Leader and Deputy Leader. I note that the previous Labor government provided staffing to the Leader of the Government in the Legislative Council at the rate of 2.4 FTE.

**Mr WILLIE** - The leader, not the deputy leader.

**Mr HODGMAN** - So it is spreading across both, 2.5 FTE.

**Mr WILLIE** - So there are DPAC employees -

**Mr HODGMAN** - No.

**Mr WILLIE** - Well, employees from your office and the Deputy Premier working with the member for Prosser?

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**Mr HODGMAN** - Yes. There are 2.4 staff for the Leader and the Deputy and not from DPAC.

**Mr WILLIE** - Okay. So out of the 2.5, can we get a split then for the Leader and for - yes, so, 2.5, can we get a split for the Deputy's office and also the Leader's office? Of that FTE makeup.

**Mr HODGMAN** - Yes.

**Mr WILLIE** - Just to confirm, you're saying the resource is shared across the two offices?

**Mr HODGMAN** - Yes, shared across both offices, yes. My advice, yes.

**Mr WILLIE** - And how are those positions funded then?

**Mr HODGMAN** - I'm advised there's a split so I'm happy to take that on notice as well and provide advice to the committee on the funding or the allocation breakdown.

**Mr WILLIE** - Funding at the FTE split. Okay.

**CHAIR** - Thank you.

**Mr DEAN** - Just on the Governor if I can. I think I've got this right. You mentioned the renting out of the cottages. You did say that, didn't you?

**Mr HODGMAN** - Yes.

**Mr DEAN** - How is that done? Is it on a long-term basis?

**Mr HODGMAN** - Yes.

**Mr DEAN** - And the persons renting those cottages.

**Mr HODGMAN** - Unfortunately, Mr Owen who was here yesterday and didn't get a question is not here today. I will stand corrected, but I believe Government House staff are able to reside in cottages and there may also be provision amongst the four for a member of the community, a non-Government House member of the community to also rent what are gorgeous little cottages on the estate. I can seek some further advice as to that.

**Mr DEAN** - It's interesting to know just how that occurred because -

**CHAIR** - Mr Dean's thinking about moving down.

**Mr DEAN** - Yes, you're right. The other question is, have there been any security breaches at all in Government House in the last say, 12 months period?

**Mr HODGMAN** - I'm not aware of any.

**Mr DEAN** - That's physical breaches or breaches, I guess, through technology and so on which can now occur. No evidence to state that there's been any?

**Mr HODGMAN** - No.



**Mr DEAN** - That's good.

**Mr HODGMAN** - No as to any risks or breaches.

**CHAIR** - Thank you very much members. Premier, I know it was identified on our sheet as having morning tea about 11.30. But I think in the interests of everyone needing a cup of tea and a break, we will break for 15 minutes and be back at 11.25.

**Mr HODGMAN** - Thank you, Chair.

**The committee suspended at 11.10 a.m. to 11.26 a.m.**

**CHAIR** - Premier, I know it is probably fairly convenient to lean back and answer but Hansard couldn't hear you the last couple of times when you were leaning back and talking.

**Mr HODGMAN** - Sorry.

**CHAIR** - We're still struggling up the other end. Some of my colleagues up here feel like they've been left out a little bit.

**Ms SIEJKA** - We are a little bit isolated up here.

**CHAIR** - Yes. Come up the other end. It would be nice to spread out a bit. Thank you. Welcome back everyone. Thank you. Before we do head into the management and ongoing development of Service Tas, the member for Launceston, Ms Armitage would just like to ask a question about this magnificent building, Premier.

**Ms ARMITAGE** - If I could, Premier, and I notice on the internet, talk about Parliament Square redevelopment project and staff moving into ministerial offices. We're very happy with our offices, I must say. However, it is not the same situation for everyone.

I'm quite sure that you're aware of the difficult circumstances currently for our IT department, and if you are not, maybe you should have a wander up there and have a bit of a look. The fact is they have that large area that they can't use. There was an empty office across from my office and all of a sudden, I spotted one of the IT people and I thought 'This is handy'. They're filling spaces wherever they can at the moment because they can't use their offices because of the air-conditioning.

Now, last night I experienced a situation where, I walked out of my office and there was this roaring noise and I thought 'Gosh, do I need to go and tell the security people' because it was just massive. Then as I walked further around, there was another huge roaring noise down near the doors where I ran into one of the IT people and he was leaving as well. When we pushed the button up here, the two glass doors just opened towards us and we walked into what was like a gale of wind out in the foyer. I am sure that's not normal. It's a sad situation in a building so new, but it's a particularly sad situation for our IT who we all rely on so greatly. When you go into the manager of IT services and he's got other desks crowded in there with him, with other staff sitting in there, I don't think that's a good situation. What are we doing about that, Premier?

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**Mr HODGMAN** - I will need to seek some advice -

**Ms ARMITAGE** - It's a very important area to all of us.

**Mr HODGMAN** - Understood. I don't have a brief on it. It's a matter that comes under the Treasurer's portfolio, I understand.

**Ms ARMITAGE** - That's correct.

**CHAIR** - So we would need to take that on notice.

**Ms ARMITAGE** - If you could.

**Ms GALE** - I understand, Premier, through - apologies – that the IT accommodation is temporary until the other building is completed. So hopefully that will be just a temporary issue for them.

**Ms ARMITAGE** - But do we know when that's likely to be? How long the other -

**Ms GALE** - We would have to take that on notice to Treasury.

**Ms ARMITAGE** - Are we looking years?

**Ms GALE** - I don't know, I will have to take that on notice. It's a Treasury matter.

**Ms SIEJKA** - Two years is what they were saying to me. That's quite substantial.

**Ms ARMITAGE** - If it was a term of weeks you could understand but I would have thought it is not safe working conditions either for that area to have to be either

**CHAIR** - That's why they've moved.

**Ms ARMITAGE** - They've closed the office. They can't use it.

**CHAIR** - That's why they've moved because they've been suffering some illness, the people who are working in there.

**MS ARMITAGE** - I don't believe the other building is sufficient.

**Mr HODGMAN** - I will follow up with the Treasurer.

### Service Tasmania

**CHAIR** - I did speak on the adjournment last week in regard to it, so thanks for raising it again. Thank you. Moving to Service Tas. Thank you. Member for Launceston - unless the Premier has something he needs to share.

**Mr HODGMAN** - No.

**CHAIR** - We'll get straight into it. Thank you.

**Ms ARMITAGE** - Every year we have a few comments about Service Tasmania. They are a great group of people who do some really good work across the state, so certainly nothing negative to say about the people that work at Service Tasmania. Premier, could you tell me how many Service Tasmania officers we currently have. Has it gone down? Was it 27 previously? Is it still the same number?

**Mr HODGMAN** - Yes, it is the same.

**CHAIR**- For Hansard, we have Noelene Kelly at the table. Thank you.

**Ms ARMITAGE** - Staff, FTEs has that increased or gone down?

**Ms KELLY** - In terms of our overall FTE as at 31 March 2019, we had 136.63 FTE compared to last year, 31 March 2018, we had 136.20.

**Ms ARMITAGE** - So stayed much the same?

**Ms KELLY** - That's right.

**Ms ARMITAGE** - Can you tell me what's the difference between Service Tasmania and the integrated government contact centre? I am assuming they do a similar -

**Ms KELLY** -Through you, Premier. Service Tasmania has three channels over the counter and we've got the 27 service centres, and the government contact centre, and then over the internet. The integrated government contact centre was the project name, if you like, that we use when we did major changes to the government contact centre. The government contact centre is one of the channels that we deliver services through.

**Ms ARMITAGE** - So it is still basically coming under Service Tasmania?

**Ms KELLY** - Absolutely.

**Ms ARMITAGE** - Just looking at the DPAC annual report, can you advise - this is the contact centre, Premier, the target has been 80. Percentage of calls from the public answered by the integrated government contact centre within 20 seconds the target has been 80, I believe for a considerable time, the actual in 2014-15 was 69, but since then 2015-16, 2016-17 and 2017-18 it's been 24, 23 and 25. Can you advise why it's dropped significantly?

**Ms KELLY** - We actually in 2015 underwent some major changes in the contact centre. We took on a new range of business lines, and we also changed the government contact centre from being a traditional switchboard type environment to providing information and services to customers of an information nature. As a result of that what we found is that our key performance indicators and the service to our customers was impacted by that. We've spent the last couple of years working really solidly on improving the contact centre wait times, and also providing a range of additional services for customers through that. So as of this year up until March, our average speed of answer is now two minutes and 16 seconds, and I'll also just note that as part of Premier and Cabinets' review of KPIs we've changed the KPI targets -

**Ms ARMITAGE** - So are you looking to change that 80 to target?

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**Ms KELLY** - That's right. An 80:20 is really a target that's often used in contact centres where you're providing a service, sorry, but you're not providing - it's not an information provision service, so that was appropriate really for our switchboard type environment, but we've changed our model and changed our business.

**Ms ARMITAGE** - I notice as well that the number of calls answered by the integrated government contact centre from the target of 410 000, 2014-15 215000, 278 000 in 2015-16, 293 000 in 2016-17 and down again in 2017-18 to 276 000. With a target of 410 000 do you think that's a bit ambitious or will you be adjusting that, or are there some ways that you have to try and get back to that number. What reason do you see for the difference or for the lack of calls to the integrated government contact centre?

**Ms KELLY** - When we were doing those figures, it was at the beginning of when we were taking on the new business and when we take on new business with a government agency we work on predicted or stats that the agency has used previously for phone calls, and we use those numbers to help determine our staffing levels and so on. So that figure would have been calculated at that stage, whereas in reality, what we've found is that the number hasn't been as high as what we anticipated. Also, when we were having issues with our performance and working through those changes, we did find we had higher levels of calls because customers were often ringing more than once to get their query resolved, but since we've put in things like the call back feature, and improved our average speed of answer, then that number has changed.

**Ms ARMITAGE** - Thank you. You could probably take this on notice, I'm not sure whether you will have the opening hours of the Service Tas? Have they changed? Are they the same? I know that sometimes you've been shortening the hours.

**Ms KELLY** - So the opening hours are the same as Estimates last year. They haven't changed and I've got those here if you'd like me to read through those.

**Ms ARMITAGE** - All right.

**Ms KELLY** - If we start in the north: Beaconsfield is open 9.30 to 4.30 Monday, Wednesday, Friday, closed on Tuesday and Thursday. Campbell Town is open 11 till 4 every day.

**Ms ARMITAGE** - You can table it if you like. I am happy for you - if it hasn't changed, I'm happy - it's good just to have it there though, for you to table it. That would be great. Thank you.

I also notice that Service Tasmania in Launceston will be moving to the C.H. Smith building and I thank the staff that took us through that move. We've had a couple of tours which have been really good to go over and have a look, and it's been much appreciated. In its new home, I note it has consultation booths, concierge desk, self-service and assisted service desks.

I have had some concerns raised. I understand that it's the same number of FTEs but with three less cashiers. Now, three concierges but three less cashiers. The concern that's been raised with me is that three less cashiers means three less people doing all the chores that the people behind the counter do, when they're actually not serving staff. Do you have a comment on that? Will there be three less people doing the auditing of births, deaths, marriages papers; ordering of number plates; mail sorting; stocking and ordering of brochures, racks; photocopying; responses from interstate licences, registration; and I'm assuming there's quite a lot of work that we actually don't see that

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happens constantly. With the concierge people, will they also be actually doing work behind the counter to do the work that normally those three extra cashiers would have done?

**Ms KELLY** - I might use that as an opportunity to explain the new modelling, how that will work. So we'll have nine traditional counters and as you mentioned generally three staff on the concierge and on the concierge counter we will have computers there.

**Ms ARMITAGE** - These are current staff. These are people who are there already - not new staff, but no one is losing their jobs?

**Mr HODGMAN** - No. The staff's the same, staff numbers.

**Ms KELLY** - So instead of the current method for Launceston where customers come in, they line up and they wait their turn to go to the counter, the new model will provide a range of interaction points between customers and staff. As a customer arrives, one of the concierges will greet them and get an understanding of their transaction. From there, the concierge will be able to assist the customer. In terms of the query they've got, if it's an information-based query that doesn't require a photo or a payment, then the concierge may be able to resolve their query then and there. The other thing that the concierge will be able to do is, if the customer does have to go and make a payment or get a licence photo taken, they'll be able to help them to make sure they've got all the evidence of identity they need. Help them fill in any forms that they need, because what we find at the moment is sometimes when customers go to the counter, their transaction takes a longer amount of time because the forms are not filled in correctly and a lot of our transactions do have forms. Or a customer has waited in line only to get to the counter to find that they don't have the right evidence of identity to renew their licence or to undertake that transaction. The aim of the concierge there is to assist with that customer flow through the building.

You also mentioned the consultation booth and that's a really nice feature that we're adding to C.H. Smith building and we will have a smaller meeting room as well. They're really there for those sorts of more private or discreet conversations or transactions that relate to issues with customers that they may not want to do in the open area. In terms of the concierge as well, there will be capacity of those staff and all staff within Service Tasmania to do the range of other things that we do behind the scenes.

There is a lot of other work we do behind the scenes, and what we are always conscious of is ensuring that we time those activities to occur not during those peak periods, so ensuring that we've got the maximum staff available on the counter when needs be. They will also have time, at other times of the day, to do things like restock the brochures and so forth.

**Ms ARMITAGE** - So, the concierge will also help with the self-assisted service centre. If someone's not sure what they do - a bit like at the airport when you're trying to check yourself in, so they will come and give assistance? They're allowed to do that? They're able to do that? Rather than just directing.

**Ms KELLY** - We will have self-service machines if you like, so PCs where customers can go online but we'll also provide assisted self-help and that's something that we actually won't have on day one, the assisted self-help. We'll have the computers there but we'll be focusing on day one of the new concierge model, getting staff familiar with the site and providing that really strong customer experience, and then in the following weeks to months, we'll be providing that additional support.

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**Ms ARMITAGE** - Do you have this new model anywhere else in the state?

**Mr HODGMAN** -Yes. Devonport and I understand, it's proving to be a very successful model. I've seen it in action and from the feedback we've got, and Noelene might be able to elaborate. It has been well received by customers.

**Ms KELLY** - Devonport is where we have a full-time, just one concierge assisting. We do have a bit of an added complex model at Devonport because we have a shared counter with Devonport City Council, and we also provide services on behalf of Devonport City Council. So the concierge provides a really critical role in ensuring the customer is transferred to the right counter and so on, but it has been working very well in Devonport. It tends to take customers a little while to get used to the idea of not coming in and just lining up for service, and getting used to sitting down and waiting for their service and waiting for their number to be called, or to get their query answered straight away, if it's one of an information nature or if it's an evidence of identity one.

The other place we do use this but not in the same way as Devonport and Launceston is Glenorchy. We tend to use it on a more ad hoc basis at Glenorchy, but Glenorchy was the first site where we started using a queuing machine.

**Ms ARMITAGE** - Is Devonport the only council that you share with?

**Ms KELLY** - No.

**Ms ARMITAGE** - You take payments for Devonport Council or you just share an area?

**Ms KELLY** - We take payments for Devonport City Council and we've just implemented stage 2 of that. We're taking close to 50 per cent of their front of house payments and services now.

**Ms ARMITAGE** - Do you take any other payments for any other councils?

**Ms KELLY** - Yes. We take them - I'll just get my sheet out.

**Ms ARMITAGE** - It would be quite useful really if you're in there to pay all your bills.

**Ms KELLY** - We co-locate with three councils. Devonport as I've mentioned. Oaklands and Beaconsfield. The one at Beaconsfield, we've got the same model where we share a counter with them. In terms of the services that we deliver on behalf of other councils, we do that for Dorset, Devonport, Kentish, Northern Midlands, Meander and George Town. The range of services we offer on behalf of those other councils is not as full as the range of Devonport. However, it does provide a nice opportunity as a separate service point.

**Ms ARMITAGE** - Do you charge a fee for that?

**Ms KELLY** - Yes, we do. The other thing I will mention, the beauty about Devonport is, that we actually offer that service state-wide. If you happen to live in Kingston and you have a shack in the Devonport municipality, you can pay your rates at the Kingston service centre or if you happen to get a parking infringement while you're travelling in Devonport but you live in Newtown, then you come into the Hobart shop and pay that.

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**Ms ARMITAGE** - How many bill payment services do you currently have? It was 38, I think, in 2016-17. Is it still 38 or has it gone up?

**Ms KELLY** - We still have 38. That hasn't changed.

**Ms ARMITAGE** - My last question, has a final dollar figure been arrived at for the move to the C.H. Smith building?

**CHAIR** - And everyone is sitting down, Premier, fortunately.

**Mr HODGMAN** - Yes, \$7.25 million for the fitout. You are after the whole?

**Ms ARMITAGE** - If I could. Thank you.

**Ms GALE** - So, Premier, through you. Because the fitout costs for the whole C.H. Smith building is being managed by Treasury, it is a whole-of-government project, and as such we aren't able to provide a breakdown for the Service Tasmania. We could see if we could get that from Treasury but I'm not sure that it's available.

**Ms ARMITAGE** - Otherwise I can ask it on the floor of the House.

**Ms KELLY** - Could I just - through the Premier - because it was a private development, the large bulk of the cost of the development of C.H. Smith building was met through that private amount. The amount that the secretary's mentioned there is correct in that that's the Treasury amount and that's for the fitout of the government tenancies within that building. Treasury have advised that they haven't been able to further break that down into the individual tenancies.

**Ms ARMITAGE** - It is interesting because normally they like to charge it against every separate department, so it all comes out of different buckets, isn't it?

**Ms KELLY** - We've been fortunate to have this paid for for us. There are some small costs that Service Tasmania will incur as a result of this. For example, internal signage, making good part of Henty House that we're vacating, and also our actual relocation costs. Moving the furniture, moving the cash, moving our -

**Ms ARMITAGE** - So who is moving into the previous Service Tas area on the ground floor? Who's going to be our new neighbour bearing in mind that we actually share with -

**Mr HODGMAN** - I don't think we have -

**Ms ARMITAGE** - We'll be very pleased though not to have to greet rows of people - unhappy constituents who have been waiting for a considerable time outside the doors of Service Tas because the line is so long, particularly at lunchtime. The member for Windermere will attest to that as well. It has been significantly quiet there.

**CHAIR** - Can we have the annual cost of the lease on the building or on the space as well?

**Ms KELLY** - At the moment we don't have the full operating cost and that's because there are some providers who are still to be determined, cleaning and building management and also some

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of the services that are being offered are still under warranty, so we won't know the full cost of operating. The actual tenancy lease is \$250 per square metre.

**Ms ARMITAGE** - How does that compare with Henty House? When Service Tas was in -

**Mr HODGMAN** - We can seek some advice as to the differential or comparison.

**Ms ARMITAGE** - Thank you.

**Mr HODGMAN** - The director has some images too. I know some members have recently been able to visit. There are some images which we're happy to provide for members of the committee to look at.

**Ms HOWLETT** - Madam Chair, did we get an update on the Service Tas, the new shop in Launceston?

**CHAIR** - Yes, we certainly did. Thank you. Mr Armstrong.

**Mr ARMSTRONG** - No. No, other questions.

**CHAIR** - No. Mr Dean.

**Mr DEAN** - I might just ask a general question of the Premier. With Service Tasmania and other government departments going into that building what happens to all of those departments and areas that are freed up by the movement of these people? Who is going to move into those, or is there going to be a lot of spare space left that the government is committed for?

**Mr HODGMAN** - No, there shouldn't be. I am not able to advise as to which tenancies may be taken up and by whom. I can seek further advice from that, or the Treasurer would be able to do so. Unless the Secretary can -

**Ms GALE** - No, the only one I could speak to is the Department of Education or move some of its officers from the Inveresk university site into there. Of course, that's not owned by the government; therefore, there will be no need to backfill.

**Mr DEAN** - How many government departments have we got moving into CH Smith?

**Ms GALE** - We'll have to take that on notice. The Treasurer would have that information. I don't have that information.

**Mr DEAN** - Right, okay.

**Ms GALE** - That's just Service Tasmania.

**Mr DEAN** - Sharing of services with George Town Council. What's being shared? You're not in the same building. You've got George Town Council and then Service Tasmania.

**Ms KELLY** - So we're based in the community services hub in George Town. We moved away from the co-location. We provide services on behalf of George Town, I believe, but we're not co-located with them.



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**Mr DEAN** - No, you're not. I'm just wondering why you'd share services with the George Town Council when you're now not in the same building and there's a distance between you.

**Ms KELLY** - It's around the convenience of providing additional service points for customers to go to. For example, they might come to the library, which we co-locate with in George Town to take out a book or to read something, and while they're there they can pay Service Tasmania. They can also pay the services that we provide on behalf of George Town.

**Mr DEAN** - Yes, I'm not arguing against it. It's a dual use thing.

**Ms KELLY** - Yes.

**Mr DEAN** - Can I have a breakdown of the workload of the officers? Comparing Hobart to Launceston again; I think there are fewer staff in Launceston. How is the work is now occurring? Could we have a comparison between the two?

**Ms ARMITAGE** - And maybe the number of people they see?

**Mr DEAN** - Yes, the number of people they serve.

**Ms ARMITAGE** - Compared to how many staff.

**Mr DEAN** - Is there a difference now? Is the workload increasing in these areas? Or has there been a decrease because of online services being used?

**Ms KELLY** - Generally, as in the past, our in-person visits are trending down overall. The number of options and choices we're providing to customers in terms of the online space is increasing as government agencies move more of their services online. If we're looking at Launceston and Hobart, Launceston for the 2018-19 year to 31 March had 217 430 transactions, compared to the previous year, 2017-18 to 31 March, which had 219 045. That was about a 2000 decrease. However, compared to the previous year, 2016-17, Launceston had 233 489. That was quite a significant drop a couple of year ago.

**CHAIR** - No one could be bothered waiting any longer, standing there in the cold in the foyer at Service Tasmania.

**Ms KELLY** - Hobart is our second busiest site; Launceston is the busiest. For 2018-19 Hobart had 189 923 transactions. Hobart's gone up in the last 12 months to 180 116, which was for 2017-18. The previous year 2016-17 was 187 157, so Hobart's gone up slightly in the last year.

**Mr DEAN** - Staffing numbers in Hobart and Launceston?

**Ms KELLY** - In Launceston, our establishment level is 12.63. As of 31 March 2019, our actual FTE was 10.73. I will explain that in a minute. Our head count was 20. In Hobart, our base level is 10.6. As at 31 March, the actual FTE was 10.28, and our head count was 19.

**Mr DEAN** - What was Launceston's head count again?

**Mr KELLY** - The Launceston head count was 20.

**Mr DEAN** - In Launceston 20 and Hobart 19?

**Ms KELLY** - Yes. However, our actual FTE staffing, not our establishment level but our actual FTE and our head count often varies on a day-to-day basis because of covering our shifts and so on.

**Mr DEAN** - That's reasonable. Are there any complaints, issues or concerns in Service Tasmania, Premier? I'll go through my friend on this.

**Ms KELLY** - No, I don't have complaints listed. In our revised KPIs that will commence for the next year, we are providing a compliment to complaint ratio to give an indication. It's important to note that while we do periodically get complaints, which come through on a different range of things, we actually get quite a number of compliments on the service that our staff provide.

**Mr DEAN** - Never talk about them, do we?

**Ms KELLY** - We keep a register of our complaints and our compliments. When compliments come through, I always like to acknowledge each staff member who's received one and congratulate them on the service. I think that's important.

**Mr DEAN** - That's great. It's very important. Are there any security issues at all with Service Tasmania outlets?

**Ms KELLY** - In terms of security, we have a range of activities we provide to manage that. For our new staff, we provide training through induction. For our existing staff provide information through our knowledge management system. We have duress alarms, and CCTV and we access control on all our locks.

We do periodically have aggressive customers; we log those as incidents. We review them and we provide support to our staff in the aftermath of those incidents and work through how we can improve. At the moment we are in the process of providing training to our staff on how to deal with occupational violence and aggression. I am really pleased to note that the majority of our staff in Launceston have been through that training in preparation for the move to the new building.

**Mr DEAN** - Online services have increased in Service Tasmania. How is that handled and managed? Can you explain to me how it works in your office?

**Ms KELLY** - If a customer wants to transact online, they can do that in a range of ways. They can come through Service Tasmania online which is the portal that Service Tasmania provides the customers to connect with government. We have a staff member who actively keeps the links going on that site and keeps things current, posts important information, promotes new services the government agencies have delivered online and so on.

It's important to recognise as well that customers can interact online in a range of different ways, not just through Service Tasmania online. They can go directly through to a government agency. For example, Births, Deaths and Marriages have recently provided the option for new parents to register their child's birth online. Customers can come through Service Tasmania to find that and go online because we're promoting it, or they can go directly through Births, Deaths and Marriages.

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**Mr DEAN** - Yes, interesting. Thank you.

**Ms ARMITAGE** - I notice in the south you have four Service Tasmania sites: Kingston, Glenorchy, Hobart and Rosny. Is that right?

**Ms KELLY** - In the south, we have Hobart, Glenorchy, Rosny, Sorell, Kingston, Huonville, Bridgewater, New Norfolk, Oatlands and Triabunna, which we count as in the south.

**Ms ARMITAGE** - I was thinking of the Greater Hobart area.

**Ms KELLY** - That's right.

**Ms ARMITAGE** - When you look at the Greater Hobart area, as we could call it - we have, the Greater Hobart Bill and the Greater Hobart Plan and the Greater Launceston Plan. Are there any plans to amalgamate the four that I'm looking at, as well as Bridgewater, Kingston, Glenorchy, Hobart, Rosny, into one as you have in Launceston? I think, and the member for Windermere might remind me, there was Service Tasmania out in the northern suburbs which was very useful to the people living in that area. Are you looking to combine, to make it more coordinated, like you have in Launceston?

**Mr DEAN** - I wanted one in the north and could never get one.

**Ms ARMITAGE** - There was one in the north previously.

**Mr DEAN** - No. Not to my knowledge.

**Mr HODGMAN** - No, and we don't have plans to close any or indeed to add any at this point.

**Ms ARMITAGE** - No, I've still got one more question, sorry, and my last question is, I'm going back to staffing. Can you provide or take it on notice, with regard to sick leave, for the last two years, and also to stress leave or workers' comp, whether that's gone up or gone down?

**Mr HODGMAN** - Yes, we can answer that.

**Ms KELLY** - In terms of sick leave for the year to 31 March, we had a total of 2097.68 days of paid sick leave and carer's leave, and that compares to the same period that previous year which was 2610.66 days, so it has gone down in the last 12 months. In terms of -

**CHAIR** - So that's not counting workers' comp. That's just sick leave and carer's leave? Or is that workers' comp as well?

**Ms KELLY** - That's people taking paid sick leave.

**CHAIR** - Right, yes, just sick leave.

**Ms KELLY** - Or carer's leave. So that has reduced. In terms of stress leave, we don't actually, other than workers' -

**CHAIR** - Well, it probably comes under workers' comp if it's stress.

**Ms KELLY** - So in terms of workers' compensation, Service Tasmania had four workers' compensation cases from 1 April 2018 to 31 March 2019. One of those was slip/trip/fall type injury. Two of those were musculoskeletal type injuries, and one was psychological.

**CHAIR** - Thank you very much. We'll move now to Output Group 4 which is the State Service Management. Thank you, Premier.

**Output Group 4  
State Service Management**

**Mr HODGMAN** - I will just inform the committee of the State Service management office's current priorities. They include negotiating wage and non-wage industrial agreements, including the Aboriginal Employment Strategy; leading and supporting gender diversity; implementing programs to increase youth employment; developing the Work, Health, Safety and Wellbeing Plan for Tasmania's state service leading the and empower the integration and automation program in supporting learning and developing initiatives across government, and SSMO's core activities include management, monitoring and reporting on a range of matters, including the work, health, safety and wellbeing employment policies and program; vacancy management advertising; developing and implementing an industrial relations framework; state service governance and regulatory employment framework; workforce analysis and planning; responding to external reports by the Auditor-General; and Integrity Commission relating to workforce issues; administering the senior executive service HR systems enhancement and state service workforce development.

**CHAIR** - Thank you. And you have at the table.

**Ms GALE** - The acting director of the state service management office, Louise Mills.

**CHAIR** - Welcome, Louise.

**Ms MILLS** - Thank you.

**Mr DEAN** - Where's Frank?

**Ms GALE** - Frank has retired.

**Mr DEAN** - Has he? Well, I didn't know that.

**Ms GALE** - Towards the end of last year. A long and illustrious career.

**CHAIR** - I doubt very much whether he's watching this. Mr Willie.

**Mr WILLIE** - Premier, you would be aware of the 2018 State Service Employee Survey. In it, there's some alarming figures. 48 per cent of public servants do not feel recognised for the contribution and accomplishment; 25 per cent would not feel safe raising a grievance; 22 per cent feel not treated with dignity or respect; 15 per cent believe that they are not expected to behave with a high standard of ethical behaviour; 50 per cent believe there's no clear strategy and direction; 46 per cent don't believe managers model agency values; 25 per cent believe there are no policies for reporting improper conduct and behaviour; 40 per cent believe bullying is tolerated; 53 per cent do not believe that there would not be reprisals for reporting improper conduct; 37 per cent would not

recommend the agency as a good place to work; 31 per cent are not proud to tell people where they work; 44 per cent don't feel inspired to do their best; 31 per cent are unsatisfied with their job and 36 per cent don't feel satisfied with their employers. Premier what action are you taking to deal with these results?

**Mr HODGMAN** - Certainly where there are employees who, on any matter, are dissatisfied with their workplace then they are serious matters which are important to government, and we are making efforts to turn that around. There's also an overall indication of the State Service performing well, particularly in the areas of employee engagement where it's 65 per cent and job satisfaction at 67 per cent. I acknowledge there are some who are not so well engaged but -

**Mr WILLIE** - So I've picked the alarming figures and my question is, how are you addressing the points I've raised?

**Mr HODGMAN** - I just wanted to provide some context because I think you have adopted very much a glass half empty view, and the survey in fact does point to some areas where there are indeed higher levels of satisfaction. Now, in relation to the actions -

**Ms GALE** - Sorry, Premier. Yes, so each agency will be undertaking their own plan according to their own individual response. I will talk to you more about what DPAC is going to do, but every agency will have a plan. The whole reason for undertaking the employees' survey is to identify areas where we are doing well and where we need to make improvement. Agencies will be focusing on those areas for the coming year. The next full survey I believe will be in three years' time but we will be taking pulse checks in subsequent years, and so that will be a way in which agencies can determine how their plans are succeeding. There will be some whole-of-government areas which we will focus on as well. Some of those will be on work health, safety and wellbeing and diversity is an area that we are working on across government, and so on. Unless, Louise, you have something else to add in relation to that I can talk about what we'll be doing in DPAC if that's of any use to you.

**Mr WILLIE** - Yes.

**Ms MILLS** - The other main area we'll start focusing on is the bullying and harassment work as well stemming from the employees' survey.

**Ms GALE** - Thanks, Louise. So in relation to DPAC and its results, there were some results that showed us that what we had been focusing on in the previous years have started to work well because we are on a continuous improvement pathway, if you like, we had some really strong positive results for people agreeing that their work group encouraged and supported a good work life balance and that comes off the back of DPAC's 'What Works for Me, Flexible Working Arrangements Program' that we've put in place.

We also had a large preparation of our staff, 88 per cent of people, agreeing that we had policies in our workplace designed to support employees affected by family violence. That's off the back of our extensive White Ribbon accreditation work that we've been undertaking, along with other agencies, and 85 per cent responded that their manager encourages behaviours that are consistent with the agency's values. Again, we have had a group looking at our values and have been working across agencies to do that.

I can point to where the strategies which we put in place are making a difference, but also we know that there are always areas for improvement and we're always looking for those, and so the agency executive in DPAC has focused on four key areas for the next strategic plan. They are strategic direction and flexible leadership; change management and engagement; values and behaviours, and learning and development, so we'll be putting in place strategies with our staff to make improvements in those areas.

As we move through that, hopefully making improvements, we'll look at the next survey in three years' time and adopt another plan based on the feedback that we get from our staff which is really important and valuable to us.

**Mr WILLIE** - Premier, a couple of those stats I read out, 48 per cent do not feel recognised for the contribution and 22 per cent do not feel treated with dignity or respect, do you think the ongoing wages disputes had an impact with morale?

**Mr HODGMAN** - I'm not able to say whether or not that is so. But certainly, we want through the negotiations, which have been extensive and long running, to improve conditions for our public servants. Increased wages, reduced workload pressures, a number of terms and conditions and improvements to our workplace arrangements would in fact help alleviate a number of the stresses that are referred to in your question and also in these surveys. We would hope that the union leaders negotiating on behalf of their many members across the state service are equally as conscious of that and would come back to us with counteroffers, as we've suggested they do, to reach settlement.

**Mr WILLIE** - In regards to counter offers, previously you've said that unions or workforce groups would have to put forward savings measures to achieve the pay increases that they are advocating for on behalf of their members. Those savings measures, are they on top of the 0.75 per cent efficiency dividend being enforced across government?

**Mr HODGMAN** - Yes, we hope to negotiate with unions to offset the salary increase which is not budgeted or factored into this budget, as you'd be aware, to accommodate not only the pay increase but also other improvements to terms and conditions. The employment of additional state servants, teachers, nurses, et cetera, to work within the State Service so that it's affordable. Unions have come back to us on a number of occasions previously with some ideas and the education union agreed with what was before us and 70 per cent of their members did as well. It's a little strange why the union leadership have now rejected the deal, sadly, when 70 per cent of their members supported it and it would've allowed us and them to get on with things.

**Mr WILLIE** - I think there were legitimate concerns around relief teaching and, Premier, if you visit schools that are hard to staff, relief teaching is a real issue. Potentially, that deal that was on the table could've impacted those schools. You would've had senior staff teaching classes. Potentially classes that would have to collapse. That means splitting up classes to go to other teachers. There were some legitimate concerns there.

**Mr HODGMAN** - Yes, but the education union leadership described it as an excellent deal initially and 70 per cent of the membership agreed with it. I'll just add to my answer that in relation to that particular agreement, there were proposed two hours less instructional time for primary school, the employment of an additional 95 specialist teachers that I've referred to in primary schools. The introduction of new level 14 and pay rises for advanced skills teachers which would have benefited over 50 per cent of the teaching workforce. Bonus payments equivalent to 0.5 per cent in the first year of band 1, levels 1 to 13 in year one, and for level 14 in year three. The ability

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for appropriately qualified teacher's assistants to take up positions under the teaching award, entitling them all to benefits including paid school holidays.

There were a lot of benefits as well in these negotiations in addition to the salary increase, which of course all do come at a cost but which will improve work conditions for our teachers and it demonstrates, in our view, at least that the broader membership of the Australian Education Union was prepared to come forward with a sensible, affordable way forward. That's now been rejected, despite the vast bulk of their membership agreeing with it, which is regrettable. But that should -

**Mr WILLIE** - So you're back to the starting point after 12 months. How are you going to resolve this pay dispute? It's not doing a service, as the survey highlights, to public servants. It's not doing a service to the teaching profession, as you mentioned, and some of the rhetoric from the Government has been demeaning in that space. How are you going to resolve this?

**Mr HODGMAN** - We reject that assertion. By continuing to negotiate and opening and expecting that the union leadership will come back with counter offers, as we've asked them to do. We've put a very clear position on the table which includes in each union sector improved conditions, similarly or we would plan to deliver across the board for the teachers. We've only so far received counter offers from teachers, nurses and firefighters. There's still a lot more to do and I respectfully suggest to the union leadership that the ball's certainly in their court and the sooner they return it, the sooner we can get on with it.

**Mr WILLIE** - Yes, you're having two bites of the cherry, aren't you? You've got a \$450 million efficiency dividend across Government and you're asking them to find further savings.

**Mr HODGMAN** - As I say, the Budget, as it is, factors in a wages policy that has been in place for some time. In fact, adopted from former Labor government. We want to be able to provide backpay to unions as well which is why we want them to come back to the table sooner rather than later. We want to provide them with increased benefits, as I've outlined, across the board as well and employ more staff in the process. These things come at a cost. We need to keep the budget in good shape, in surplus, as it is, so that we can afford these additional services to Tasmanians, which they expect and need and it all needs to be paid for somehow.

**CHAIR** - Thank you. Premier, given what has unfolded with the negotiations and the decision from last week, I think it is now, how does the Government see their negotiations in good faith, given what unfolded? You said the ball is back in the union's court. Is that what you're waiting for? You'll wait for the unions to come back or how do you do that?

**Mr HODGMAN** - We'll continue to negotiate and offer meetings, formal meetings, between our negotiation teams and now with individual union representatives, there have been over 113 formal meetings with unions on the wages agreement. We have certainly bargained in good faith by breaking what was a long-standing wages policy of 2 per cent. We accept that that wages policy is very important to the unions and to their membership, so we've broken with that and agreed to increase our wages policy with offsets and savings to make it affordable. But we've got a very strong commitment to build our public service, to improve their terms, their conditions, their workplaces, to improve on their conditions. In any negotiation you put your best offer forward and it's up to the counter party to make a counter offer. We are really keen to progress these discussions prior to 30 June because that will allow us to include back pay in the agreements, because that's not factored into the budget moving forward either.

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**Ms GALE** - Premier, I could add that the AEU is continuing to negotiate, so they have come back post the decision last week with a list of questions that they need some information on and it's my understanding that they've sought that information with a view to putting forward another offer. So those negotiations are continuing to take place.

**CHAIR** - Has the union given any indication of what percentage of support they're looking for from their members? Are they looking for more than 70 per cent? Are they looking for 80 or 90 or 100 per cent? How are they going to arrive at something if 70 per cent said yes and they still didn't take it?

**Ms GALE** - That would be a very good question to ask the union.

**CHAIR** - I'm asking the wrong person. I went to an art exhibition opening on Sunday afternoon before I travelled down and that was the topic. I didn't have time to purchase anything. Ms Howlett.

**Ms HOWLETT** - No, I think I'm covered, thank you.

**CHAIR** - You're okay. Thank you. Mr Dean.

**Mr DEAN** - Premier, I think it was your Government in 2014-15 we had the redundancy program in relation to State Service and public servants. At the end of that process, what were the numbers and what are the numbers now?

**Mr HODGMAN** - Yes, Mr Dean, I can give you - as at 31 March it was estimated that the total government sector FTEs increased by approximately 2090 since 30 June 2014, so that's -

**Mr DEAN** - Sorry, what was the figure again? I missed that.

**Mr HODGMAN** - That's an increase on the table. It's not very clear because I have calendar years. Obviously, when we came into government in March 2014, there was a period in which we were getting a number of FTEs, but the total for 2014 to June was 24 602 and in March 2019, 26 692. That comes from: an increase in employees' working in Health by more than 1000 FTEs; 550 more nurses; resourcing to schools has increased with 222 more FTE teachers; 231 more teacher assistants; and 42 more FTEs school admins. The nurses in schools initiative has also been restored with 42 nurses employed under this program.

**Mr DEAN** - A significant increase over a five-year period.

**Mr HODGMAN** - Of nurses and teachers. Yes. Our hospital system with its massive increase in demand needs more nurses in simple terms. Our schools, which we're expanding to offer years 11 and 12 and more school students, need more teachers. That was always our commitment; to reduce the backline, invest in the frontline, and manage the state service efficiently. As you say, we undertook a similar process when we came into government, as we're going through now, with an expectation that we will achieve savings close to half of what we did in 2014 without impacting on frontline and central service delivery.

**CHAIR** - Supplementary question, Mr Armstrong.

**Mr ARMSTRONG** - What percentage of the Budget, in money, is paid to the public service?



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**Mr HODGMAN** - Good question. We'll take that on notice.

**Mr DEAN** - So the efficiencies are expected to be created through the administration side of things, is that it? You're saying it won't be picked up on the frontline, the coalface workers?

**Mr HODGMAN** - Certainly not in terms of frontline, coalface workers. We need them to deliver services. We will start with the non-essentials, consultants, travel, transport advertising, promotion, expenditure, targeted vacancy control in the State Service and natural employee attrition - if an employee leaves the State Service, and it's not necessary to replace that person to provide an essential service - or through the Workforce Renewal Incentive Program, WRIPS, which has previously been deployed to reduce wages costs through re-profiling of existing jobs. When our agencies identify areas where state servants can better be redeployed more efficiently and more effectively through these programs, that will reduce our wages bill.

**Mr DEAN** - The amount being targeted was about \$4 million from memory. Was it \$4 million that you expect to recoup as a result of the consultancy and the other areas?

**Mr HODGMAN** - Yes, it's \$450 million in savings in total.

**Ms GALE** - Over four years.

**Mr DEAN** - Is \$450 million in savings just across those areas achievable?

**Mr HODGMAN** - I don't have the precise figure in front of me, but our savings strategy target in 2014 was around twice that amount. And it's a 0.75 efficiency dividend, which is a lot less than other jurisdictions.

**Mr DEAN** - What's the male to female ratio in the State Service?

**CHAIR** - We've had a look at that. The women are taking over, Premier.

**Mr DEAN** - I suppose it's about 50:50.

**CHAIR** - I don't think so.

**Ms ARMITAGE** - I'd go with 66.

**Mr HODGMAN** - It is 71.29 per cent females in the State Service.

**Mr DEAN** - Crikey. Not much hope for us going forward.

**CHAIR** - I'm going to pass that on to your wife.

**Mr HODGMAN** - In other parts of the State Service it's more like the other way around. Not quite so, but, yes, that's -

**Mr DEAN** - I think the amount of sick leave within the State Service is reasonably high and I think I'm right in saying it averages out at about nine to 10 days per person within the State Service. Correct me if I'm wrong, or if I can get the accurate figures.

**Mr HODGMAN** - Seven.

**Ms GALE** - Yes, seven days and one-and a-half days for carers.

**Mr HODGMAN** - Can you just interpret that for me, please?

**Ms GALE** - Yes. The average sick days per FTE over the last few years has been between 52 and 54 hours, which works out to be around seven days. And then on top of that, which also comes out of the personal leave component is carer's leave, which is about 1.3 days average per person. It comes in around eight-and-a-half day's average over a year.

**Mr HODGMAN** - And that's actually a decline on previous year?

**Ms GALE** - That's year to date, so it's been fairly stable over the last few years.

**Mr DEAN** - What's happening in the area of family violence leave, Premier? I don't want names or anything like that, but I want to know how many of our people within the State Service have applied? We surely must have the numbers.

**Mr HODGMAN** - In 2017-18, 42 applications were made.

**Mr DEAN** - Have there been any repeat applications made?

**Ms GALE** - We don't collect that information.

**Mr HODGMAN** - I'm not aware of that.

**CHAIR** - Thank you. I have a supplementary, too, exactly on that before you go to something else.

**Mr ARMSTRONG** - Premier, I believe in private enterprise, sick leave is about 10 days per year. What's the public service as far as sick leave per year? What are the entitlements?

**Ms MILLS** - It does vary from award to award but at the moment it's around an average of 20 days per year.

**Mr ARMSTRONG** - Twenty?

**Ms MILLS** - Twenty. That's what they're entitled to, but the average being taken sits around seven.

**Mr ARMSTRONG** - What people are ultimately entitled to is what I wanted to know.

**Ms MILLS** - Yes.

**Mr ARMSTRONG** - So it's 20.

**Ms MILLS** - It's 20, yes.

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**Ms GALE** - If I could just explain that, about close to a third of the State Services is in the teaching workforce. Obviously if you're a teacher, you tend to have illnesses that are passed on through children. It might seem like an excessive amount of leave to have available, but I can assure you, if you are a teacher and you're exposed to all of those illnesses, over time, it sometimes -

**Mr DEAN** - And that's just the education -

**Ms GALE** - Yes, that's only that education. Nursing would be the same.

**Mr HODGMAN** - The first-year teachers get extra days because their immune systems aren't built up.

**Ms GALE** - That's right to take account of that.

**Mr DEAN** - The number of bullying and harassment complaints and figures around dismissals within the State Service as well. Have there been any dismissals? And those on stress leave, I think you were saying, it might not be recorded as stress, but -

**CHAIR** - I'm mindful that we're getting towards 1 o'clock. We will have to do Trade after lunch.

**Ms GALE** - We have some numbers split up. There were 145 formal grievances lodged in agencies last year. Some of those were satisfactorily resolved by agreement. Twenty-two of those, four were withdrawn. Fifty-four were upheld, 25 dismissed and 40 carried forward. There were no grievances concerning bullying and harassment reported as being referred to an external organisation during the 2017-18 period.

**Mr DEAN** - That's significant because on the figures that Josh quoted, bullying seems to be an accepted practice. What did you say on that?

**Ms GALE** - There are no grievances concerning bullying and harassment reported as being referred to an external organisation during the 2017-18 period.

**Mr DEAN** - That's significant because of the figures that Josh quoted on bullying seems to be an accepted practice, I think, words to that effect. What did you say on that, there were no -

**Ms GALE** - There were no grievances concerning bullying and harassment reported -

**Mr DEAN** - Within the state service?

**Ms GALE** - As being referred to an external organisation, so severe enough to be referred.

**Mr DEAN** - Well, how many - do we know the number that were made that were not referred to an external service?

**Ms GALE** - Thirty-seven were reported as being resolved internally.

**Mr DEAN** - Resolved internally.

**Ms GALE** - They shook hands and had a cup of coffee.

**Mr DEAN** - What were my other questions there? In dismissals. Any dismissals within the state service, Premier, during the year?

**Mr HODGMAN** - The last year seven permanents.

**Mr DEAN** - Staff were dismissed?

**Mr HODGMAN** - Yes.

**Mr DEAN** - And reasons?

**Mr HODGMAN** - One of a probationary employee. One, an abandonment of employment. Four, a breach of the code of conduct. One, inability. That's your seven.

**Mr DEAN** - Okay. Thank you.

**CHAIR** - What about mutual separation? Not recorded?

**Mr HODGMAN** - No.

**CHAIR** - Thank you. Ms Armstrong.

**Ms ARMITAGE** - Thank you, Premier. If I could just quickly, before I go onto another question along the lines of the incidents and accidents. I notice in the current annual report for DPAC for 2017-18, the number of incidents reported. In 2015-16 it was 55. 2016-17 there was 69, and 2017-18 it was up to 70 and workers' compensation claims had gone from three in 2015-16 and 2016-17 up to eight. Do you have any reason for the climb in DPAC of incidents and workers' compensation claims rising?

**Ms GALE** - That's in the out group book. I will go back and see if I can find it.

**Ms ARMITAGE** - Okay. That's all right. I do have another question.

**Ms GALE** - Sorry.

**Mr HODGMAN** - Hold on. We may be able to -

**Ms ARMITAGE** - You can always provide it on notice if that's easier.

**Ms GALE** - Sorry. There were six new workers' compensation claims lodged and accepted. Of those new claims, four have been closed and two remained open as at 31 March. Five were physical injuries and one was an anxiety, stress injury.

**Ms ARMITAGE** - When you say physical injuries, not -

**Ms GALE** - Tripping -

**Ms ARMITAGE** - Not related to the bullying?

**Mr HODGMAN** - No, no.

**Ms GALE** - No, tripping and falling.

**Ms ARMITAGE** - It is becoming a dangerous workplace.

**Ms GALE** - Thank you, Honourable Member.

**Ms ARMITAGE** - The other quick question was to do with ministerial and parliamentary support, the statistics. The government ministerial officers and the number of staff -

**CHAIR** - You have wandered back.

**Ms ARMITAGE** - I have. I found this when - Ivan was talking for so long and I found these and I thought it was worth going back to them. It is ministerial and parliamentary support staff, but I thought I would just go back to this little bit. While you were doing that, I was going through the DPAC report. It was just something I thought I should ask. I notice last financial year it was 106 whereas previously it was 101. There has been an increase of five. Labor opposition had 26. But the one that concerns me and I'm wondering, the Tasmanian Greens. Why do they have five? Why do they have a FT of 4.341 when they've only got two members? I knew you'd be able to find it, Premier.

**Mr HODGMAN** - Yes, there were requests for increased funding to opposition parties' officers which were agreed to by government last year, including an increase to the Greens and indeed the Labor party which was compensated with an increase in government.

**Ms ARMITAGE** - The only other quick question I would ask, is to do with ministerial drivers and I think they do a great job, so I'm certainly not criticising them. But I notice there were 10 in 2016-17 and 13 with one being a casual ministerial driver.

**Mr HODGMAN** - Yes.

**Ms ARMITAGE** - So the extra three, because I notice – I don't believe it goes to the leader of the government in the upper house because I don't believe she has a ministerial driver.

**Mr HODGMAN** - Yes. There are three fewer ministerial drivers now.

**Ms ARMITAGE** - Or three more.

**Mr HODGMAN** - Not three fewer.

**Ms ARMITAGE** - So 13 is not correct. Is 13 not correct? The latest one I'm looking at has gone up to 13 from 10. Not down.

**Mr HODGMAN** - Yes. There're 13 permanent drivers and 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 total cars from 13 to 15, and it accommodates the two additional northern ministers, as I say, three lower than historical levels, but the 13 clients of the service are the Premier and all cabinet ministers, the leader of the opposition, the Speaker of the House of

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Assembly, the President of the Legislative Council and the leader of the legislative council. Ministerial drivers are also called upon to -

**Ms ARMITAGE** - So just so I could go back there. I don't believe the leader of the legislative council has one, so can you tell me why the leader of the legislative council doesn't have a driver? Doesn't want one, is that what it is?

**Mr HODGMAN** - As indeed are those associated with diplomatic visits as well.

**Ms ARMITAGE** - So she can have one? No. That's all right. Thank you.

**CHAIR** - Thank you, very much. Members, any other questions in this output area?

**Mr DEAN** - Just a quick question on the state service.

**CHAIR** - State Service, last question.

**Mr DEAN** - As a requirement of state service, Premier, there must be, I think, education in relation to - from the Integrity Commission, in relation to integrity issues and how people will conduct themselves and so on in the organisation, and I understand that is a requirement of every state service employee. Can we be satisfied that every state employee is receiving that training, and are they also having the refresher programs which I understand occur every other year - is it, a number of years thereafter, I'm not quite sure of the number of years, but are we satisfied that that has occurred because it is an important area?

**Ms MILLS** - We don't monitor that from a central point of view, but certainly the training is made available either directly from the Integrity Commission or through the training consortium, and then it's rolled out within agencies, so in terms of compliance there is the requirement under the Integrity Commission Act for agencies to comply so that would be reporting to the Integrity Commission on that.

**Mr DEAN** - So just that I get that clear then. Each secretary of each department or team leaders are required to ensure that all of their staff undergo this training.

**Ms MILLS** - That's my understanding from the Act. It's not necessarily doing that training but ensuring that they're aware of their requirements.

**Mr DEAN** - Being aware of the requirement is one thing. Ensuring it's occurring is another. I think it has been raised by the Integrity Commission and I sit on the Integrity Committee as to the concern there as to whether or not it is occurring to all employees, and I guess the proof will be here if we get staff getting into difficulties.

**CHAIR** - So the question is, does the Premier agree?

**Mr DEAN** - Yes. My question is, shouldn't there be some tick off, Premier, in relation to the training of all of these personnel. In other words, recorded. It's recorded within their dossiers or within the departments?

**Ms GALE** - So through you, Premier. Heads of agencies take responsibility for their own learning and development programs as Louise has indicated, and those programs are made

available. It's not monitored across the whole of government. That's not an issue that has been raised before and so we haven't really considered that monitoring, but we could have a look and see what figures the Integrity Commission keeps, and then we could perhaps think about a way to either monitor or report that. There would be no reason why we shouldn't be able to do that.

**Mr DEAN** - No, it would be, in my view, a great thing to be able to do. Thank you.

**CHAIR** - Thank you. And while you are on a roll, Mr Dean, output group 5, security and emergency management and I feel sure you have a question. You are the expert on security.

**Mr DEAN** - Not really.

**CHAIR** - Thank you very much, Louise. We really want people up this end if that's all right because otherwise it's too far down for -

**Mr HODGMAN** - Director Simon Roberts and Michael Stevens.

**CHAIR** - So could you for Hansard.

**Mr HODGMAN** - Yes, Michael Stevens, who is running your bushfire task force and recovery efforts and Simon Roberts from the Office of OSEM.

**CHAIR** - We have Melissa as well at the table.

**Mr HODGMAN** - And Melissa Gray.

**CHAIR** - Back again. Thank you, Mr Dean.

**Mr DEAN** - So my first question is in relation to the funding - is the funding here, Premier, funding allocated to resourcing the function of security and emergency management. Is that purely dedicated to the staffing of a business unit? What exactly does it cover and entail?

**Mr HODGMAN** - Yes, additional recurrent funding of \$2 million has been provided to support whole of government work with emergency services, local government, non-government organisations in the community to coordinate and implement whole of government arrangements for recovery from emergencies, develop whole of government policy and advice regarding counter-terrorism, national security and emergency management, manage interagency and intergovernmental relationships and processes to support the Tasmanian relief and recovery arrangements and the national disaster recovery funding arrangements and maximise funding received from the Australian government following emergencies.

To lead initiatives to improve Tasmania's capacity to prevent and prepare for emergencies across all hazards, to support emergency services during natural disasters and to contribute to national policy development in emergency management, national security and counter-terrorism, particularly through active participation in the Australia-New Zealand Counter-Terrorism Committee and the Australia-New Zealand Emergency Management Committee. There's a lot more specifics or breakdowns.

**Mr DEAN** - Well, I was just going to ask the breakdown of the additional I think \$2.5 million allocated in 2019-20 between security and emergency management functions, bushfire recovery funding and the Southern Tasmania Community Recovery Fund.

**Mr HODGMAN** - OSEM's budget allocation is \$1.32 million, Bushfire Community Recovery Fund, \$1.56 million, Southern Tasmania Extreme Weather Events, that was from 2018, the floods, \$1.178 million, the flood policy unit, \$500 000 and the flood mapping project, \$650 000.

**Mr DEAN** - I think you said \$1.56 million for the bushfire recovery.

**Mr HODGMAN** - Yes.

**Mr DEAN** - How is that apportioned? What's the distribution position on that?

**Mr HODGMAN** - It'll be distributed across multiple agencies to cover a range of initiatives to support the ongoing recovery of the communities impacted by the bushfires. It's jointly funded by the Australian and Tasmanian governments under the disaster recovery funding arrangements and Michael Stevens might be able to elaborate.

**Mr STEVENS** - Yes, so there's a few elements to it. In conjunction with local government, we've come up with the recovery package for the four areas. They include economic recovery offices which will be based in the local government areas and there's a half a million dollar community project which the applications close on 7 June, so they will be apportioned to various local government areas that were affected by the bushfires, basically to aid economic recovery, community recovery, resilience and a variety of other things.

**Mr DEAN** - So that's to cover - sorry, I'll go through - so that's to cover the cost in local government that they had to bear through this, is that -

**Mr STEVENS** - That's in addition. There's also - so the costs of local government of the evacuation centres and various other things will be repaid through the Office of Security and Emergency Management, but through other processes, not through that money. These moneys are specifically for initiatives to help the community recovery.

**Mr DEAN** - So the moneys that I think that we will be able to get back through the Commonwealth I think in relation to this, has that been settled yet, Premier? I think at the time of the budget last week it hadn't been. So when will that be settled and when we will know what money we're going back through that recovery program?

**Mr STEVENS** - It does take some time and Simon's about to jump in.

**CHAIR** - Can you use that microphone, thank you, Simon, just so we've got a good opportunity for Hansard and members.

**Mr ROBERTS** - Thanks. Through the Premier. The local government authorities actually claim their money from the Tasmanian government under the local government policy. They'll get their money quickly but the process, that we then include their costs in our claim to the Commonwealth. So that process takes quite a lot longer.



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**Mr DEAN** - So when's it likely to I guess be finalised and how much are we likely to get back from that? It's been mentioned I think about 50 per cent I think of the cost on the state government, is that right or am I - could be?

**Mr ROBERTS** - Through the premier if you're happy, Premier. At the moment the budgeted costs of the fires are \$84 million. This includes the firefighting costs of 64 million and there's some grants and other items on top of that. The estimated reimbursement from the Commonwealth at the moment is \$48.84 million under the disaster recovery funding arrangements.

**Mr DEAN** - When is that likely to be returned to the state?

**Mr ROBERTS** - We will make a claim generally in the March following the year in which the costs were incurred and then it'll be paid. There's an audit process that it has to go through before we can make the claim to the Commonwealth. Once again, they audit it again before they pay it. A couple of months after that hopefully.

**Mr DEAN** - Right. Thank you. My other question is the one I normally ask is on state security. Are there any changes there or where are we with that? And the other question on that is, is the security of this whole building the responsibility fit within this area or not?

**Mr ROBERTS** - Once again, Premier, so through the premier, in relation to security and counter-terrorism issues, there was an Australia-New Zealand Counter-Terrorism Committee Meeting last Friday in Brisbane. That was attended by Mel Gray and Scott Tilyard who are the members of that group and some of the issues were classified. But I just go through some of the issues that were addressed at the meeting. Obviously in the wake of the New Zealand shooting there was discussion about that and right-wing extremism, our approaches in relation to that.

**Mr DEAN** - That was going to my question on the New Zealand, so if that could be covered as well.

**Mr ROBERTS** - Yes. I think right-wing extremism at that level has always been addressed. I mean, I think it's never been outside of the remit of that group, they've always considered the threat from right-wing extremism. Issues related to remote piloted aerial systems or drones, as we call them, the threat from them and the counter measures in relation to them. Crowded places is an ongoing issue and I think that goes to your question of security of places like Salamanca Place and Parliament House. The Special Response Counter-Terrorism Command in Tasmania Police provide security advice to crowded places and to government buildings, they do a risk assessment and provide detailed security advice to those groups. The issue of children potentially returning from conflict areas. There are a number of children in displaced persons camps in the Middle East as a result of the collapse of the caliphate. Countering violent extremism was another one and there was discussion about legislation. I can go through those items that have been on our agenda for some time. I don't know, Mel, if you want to add anything more from -

**CHAIR** - I'm mindful that we need to finish this output group and we have 12 minutes.

**Mr DEAN** - Do you know if there's any discussion in amongst this in relation to a full-time special operations group in Tasmania?

**Mr ROBERTS** - I understand that that's been discussed within the Department of Police, Fire and Emergency Management and I refer that question -

**Mr DEAN** - So is the Premier able to expand on that?

**Mr HODGMAN** - That's, yes, as Mr Roberts has said, a matter that's being progressed. The minister will be able to provide you with a clearer update on where that's at.

**Mr DEAN** - So you can't give me an update on it, Premier?

**Mr HODGMAN** - No, it's an operational matter, as you would well appreciate, best done through police.

**Mr DEAN** - I would've thought the Premier of this state on a matter as big as this would be well across the issue.

**Mr HODGMAN** - Well we've committed to restoring our operations capacity so very much, but I'm just assuring - I may have some information in relation to it. Yes, as I say, we have committed to establishing a full time SOGs group, investing a million dollars into a fit for purpose facility and \$400 000 for the procurement of specialist equipment and to support Tas Police's response, rapid response, including to terrorism incidents and other emergencies. As I say, the resourcing of the special operations group will be informed by the Tasmania Police and their capability review. We certainly appreciate your interest.

**Mr DEAN** - There was discussion at the meeting last week; you're talking about on this issue?

**Mr ROBERTS** - No, that was a national meeting.

**Mr DEAN** - Right, okay. Does the security of this parliament fall within this area or not?

**Mr ROBERTS** - As I say, the Department of Police, Fire and Emergency Management, within that Special Response and Counter-Terrorism Command, provide security advice to Parliament, but it's not within my area of responsibility.

**Mr DEAN** - And the number of people employed in this area?

**Mr ROBERTS** - I think it's 9.6 FTEs as of March this year, but they've included a couple of people who were in the recovery taskforce at the time.

**Mr DEAN** - Specially employed, yes, thanks very much.

**MS SIEJKA** - How many of the 24 recommendation from Mark Blake's report into the 2016 floods have been implemented in full?

**Mr HODGMAN** - I can provide you with a broad overview of the recommendations of the Blake review. For more detail as to each recommendation, that should be directed to the Minister for Police, Fire and Emergency Management, who has responsibility for the implementation of the recommendations. DPAC was responsible for two Blake review recommendations, both of which have been completed. That was because DPAC become the management authority for recovery in Tasmania and that Government engage with non-government organisations so they can provide support during emergency events. As at the end of April, 10 recommendations are complete. They are recommendations 6, 8, 13, 14, 18, 19, 20, 21, 23, and 24.

Four recommendations are scheduled for completion by July 2019. They are recommendations 2, 3, 16, and 22. And 10 recommendations are being delivered over longer time frames due to a number of factors including complexity or ongoing nature of the work. They are recommendations 1, 4, 5, 7, 9, 10, 11, 12, 15 and 17.

**CHAIR** - Thank you. If there are no other questions in this area, I'll move now to Capital Investment. I believe Mr Armstrong has a question.

### **Capital Investment**

**Mr ARMSTRONG** - I would like to know which Service Tasmania shops are up for refurbishment.

**Ms GALE** - It's an ongoing \$250 million budget. The allocations in 2017-18 and 2018-19 for Service Tasmania, were at the Hobart Service Centre. There was a redevelopment there where \$500 000 over two years was identified to support early planning and design work and to fund the refurbishment activity currently anticipated for mid-2020. In 2019 and 2020, Service Tasmania will commit funds to the New Norfolk redevelopment.

**CHAIR** - Thank you. Any other questions on Capital Investment? I think it's not a big line item.

**Mr DEAN** - What are the extra lease costs on the Government as a result of the move into the CH Smith Building? Are there additional lease costs being incurred in the north?

**CHAIR** - Noelene couldn't answer that, if you recall.

**Mr DEAN** - I thought it might come up in this area.

**CHAIR** - They were going to provide some of it on notice, I think.

**Ms GALE** - Because some of the services haven't been contracted yet, the cleaning and so on, the full lease costs aren't known yet.

**Mr DEAN** - Where are we with Treasury building?

**Mr HODGMAN** - Yes, I'll tell you.

**CHAIR** - That's capital divestment, isn't it? Not investment?

**Mr DEAN** - I think it was the only place I could ask.

**Mr HODGMAN** - I've got some detail with respect to its heritage.

**Mr DEAN** - When does heritage come in?

**CHAIR** - We get to heritage later.

**Mr DEAN** - Okay.

**Mr HODGMAN** - No, here we go. No, I stand corrected.

**Ms ARMITAGE** - Don't jump ahead.

**Mr HODGMAN** - The Government will call for expressions of interest later this year for adaptive reuse of the buildings, which are deemed not suited to modern and efficient office accommodation, to provide better public access where none was available before, to take advantage of the prime CBD location and its heritage character - we can talk about that a little later.

To better conserve the heritage features of the building for future generations, the EOI process would ensure that heritage and historic values are protected. That will include further opportunities for public engagement. Treasury is currently tendering for specialist advice to assist in the EOI process, which is expected to be similar to the highly successful Parliament square project, notwithstanding a few teething problems. It includes a divestment consultant, communications consultant and a probity advisor. Over the next few months a registration of interest phase will be open for interested parties prior to the expressions of interest phase later this year. It will include opportunities for further community engagement as per other EOI processes. The Government will take advice on the types of comprehensive conditions that will be attached to any sale to ensure that heritage values are protected.

**Mr DEAN** - And the National Trust will be consulted?

**Mr HODGMAN** - We will consult with all interested parties. It's likely the Government will need to legislate to clarify title and boundary issues and certain covenants to ensure that opportunities for public access, public open space and our heritage aspects are maintained.

**CHAIR** - Ms Armitage? And then we've got one more question. We've about four minutes.

**Ms ARMITAGE** - I'm not sure that this is not Treasury as well. Premier, you might be able to answer it with regard to building as well.

**Mr HODGMAN** - Yes.

**Ms ARMITAGE** - Public buildings in Launceston.

**Mr HODGMAN** - Yes.

**Ms ARMITAGE** - We all know that considerable works are needed. Are there any plans to update the public buildings to update it?

**Mr HODGMAN** - That would be nice, wouldn't it? Have we got anything?

**Ms GALE** - No, sorry, we don't. The Treasury will deal with it.

**Mr HODGMAN** - Yes, the Treasury.

**CHAIR** - That's Treasury?

**Ms GALE** - A Treasury question.

**Mr HODGMAN** - I'll put in a bid, too.

**Ms GALE** - Thank you.

**Output group 1  
Support for Members of Parliament**

**Support for Ministers and Certain Parliamentary Office Holders**

**CHAIR** - Moving on now, Premier, over a couple of pages to output group 1, Support for Members of Parliament; Support for Ministers and Certain Parliamentary Office Holders. I know we've already strayed just a tad into there, but Mr Armstrong has a question.

**Mr ARMSTRONG** - I am wondering what the number of staff this line item supports? Is there a change from full-time estimates to last year?

**Mr HODGMAN** - Yes, I have 109.5 FTEs for March 2019. I've got a figure for ministerial officers in March 2014, 104.6 FTEs.

**Mr ARMSTRONG** - I am wondering about regional Cabinet meetings and the cost of them. What would the cost be?

**CHAIR** - A lot of people resigned; 28 people resigned last financial year.

**Mr HODGMAN** - For 11 regional Cabinet meetings held between 1 April 2018 and 16 April 2019, a total of approximately \$12 000 was expended, including the cost of venue hire where necessary and costs associated with community functions that occur before or following the regional Cabinet meeting itself, and they occurred in -

**CHAIR** - Do you want to table that, minister? Would you like to table that?

**Mr HODGMAN** - Yes, certainly. I have the dates and the places there.

**CHAIR** - Yes. Thank you. Ms Armitage, last question.

**Ms ARMITAGE** - I'm in the right area now. That's all right. I've been going through the DPAC annual report. Just checking with regard to leave liability, and I notice in the last financial year that you - is this DPAC?

**Mr HODGMAN** - Well, Louise has gone.

**Ms ARMITAGE** - Is this DPAC? But this is ministerial.

**Mr HODGMAN** - Okay.

**Ms ARMITAGE** - So it's - so that's all right, I'll ask -

**CHAIR** - Well, what about if we put it on notice?

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**Mr HODGMAN** - We might have the answer here.

**Ms ARMITAGE** - No, that's all right. I've got other questions for the floor. That's all right, I've just lost it now.

**Mr HODGMAN** - Rec leave, long service?

**Ms ARMITAGE** - It was only really looking at staff - sorry, I've just got out of it now.

**Mr HODGMAN** - Yes, we've got that detail here.

**Ms ARMITAGE** - No, it was just the one really, employees with more than 40 days' recreation leave.

**Mr HODGMAN** - Yes.

**Ms ARMITAGE** - I just wondered, do you have a set -

**Mr HODGMAN** - Yes, I'm sure we do.

**Ms ARMITAGE** - You've got, there were 22 there, but do you have a set number that you try to keep - obviously you don't want staff going off on eight weeks' leave.

**Mr HODGMAN** - Yes. That's a good point.

**Ms ARMITAGE** - So I was straying a little bit in the DPAC report, but I kept finding things I wanted to ask questions about.

**Mr HODGMAN** - Yes, so number of employees with excess recreation leave, and exceeding 40 days is seven.

**Ms ARMITAGE** - It's back down to seven now?

**Mr HODGMAN** - Yes, last year as I -

**Ms ARMITAGE** - So they have taken it over that period?

**Mr HODGMAN** - Yes, last year, so it's declined from last year and the year before.

**Ms ARMITAGE** - So I had 22 last year.

**CHAIR** - I would expect someone's done some work on that, honourable member.

**Ms GALE** - So each manager is charged with the responsibility to reduce the number of staff that have over 40 days' recreation leave so they put in place plans to ensure that that leave is taken. It fluctuates from year to year, but sometimes it goes down.

**Mr HODGMAN** - So just to be clear that's MPS.

**Ms GALE** - MPS.

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**Mr HODGMAN** - Yes, reduction.

**Ms ARMITAGE** - No, because it had been 21, 17, then 22, so it's -

**Mr HODGMAN** - Well, that doesn't in fact match the numbers I've got here.

**Ms GALE** - Is that DPAC?

**Ms ARMITAGE** - That was DPAC. I was looking at DPAC here.

**Ms GALE** - The whole of DPAC?

**Mr HODGMAN** - Yes, so that's for the whole of DPAC, sorry.

**Ms ARMITAGE** - And that's 17.

**Mr HODGMAN** - Yes, so that is in fact 17 now, so.

**Ms ARMITAGE** - It's still going down?

**Mr HODGMAN** - Yes.

**Ms GALE** - Yes.

**Ms ARMITAGE** - So you have got things in place to actually ensure that it doesn't -

**Mr HODGMAN** - Yes, the best thing being, I think, that people forfeit recreation leave unless they consent or get permission in fact from the Premier.

**Ms ARMITAGE** - So that's a good incentive.

**CHAIR** - That's a good incentive.

**Mr HODGMAN** - For MPS.

**Ms ARMITAGE** - Yes, for long service leave, Premier, yes, but some -

**Mr HODGMAN** - For DPAC. That's for recreation and cashed out recreation leave appointees will forfeit any recreational leave accrued in excess of 40 days without written permission of the Premier and appointees are not able to cash out their recreation leave either. DPAC are a little less

**Ms GALE** - DPAC's a bit different.

**Mr HODGMAN** - Yes.

**Ms ARMITAGE** - No. Thank you.

**CHAIR** - Okay. Don't need that one?

**Ms ARMITAGE** - No, I'll stop looking at -

**CHAIR** - Thank you very much, members. It's gone just after 1, so we will suspend and we will do minister for trade after lunch, and we'll be back and ready to go by 2.05. Thank you. Did you have something to share?

**Mr HODGMAN** - Only that I'm advised that the percentage of the budget allocation for wages is 47 per cent.

**CHAIR** - There you are. Thank you. See you back at 5 past 2.

**The committee suspended from 1.03 p.m. to 2.03 p.m.**

## **Trade**

**CHAIR** - Premier, welcome back to the afternoon session. I indicated previous to the lunch break that we'd be heading into your area as Minister for Trade. I would like you to introduce your support at the table, thank you.

**Mr HODGMAN** - Thank you very much. I have Mr Bob Rutherford, the Deputy Secretary of Industry and Business Development and the Department of State Growth, and Ms Erin Buttermore, the Executive Director of Trade and International Relations.

**CHAIR** - Welcome to you both and a special welcome to Bob who we always enjoy coming before this committee. I have learned a lot since Bob's been coming and providing some details over a decade or so now. Thank you, Premier, and you might like to start.

**Mr HODGMAN** - Thank you. I'll just provide a brief overview. It is important to do so given that this is Tasmania's first Trade minister. We have delivered the state's first ever trade strategy which outlines actions to be undertaken as we work to meet a target of exports amounting to \$15 billion per year by 2050. It is important to know that in developing the strategy, we've engaged with Tasmanian business and industry stakeholders, and sought their views as to what can best be done to help them expand their domestic and export market places.

The trade strategy is designed to position Tasmania well as we now are, as a globally competitive economy and to help our businesses expand their presence in markets around the world. It sets out initiatives in four priority areas; firstly, to build trade and key sectors through activities such as branded and sector specific trade shows. Secondly, to show case Tasmania in priority markets including supporting inbound buyers and delegations. Three, to support trade logistics and market access including the appointment of a market access coordinator, and four, to build export capabilities of Tasmanian businesses with a range of programs, toolkits and an advisory service.

Works now is underway within industry again to develop the first year's annual action plan which will detail a full calendar of coordinated trade and sector specific activities for the year ahead. Tasmania's export growth has been quite profound compared with other states and indeed the national rate of growth, so we need to maintain that. We've, in fact, reached a record high of over \$3.8 billion in our goods exported value, and the most valuable markets for our goods in 2018-19



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with China, Japan, Malaysia, Taiwan, Thailand and Indonesia. These markets collectively account for around two-thirds of our total goods exports and obviously our goods and our products and produce are important with our mineral sector, exports being the largest sector.

We also have premium meat, seafood, fruit, dairy, fruit, vegetables and our tourism and international education sectors are also an important part, as indeed are all services that we export. International students have increased and they contribute around \$423 million to our economy, and our international visitors, and again, we've had far in excess of any other jurisdiction for international visitation, and that amounts to about \$550 million into our economy as well. There are a number of initiatives and I'm sure we will be asked about trade missions, are just one of the key means of promoting our trade opportunities. Last year we did have a trade mission to China which included 15 business and industry leaders - sorry, that was the Japanese one.

We do take stakeholders, business and industry leaders on our trade missions and 15 of them came with me to Japan which is another of the key markets and we need to continue to have a presence where we have the best opportunity, but you will see also from the trade strategy that we need to diversify as well while China remains our largest trading partner. Significantly there are opportunities, not just in broader Asia, but across the globe and the strategy will best direct governments and the businesses, the industries that depend on our export trade increasingly so to support them and the people they employ.

**CHAIR** - Thank you very much. Ms Howlett.

**Ms HOWLETT** - Premier, can you advise the committee how the Tasmanian trade strategy 2019-2025 will provide the framework for Tasmanian businesses to increase trade and reach the Hodgman Liberal government's target of 15 billion for 2050.

**Mr HODGMAN** - Certainly. I've outlined the key priorities for the trade strategy, the key areas where we wish to best focus our efforts and to how best position Tasmania to help those businesses to attract more investment, to create more jobs. The Government has committed \$12.5 million in the Budget to implementing the trade strategy. Our trade objectives are also, I should add, pursued in the budgets allocated to other portfolios, primary industries, for example, advanced manufacturing, defence and tourism, to name a few.

As I've said, in 2018 our exports hit a new record high but we need to ensure that as a small state with a strong dependence on our export capabilities, that our efforts in markets in the activities that we undertake have the best return on that investment and whilst there is certainly a degree of global uncertainty and the budget in fact identifies that as well as some headwinds in the national economy, we need a longer term strategy that's more coordinated. Through the one we've delivered, we'll be able to address those priority areas, develop the annual action plan. That is, as I say, under way, and to be responsive to those challenges and to empower industry to be flexible, agile and proactive.

The plans will be released annually, will be agile and flexible to tailor our approach and once we've consulted with industry and business we'll be able to release that. Ms Buttermore may be able to provide more specific detail as to the timeframe involved. That also includes us ensuring we're in the right markets. Our biggest competitors, as I often say, are the other states of Australia and they have far in excess of what we do at our disposal in this budget and indeed in personnel. That's why we're looking to increase our efforts through the budget allocation with a more targeted

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approach and some additional personnel to work in with other key agencies, including Austrade to achieve those targets that we've set and are outlined in the budget.

**CHAIR** - Thank you very much. Any further questions there, Ms Howlett? No?

**Ms HOWLETT** - No, not from me.

**CHAIR** - Thank you, Mr Armstrong.

**Mr ARMSTRONG** - Yes, thank you, Premier. You just touched on your overseas to China visit, was it your trade -

**CHAIR** - To Japan.

**Mr HODGMAN** - There were two. Yes, there was China last year, Japan this year.

**Mr ARMSTRONG** - Could you just expand on that one, so Japan this year?

**Mr HODGMAN** - Japan, certainly. It took place between 4 and 11 March. It's our second largest destination for our goods, especially important market for food and beverages and after the analysis that was undertaken in developing the strategy, Japan was in fact identified as one of our priority markets and a market which does require ongoing attention. I was joined by a delegation comprising 15 industry leaders from key sectors, including Antarctic, food and beverage, and also forestry. We visited Hokkaido, a prefecture, an island to the north of the mainland islands of Japan, which shares many commonalities with our state and an MOU was signed between the government and JABA, which is Japan Agriculture. They're a cooperative, one of Japan's largest, to strengthen our counter-seasonal ties with Hokkaido and to explore opportunities for new niche Japan vegetable industry here and indeed export our skills and capabilities and products to Japan.

Other key outcomes included improved relations with our agricultural regulators and I was able to meet with their federal minister, agriculture minister to discuss such matters. There was a Tasmanian booth at FOODEX, one of the worlds and certainly Asia's largest food expos, where we were showcasing Tasmanian product, produce. We were able to showcase our wines at a masterclass specifically held to promote Tasmania's premium brands. We strengthened collaborative ties with our Antarctic institutions and as with discussions continuing around the potential for a National Institute of Polar Research office to be based here.

We have a very strong and important connection with Japan as a market for our forest product and given global uncertainty and some challenges to that sector but with a rebuilding, growing Tasmanian timber sector, we needed to remind Japan, our largest customers for that product, of our performance in that regard and we did so through a sustainable forestry program, which was part of the mission, and we're expected to secure further trade and investment deals from the mission in due course.

As with all of them, it's often to quantify immediately what that might be, but if you talk to any of the industry participants, a number of them have already secured better connections into this market and our coordinated cooperative effort at trade missions such as this are important. In fact, the MOU with JABA was a result of the meeting that was arranged during their visit to Tasmania. It's not just about our outbound effort. Often, we greet delegations from abroad and the Office of

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the Coordinator-General in fact introduced JABA to TasTAFE, resulting in an MOU signing during the 2017 Tas Invest mission to Japan.

Just in conclusion, the department's operational budget for multisector missions is around a \$100 000 to \$250 000, depending on its location, and while some costs for the Japan mission are still being reconciled, the estimated cost is \$180 000.

**CHAIR** - Thank you very much. You touched on the previous question around a time frame and suggested that Ms Buttermore might have some information around that.

**Mr HODGMAN** - On the action plans, yes. Ms Buttermore might add some more detail to the process and time frames.

**CHAIR** - Can we have some time frames?

**Ms BUTTERMORE** - Yes, certainly. We're aiming to release the annual action plan in July after it's been noted by Cabinet. At present we are consulting with business and industry about what we have drafted in the plan to make sure that it's sensible and that it's in line with their priorities for the coming financial year.

**CHAIR** - Right. I guess the relationship between business and industry is really important and we heard this morning, Premier, in regard to Brand Tasmania and the work that's being done there with all those industry representatives on that board. Are there any thoughts of actually getting those two together because there'd be some good contacts in Brand Tasmania as well? Is that happening?

**Mr HODGMAN** - Yes, certainly. Often there is naturally an intersection between the same groups, but yes, it's important that the effort be coordinated through this and Ms Buttermore can add to it, through our trade efforts. Also, through the broader work we're doing as a government to combine our efforts to support our visitor economy, which is strongly supported domestically by the strength of our brand and also many of our trade-based business and activity as well. We're bringing them all together more effectively now but if you'd like to add anything, Erin.

**Ms BUTTERMORE** - Yes. The Tasmanian brand is fundamental to the activity that we undertake under the trade strategy and we have sent out the draft annual action plan via the Brand Tasmania authority to the members of the council for their consideration and we're starting to receive some feedback in on that.

**CHAIR** - Who else has received a copy of the draft for input?

**Ms BUTTERMORE** - We have a long list of business stakeholders, some peak industry bodies, we have a working group that covers all of the government agencies that are involved with delivery of trade priorities and we've also held meetings with other stakeholders such as the Department of Foreign Affairs and Trade, Austrade and the University of Tasmania to get their input on the action plan as well.

**CHAIR** - Okay. Sounds like there's a bit of work going on.

**Mr HODGMAN** - We held regional forums or forums across the state in developing the trade strategy which had a total of how many participants, remember, off the top of our heads it was a

lot, 60 or 70, anyway, they have been engaged in the process of developing a strategy and of course will continue to be through its implementation and the release of our action plans. That's one of the features of it. It was extensively consulted and certainly a very collaborative effort because they're best able to inform how government targets its resources and funds.

**CHAIR** - And also too, noting the notes that we received, that it talks about this output group, economic diplomacy, international brand building, business and skilled migration promotion and you touched on the Antarctic gateway development. Can you give me a little bit more information around the economic diplomacy?

**Mr HODGMAN** - Yes.

**Ms BUTTERMORE** - This is an area that we work on in collaboration with the Department of Premier and Cabinet's protocol unit, so there is a visiting ambassador's program when we receive ambassadors from countries where we have key trading partnerships. I usually meet with them to give them an economic briefing about the state's trade opportunities. They may also meet with the Coordinator-General to talk about investment. Often, they will meet with the Premier or another minister to learn about particular portfolio areas.

In addition, the Department of Foreign Affairs and Trade for their ambassadors being posted to overseas missions, they come on tours of the country, including Tasmania, at the beginning of their posting and also mid-posting. During those visits, we engage them with Tasmanian industry, so that when they go to their posting they're best able to advocate for our Tasmanian exporters in overseas markets.

**CHAIR** - Do we miss out on many of those diplomats? We miss out on every music event that ever comes to Australia. Tasmania is always missed off.

**Mr HODGMAN** - We certainly don't, and there is, as I said this morning, a waiting list so we need to manage the flow, and there is often great interest in coming to Tasmania through official visits and on occasions, non-official visits as well. I'm sure our guests enjoy all that our state has to offer, but we do have a very extensive program. I can table the 2018-19 diplomatic visit schedule which gives you a fair understanding. We try to maximise our impact in key markets, often attached to embassies and diplomatic offices, are staff, Austrade and DFAT staff with whom we are able to leverage and utilise their skills and understanding of the market they're in, to expand our opportunities and to utilise that resource and we're getting better at doing so and establishing good connections and that's a large part of what the strategy envisages as well. It is not just about greeting ambassadors but utilising the officers that they have at their disposal.

**CHAIR** - Do we have any emerging services or products into this area that we haven't seen before? Or they might be top secret but you might be able to share something.

**Ms BUTTERMORE** - Demand for services is certainly growing internationally and Tasmania's brand in terms of our higher levels of renewable energy and our sustainable environment is very much sought after. Ensure, as a renewable energy consultancy is in increasing demand overseas, and similarly there's a lot of interest in sustainable agricultural techniques and fits in with some of the work that TIA does, the Tasmanian Institute of Agriculture, in conjunction with overseas partners are developing cooperative research projects which lead to commercialisation of particular types of goods that helps them to be more productive. These are some of the emerging areas that we're seeing develop at the moment.

**CHAIR** - Are there any areas that we're missing out on?

**Mr RUTHERFORD** - I'm not sure that we are actually. I think we've seen a resurgence in our traditional exports. The diversification into a lot of new things. I know that Austrade's particularly interested in what we're doing because the challenge in trade is moving down from the very biggest firms into middle size firms and we are doing that arguably better than anywhere else in the country. It's not so much the product or the service, it's the pathways to the larger markets to drive the diversification that this economy needs. We're riding the wave, is the best way to put it at the moment.

**Mr HODGMAN** - Yes. Increasing awareness about our capabilities and our defence and advanced manufacturing sectors are a good example of how we're also better doing that through more resources and advocacy. Employing those who understand that those sectors, former Rear Admiral Steve Gilmore, so I think Bob's right, one of our biggest challenges is providing Tasmania business with the capabilities but also giving greater awareness of those existing and potential capabilities to those markets for our product. The other observation I'd made, the common complaint, for want of a better word, is that we're often not able to provide the volume of goods because they're high value, low volume goods which are widely sought after.

**Mr RUTHERFORD** - One of the advantages of returning to the Japanese market is they've always had a very clear perception of our value proposition.

**CHAIR** - Supplementary Mr Armstrong and then I will go to Mr Dean.

**Mr ARMSTRONG** - On your trade missions to China and Japan, did you actually come across any particular road block there that is stopping our industries from exporting there, whether it be biosecurity?

**Mr HODGMAN** - Yes, there are. Certainly, on occasions biosecurity or regulatory impediments.

**Mr ARMSTRONG** - Can they be removed?

**Mr HODGMAN** - Yes, well, they can certainly be -

**CHAIR** - FEC certification.

**Mr HODGMAN** - Well, that's not an impediment necessarily. It would be a value-add, but in our horticulture product, getting into China for example, and other agriculture product, particularly into China, there can be regulatory barriers. We must be working very closely with our Australian embassy officials in those places. Especially with Austrade, with DFAT. That's why we need that additional skills base. We have a new position established under this budget which will also help with export facilitation to identify those barriers.

**Ms BUTTERMORE** - So we have assigned the duties to market access coordinator to one of our team members and they will triage inquiries from all types of business about logistics and market access issues and direct them to various forms of information or support that will help to resolve those queries.

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**Mr HODGMAN** - Another element is through the trade strategy and also the work of Brand undoubtedly is how we can best protect our brand because it is often in competition with product from other places. We want to protect the Tasmanian brand and ensure that it is not being misused by other places including other states.

**Mr ARMSTRONG** - It happens in our cherry industry.

**Mr HODGMAN** - That's exactly right.

**CHAIR** - Last year in this output group area, we had a director of investment attraction. Has that moved somewhere else, or is that no longer a position, a lady by the name of Peta Sugden.

**Mr RUTHERFORD** - That's the Office of the Coordinator-General. He's driving the inbound investment. It is true that often inbound investment tied very closely to the trading outcome, so we work very closely with the OCG on that.

**Mr HODGMAN** - Ms Sugden was one of the delegates to the Japan trade mission.

**CHAIR** - But that's in a different area now because that position came in this output group last year.

**Ms BUTTERMORE** - It's all part of the same output group which is industry and business development, but investment has been managed separately from trade for a number of years now. It has a separate funding allocation.

**CHAIR** - Mr Dean, and then I will go to Mr Willie.

**Mr DEAN** - On your trade missions, do we sell education?

**Mr HODGMAN** - Yes, certainly and -

**Mr DEAN** - So what's happened in that area then with the university?

**Mr HODGMAN** - UTAS is typically also a participant in our trade missions and we've supported endeavours at schools, universities and other education and training facilities in other countries. We've got a global education growth strategy which was launched in 2017 which is fully underway. In 2016-18 international students contributed around \$423 million to our economy so they are a really important segment estimated to have generated 2614 jobs. It's our fourth largest export market, and our international students also, in my view, have a very positive impact in our state economically, and socially and culturally as well. So they are certainly a key sector. We have a dedicated team within the Department of State Growth, formed off the back of the strategy, and we've got a global education advisory group to provide expert advice on implementation and to coordinate joint activities with reps, as I say, from our schools, government and independent; TasTAFE; UTAS; the wider business community. We did, for example, in an earlier trade mission to India and Sri Lanka have with us Ricky Ponting as an ambassador, who was able to launch a social media focus recruitment campaign - he is a very powerful figure in those places - and it reached over 166 000 people. It was viewed 29 000 times and generated 150 inquiries from Facebook, Twitter and YouTube alone.

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There are a number of similar programs, and you can track our efforts in these places through trade missions through quite a dramatic, and you might have the figures to hand, Ms Buttermore, uptake in international students from the countries that we have visited. Typically they involve not only delegates from UTAS or other training providers, but sometimes from schools. Scott Jakeburn has been quite commonly part of trade missions with us and into China, and it's having a massive impact in that sector.

**CHAIR** - Thank you.

**Mr DEAN** - My next question was on India. What are we doing in relation to India? It seems to me to offer a lot of opportunity, and there's been a lot of discussion around that for some time, so what is our trade to India and where does it look at this present time?

**CHAIR** - And do you need someone to go with you, I think, Mr Dean's asking.

**Mr HODGMAN** - Yes, it wasn't that long that we did go and it was the first official visit to India by a Tasmanian premier, I understand when we went in 2016, so it was a long time coming. It was then identified as a priority market and an opportunity for us. Currently our eleventh largest export market, so still some way to go, and it's a more complex operating environment. There are certainly good trade opportunities there. They will perhaps be longer term in their materialisation but we needed to remind India of our existence. As I say, we took with us, not only Ricky Ponting who generated unbelievable media coverage in India - we got 700 news stories generated from our event with him; a readership of well over a billion - we also took David Boon.

**Mr DEAN** - But we've got to make more than cricket bats. We've got to do something else.

**Mr HODGMAN** - The beauty of it was, though, that it had a massive impact. We took David Boon as well, and he's still well remembered over there as much as Ricky Ponting. It's estimated an equivalent of \$1.8 million in advertising drawn from Mr Ponting's strong brand, and since the mission the value of our exports rose from \$90 million to \$129 million in 2015-16 to 2017-18. The number of visitors increased to 5800 in December 2018 from 4000 at the time of the mission, so growth of 32 per cent. Of the business delegates that accompanied the mission, Entura - hydro business was one of them - secured major commercial outcomes including around \$500 000 in consulting and training packages.

Now, it would not be true to say necessarily that all of that occurred simply because of a trade mission, but it must be more than a mere coincidence that we saw such a dramatic increase in those areas. There are now also 1337 Indian students enrolled in our educational institutions, which is a growth of 55 per cent from 2017 to the end of 2018, and again we had UTAS and TasTAFE representatives on that trade mission. We met with our education department, senior ministry, so it's impossible to deny that these trade missions don't have an immediate impact as well. We'll keep working on India which is identified in the strategy.

**Mr WILLIE** - Premier, will tourism be quarantined from the efficiency dividend?

**Mr HODGMAN** - Will what, sorry?

**CHAIR** - This is trade.

**Mr WILLIE** - Sorry. Trade.

**CHAIR** - Yes, this is trade, minister for trade, but you could ask the same question here.

**Mr WILLIE** - Okay, so the question stands for trade.

**Mr HODGMAN** - What was the question? Will tourism -

**CHAIR** - No, we haven't got there yet.

**Mr WILLIE** - That's what I thought you were throwing it to me for, Chair, because I've got the line item there.

**CHAIR** - I thought you had a question for trade.

**Mr WILLIE** - I can wait until tourism if you like - unless you want to answer it.

**Mr HODGMAN** - Well, trade, DSG, all agencies including tourism, are not immune, as you say, from the savings measures, the efficiencies.

**Mr WILLIE** - Just on that, Premier, who's on the committee in the Cabinet to determine how the money will be saved? You would be on the committee?

**Mr HODGMAN** - Yes, I'm not going to disclose the membership of that committee as the Treasurer didn't either.

**Mr WILLIE** - But you were on it?

**Mr HODGMAN** - I'm not going to disclose the membership of the committee, so you can speculate.

**Mr WILLIE** - What's the reasoning behind that?

**Mr HODGMAN** - As the Treasurer has outlined, we don't consider it necessary or appropriate, and the Treasurer has undertaken to pursue the matter with the committee in due course, and if at any time there's a view that it's necessary and in the public interest for that to be disclosed, then we will do so.

**Mr WILLIE** - I think it would be in the public interest, and in the past, Premier, you have been transparent about who sits on what Cabinet committees, whether it be an infrastructure committee, whether it be a family violence action plan committee. Why the secrecy around this?

**Mr HODGMAN** - For, as I say, the reasons outlined by the Treasurer.

**Mr WILLIE** - Which were?

**Mr HODGMAN** - As I've described.

**Mr WILLIE** - There's a lot of secrecy here and I'm not understanding the reasons.



**Mr HODGMAN** - We'll be very transparent about the savings measures and we'll release them publicly, including in the parliament, when they're finalised.

**Mr WILLIE** - I think it's in the public interest who's sitting on that committee and what agencies they are in control of and who's making those decisions, Premier.

**Mr HODGMAN** - Well, the whole-of-government decision as to which savings strategies are implemented once the work has been done in collaboration with our agencies endorsed ultimately by Cabinet.

**Mr WILLIE** - Yes, on the recommendation of the committee.

**Mr HODGMAN** - It will be a decision for Cabinet and for Government. We will accept responsibility for those savings strategies as a Government.

**Mr DEAN** - How do we go about protecting our brand, the Tasmanian brand, on trade, and does the tradeable product have to be wholly Tasmanian? The reason I raise this is with the baby formula situation where a lot of the product was being sourced from the mainland, and was being produced here and put together here. So how do we -

**CHAIR** - And overseas.

**Mr DEAN** - And overseas. So how could we protect, and what is the requirement for that tradeable product under Brand Tasmania?

**Mr HODGMAN** - Certainly under Brand we'll be asking them to not only identify risks as we spoke about this morning, but also how we can strengthen and better protect our brands. Without wanting to presume what that may be, it could include any legislative measures, any diplomatic or trade-based initiatives or protocols that we may be able to apply, and anything else we can do to ensure that Tasmania's brand is protected. We certainly work very closely with key partners, including business and industry in our trade markets to demonstrate the provenance of our products.

**Mr DEAN** - The reason I asked is, because if we're not very careful here, we are going to have, and other states could probably source a lot of their product from Tasmania, and then claim that to be a Tasmanian product, you know, in the same way that we can if we're sourcing from overseas and sourcing from other states and putting it together here and trading as under our brand.

**Mr HODGMAN** - Yes, and our government agencies, as well as our newest Brand Tasmania, as an authority, will be charged with and explore all ways we can protect our brand, our product, its provenance through any means available, bearing in mind there are national and international constraints around. Brand Tasmania has that as one of its objectives, or responsibilities, functions, the task of understanding what that is, and informing government so that we can protect our brand of mainland, Tasmania, our islands, and ensure that is not misused.

**Mr DEAN** - Thank you.

**Mr ARMSTRONG** - With the extension of the Hobart Airport and as far as trade is concerned, do you know of products being flown out of there and where to?

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**Mr HODGMAN** - Yes, there are, and it will be even better once we have international, direct international flights which we expect and hope will be part of our not too distant future. But there are other matters around that which the airport needs to attend to. In the meantime, you're right, there are freight services -

**CHAIR** - What are those other matters?

**Mr HODGMAN** - Well, the Hobart Airport has got to go through a massive master plan and restructure. They have just announced a major terminal upgrade needs to be Border Force and national security agency ready to -

**CHAIR** - We went there a couple of years ago and they were doing an upgrade at the airport.

**Mr HODGMAN** - Yes, I know, there's a fair bit more they need to do for the airport to welcome international visitors. They must have Customs and Border Force facilities, screening, et cetera, which exist in other mainland airports. We need them here, and to increase the airport not only to be able to do all that, but also to welcome more flights they have a master plan process under way which requires federal government approvals as well and consultation. It is quite an extensive process, and it's expected that the airport will be able to receive direct flights, inbound flights from overseas in 2020. To answer Mr Armstrong's -

**CHAIR** - Apologies, Mr Armstrong.

**Mr HODGMAN** - No, that's fine, and that will certainly meet increasing demand into China and other places, but we do have the capacity to accommodate international freight flights now because of the extension to the runway which Mr Armstrong has referred to.

Also, a new cold storage facility and processing facility with time-sensitive freight to China. It's a service designed to provide our exporters with that opportunity to get our fresh and most marketable products into China's market. Several processes are under way to secure international flight approvals from the Chinese Aviation Regulator for scheduled and charter freight operations originating in Hobart.

You might recall the very exciting concept of fresh milk being freighted into China which is in fact occurring, but has to go via Melbourne, and other freight pathways are also being explored to potentially enable our exporters to better access the east coast markets in China, as well as Hong Kong. There are a number of freight operators with an interest in utilising Hobart and our goods, and there are a number of freight goods in fact going out of Tasmania into international markets.

**CHAIR** - Thank you. One last question on this output area.

**Ms ARMITAGE** - Just a last question on trade. With regard to your delegation to Japan, looking at the itinerary, it is a little interesting. MOU signing with JABA.

**Mr HODGMAN** - Yes, and I did have a copy of that I tabled it yesterday. It's a very high-level memorandum of understanding, but Hokkaido being on a similar latitude to Tasmania, with a counter seasonality where our winters don't conflict, we've got an extraordinary opportunity. Is there a hard copy version of it in here?

**CHAIR** - Right behind you have a paper version.

**Mr HODGMAN** - No, I've got a hard copy too which I can table.

**CHAIR** - Thank you.

**Mr HODGMAN** - But as, doesn't that work - do I need a special pen or something?

**CHAIR** - Do you want this one?

**Mr HODGMAN** - I'm old-fashioned. I don't think that works.

**Ms ARMITAGE** - There's no touch screen.

**Mr HODGMAN** - This one. Yes, it's very old-fashioned, so it's a legally non-binding commitment. It did come in response to the earlier work that we'd done to establish a relationship with JABA which is one of Japan's largest agricultural cooperatives that brings together farmers and producers. We visited it in Hokkaido and there's an agreement to exchange and collaborate in the areas of education and training, research and development, counter-seasonal trade opportunities that I've referred to, research and field trials and to Japanese vegetable crop growing here with potential future cooperation for a Japanese vegetable industry, showcase opportunities for female role models in agriculture, which is very important to them and they've got a lot of work to do in that regard, as of course we do.

**CHAIR** - Let's send Tasmanian Women in Ag representatives over -

**Mr HODGMAN** - That's exactly right.

**CHAIR** - They will be humming after they've been.

**Mr HODGMAN** - Part of the discussion. I know there have been Tasmanian delegates, not through our trade mission, but independently. I've got a group of delegates from Hokkaido here soon, and also to celebrate the contribution of women generally and to exchange other cooperation as agreed by the parties.

**CHAIR** - The National Institute of Polar Research, which is another unusual one.

**Mr HODGMAN** - Yes. Their Antarctic interests, and we do facilitate the service that they have expressed an interest in establishing a permanent presence here in Tasmania which we are working with them on. I don't imagine it would be a particularly large one, but it would further cement our status as the gateway to Antarctica. That was a discussion which also commenced when we received a delegation from Japan here through Antarctic Operations. We were able to follow up on that when we were in turn in their country and it just strengthens our Antarctic connections with another of our key partners. It's not just about our goods, it's also about the services that we can offer to them when they come to Tasmania.

**CHAIR** - We had success with the Japanese retailer hopefully? I won't ask who it was but I notice a meeting with Japanese retailer.

**Mr HODGMAN** - Yes.

**CHAIR** - Successful meeting?

**Mr HODGMAN** - Yes, she would have had, to that, no?

**Ms ARMITAGE** - I thought it might be in confidence too.

**Mr HODGMAN** - No, well, there are some that are not especially sensitive necessarily, the work we do in trade missions because they have important trading and economic outcomes but we're able to give the really important connection that our meat processing or our meat industry has with one of Japan's major supermarket retailers, visit and see the exceptional branding of Tasmania's meats, its provenance. A happy photo of my smiling face beaming back at them, assuring them of the quality of the meat; the fact that we are relatively disease-free. We are GMO-free and it's a premium grade product that the Japanese consumers enjoy.

So not only did we visit one of their supermarkets, we also had a meeting with their executives to provide them with some assurances about our brand. They were particularly interested in our GMO status. That's a major issue for them and they were delighted to hear that while there's a review under way there is a moratorium, and I'm not anticipating a departure from it because it separates us from most of the world and certainly the rest of Australia.

**CHAIR** - Thank you very much, Premier. We have five output groups, so I'm happy to stay until 9 o'clock tonight.

**Mr DEAN** - Live stock movements transfers. Is that anywhere being discussed in trade. Is that likely to occur again?

**Mr HODGMAN** - No, it's not. It's not part of our realm.

**Mr DEAN** - Or is there anything in that area at all?

**Mr HODGMAN** - No.

**Mr DEAN** - No, okay. That's good.

**CHAIR** - One to take up with the minister for agriculture, I expect. Thank you very much and we particularly thank Erin and Bob for their time.

**Mr HODGMAN** - Yes, thank you, Erin and Bob.

**CHAIR** - We have tourism. People who are going to join us for tourism, please come to the table.

## **DIVISION 12**

(Minister for Tourism, Hospitality and Events)

### **Output Group 1**

#### **Tourism**

##### **1.1 Tourism**

**CHAIR** - Is the CEO not available?

**Mr HODGMAN** - I extend apologies on behalf of the CEO, Mr Fitzgerald. He's had a bereavement in his family, very close family member, which has required him to travel to Queensland where he currently is, with our very best wishes.

**CHAIR** - Yes. Absolutely.

**Mr HODGMAN** - But I have Amy Hills, and also Mark Jones to cover in his stead, as well as Jacqui Allen, Deputy Secretary from Department of State Growth.

**CHAIR** - I'm sure they'll do a fine job.

**Ms ALLEN** - We'll give it our best shot.

**CHAIR** - And we also extend our sympathies as well.

**Mr HODGMAN** - Mr Fitzgerald would love to be here, but has not been able to join us due to those circumstances.

**CHAIR** - No. He's certainly been a strong advocate for tourism in this state while he's been in the role.

**Mr HODGMAN** - As Tasmania's tourism industry and our visitor economy continues to exceed expectations and ensure that we continue the growth in visitor numbers, which has occurred again this year. Pleasingly, we've seen a greater dispersal of our visitors, with them spending more on average times out of Hobart, exploring the state and, importantly, also spending a record \$2.86 billion into our economy.

Our plan has always been to not only increase visitation which we need to do to keep ahead of the pack and to fuel our visitor economy, but to have our visitors staying longer and spending more while they're here, which is what's happening. We need to do that and can do that by: increasing access to and from our state; investing infrastructure into new attractions, which are important to ensure Tasmania remains a place of keen interest; and to equally invest in Tasmania's skilled workforce so that those who work within tourism and hospitality have the ability and capacity to provide a great customer experience. As well, we will extend our extensive events program which is keeping Tasmania at the forefront as a place to visit, whether it be through leisure events or the business events sector, which is increasingly important and also a very high yielding sector.

There is a \$20 million regional tourism attraction loan scheme for low interest loans up to a million dollars for businesses to undertake projects to help grow our local economy, again, with that regional focus to disperse our visitors. We have a partnership with the Tasmania Hospitality Association to lift standards across the sector; a \$6.3 million investment to grow our hospitality workforce, including through the great customer experience program and other hands-on practical initiatives. The year-round calendar of events is important. We continue to support things like Mona Foma and the winter festival that, like our capital city, is about to kick off. We took Mofoto to the north to expand their reach and join other great festivals such as Festivale and the V8 Supercars, for example.

**Ms ARMITAGE** - We'd love Dark Mofoto in the north. We need something in winter, Premier.

**Mr HODGMAN** - Yes. And for another five years. It was pretty damn close to winter when we launched the V8 Supercars a little earlier this year; it was freezing cold. But they're a really important driver, our biggest attended event. We've been able to secure a deal with them for another five years to keep it in Tasmania.

We have a \$4 million events attraction fund to get events to the state, again with a view to sending them into our regions. We've got the Special Olympics and we've just had the version of the Australian Musical Theatre in Launceston. We'll continue to invest in our product, in our industry, in all that it offers and to market and promote it well. As we're doing, through the ongoing development and soon-to-be launched next phase of our tourism branding, which will be very exciting for all Tasmanians, especially those who work within the sector. Most importantly, those who are looking to Tasmania as a place to visit, will certainly grab their attention.

**Mr WILLIE** - Premier, in the key deliverables, the tourism and hospitality supply, there's \$1.1 million for this year and \$1.1 million across the forward Estimates in each year. In the key deliverables description, it says that it's for quality tourism, hospitality, business event outcomes, product and experience development and improved business capability. Have you got any more detail on what that \$4.4 million will do and how it will be spent and some examples?

**Mr HODGMAN** - The Department of State Growth, Tourism and Hospitality Supply Unit provides strategic advice, initiates programs, develops partnerships, et cetera, administers grants and supports the priorities of T21, which is our visitor economy strategy. The 2019-20 Budget is allocated \$1.1 million for four years to continue the work.

In the 2015-16 financial year the unit undertook a facilitated process to identify and prioritise its supply side projects including key tourism and hospitality industry stakeholders and the four RTOs, regional tourism organisations and the implementation of priority projects, specifically the priority actions and common themes that were identified in the Tasmanian Visitor Engagement Strategy.

The unit implemented the Destination Action Planning process. There are 32 plans across the state. Identified further programs and projects for 2016-17 that support the progress of the priority actions are outlined in T21. The unit has also supported strategic investment in public and private tourism infrastructure and products through the management of the Australian government's Tourism Demand Driver Infrastructure Program and Regional Tourism Infrastructure and Innovation Fund. That was largely driven through a collaboration with industry built through the unit. The unit oversaw the development and the release of the Cycle Tourism Strategy in 2017 and is managing the cycle tourism fund that saw \$6 million be provided to a range of products across the state.

The unit also manages the Destination Action Plan Funding Applications and works closely with the RTOs on ensuring that the individual plans are up to date and delivering for their communities. For members' interest, the latest projects supported are the Derwent Valley Tasmania Directional Map Project, the Ross Revealed Augmented Reality Project. Work's also underway with the Tasmania Visitor Information Network on how visitor information services can best support the T21 goals and promote yield and dispersal.

The unit manages the Government's relationship with Business Events Tasmania, a really important sector. It's currently negotiating a new funding deed that reflects BET's strategic

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direction. The unit will also manage the new \$1.2 million fund in the Budget to support BET to bring strategically and economically important events to the state. It will play a lead role in the delivery of the \$20 million Regional Tourism Attraction Loan Scheme in this year's Budget as well.

It's also involved with various groups including: the Freycinet Master Plan Steering Committee; the Electric Vehicles Working Group; and the work being undertaken by Parks and Wildlife Services to improve visitor experience on Maria Island. It works closely with Tourism Tasmania on projects arising from the T21 objectives, has responsibilities for the development and delivery of the Tasmanian Journeys project, with three new journeys planned in addition to reinvigorating the Great Eastern Drive and implementing the Western Wilds, which was launched in October 2018.

And for the hospitality sector, the third largest employer in the state of course as well, the budget in 2018-19 allocates \$6.8million over four years to assist the THA to deliver a number of initiatives with the support of the unit, including great experience and customer experience program that I've referred to. The Stop the Coward Punch campaign which we've introduced \$3 million to support, the continued implementation of the THA strategic plan and workforce development, \$800 000 for four years to support our state's clubs, sporting clubs and RSLs and provide a dedicated resource and support for clubs including administrative processes.

Are you happy for me to keep going? I'm nearly done.

**Mr WILLIE** - I've opened a can of worms, haven't I?

**Mr HODGMAN** - It reminds me of the great work that they do. A dedicated hospitality unit has been established within DSG to give that great sector important representation within government. It supports our broader objectives again in line with T21, and a new MAU between the government and the THA, finalised and signed by both parties in February of this year which sets out the working relationship between the government and the THA which is the peak industry representative of that sector. And as part of that, a MAU reference, a hospitality industry reference group has been formed off the back of the MAU to provide relevant information, advice and data to the hospitality unit for projects outlined within the strategic plan to consider emerging issues, identify opportunities for synergies and immigration across government.

Have I missed anything, Jack?

**Mr WILLIE** - No, but maybe next year we might see a few more details in the budget.

**Mr HODGMAN** - Yes, it does understate the body of work. So, noted.

**Mr WILLIE** - Just a follow up question. The grants, funds and loans that are administered by that line item. They're separate - they're not funded within that \$1.1 million?

**Ms ALLEN** - Correct, yes. They're additional funds.

**Mr WILLIE** - Okay. That's all, thanks, Chair.

**Ms ARMITAGE** - I'm just checking that Mr Willie didn't cover all of this, but I don't think he did. The additional funding of the \$12.6 million? Did he cover all of that as well?

**Mr HODGMAN** - No.

**Ms ARMITAGE** - I know there was a lot of it. I note that it's to enable Tourism Tas to target new travel and markets. What do they plan to do with that \$3 million a year to do that?

**Mr HODGMAN** - It's a continuation of the strong supports that we've provided to Tourism Tasmania to its marketing budget. Tourism Industry Council, CEA -

**Ms ARMITAGE** - So where are they going to spend it?

**Mr HODGMAN** - described it as the best ever tourism budget for the record.

**Ms ARMITAGE** - I'm not surprised.

**Mr HODGMAN** - In history.

**Ms ARMITAGE** - But where are they going to spend it?

**Mr HODGMAN** - Yes, so it is designed to achieve our objectives of increased visitation but also our dispersal in yield strategies. More money staying longer, seeing more of the state. We need to target specific markets and deliver promotional content in attractive innovative ways which captures the attention, targeting those high value travellers, promoting unique experiences like mountain biking, fly fishing -

**Ms ARMITAGE** - But do we know where we're going to spend it? How we're going to -

**Mr HODGMAN** - In which markets, do you mean?

**Ms ARMITAGE** - Or how we're going to spend that \$3 million. I understand who we're targeting, but is it on television advertising, is it on - how is that \$3 million going to - it's a lot of money each year.

**Mr HODGMAN** - There's international marketing, domestic marketing, there's also research and digital marketing. Ms Hills might be able to provide an indicative breakdown.

**Ms HILLS** - For the additional \$3 million that we were given, there were three discrete elements which is being focused on. One is in unique experiences and that is I guess, attracting visitors who travel for their interests and they're particularly in mountain biking, fly-fishing, golf and walking. I can certainly pass over to our chief marketing officer around how that is done, because it's a very nuanced program.

The second element is targeting high value travellers which you may have heard a little bit about. They're the travellers who are going to come to our state, love what we have to offer and spend more. That is in our key markets of North America, Continental Europe, United Kingdom, Singapore, Hong Kong and China.

**Ms ARMITAGE** - Are we travelling to those countries? I'm wondering where the \$3 million is going. It's a lot of money for advertising.

**Ms HILLS** - It is. It is.



**Ms ARMITAGE** - Each year.

**Ms HILLS** - Each year over four years, exactly. It is in developing strategy and in content delivery. Developing content for attracting those visitors. We also have in-market representatives in those key countries who we work with to develop content to put out into those markets to raise awareness of our state and -

**Ms ARMITAGE** - So are you going to have a breakdown next year of where the money went?

**Ms HILLS** - We will, absolutely.

**CHAIR** - Supplementary. Do you call mountain bike riders high value?

**Ms HILLS** - No, they're in our unique experiences bucket.

**CHAIR** - I was going to say - because they don't pay to go - they don't even pay to ride on the tracks. Let alone spend their - I mean, there's not many shops up in the mountain bike tracks.

**Ms HILLS** - I might pass over to our chief marketing officer who can provide some insight into that.

**Ms TERRY** - So in terms of the program over \$3 million, we have identified some opportunities for Tasmanians and its destination appeal around special interest travellers. There is lots of research that shows those travellers are - they help with dispersal and in regional areas in different communities, so the three programs - the \$3 million is going to be spent both on domestic and international markets. So while \$3 million might sound like a bit when you add it together, when you think about it across three different programs in both a domestic and international area -

**Ms ARMITAGE** - It still sounds a lot.

**Ms TERRY** - I guess it's important for us to continue to position Tasmania in those markets, because certainly every dollar that we invest obviously gives us a greater return in terms of the Tasmanian appeal and visitors to the state. There are integrated marketing programs that we're launching early next year, which means they use a range of above and below the line advertising, which are things like traditional advertising, so they're things like - we wouldn't be doing TVCs with these, but publications could be digital advertising as well, we see content that Amy referred to earlier as part of this, but also there's a range of things like influences that we use, particularly if they're special interest areas. They're very connected communities and so having influence is a really good component to that as well. They're fully integrated programs designed to position Tasmania and make sure that we're absolutely on the world stage for those areas three areas.

**Ms ARMITAGE** - Next year you'll be able to provide us with some evidence of return?

**Ms TERRY** - Yes.

**Ms ARMITAGE** - Plus a breakdown of figures.

**Ms TERRY** - All the programs have key metrics attached to them, yes.

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**Ms HILLS** - There's that other third tranche, that you might want to elaborate on which is the aviation market development around boosting demand with airlines for increased capacity.

**Ms TERRY** - Yes, so the third area. We're having, obviously, in those unique experience visitors there's the high net worth, but the third area is airline marketing. That's obviously a critical one for us being an island state. Our capacity is based on a number of frequency of flights and their numbers.

**Ms ARMITAGE** - Flights?

**Ms TERRY** - That's right. It's a very competitive market for us to be able to work with them on - through their channels and cooperative marketing. Assist in route development and demand stimulation for the state as well.

**CHAIR** - Sorry, I thought you might have a question about how they're going to build the relationship between Tasmanians and the airlines after our last episode. We had a horror trip.

**Ms ARMITAGE** - We didn't have a positive experience, no. It would have been more positive if we'd been told the facts early on, but we won't go there.

In 2018, the Tasmanian journeys, the specific funding of \$600 000 over three years to develop an introverted market for existing Great Eastern Drive and Western Wilds Drive journeys along with three new proposed journeys. Are you able to elaborate a little further on the three new proposed journeys?

**Mr HODGMAN** - Yes. We are now expanding our network with five individual journeys to drive visitation into our regions of the enormous success of course that has been the Great Eastern Drive, launched in 2015. That has been an enormous success and is reputed to have contributed significantly to a 20 per cent increase in the number of visitors to Tasmania's east coast. So that being a good model from which we can base our other journeys, bearing in mind as well, that our island state is a beautiful place to travel in a car, at your own pace and being able to learn more about the state, the spaces and its people. That's what these journeys are about and again it goes to the heart of the regional dispersal concept and our strategy.

The project's a collaboration between State Growth, Tourism Tasmania and also, most importantly, our regional tourism organisations. It involves necessarily other areas of government, Parks and Wildlife Service, our state roads, and the Office of the Coordinator-General.

Work on the second drive, the Western Wilds is well underway. It was launched in October 2018. It highlights the broad and expansive scenery and the history of the western region, but it doesn't suggest a prescribed route to follow. It will be brought to life through the telling of various stories, stops, points of interest, so that people stop and enjoy the location, its people and their stories.

The Government has committed \$1.4 million to support the planning implementation of three new duties to complement the Great Eastern Drive and the Western Wilds. State Growth has appointed a project manager to lead the work and Tourism Tasmania has appointed a marketing manager. They'll work with the RTAs and the planning, delivery and marketing of the Journeys project. As you'd expect, they'll be broadly based in the north, the north west and also the south.

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The development of these new Journeys is well underway. At this stage, the final route concepts for these new Journeys has not yet been finalised.

We have brought forward, with some priority, support for progress on the southern journey, given the recent bush fires in the south, as we need to support the region's businesses there. But it does now cover the state.

Tourism Tasmania is currently developing an overarching platform to position Tassie as one of the globe's most desirable self-drive touring destinations. That will help in our brand positioning of the Journeys. We will continue to look at the current branding of the Great Eastern Drive and Western Wilds against the whole-of-state positioning as well, but ensure that they are quite distinct and attractive in their own right. We've got facilitative workshops to form part of industry engagement, activities to gather insights into the strengths, the advantages, the themes, the areas, the routes, any gaps, perhaps in our product and the experienced offerings for each journey. They will be fed into the development of the individual Journeys planning position.

**Ms ARMITAGE** - Do we have anything proposed for winter for the north of the state through tourism?

**Mr HODGMAN** - In events?

**Ms ARMITAGE** - In events. Dark Mofo would be quite nice. Mona Foma is lovely but we really don't need events in summer. Obviously, we don't have cruise ships coming in with the number of people that you have. Now you have half the football games in the south.

**Mr HODGMAN** - Yes, that's true. A number of the events we support are northern focused and the new initiatives, the funds that we have, are designed to -

**Ms ARMITAGE** - I'm just thinking of winter, that's all. Winter's a difficult time for operators.

**Mr HODGMAN** - Well, the Australian Theatre Festival has just been on, so that's mid-winter.

**Ms ARMITAGE** - That was still in May. It's only just June. June, July, August. We've only just started winter.

**CHAIR** - Mid-winter is about the middle of July.

**Ms ARMITAGE** - Yes, the festival's good, but that's what, one night, two nights?

**Mr DEAN** - AFL will be two games only.

**Mr HODGMAN** - Yes.

**Ms ARMITAGE** - We're not quite two of each yet.

**Mr HODGMAN** - No, it's a fair point. There is a skewing towards the warmer months in Launceston.

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**Ms ARMITAGE** - It's just that it is difficult in Launceston, as I know, being the wife of a previous hotelier before we sold the hotel. I'm well aware of criticism made to me constantly of the lack of events for hospitality in the north.

**Mr HODGMAN** - Yes. We're expanding. It was only recently that we were able to get Hobart up and running in the winter months. It shows that we can do it and that it can be a great success.

**Ms ARMITAGE** - Hobart is very fortunate in that it has cruise ships. It has MONA and Dark Mofo. I mention this every year but the concern we have in the north, Premier, is that we may - this is going to be a little parochial - lose Hawthorn. But obviously we're well aware that North Melbourne is pushing its way into the state.

**Mr HODGMAN** - We will create a team of our own.

**Ms ARMITAGE** - Personally, I don't support a team of our own. I believe that Hawthorn serves us extremely well. I don't know that we can afford a team of our own when we have so many other commitments such as Health and Education. But we won't go there with that.

**Mr HODGMAN** - It's a great investment.

**Ms ARMITAGE** - At least Hawthorn have Tasmania on their guernseys unlike North Melbourne who don't show Tasmania anywhere on their guernseys, if I recall.

**Mr HODGMAN** - That's because we pay a lot of money for that right.

**Ms ARMITAGE** - Well, we do, but we still give North Melbourne a considerable amount of money.

**Mr HODGMAN** - Footy's good. That will continue, I expect, in a form. I hope eventually to have a Tasmanian team playing at UTAS stadium in Launceston. That would be wonderful.

**Ms ARMITAGE** - Where would they be based?

**Mr HODGMAN** - That's a matter now for our taskforce to -

**CHAIR** - Campbell Town.

**Ms ARMITAGE** - I think it's unlikely -

**CHAIR** - Centre of the universe.

**Mr HODGMAN** - Football is very well supported in the north.

**CHAIR** - Don't have it all about Launceston.

**Ms ARMITAGE** - Unfortunately, I continually have to say that we need to tell Hobart that they're not always the centre of the universe.

**CHAIR** - That might be a statement and not a question, Premier.

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I've got a question in regard to the drives, the complementing of the Great Eastern Drive. I'm interested to know what Tourism Tasmania is doing in regard to working with the top of the Great Eastern Drive. If you come from Launceston, there's quite a stretch, about 165 to 170 kilometres from Launceston to St Helens, where the Great Eastern Drive, effectively starts. There are no slow-moving vehicle turnout lanes. It becomes quite a frustrating drive for people who are not in their Winnebago or their caravan and are just looking to get to the next destination. I'm interested in what's being done in that arena.

**Mr HODGMAN** - That's an issue that's arisen with the Great Eastern Drive as previously seen. Additionally, allocations to ensure it's a safe road for our visitors has been budgeted. This is clearly a metaphor for our infrastructure. For example, on the Great Eastern Drive, the current budget schedule, road improvement program includes \$6 million for the tourist and slow-vehicle stopping bays.

**CHAIR** - But that doesn't address the first 170 kilometres.

**Mr HODGMAN** - Yes, \$8.3 million for safety prudence overtaking lanes between St Helens and Diana's Basin. That's in the planning phase. And \$9 million for road widening and safety treatments, including entry points to popular tourism facilities on the Great Eastern Drive.

**CHAIR** - All south of St Helens, again.

**Mr HODGMAN** - It is a challenge for our road networks. We've more money into our tourism roads now with a dedicated fund for them. But I'm sure as representations are received -

**CHAIR** - If we don't start doing something with that stretch of road, it's going to encourage people to leave Launceston and go down the Midland Highway and turn off on the main road. Then they bypass such a lot of beautiful coastline. It's an issue that I'll continue to progress, but I'm starting to wear down a bit.

**Ms ARMITAGE** - We don't want them leaving Launceston.

**Mr HODGMAN** - No.

**CHAIR** - Can I have the total marketing budget for tourism? I don't mind if it's a break up.

**Ms HILLS** - In 2018-19, we will have spent \$21.39 million in the marketplace, so that's directly into marketing. I can give you a bit of a breakdown on that if you'd like: \$4.76 million in international marketing; \$11.34 in domestic campaigns and activity; \$2.95 million in accessing conversion partnerships; \$1.38 in marketing research and \$945 000 in digital marketing.

**CHAIR** - Thank you. How many Tasmanian companies are included in that marketing budget that it goes to?

**Mr HODGMAN** - To produce?

**CHAIR** - Yes.

**Ms TERRY** - A lot of the budget is spent in terms of marketing dollars, like advertising, et cetera. We're contracted with Red Jelly, who is a local creative agency. They're doing a lot of

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our production work on this. Plus we also have an initiative around a production register, which is local photographers, videographers, graphic designers and writers. There are over 37 different local operators on the register, and we've made sure that we're utilising every one of them as part of our delivery of our program.

**Mr DEAN** - I don't know if Targa's been mentioned while I was out -

**CHAIR** - Well, that's an event as much as anything, isn't it?

**Mr DEAN** - I wanted to ask a question from the tourism point of view. The one that's just occurred or earlier this year, what was the number of people coming into the state as a result of that event? Do we have the numbers, Premier?

**CHAIR** - It might be in the Events space possibly.

**Mr DEAN** - It would come under both umbrellas I thought so.

**CHAIR** - We will wait. We wait until we get to events. It's okay. Don't rush. But have it ready, that would be good.

**Mr DEAN** - My next question relates to, Premier, three years ago, I think it was, when we tabled the tourism heritage report, there were a number of recommendations in that report that were hailed at the time, I think by the government even, as being good recommendations and that they would consider implementation of these recommendations. I am told that none have been implemented at all, so I'd like to know where we are because that report looked at the, as you mentioned in your opening part here about the disbursal of tourists coming to the state, around the state.

**Mr HODGMAN** - Certainly, and another of the key drivers of our visitation, the wilderness and gourmet experiences are important, but as our - just to assure the member who asked. It may have been in response to a question on notice that you tabled. But yes, it certainly did, the inquiry, contributed to identifying what support we can provide to assist in our growing visitor economy and that included new infrastructure at Woolmer's Estate, Longford, Highfield House in Stanley, Mariah Island, Sarah Island, enhancing the experience at the Royal Tasmanian Botanical Gardens which we will get to in a moment. The development of a \$10 million heritage places renewal loan scheme launched in 2018 to incentivise owners of state listed historical properties to revitalise their buildings and support their business and drive tourism demand in the economy.

The Heritage Council has also been working with the Tasmanian Museum and Art Gallery to deliver the Tasmanac Initiative to create a searchable web tool to give visitors, owners and researchers access to key aspects of our cultural collections, heritage places and stories. This is just a sample, I know there is a more extensive version of that, that's been provided or will be shortly to you in response to your question on notice, responding to the view.

Here it is, and I may not delay the council by going through each and every one, but it does respond to all the recommendations of that report. These recommendations considered and have formed a lot of the initiatives that I've spoken to. I would like to assure members that the time and the effort of the inquiry and its committee was put to good use.

**Mr DEAN** - My next question, Premier, relates to, tourism - and it's a pet thing of mine - it focuses a lot on wineries in attracting tourism to this state. In the survey - and I am not sure where it was an updated survey, but in one of the surveys completed by Tourism Tasmania, it was identified that the greater majority of people come to this state, tourists come to this state, to look at our heritage, our national buildings, and both built and natural heritage, but we don't seem to focus on that in the similar way that we do wineries. Now, you soon get wineried out. You see one winery and you go to the next one. So my question is, why aren't we focusing more on our national heritage, our national buildings, both built and natural and all the rest of that, we've just got this focus on wineries for some reason or another.

**Mr HODGMAN** - In terms of supply side and driving demand, yes, and I point to the initiatives and some of which I've just referred to. I know Heritage Tasmania when they're here, you'll appreciate the opportunity to expand, but in terms of marketing.

**Mr DEAN** - Yes, marketing. We just don't market it either.

**Ms TERRY** - Yes. The reason why it looks like there's a lot of wineries is the food and beverage is a big part of what the state has to offer. It underpins all of those different pillars - heritage and history is one of them - we talked about our unique experience as well as different pillars of activity. Our natural scenery as well is critical but what we find with visitors is they want the full visitor experience which is having our food and our produce as well.

So that's is the underpinning of the visitor experience regardless of what your specific area of interest is. Certainly, our heritage areas are included, for example, when we had our Feed Your Curious campaign last year, Port Arthur was a key one within that Tasmania Visitor Centre as well. We certainly do include that. And Discovery Tasmania as well. There's a large heritage focus within that site as well. It just looks like we have a lot more wineries.

**Mr DEAN** - What's the latest survey? We had a survey done back in about - I'm talking about 2014 or thereabouts. It might have been earlier than that.

**Ms HILLS** - I do have some updated figures for you on that.

**Mr DEAN** - Do you?

**Ms HILLS** - So from our Tasmanian visitors' surveys which is of interstate and international visitors, looks at the most popular activity that those visitors did in Tasmania in 2019 and the number one, as you probably - I don't believe it's changed, it is going for a short or long bushwalk. Then it was visiting national parks and then third was visit historic sites and attractions.

**Mr DEAN** - It's about similar to the previous one, I think.

**Ms HILLS** - A little down. 1.9 per cent down. But not by a large extent, so similar to what we reported last time around. It's certainly very high on our agenda in terms of what Emma was talking about, but you probably see that food and beverage offering scattered throughout the campaigns because it's an underpinning factor.

**Mr DEAN** - And that's on the website quite obviously, I take it. All of that.

**Ms HILLS** - Yes, all of this you can find on our website.

**CHAIR** - Members, the time being almost 3.30 and we will move into events and hospitality which is 5.4 so we will break while we have an afternoon tea break and we will be back around 20 minutes to four o'clock.

**The committee suspended at 3.28 p.m. to 3.43 p.m.**

**DIVISION 11**

(Minister for Tourism, Hospitality and Events)

**Output Group 5**

**5.4 Events and hospitality**

**CHAIR** - Welcome back, everyone. Thank you, Premier. This is the last part of our scrutiny for today and I'll invite you to 5.4, Events and hospitality. Is there anything that you'd like to share with the committee before we get into questions?

**Mr HODGMAN** - I'm happy to get straight into questions and I know there was a particular one in relation to Targa Tasmania that the member for Windermere asked of the committee, Mr Sproule, who joins us, Adam Sproule, director, Events Tasmania, is able to provide some information.

**CHAIR** - Thanks, Adam.

**Mr SPROULE** - Thanks. Through the Premier, yes, so for Targa this year, 3360 across both events.

**Mr DEAN** - That's tourists coming to the state.

**Mr SPROULE** - Yes, so that's participants and people and the entourage coming with them and that's both for the Targa event and for Targa North West.

**Mr DEAN** - Right. Premier, is this actual people coming to watch the event as well or is this just those involved in Targa itself, specifically involved?

**Mr SPROULE** - Exactly, yes.

**Mr DEAN** - So that's what that is? And then we don't have any specific idea on the numbers that came here to watch the event, be a part of the event?

**Mr SPROULE** - We don't have exact figures on that but we do know that locals come out and watch the event. I think for an event like Targa it's more likely that the interstate visitation is more likely to be people involved in the event itself, as opposed to actually travelling over here to watch it unfold, unless you were a real enthusiast. But certainly 3360 we can verify that as being as having travelled here principally to participate or be part of the Targa experience.

**Mr HODGMAN** - Which isn't bad. It'd be roughly the number of interstate visitors who come to see the V8s, am I right? Close to and they can stay in one spot and watch them go around and around for three days, whereas Targa, I imagine, the enthusiast would be a lot harder to do. I think



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it still draws pretty well, although I understand it includes participants, in that figure for V8 Supercars for tourists. But it's still a significant number.

**Mr DEAN** - And it's minted in as well? Have we got it for the next few years?

**Mr SPROULE** - Yes, it's confirmed through to 2023 and it's one of our longest standing events actually, been in place for 25 years.

**Mr DEAN** - All right. Good. Thanks very much.

**Ms HOWLETT** - Premier, the Government provides significant support to a number of events, could you explain what benefits this provides to our state?

**Mr HODGMAN** - Yes, and as I've referred to in dispatches already, events are a really important driver for visitation. They do play a significant role in boosting our visitor economy through iconic events like Targa and Mofo and Festivale and Taste of course. It gives people a reason to travel to Tasmania. We've redoubled our efforts to focus on building a broad ranging events calendar. I am sure that Mr Sproule would have been listening with interest to the observations of northern based members about increasing content in the winter months. But in terms of certainly boosting regional activity because we have been aware of the concentration in and around Hobart events, we've committed a \$4 million events attraction fund over four years for events that involve a large number of participants and spectators that bring the greatest return for our state and this fund has already brought Special Olympics Australia, which will be held in Launceston 2020 and 2022.

The BMXA National Series which will be held in the state for three years. The Australian Musical Theatre Festival, held in Launceston for five years. The Oceania and Australian Laser Sailing Championship which was hosted by The Mersey Yacht Club on the coast earlier this year and these account for 1.36 million from the new fund. They're expected to bring more than 12 000 visitors to the state and inject about 12.8 million into the economy. And in addition, the events attraction funding, Events Tasmania, or to the events attraction funding, Events Tasmania provides financial support to events through seven other programs. The major event partnerships program, the regional events start up program, the Events Tasmania grants program, Marketing Tasmania grants, championship grants, touring grants and one-off assistance grants to target those particular sectors.

And in total the Government has provided \$14.7 million during 2018-19 to deliver 88 events. Some of these occurred in the previous financial year. Some of the funding is for events that will be held in the next. Seventy-five events that took place in this financial year brought almost 89 000 people to Tasmania, injected \$88.7 million into the economy. Forty of the events were sports, 32 were arts and cultural, and three were special interest events like car tours. We've also recently announced we'll provide \$500 000 to support the Taste of Tasmania for two years, Events Tas will work with festival organisers to secure its long-term success and sustainability and we've also announced the \$1.2 billion new business events attraction fund to bring major national and international business events to Tasmania as well. As I've said they're typically very high yielding. The participants usually hang around for a while and travel independently and are very likely to return. It is a really important driver of our visitor economy, major investment by government, as you can see from those figures, a great return on investment.

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**CHAIR** - Premier, you didn't mention the 40th anniversary of the parliamentary bowls event coming up in January next year. Is that off your radar or on it?

**Mr HODGMAN** - No. I've provided some support for that. I'm not sure how many, if you've done an analysis -

**CHAIR** - I'm not bowling but I'm the drinks waiter. It will be interesting to see what the increase in numbers will be after that event, I'm sure.

**Ms ARMITAGE** - Premier, the events that come to Tasmania, I'll just mention that the Cygnet Folk Festival brings 15 000 to 20 000 people to the Huon Valley for the weekend. In talking to some of those people last year, they had trouble getting flights into Tasmania and out just at that particular time because you've got the Sydney to Hobart yacht race, you've got lots of things happening. What's the Government doing, or are they doing anything specifically trying to increase flights at this time?

**Mr HODGMAN** - Certainly, and Hans Van Pelt is arriving. He's director of access.

**CHAIR** - Welcome, Hans.

**Mr HODGMAN** - Aviation and sea access. He can certainly provide some more information about specific campaigns targeted around events, and other opportunities.

**Mr ARMSTRONG** - Of course, it's great to have the events, but if the people can't get here -

**CHAIR** - Or they can get here and they can't get home in a timely manner, that's the issue.

**Mr HODGMAN** - Yes, and this in the context of a lot more flights in and out of the state now than there have ever been, but it's a very good question. Thank you.

**Mr VAN PELT** - Thank you, Premier. Our real focus with the airlines now domestically is to look at all our capacity across the year, so part of what Tourism Tasmania has been doing is to take seasonality out so we have constant demand. That means we can work with the airlines much more closely to put the aircraft on a year-round basis which basically mitigates their risk.

Over the summer period, we actually increase our capacity significantly, so in that Christmas/New Year period and, as an example, the new flights that are running between Perth and Hobart, which is three a week, then to five week in that two weeks' time, so that's a real strong focus on what we're doing with the air network planners to make sure that - obviously we've got Dark Mofo coming up - there's more capacity into the city over the June period to make sure we get as many visitors here as possible.

**CHAIR** - Do you have any understanding, Premier, of why Tasmania always seems to be the destination, particularly the northern part of the state, when they need to cancel a flight? It always seems to be the northern part of Tasmania that misses out. I'm not making this a parochial thing at all. It just appears to be the case.

**Mr VAN PELT** - So it's mostly a scheduling thing and we've been working closely with the airlines to mitigate it. Basically there are three Q400, the turbo prop aircraft that Qantas operates, out of Devonport and out of Launceston. Those three aircraft also cover the Melbourne/Mildura

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market. They went through a stage early this year where they just had technical issues and there's been a pilot shortage, so the combination of the two did lead to some cancellations. Launceston was singled out because obviously group aircraft under the Jetstar brand could take over and people were being transferred. Mildura and Devonport have different markets. Devonport is obviously the one they looked at the most because there are no other aeroplanes. It was basically a disruption management exercise. A few months ago, Qantas committed to not changing and to really increasing the focus, and to be honest I haven't heard from them for the last three months, and their on-time performance in those schedules has improved.

**CHAIR** - There's a few members at this table that got caught up in it, but anyway, that's another story. I would like to ask, in regard to the actual forward Estimates budget for events, it's got a significant decline in the forward Estimates. I understand why there's the increase, because there's a note to that talking about the additional funding to MONA FOMA and the ICC2020 World Cup, and the Taste of Tasmania support, but we go from \$23 million, or almost \$24 million in the forward Estimates, down to \$8 million, so there's going to be some pretty unhappy events going around, Premier, if this rings true.

**Ms ALLEN** - Yes, so it reflects the conclusion of some funding arrangements related to events, so in 2021-22 both Dark Mofo and MONA FOMA are out of contract and their funding was provided by a decision that made those funds available, so they are not currently reflected in the forward Estimates and they would be considered closer to the time.

**CHAIR** - And that's just the two events that cover off that \$10 million?

**Ms ALLEN** - No, that considers I think about \$5 million in relation to those two events.

**Mr HODGMAN** - And Hawthorn too.

**Ms ALLEN** - Yes, that's right, and the Hawthorn contract.

**Mr HODGMAN** - Yes, and north, and I suppose the thinking is with these things that often they are quite long arrangements. Certainly, a number of those contracts Hawthorn, for example, five years; Mofo four, was it? You would be foolish, I would suggest, to lock in anything for much longer than that given the varying nature of what brings visitation and what Tasmanians enjoy and what our visitors expect and so on, and also to renegotiate with organisers who often would be similarly looking for a term of that type as well and for them to consider their options.

We have just struck another deal with the V8 Supercars and it shouldn't send a message to any of our partners that we are not inclined to continue their events, but we should always leave our options open to negotiate with different terms, as they would expect to be able to do, and the work that Adam and his team does in between deals, or as we approach their conclusion, is often targeted towards that as well to ensure there's a mutual benefit, but certainly from our point of view first and foremost benefit to the state.

**CHAIR** - Is there an expectation that a couple of these very high-profile events might start being in a position to not require so much public funds? Is there an expectation?

**Mr HODGMAN** - Yes, there are some who fit within that category where they could, and arguably should. There are some that will always require a contribution from the state to secure that content and football deals currently held and V8 Supercars are good examples of that, but we

always endeavour to see how we can ensure that there's not a reliance on government funding for our broader community events and program and when we recast our events strategy a few years back it was designed to ensure sustainability. A problem often is with a lot of these events and festivals, people do enjoy them and they fear to seeing their demise, and it is becoming a very competitive market as well, so often questions as to their financial sustainability do come into question and governments have a decision to make as to whether they would see them drop off or continue.

**CHAIR** - Thank you. My last question is around the RTAs, the Regional Tourism Associations. I'm interested to know what events and hospitality this particular output group does in regard to the smaller, more regional areas. I acknowledge that Launceston and Hobart are the major centres for big events, but I'm talking about smaller events. You know, I liken last year to the Bridport Initiative, Bridport Innovations 2000 where they had the Scallop Festival. It's a two-day event. They ran out of scallops, Premier, it was that popular. The support for those smaller events is as important as what the bigger events are to a place like Launceston and Hobart. Can I have some indication of what's happening through the Regional Tourism Associations?

**Mr SPROULE** - I'm happy to talk to that.

**Mr HODGMAN** - Yes, thanks, Adam.

**Mr SPROULE** - Well, first, we work with all the RTOs.

**CHAIR** - RTOs, sorry, I meant RTAs.

**Mr SPROULE** - That's okay. They're called different things but we work with all the RTOs, and in fact particularly once you get outside of Hobart I find that relationship is really important on the ground. We certainly don't endeavour to support any events in any regions that aren't already supported by an RTO as well, so I guess that's the kind of principle of how we work. The RTOs have DAT plans and Mark can probably talk more to that, but certainly a range of those destination action plans, they've identified events as things that they want to support, and if they prioritise them, well then we come in and work with them to bring that event to life or to try and bring that event to life, and a good example of that would be the Crayfish Food Festival on Flinders Island which was identified through the DAT process and subsequently we came in and helped them develop the concept of that event. So if the region have identified something as a particular priority, then we'll certainly help them. Similarly we've done similar things on the east coast.

**CHAIR** - The Bicheno Food and Wine Festival now belongs to the member for Prosser, you lucky girl.

**Mr HODGMAN** - There is \$65000 for example to support that over three years.

**CHAIR** - So there is that relationship. The request needs to come through the RTO?

**Mr SPROULE** - Obviously anyone is welcome and free to contact us and talk to us about anything, but all I'm saying is that if they are operating an event in their region, it's useful for them to talk to their RTO. We're always talking to the RTOs about what things they want to prioritise for the region, and certainly the Bicheno Food and Wine Festival that you mentioned, has a very strong tie to the east coast RTO, so that's a really good example of one that we have worked with.

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**CHAIR** - Sheffield SteamFest. Yes, you are already doing it. That's fine. I wanted to make sure that we don't just have the focus on the larger city - and I know they are really valuable for the region, but these are really valuable for a community, if you like.

**Mr HODGMAN** - No one gets money for nothing. They're expected to meet criterion and to stack up and due diligence is done on all of them, large and small, but we do endeavour to ensure that our program supports great local events, often best done through our RTOs.

**CHAIR** - But sometimes, Premier, it's not even the money component. It's that actual know-how and support that in kind that really lifts an event to the next level. But most of our small communities don't put their hand out so much. They're very good at supporting themselves.

**Mr HODGMAN** - Triple J's One Night Stand, is a great example of that.

**CHAIR** - Yes.

**Mr HODGMAN** - There was \$35 000 by way of a state contribution. I know what was done by the council, but there was a massive volunteer in-kind support behind that as well. It was a one-off. I don't know when we'll next get it back, but that's a fantastic example of a community led event.

**Mr DEAN** - Where do conferences fit into this in Events Tasmania? Do we have any large conferences, programs, coming here and do we have the facilities to cater for all these people? A couple more have been considered for Launceston at this present time. I think we've got good facilities down here, we're probably looking for bigger just the same. So where does that fit in?

**Mr HODGMAN** - So it is a different sector and supported by Business Events Tasmania to whom I've referred throughout the day. We provide \$790 000 to them and their aim is to secure business events done through targeted sales and marketing initiatives in national and international markets with a direct economic return to the state. As I've said, we know that they're a good return on investment high yielding. In fact, the highest yielding visitor segment to our visitor economy, research undertaken, shows, for example, that delegates spend \$672 a day which is a fair jump to from where it was just a few years ago. They do stay longer and are more likely to return for leisure trips within a short period too.

The total business events, conference and meeting industry worth approximately \$120 million to the state. In the financial year 2018-19 as at 31 December 2018, ET generated 90 qualified bids, converted 39 bid wins with an estimated future worth of \$15.6 million. For this period referrals contributed an extra nine pieces of placed business contributing \$2 million of future economic worth. They also have an eye on, not only addressing seasonality but supporting regional locations. As at 31 December they won 10 bids out of Hobart, six for Launceston in the north, three for the north-west, one for the east coast, and 22 state-wide, and they're certainly committed to winning bids that are aligned to Tasmania's key industry sectors and competitive advantages. As at 31 December, they won six bids relating to a number of industries within arts, culture, international education, food, agriculture, medical and science research sectors which have also got a great benefit. Another great advantage is often when they come, they're correlated to industry sectors here in which we've got particular expertise or a reputation and that can support and assist in kind our local industry, our local researchers or sectors that are a part of that conference mix.

I may be able to provide a list as to what's upcoming, but I don't believe I've got that at this point.

**Mr DEAN** - Is that list available? Not available. If that could be tabled.

**Mr HODGMAN** - We can undertake some inquiries.

**CHAIR** - Okay, thank you.

**Mr DEAN** - I wanted to thank the Government and Sport and Rec particularly for their support of the BMX track at St Leonards. We now have a national facility there and it's going to attract more national events and more events from the mainland. It also hosted a state championship recently which was well supported and well attended so it is wonderful that that's happening.

**CHAIR** - So that's a gratitude of thanks and the question is are you happy with the outcome, Premier?

**Mr HODGMAN** - Yes.

**CHAIR** - Good, thank you. Okay. If there are no other questions, we'll move now to Historic Heritage Services, so thank you.

**CHAIR** - Thanks Adam, thanks Mark. Much appreciated. And Jacqui, you leaving us?

**MS ALLEN** - I am.

**CHAIR** - Thank you. Yes, Jacqui will be back tomorrow.

**Output Group 3.  
Historic Heritage Services**

**Mr HODGMAN** - Dr John Whittington and Mr Pete Smith join us.

**CHAIR** - Very experienced at Estimate process, Premier.

**Mr HODGMAN** - I note we've had some discussion about importance of heritage as it pertains to our tourism industry, our visitor economy and there's obviously a much broader benefit to Tasmania's history lifestyle that we enjoy, but also the nature and characteristics of our island state are preserved within our rich heritage, and we have disposal of the state's Heritage Tasmania to assist us in our endeavours to ensure that we preserve it and protect it and promote it as an attribute for our state. We should also support those who are the custodians of heritage assets around the state as well. I'm pleased to answer questions.

**Mr DEAN** - Premier, my first question is where does the National Trust fit into this? I see nothing in the budget papers where it mentions the National Trust. I asked my staff to look for it but is it in there? They've missed it. They're in trouble. No, they're not.

**Mr HODGMAN** - Certainly a very important community organisation run by a voluntary board with the support of 400 volunteers and staff. It does receive at present \$312 325 from the Tasmanian government to help it deliver the community heritage program, the Tasmanian heritage

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festival and to ensure its good governance. The board at the trust has a new strategic plan that's helping it develop a more contemporary and sustainable business model and refresh its visitor experiences. Members may be aware the board is very keen to embark on a major capital works program to address urgent safety and amenity issues, to catch up on maintenance needs and to undertake important conservation works on six of its properties all owned by the trust.

They are located in both northern and southern Tasmania and I am pleased to be able to announce that the Government has agreed to commit \$350 000 in 2018-19 to help fund these works and enable the trust to address its most pressing capital needs. This is an important commitment to support the work of this important community organisation, yes.

**CHAIR** - 2018-19?

**Mr HODGMAN** - Yes.

**CHAIR** - 2018-19 - that's last financial year.

**Mr HODGMAN** - Yes.

**CHAIR** - We're 2019-20, aren't we?

**Mr WHITTINGTON** - Well, the money will be paid out this financial year.

**Mr HODGMAN** - Yes, that's right.

**CHAIR** - Right, okay.

**Mr WHITTINGTON** - But it's only just been decided.

**Mr DEAN** - Premier, the National Trust is in trouble, right, and I think you would be aware of that.

**Mr HODGMAN** - Yes.

**Mr DEAN** - The National Trust is set up, it's the statutory obligations it has, it currently cannot fulfil its legislative requirements. It cannot maintain the 10 iconic buildings that it is responsible for. It has had a consultancy to look at the maintenance required for these buildings and right at this very moment, \$3 million is required as urgent maintenance on these buildings. The longer it is left, the greater the disrepair will be of these buildings. \$4 million has been identified as necessary over a period of about four years, but 3 million is said to be urgent for the repairs that need to be done. They are very thankful of the money that you've provided, the extra money that you have provided, and this is not an attack on the government and this is what I've been asked to talk about. It's not an attack on the government at all. They are putting forward a factual position to the state. I've spoken to the board and they are really concerned as to where they go moving forward.

Premier, what can happen to get the required and some of the funding that's necessary for the National Trust to be able uphold its statutory obligations? If not, I'm not sure what happens where they have statutory obligations. I'm not sure what the results will be.

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**Mr HODGMAN** - The governance, the management of the National Trust, the support for its volunteers and also its board and the issues you raise are well understood. Following the appointment of Nicholas Heyward to the board as chair and the move to appoint a skills-based board, to give it more capacity to manage the trust in a sustainable and contemporary fashion is certainly a very positive step in the right direction. A new grant deed was signed in the middle of the last year, which we will continue to support it with the allocation of funding that I've referred to. It will allow them to start works in the most essential and urgent needs is important as well as to the longer term viability, sustainability of the organisation and importantly the properties it manages will continue to be something we will work with them through this. Do either of you two want to add anything?

**Mr DEAN** - Where does the National Trust go? Do they just continue to let their buildings fall apart? We've got Nicholas Heyward there now as the chair of that board and we know just what a good manager he is and he has completed a lengthy report and he is really concerned and to the extent of being emotionally concerned with the position they now find themselves, it's a plea for urgent assistance and support. They want everybody to know exactly where they stand. They've closed down a part of Clarendon House now right at the time of the Fly Fishing Championships in this state. They've closed that down because of the repairs that need to be done where they don't have the money to repair. It's got to be totally rewired, electrical faults in it and so on, it's not safe. They've had to close that down. So where do we go? The 10 most iconic buildings other than Port Arthur.

**Mr SMITH** - One of the things I'd say is that the National Trust have done some really solid work to identify their most urgent capital works in terms of conservation works, works that enhance the visitor amenity of their facilities and also that would address the statutory needs, as you're well aware. The funding that the Government has committed to the trust is really seen as seed funding to be able to assist them to identify and address those most urgent and essential tasks. So that's work that can be done sooner rather than later. It's also envisaged to be, I suppose, seed funding to help them to embark on a broader fundraising campaign because the trust is clearly not the Crown, the legislation says that that's the case.

So the state government has made a very significant financial commitment to the operation of the trust to assist them with these capital works, but it also is recognising the fact that the trust, working with the Tasmanian community and visitors to its site, have the capacity to contribute to that ongoing task which is about ensuring their sites remain sustainable.

**Mr DEAN** - They just cannot, they do not have the capacity to bring in the financial needs to look after their buildings. That's fact. They say that is absolute fact. Now, I haven't done any studies myself, but I'm accepting what they're saying. They're saying it is fact and that's what they want to make it clear of the current situation they are in. When you say the most important, they have identified \$3 million as urgent works to be undertaken. They're thankful for what the Government has provided them, and the extra funding. But they want to make it absolutely clear and known of their current predicament and position they are in.

**Mr SMITH** - That's the case with many property owners across the state, regardless of whether they're heritage properties or not. All property owners need to prioritise work within their available budget and, if they have particular works, source them. The new loan scheme may well be an avenue that might be able to assist the National Trust and I understand that that's something that's being explored with the Office of the Coordinator-General at the moment to see if that might be an avenue to assist.



**Mr DEAN** - I appreciate your comment on the other heritage buildings and so on but these people are looking after 10 of Tasmania's most iconic buildings, National Trust identified buildings. That is the difference between them and some of the others. I've raised the issue for them and it seems to me that there needs to be an inquiry. I'll look at moving that forward as to some form of inquiry.

My next question relates to the heritage advisory committee at Launceston. I used to chair that board, and we always had a Heritage Tasmania representative on that and they were essential to that committee and did an excellent job. They'd been there for about 14 or 15 years. All of a sudden that position has been removed. I have been told it was seen that there was a conflict of interest. Well, there was no conflict of interest in the previous 14 or 15 years. It's essential to that board, to that committee. So as an appeal, and I've spoken to the chair of it, for Heritage Tasmania to reconsider its position with putting a person back on the heritage advisory committee of the City of Launceston council.

**Mr SMITH** - With the minister's consent, so as you're aware, Ivan, Heritage Tasmania has been represented on that forum for quite some time. One of the things that's difficult for us that we need to, like any public servant, prioritise the work that we do. We need to make some decisions about how we best spend our time especially given that we have statutory responsibilities to support the Heritage Council and its work.

In relation to the committee, the term was coming up for renewal recently and I was written to, by the Launceston City Council asking if we were in a position to renew. I debated that. I talked and consulted with my staff and I made a call that I thought at this point in time, we needed to be able to spend our advisor's time elsewhere. Part of the decision or rationale for that was to recognise that we're not able to offer that service to the other 28 councils across the state. What we aim to do is to provide support and assistance to local government as much as we can across the state to assist them to manage local heritage places and to assist their engagement with the act. What we've done instead is we've said to the Launceston City Council we're more than happy if an issue arises that you would like someone to attend a meeting to observe, to speak to or support an issue and the like, to provide that level of support, but I didn't feel that we were able to continue an arrangement as being a member of the committee at this point in time.

**Mr DEAN** - Your commitment as I understand, I used to chair it myself, was - is about two hours every month. I think it's about two but they meet monthly and I'm pretty sure that's the meeting time of it. It hasn't changed. Two hours a month. And I'm not sure how many other councils have heritage advisory committees. Launceston was the very first one to establish it and commenced the chairing of that. I'm not sure if Hobart has one, they probably do. But I'm not too sure of any other councils having heritage advisory committees established and sitting alone.

**Mr SMITH** - I appreciate the sentiment, but one of the things that I need to be conscious of is that, whilst Launceston and Hobart have a very impressive array of heritage buildings and we need to work very closely with those two councils, we also need to work with the other 27 local planning authorities across the state and to provide them equitable service. In the interests of trying to do that, I made a decision which I felt was in the best interest of local government across the board.

**Mr DEAN** - Chair, I'm not going to follow that up other than to say I'm not sure how many other councils have approached Heritage Tasmania for that position. The fact is that this position was established from that committee and has been in place for 14 or 15 years ever since its

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establishment. I ask that it be reconsidered and that's what the chair is asking for and the committee is asking for.

**Mr SMITH** - Even if they were to write to me -

**CHAIR** - Excuse me, John, you might use that wonderful microphone there.

**Mr DEAN** - The Chair has written, I think, to Heritage Tasmania. I suspect it went here. I'm told that it was written and as of a week or two ago, there wasn't a response. It might have been responded to, since.

**CHAIR** - Write to Dr Whittington.

**Mr SMITH** - I'll follow it up.

**Mr DEAN** - All right. Thanks very much.

**Ms ARMITAGE** - I have a question with regard to the signage on the CH Building. I must admit I drove past regularly and I thought, when are they going to finish painting that? And I was sitting next to Erroll Stewart at the football and I said to Erroll, have you run out of paint or what's the problem? And he said no, that's as far as it goes because the idea of heritage was or the heritage that - to show the signage, you had to leave it as it was now. From my thoughts and the thoughts of many people that I have spoken to, the feeling is, if you're going to show the heritage, you would repaint it how it was, back whenever it was.

All that's showing now is how it's been weathered over 30 or 40 years. And eventually, it won't even be there, because it's being more weathered, continually. The people that I've spoken to about think when is it going to finish putting that signage up? I understand where heritage are coming from, but I don't agree with them, and I'd have to say 100 per cent of people that I've spoken to, not even 99 per cent, 100 per cent of people that I've spoken to feel the same and if you're going to show what used to be there, then at least have the whole thing repainted in what it used to be, rather than let it be weathered away and then nothing will exist, because at the moment it looks absolutely awful.

**CHAIR** - Your question is?

**Ms ARMITAGE** - What's your opinion, Premier, have you seen it?

**Mr HODGMAN** - I have. It's wonderful to see the progress of that development.

**Ms ARMITAGE** - It is, but did you also think that they'd run out of paint?

**Mr HODGMAN** - Far better for me to say it's a matter that I'm not sort of used to. Mr Smith might have some worthy observations to contribute.

**Ms ARMITAGE** - Absolutely, and why I've brought it up in the heritage area.

**Mr SMITH** - Look, as you travel, as members, around the state, there are often what's called ghost signs that you'll come across. Which are essentially signs from the past that are still evident on buildings today and that's part of the heritage fabric of those places. In the case of, I think, it's

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the Bennell townhouses, they're in Charles Street. There is some - a ghost sign and the plans, as part of the DA was for that external wall to be painted in complete - I think, in white, as it matches the façade as I saw on the weekend. But the Heritage Council, in considering the assessment of that development application, recognise the heritage significance of that sign was important and so in preserving the ghost sign as it was, was agreed as part of the conditions to the DA -

**Ms ARMITAGE** - That would have been painting over it to have painted it white, wouldn't it?

**Mr SMITH** - But one of the things you might do by painting an old sign anew and making it look new, is you diminish its heritage values, you diminish the edge of that building so to speak, and the values are compromised, and so in making the decision they did in regards to progressing the development of that site which is terrific after all this time, the heritage council made a decision to ensure there was a condition that preserved the ghost sign for the future.

**Ms ARMITAGE** - Well, let's hope the rest of the ghost sign doesn't disappear with the rest of the weather.

**Mr SMITH** - Yes.

**CHAIR** - Yes. Any other questions? I've got a question in regard to the actual line item in the budget.

In regard to the diminishing of the budget and it's not an excessive amount of money, but it could well impact on what services the heritage list line item can do. I'm interested in why it's considered that there's a decrease, but also when there'll be an expectation of an efficiency dividend as well. Mr Smith hasn't asked me to ask this question, by the way.

**Mr SMITH** - Just as well when Dr Whittington's very keen and happy to answer.

**Dr WHITTINGTON** - So you're right, there's a decrease, I think of \$36 000 in historic heritage services. That actually relates to an internal adjustment of how we attribute overheads across the whole of the heritage, the portfolio of natural and cultural heritage. So we've centralised some services within the division and various other things, so the contributions of each output group to the running of our corporate body has been very dependent on how they use the services, so that is really \$36 000 on a \$2.7 million budget is actually just a readjustment of the corporate overhead.

**CHAIR** - Yes, I know it's not a lot.

**Dr WHITTINGTON** - It will not actually materially impact on how the division is run.

**CHAIR** - All right. I know that probably would have been hard to put in a note but they're always useful.

**Dr WHITTINGTON** - No, I know. There wouldn't be material enough to generate one.

**CHAIR** - Well, it could be, you know, it could be 0.5 of a staff or something. I'm always looking out for Peter and his team when it comes to this. Any other questions, members? Ms Howlett?

**Ms HOWLETT** - No, just for 3.4.

**CHAIR** - Okay. No. 3.4. which is the Botanical Gardens.

**Mr SMITH** - Thank you, Madam Chair.

**Dr WHITTINGTON** - We wanted to get a run at least once during this year's estimate.

**CHAIR** - We try to give everybody an opportunity to come to the table. We know how much work goes in to preparing for these Estimates process and when you don't get out of the overview, Premier, it must be quite frustrating for the people who are with you all day.

**Mr HODGMAN** - I'd love to just answer the question and acknowledge the -

**CHAIR** - Hasn't asked it, yet.

**Ms ARMITAGE** - I think he knows what it is.

**Mr HODGMAN** - I was just going to say that the Botanical Gardens' Gary Davies has joined us at the table.

### **3.4 Royal Tasmanian Botanical Gardens**

**CHAIR** - Thank you, Gary. And thank you, honourable member for Prosser.

**Ms HOWLETT** - Premier, the new visitor's centre at the Royal Tasmanian Botanical Gardens. It's going to be fantastic support for the growing number of visitors. Could you please give me an update on the development and progression of it?

**Mr HODGMAN** - The gardens are one of our state's most visited attractions, a special feature of our state's capital city, the second oldest botanical garden in the country. I was delighted to be informed it has the nation's premiere cool climate garden, and a very special feature of what we offer to a large number of visitors each year and every year. This year we're set to exceed the highest visitation on record with the 500 000th visitor expected to march through the gates in coming days. The gardens need continual improvement to visitor services and infrastructure. It is a priority. The Government has committed \$3.6 million in funding for a new visitor centre at the main point of entry at the gardens, \$2.6 million of that to flow this financial year.

The formal planning process for the construction of the visitor centre has commenced. A capital works project manager has recently been appointed. Tenders are being sought. This weekend the design and construction of a new visitor centre will be advertised. The request for tender is for the supply and coordination of consultancy services for design documentation and construction and management of the new visitor centre and associated works. It is anticipated the tender will be awarded in August this year, so it will increase engagement. It will also improve the visitor experience with contemporary facilities and increase the business potential for the gardens to generate additional revenue and ensure its sustainability goes to a similar theme that we have discussed today. It's a rare asset; a jewel in our state's crown. Is there anything I've neglected to mention?

Nothing else you think we need to know?

**Mr DAVIES** - I think you've covered it well.

**CHAIR** - The briefing note that was provided was spot on then. Well done.

**Mr ARMSTRONG** - The number of people who visit the gardens: How do you come to that number? There are so many entrances.

**Mr DAVIES** - We've got three entrances and each one has a counter on it. We double count. We know when they're in and when they're out. We've got to manage each one of those, which is quite a challenge for us. Very few people come through the little gate. It's the top and the bottom, and management of numbers at the moment shows that between 75 and 80 per cent of the people come through the top gate. Hence, we're really pushing to have the visitor centre at there because that's where most of them come through. But we have counters on all of the gates. We manage those. We have fancy ways of dividing by two and things like that, so, we do pretty well with our program.

**CHAIR** - I think we called it a calculator where I come from.

**Mr DAVIES** - Yes, precisely.

**Mr ARMSTRONG** - I visit the gardens quite often. I've got the grandchildren, but parking is a real issue sometimes, particularly now that the Hobart City Council has put the 10-hour parking meters down the other end. Do you believe that's so?

**Mr DAVIES** - For our major events obviously. Those are big events, and you are going to have a shortage of parking. We continue to work with the Hobart City Council to look at ways of alleviating that. It's a problem across the whole of the top part of the Domain, so we're really working closely with that. As far as normal entry is concerned with parking, it is a prime place to have 500 000 people.

We have overgrown our parking availability and we are looking at ways and means of extending parking with Hobart City Council. It is their area that we're talking about, not ours. Our areas have the maximum parking, so we'll continue with them. What they have done recently, probably in this last year, is freed up about 30 parking meters in front of Government House on our six-hour parking, so that avails it to the public to go to the gardens. So, we have freed up some.

**Mr WILLIE** - Premier, I'm not afraid to ask the hard questions. I've picked up on the tone of questioning from some of my colleagues. Why doesn't Launceston have a botanical garden?

**CHAIR** - What a good question.

**Ms ARMITAGE** - Actually we do. We have something very similar. If you go to the Punchbowl Reserve you'll see some beautiful rhododendron gardens, and we also have the Gorge. We actually don't need our own botanical gardens.

**CHAIR** - And this is only day 2. Lord save us what's going to happen by day 4.

**Mr WILLIE** - No, in all seriousness, Chair.

**Ms ARMITAGE** - Isn't it good that we're collegiate.

**CHAIR** - I might not be well tomorrow.

**Mr WILLIE** - Some of the other members have talked about other heritage sites. Has there ever been any thought to putting the botanical gardens and maybe some of the other heritage sites under one umbrella to get some economy of scale - perhaps even include the Port Arthur Historic Site and the management site there. Then you get more investment in the sites.

**Mr WHITTINGTON** - Specifically, the gardens operate very efficiently under its own act. It has a very clear purpose and focus, and that serves us well. There is no immediate push to change the arrangements there. Over the last decade, looking at the synergies between, for example, Team Ag, the gardens, Port Arthur, there's a whole range of sort of historic visitor businesses of government that you could get these synergies in, but at the moment there's, certainly from a gardens' perspective, it's got an act, it's got a clear focus and it's going well in its own right.

**CHAIR** - So the answer is, no, not at the moment. Launceston will just have to wait for their botanical gardens or call Punchbowl.

**Ms ARMITAGE** - We don't need it. We have many beautiful gardens already and we're not greedy.

**CHAIR** - It's the only thing you haven't needed today. Any other questions, members? It is an important area and we apologise for making light of it. It is so well visited. Thank you very much. It's now my intention to move to output 8.1 Parks and Wildlife Management.

## **DIVISION 10**

### **Output Group 8 Parks and Wildlife Management**

**CHAIR** - Another important area as you are, Premier, you could almost say that you are the minister for about 50 per cent of Tasmania.

**Mr HODGMAN** - Correct.

**CHAIR** - As well as the Premier of 100 per cent.

**Mr HODGMAN** - That's right.

**CHAIR** - So that's a pretty big call, isn't it?

**Mr HODGMAN** - Yes. Not bad.

**CHAIR** - I'm sure you have an overview.

**Mr HODGMAN** - I do. As you say, with over 47 per cent of our land conserved in national parks and reserves and Crown lands, parks are certainly one of the great features of our island state. It's important to ensure that our parks are well-managed, the infrastructure around them is maintained, and that it's a pleasant, enjoyable and safe experience for all those who visit them, and

also that their environmental asset and values are well-preserved and protected for future generations to enjoy.

As we see increasing numbers of people, not only our tourists, but also Tasmanians wanting to visit, our parks, we need to match that with our investments. That's why it's important that we're investing \$32 million into our iconic national parks and reserves which includes \$4 million which is in addition to the \$1.83 million previously committed to further improve infrastructure and heritage sites at Maria Island for its full potential as a major drawcard on the east coast to be realised; \$1.5 million to upgrade popular camping areas, including those at Diana's Basin, Humbug Point and Mount William National Park; \$800 000 in master planning and infrastructure at Cockle Creek to improve the southern gateway to the Tasmanian Wilderness World Heritage Area.

Maintenance, as I say, is a critical piece of our work as well to ensure that the parks are safe, fit for purpose and present a standard our visitors expect. We've provided \$8 million of dedicated funding over a four-year period and we'll also ensure that through the budget we continue to advance our commitment to the Cradle Mountain master plan. We have an unprecedented level of investment going into the development of essential infrastructure there at the gateway of course, alongside the Australian government's significant commitment of \$30 million to bring the masterplan at Cradle Mountain to life and to ensure that that heavily visited iconic destination has the infrastructure to support it.

Similarly, we are working with Morrison Liberal government on a \$7.2 million investment to support tourism infrastructure upgrades identified through the Freycinet master plan in one of the fastest growing and most popular destinations in the state. 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 showcase Freycinet's rich indigenous heritage. These are just some of the headline commitments that we've made to our parks. There are a number of local initiatives and investments right across the state which we'd be happy to provide more details on, as well as answer any questions that the committee may have.

**Ms SIEJKA** - So one of your election commitments was about the free National Parks pass for seniors which I understand has now been extended to all Australian seniors, is that right? I really just wanted to know whether the commitment had resulted in increased visitation amongst that cohort, what sort of numbers in that cohort were actually visiting. It was free the first year and then discounted the second, is that right?

**Mr HODGMAN** - Yes. The initiative did commence from 1 July 2018 providing senior card holders with free entry to our 19 National Parks for a 12-month period. It did prove to be highly successful, with the latest data indicating that as of yesterday, 22616 passes had been accessed which is a large jump in the number of seniors getting out and active in our parks with data indicating that just over 2000 concessional passes were accessed in the previous reporting period.

**Ms SIEJKA** - So it is up from 2000, did you say?

**Mr HODGMAN** - Yes, 22000 which is good.

**Ms SIEJKA** - That is good. My other question was around the Iconic Walk, which was the other election commitment I was interested in. I know there is a committee that looks at it and all that sort of thing, but what process is involved? How much is the community getting involved in

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that consultation? I know that you opened it up, but can you talk me through the steps for that, what selection criteria there are? How do you get the short list because I imagine it is no easy task?

**Mr JACOBI** - Thank you. Through the Premier. We received 24 submissions to the invitation to the public to express their ideas about where the next Iconic Walk should go and the submissions were a great reflection of people's passion for their own favourite places in Tasmania. The 24 locations that were submitted were from all across the state, and some of the submissions were very brief, but some submissions, the proponents had put a lot of time and effort into, and in fact, some of them were close to 100 pages in length. We set up an assessment panel which comprised representatives from government, from the tourism industry, but also some interstate and international experts in walking tracks product. That panel assessed all the 24 submissions against quite an extensive range of criteria, and the criteria covered everything from the environmental impacts or potential environmental impacts of the walk, so the location that it was proposed, whether it was in a national park or whether it was subject to a management plan, so the tenure and any impediments associated with that tenure, were a key consideration in the assessment.

The assessment criteria included things like the length of the walk, how well it would fit with what we know are the demands that are expected of the walking community. Some walks were very long and very arduous and hard core, and they were not ranked as well as some of the shorter easy to access walks, and obviously the economic benefits of the walk were a key consideration.

**Ms SIEJKA** - So what assessment's taken place? Does that mean that there's a shortlist?

**Mr JACOBI** - It's still underway. One of the challenges with all of the submissions, ground proofing the practical reality of 'Can this walk be built in this location', and that has actually meant going out on site and looking in detail at many of these walks to actually see, 'Well, the proposal said it should go here, but that's actually through somebody's private property', which causes some real challenges. We have been looking very closely at the proposed alignment, how accessible it would be. What the weather conditions are like in reality, because some of the proposals are subject to some quite extreme weather, rainfall, wind, cold and obviously that impacts on the way in which the proposal pans out.

**Ms SIEJKA** - Is the community part of a consultation process at any point?

**Mr JACOBI** - Yes. As part of the short listing or assessment process, the next stage is feasibility. So, we have to actually prove that the walk in that location is, in fact, feasible and then drill into much more detail about any impediments that may exist. Then assess more broadly the economic reality of the walk. If we spend and invest \$20 million in this location, will we see a good public benefit and return on investment and that process will take some time. There'll be a point in time along the whole development of this initiative where the public will have an opportunity to comment and be involved.

**Ms SIEJKA** - You were due to announce by the end of June the next site. Is that correct?

**Mr JACOBI** - We're certainly in the final throws of assessing a number of applications.

**Ms SIEJKA** - Is that's all on track?

**Mr JACOBI** - I believe it's all on track, yes. It is very important we get this right. This investment and if we are to capitalise on the benefits of things like Three Capes Track, we need to



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provide an outstanding walking experience in an outstanding location. One that can hopefully be buildable but also generates real economic return and benefit for the community, so it's important that we invest the time and the energy and getting the decision process right.

**Ms SIEJKA** - Thank you.

**Ms HOWLETT** - Could you update the committee on the work being undertaken following the Government's \$4 million investment in stage 3 of The Three Capes Track.

**Mr HODGMAN** - Thank you for the question. It does follow nicely from the last, and our award winning Three Capes Track which I always say very proudly, because we've had our Parks and Wildlife Service stand alongside Australia's best tourism operators and be awarded at a national level which is a great sign that in Tasmania we know tourism better than anyone else.

We manage our parks well and we utilise them for all Tasmanians to enjoy, but also our visitors. It is a great credit to the Parks and Wildlife Service that we've been able to achieve that national acclaim. That reputation holds our agency in very high regard against other jurisdictions. Our thanks to them and Three Capes Track indeed being an award winner itself. A remarkable success. There are 12 000 visitors walking the multi-day track each year. In January 2018 the third cape, Cape Raoul was added to the experience. Last month construction commenced on upgrading the remarkable Cape Track. Have facilities in the part-day walk there to Crescent Bay and Mount Brown. Those of you who've travelled it know it needs a bit of work. I am pleased to advise that three local companies, AJR Construct, MTN Trails and Hazell Brothers, have been successful for the tendered works. These upgrades will make one of the state's most spectacular hidden gems more accessible.

The Remarkable Cave site will also get a complete facelift and pedestrian viewing areas will be upgraded and improvements will be made to the vehicle parking area and there will be rehabilitation of the escarpment to protect the surrounding environment and improve sustainability. Works will also include upgrades to 3.7 kilometres of walking track from Remarkable Cave to Crescent Bay and Mount Brown.

These upgrades will allow visitors to enjoy upgraded facilities and improved short and part day walks to spectacular coastal locations in the area, while better protecting the environment as visitor numbers increase, which they're doing. It's certainly a remarkable part of the state, a gorgeous part of the state. It hosts our award winning Three Capes Track.

A credit to the agency, to all those who enjoy it, and I'm thrilled to see a photo of me on the track in the paper recently, along with many thousands of people, visitors and Tasmanians who enjoy it. It's a great asset to our state.

**CHAIR** - Premier, are you concerned that it might be over loved? Is that something that you're considering?

**Mr HODGMAN** - We do need to ensure that all our iconic destinations and experiences aren't. We are, I believe, some way from that occurring, but we do need to manage our infrastructure upgrades and investments such as those that I've outlined to ensure that we are managing visitors and throughput.

**CHAIR** - Do you have a maximum in mind? I mean, 12 000.

**Mr HODGMAN** - For Three Capes?

**CHAIR** - Yes.

**Mr HODGMAN** - Yes, do you want to speak to that?

**Mr JACOBI** - Yes, so through the Premier, there is a carrying capacity set on the Three Capes Track Experience, both for our product which is the huts that the Parks and Wildlife Service manages, but also from the Tasmanian Walking Track Company. The carrying capacity is tightly controlled, every day, every week throughout the year. Obviously though we want to provide opportunities for what we call free and independent people. The Tasmanian people would be able to go and walk out into the peninsula and there is access that is still provided. It's readily accessible and we're currently finishing off some new camping pads and toilets along that track to better cater for the free and independent visitors or bushwalkers who like to enjoy the Tasman Peninsula.

**Ms SIEJKA** - In terms of carrying capacity at a number of the different sites, I know that the Freycinet master plan, a lot of people, certainly with some of our offices, have raised concerns about the carrying capacity in that area. I know there's something like 250 people that went to the community meeting with a lot of recommendations. Are those recommendations going to inform what comes forward? It's just there seems to be a lot of concern about the impact on that particular area.

**Mr HODGMAN** - Yes. And we're certainly engaging very closely with the community. I've visited recently myself. I'm aware of the public meetings, appreciate the support of a local group that have participated in the development of the master plan and it's gone through an extensive consultation, two rounds in fact. The release of a draft plan and with the second stage we'll progress to there are major issues concerning the local infrastructure, from sewerage infrastructure right down to access for pedestrians, but also vehicles travelling through.

**Ms SIEJKA** - That concern of things being over loved, it can mean that what is special about a place does get lost, which is where all these concerns have come from.

**Mr HODGMAN** - Yes, certainly. That's why in our planning through this process we're looking at ways to minimise the use of vehicles or the number of vehicles that travel through Coles Bay and into the park, and a number of other ways to ensure a safe and comfortable access for people who are walking through the area.

There are infrastructure upgrades that have also recently been announced through funding from the federal government, \$7.2 million which I referred to in my opening statement. \$5.7 million of that goes to a new visitor gateway which includes the transit hub with new road access and car parking and shelter and an information area. That will provide for better management of traffic flow. Also \$650 000 for an Aboriginal education program and expanding the Discovery Ranger Program which is a great success and it will help visitors learn more about our Indigenous Aboriginal cultural practices and heritage. There is \$450 000 for the new Wineglass Bay lookout. It's a significant investment at a very loved part of the area. And \$400 000 for a foreshore walkway, again to improve amenity for pedestrians to move around the area.

There are a number of issues of concern. There's a massive issue with respect to sewerage and waste water management, for which we have committed \$365 000 to commission TasWater to

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undertake a detailed investigation as to what's required there as well. There are 310 000 visitors coming into the place. It's an area that we do need to manage well. These are significant investments towards us doing that but we will need to settle on a master plan to give the community some certainty, also government into the long term to ensure that it isn't loved to death.

**Ms ARMITAGE** - Premier, I note the department has undertaken a review of park entry fees and the recommendations will be considered by Government after consultation with stakeholders, with implementation to occur during 2019-20. They're going to occur reasonably soon. Can you give a time frame for that and can you confirm that there still will be free entry and concessional entry for seniors, as was mentioned by the member for Pembroke, that quite a number of people use those concessional entries?

**Mr HODGMAN** - Yes, and it's timely to review parks fees which have remained unchanged for some considerable time, just to ensure that they are contemporary, that the fee structure is appropriate and ensure also that we're able to support the Parks and Wildlife Service through a reasonable fee for its visitors. Hopefully it does not impact on the number who enjoy, certainly not Tasmanian residents who have come to be able to access them, at concessional rates. The fees haven't changed, I'm advised, since 2009. It is appropriate to allow the Parks and Wildlife Service to undertake a review to the park pass fees and processes to ensure that their funding is sustainable and also affordable. That will be conditional for Tasmanian residents; it needs to be affordable. Research shows that visitors are willing to pay for more access to our national parks and I understand that the cost of providing safe and reliable services needs to keep pace with the growth in numbers and popularity in our parks.

**Ms ARMITAGE** - So we're likely to still have free entry for seniors?

**Mr HODGMAN** - Yes. Then it goes to concessional.

**Ms ARMITAGE** - So do we have a time frame when they're likely to come into effect or when it's likely to be considered? I see that the review's been undertaken, but obviously the consultation hasn't taken place yet?

**Mr HODGMAN** - The commitment provides for an ongoing discount from 1 July 2019 where Seniors Card holders will be offered a senior pass at 50 per cent discounted rate for annual and two year all park passes and the 50 per cent discount will be applied to the concession price of the applicable pass. Every dollar, and this is important too, from the pass system goes directly back into our natural assets.

**Ms ARMITAGE** - Improving visitor access and services.

**Mr HODGMAN** - Yes, that's right. It gets reinvested into our parks which need it and it's not cheap. So, we'll undertake that review through the agency and any changes that Government determines appropriate and chooses to make in due course, will be announced.

**Ms ARMITAGE** - While we're on parks, we have wombats in our parks and I notice on the -

**CHAIR** - Wombats in parks, monkeys in parks.

**Ms ARMITAGE** - Different parks, but that's all right. Fortunately, we don't have monkeys in these parks. So DPIPW is working with the university to better understand the causes that lead to

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the mange outbreaks in wombats. Can we have an update on where we're at with the mange outbreak and what we're doing to combat the wombat mange.

**CHAIR** - This might be on behalf of the member for Rosevears who was in another place.

**Ms ARMITAGE** - I did note that he wasn't in here and I thought he would like me to ask.

**Dr WHITTINGTON** - This question would normally be directed under the wildlife outputs, which is the responsibility of Mr Barnett, but I can speak very generally on the subject and we can go a bit more deeply next time.

**Ms ARMITAGE** - That's fine. Generally is good.

**Dr WHITTINGTON** - A few things about the mange. Mange has been around for a long time. It was first described in Tasmania many years ago. We have had spotlight monitoring of wombat population over decades. We know that at a statewide level, the population of wombats is not under any particular threat from mange. There are localised issues. The West Tamar is one of those areas where mange is very prevalent but the statewide population of wombats is healthy and has been increasing over the last few decades. We've been working with the university on various treatments for mange, using various chemical treatments. Their efficacy is being investigated at the moment. But to go much more than that, I'll need to come back.

**Ms ARMITAGE** - No, that's fine. My final question is on the relocation of DPIPWE staff to the north. I notice that initiative of \$1.8 million over four years, facilitating the movement of 100 positions in the department to the north and north-west. I wondered where we're up to with that.

**CHAIR** - Have you managed to drag most of them up north? That's the question.

**Ms ARMITAGE** - Or perhaps advertised new positions?

**Mr HODGMAN** - To date, 44 are positions included as part of the northern recruitment policy; three that have been previously voluntarily relocated as part of the department's northern recruitment allocation systems policy, which came into effect on 23 August last year. That relocation assistance policy provides support for permanent employees to voluntarily relocate to the north and the 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. The Budget allocation of \$2.4 million over four years includes capital funding of \$600 000 to support the capital works and fit-out of office spaces.

**Dr WHITTINGTON** - So from our perspective, a really successful policy. The aim is to move 100 positions over the four years. As the Premier said, 44 in not quite the first year. What we're doing when any position is vacated, we make a call. Is there any reason why it can't be done in the north? If there isn't, then that's where it's advertised. Through that process we're moving the jobs north. As the Premier said, we also have a scheme for any staff member who wants to move north, we have a way of facilitating that through a series of policies.

**Ms ARMITAGE** - Perhaps you'd have some secondments and then they would see how good it is in the north and then they would want to move north.

**Mr HODGMAN** - Well done.

**Ms ARMITAGE** - Sorry, Dr Whittington.

**CHAIR** - Question is, Premier, do you agree?

**Ms ARMITAGE** - Something to add, Premier?

**Mr HODGMAN** - I do in relation to yesterday's proceedings, which I'm happy to do at the end of the deliberations.

**CHAIR** - Okay. We'll do that at the end before we finish.

**Mr HODGMAN** - Yes.

**CHAIR** - We're going from wombats and monkeys to deer. Thank you, Mr Armstrong.

**Mr ARMSTRONG** - Yes, it's more of a comment than a question, Premier.

**CHAIR** - I'll make it a question when you finish your comment.

**Mr ARMSTRONG** - It was advertised that the Government is going to do the survey to find out how many deer we've got in the state. I wanted to say I'm pleased to see that it came out of the committee that we had two years ago.

**CHAIR** - Can you add anything to what the honourable member's read in the paper?

**Mr HODGMAN** - Probably not, other than to say it is something that's in Mr Barnett's portfolio, but you're absolutely right. A tender for the aerial component of the deer census was advertised last weekend. It's a survey that will give us our best-ever estimate of population of deer in the state, which will then underpin management decisions. As you've said, it very much comes out of the recommendations of the inquiry that came down a couple of years ago.

**CHAIR** - Premier, I want to ask you about the review of the Parks and Wildlife Services Reserve Activity Assessment. I'm interested in where that is. My understanding was that it was to be completed by the end of 2018, so can we have an update on where that is?

**Mr HODGMAN** - It is ongoing, led by Parks and Wildlife Service, supported by a steering committee comprising internal and external PWS and planning subject matter experts. The review is focused on improving the transparency and consistency of the assessment process for the use and development proposals on land managed by the Parks and Wildlife Service through consultation with internal and external stakeholders.

I'm advised that the review will consider the outcomes of the current appeal before the Resource Management and Planning Appeal Tribunal, relating to the Halls Island proposal. Because the current AA process recognises other assessment processes under state and the Australian Government legislation, such as obtaining planning permits and approval under the Environment Protection and Biodiversity Conservation Act, given the possible implications of this appeal it would be pre-emptive to finalise the review of the Reserve Activity Assessments prior to the appeal being heard and clarification on the proper interpretation being advised. Pending finalisation of the review, a number of simple refinements to the system are already underway. These include the

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requirement for public consultation for all RAAs that are ranked level 3 or 4. That will improve transparency; it will enable public input on relevant developments.

**CHAIR** - So the Government, and you as minister, are still committed to the review?

**Mr HODGMAN** - Yes.

**CHAIR** - There's no doubt about that?

**Mr HODGMAN** - No, certainly not.

**CHAIR** - My understanding is that there's been no communication or consultation with stakeholder groups for the last 12 months. Is that because of that process that's being undertaken?

**Mr HODGMAN** - I think Mr Jacobi can answer that.

**Mr JACOBI** - We've had a panel of experts that have convened regularly over the course of the last year, to review the RAA process. They have come up with some preliminary recommendations. But as the Premier outlined, it would be inappropriate for us to progress those to any sort of public consultation until we have a clear understanding about how the RMPAT appeal may impact on those findings to date.

**CHAIR** - So has that information been made available to those stakeholder groups? If it had, they probably wouldn't have needed to put out a media release saying that they hadn't heard anything. I'm just interested. What's the communication? What's undertaken in the way of communicating to people involved in a process like this who perhaps get quite anxious when they're not hearing anything and think it's been dropped?

**Mr JACOBI** - I've certainly kept in personal contact with some of the key organisations and stakeholders that have expressed concern about where the review is at. I've advised them on regular occasions that we're still processing some of the findings but we're not at a point to go out to public consultation and that we will certainly be engaging with them very closely as soon as we have some clarity around the current appeal.

**CHAIR** - Whereas the committee can be rest assured that there'll be a community consultation process when the appeal's determined.

**Mr JACOBI** - We haven't resolved exactly how that consultation process would apply but we intend to engage with some key stakeholder groups such as the National Parks and Wildlife Advisory Council. Some of the key conservation groups have expressed a key interest in -

**CHAIR** - Yes. I've got a list of 11 here if you want those.

**Mr HODGMAN** - Yes, please.

**CHAIR** - Yes. I think the consultation process is something that we want to see.

I want to ask about the Budget and the resources around fire management. I had cause to have a discussion recently in regard to fire management in a local government area where council had become frustrated with the inaction of Parks to undertake fire management works. They took it

upon themselves to undertake those works. I'm interested in whether there's enough communication with local government about the work that Parks and Wildlife Management are undertaking? In your view, should there be a better communication on what's expected in that arena? The community had a couple of different views, Premier, about whether those works were appropriate or not.

**Mr HODGMAN** - I will ask Mr Jacobi to provide some context as well.

**CHAIR** - Yes. So that's a bit of a resource matter as well.

**Mr JACOBI** - Thank you very much for the question. As we started off, the Parks and Wildlife Services is responsible for a very significant area of land, and obviously we prioritise our investment for fire management depending on what are the highest risks, both to public life and property, but also to conservation, natural and cultural values. I'm absolutely well aware of some circumstances where in local government areas, there have been concerns raised either by residents or by the council, in relation to the potential fire risk, and we take those very seriously. Whenever we received a raised concern, my fire manager and staff directly engage with the local council or the resident and normally undertake an inspection of the site to determine the reality of the fire risk. Very often there is a perception that the area is a threat to life and property when in reality it is not. We make a judgment on the basis of those site inspections, and often we engage with the local fire brigades and fire officers to confirm their advice or our suspicions about how high the fire risk is.

There was a recent case in the north in a local government area, where concern was expressed around the risk of fire to a foreshore area. I took advice from my staff that there was no risk, and particularly being on a foreshore location with the ocean on one side and mown grass on the other side, the risk was very, very low. I personally, as a consequence of ongoing concerns expressed by that council inspected the site and I was very satisfied that the risk was extremely low and in fact, the conditions at that particular time of year were inappropriate for us to do any sort of, even planned or protection burning.

I gave an undertaking to the council that we would come back as soon as the weather conditions were favourable and commit to a planned burn which would address the concerns around the fire risk. To also ensure that the burn was undertaken in a way that actually protected the values of that foreshore area.

**CHAIR** - So that's the normal process?

**Mr JACOBI** - Yes.

**CHAIR** - I am not saying that what the council did was right or wrong, it's just that if we don't have a process in place, we might see 28 other councils around the state deciding that they know best in regard to the management of these areas. I'm just really interested in what happens when - was there a negotiated outcome?

**Mr JACOBI** - There was formal correspondence between me and the council clearly identifying the actual level of risk as opposed to the perceived level of risk, and giving assurances that we would, when the conditions were right, undertake the necessary protection burns to mitigate any of that perception of risk. The council chose to take action prior to Parks stepping in and doing that work, and that's council's decision, but I'm entirely confident that when an issue is raised with the Parks and Wildlife Service, that we are very professional in how serious we take those concerns,

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and that we deal with and satisfy to the best of our ability, the local constituent or council. If there is any doubt around our judgment as to the burn, we often engage with our colleagues in the Tasmanian Fire Service and bring them in, preferably a local brigade officer. I can assure you that in almost all circumstances where there has been question as to Parks' judgment on this matter, that the local brigade officer has been very supportive of our view as to how important the burn is.

**CHAIR** - Is it a usual circumstance where you would allow council to continue to undertake works, or is that something that is entirely in the domain of PWS?

**Dr WHITTINGTON** - I might answer that. It depends on the tenure of the land very much on the approach. If it's a reserve under National Parks Reserve Management Act, so one of the Premier's reserves, then we take a particular approach. In this case it's Crown land, it's a public reserve on the Crown Lands Act, so essentially minister Barnett's -

**CHAIR** - PDW were involved, you see.

**Dr WHITTINGTON** - Yes, absolutely. Crown Land Services sits as a group within the PWS umbrella. So, we use the foot soldiers of Parks to assist the management of Crown lands.

**CHAIR** - Well, they've got the expertise.

**Dr WHITTINGTON** - That's right. What I'm coming at here is that the approach depends on the land's tenure and the purpose for which the land is managed. In that particular case it's a public reserve foreshore between a caravan park and a beach. It is under licence to council, so the council is actually under licence to manage the area. Having looked at all the issues on the site, I was comfortable to allow them to continue their works as long as it was done in a reasonable and respectful manner, which they did.

**CHAIR** - My query was just about the process. I don't have a view whether it was right or wrong because I'm not an expert and that's why we have experts. That's my view, that if we all decide to start taking matters into our own hands, as I said, we could have 28 other councils deciding that they know better than the organisation that we have put our trust in when it comes to managing those very valuable assets.

**Dr WHITTINGTON** - So in that case, just to reinforce your point, we stop the work once community raised concerns, had a look, made the call and then allowed them to continue in a certain way.

**CHAIR** - There was huge support from the community for what was being undertaken. I have no issue with that. It's the process that I'm concerned about because as I said, if we allow a process to be interfered with, well, then we don't have any structures, particularly in an organisation like PWS who we put our faith in to look after these sensitive places. So I am pleased - I probably need to make a question out of that. Do you support what I say, Premier? I'm asking members to put a question and I'm probably making a comment myself. So thank you. Any other questions in regard to Parks.

**Mr DEAN** - It might have been raised and if it has I'll shut up, because I wasn't here.

**CHAIR** - We'll let you know.



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**Mr DEAN** - Statements have been made that some of our parks were over-visited, too many people going to them.

**Mr HODGMAN** - Yes, at length. Hansard will confirm.

**CHAIR** - We're being over loved.

**Mr DEAN** - Thank you for that. And the other one is - and I think I know what the answer is to this one is too. In our park areas the feral cat threat and I suppose that's also Guy Barnett's area as well, but obviously there has to be some responsibility of Parks to get some control or management over this because a number of threatened species are going to become extinct if we don't do something about it.

**Dr WHITTINGTON** - Just really quickly. It is absolutely in Mr Barnett's portfolio as a biosecurity issue, however Parks does do cat control programs in specific areas to protect specific assets. Tasman Island would be a good example, so we do do it in specific areas.

**Mr DEAN** - Areas, locations. Thank you. On Tasman Island, it has been done, has it, or is it being done there?

**Dr WHITTINGTON** - It has been done, yes.

**Mr JACOBI** - We work very closely with councils as well. So places like Stanley Nut, we have close proximity between us a reserve area of significant habitat value and natural values, but also local community where there might be pets that are allowed to run loose. We work very closely with council on particular trapping programs in those areas so that we can actually return the cats to their rightful home or manage the situation from there.

**Mr DEAN** - On Tasman Island, has a procedure taken place there to manage them, and has it been successful? I think that's one of the questions being asked, whether a program can ever be successful with feral cats, so.

**CHAIR** - In regards to Parks, PWS and working with local government, it's okay to work with individual councils but what do you do at the LGAT level where there are other councils who are desperate to have some cat management, feral cat management in place as well? So is there a relationship between LGAT so that all councils are involved, because I expect that it's not just unique to the Stanley Nut feral cats.

**Mr WHITTINGTON** - We do work with LGAT, but we also work through the Premier's local government council. Both cats and coastal erosion are big issues in Parks and state. Both have been recently on the agenda of the local government advisory council.

**CHAIR** - When I arrived here 15 years ago we were going to have a coastal policy. Still waiting.

**Mr WHITTINGTON** - Well, we do have one.

**CHAIR** - It hasn't been reviewed for a long time, but we'll wait. Any other questions? If not, we'll move to Grants and Subsidies. Are there any questions in relation to that? If not, I'll move to Capital Investment.

I've a question in regard to the Capital Investment Program. There is a \$2 million increase. It talks about some of the initiatives that you have already spoken about, Premier, but the decrease in the forward Estimates is around the finalisation of the Cradle Mountain Experience, improved statewide visitor infrastructure, national parks, and the maintenance boost initiative, so are we at capacity with the numbers in PWS Services? What is the number? If that maintenance boost initiatives in the forward Estimates is finishing, is that what it says?

**Mr HODGMAN** - It's a four-year election commitment, so that will be reviewed and revised as we approach its conclusion as happens with a number of government initiatives. An assessment as to how we might proceed will be made of that in time.

**CHAIR** - What is the full complement of PWS staff at this point in time? Is that available? I'm happy to take it on notice. We know quite a few people from Sustainable Timber Tasmania moved over to PWS Services. I'm interested in what the full complement is.

**Mr HODGMAN** - Nearly the last in my folder.

**CHAIR** - Really? I would have thought that was the first one.

**Mr HODGMAN** - Yes, FTEs in Parks and Wildlife Management are currently at 377.68; last year was 365.02; March 17 was 336.41; and June 2014, 292.73, so a gradual increase.

**CHAIR** - Thank you, that will be very useful with the work that they undertake. Premier, I believe you have an answer.

**Mr HODGMAN** - I just have one matter. While Mr Dean is here, I need to correct the record. On behalf of the Estimates hearing yesterday, a question relating to the Hillwood boat ramp was asked of the CEO of Marine and Safety Tasmania, Ms Lia Morris, in response to a question from the Honourable Ivan Dean MLC. I understand there may have been some question as to the actual location of the ramp. I can advise that MAST owns the Hillwood boat ramp off Hillwood Jetty Road. This is a ramp MAST inherited when it was formed in 1997. The ramp was resurfaced a few years ago. MAST acknowledges that access from this ramp is limited at low tide. MAST's five-year infrastructure plan is currently out for consultation. This provides recreational boaters with an opportunity to suggest future infrastructure projects in that region. Consultation is open until 30 June this year.

**CHAIR** - Thank you.

**Mr HODGMAN** - So it's closed.

**Mr DEAN** - That's good because there was some concern about it. Thank you.

**CHAIR** - We can feel very fortunate that MAST manages that boat ramp. Thank you very much, Premier.

On behalf of the committee, I very much appreciate the spirit in which you came to the table today and the answers that were provided. I acknowledge everyone who helped support you along the way. I know that nobody gets much time before this process to do anything. Some people haven't even seen their families for a few weeks. Thank you very much. If there's any matter that

## UNCORRECTED PROOF ISSUE

you would like to take up with the committee following today's procedures, you might like to do it in the President's rooms. Thank you to everybody.

**The committee adjourned at 5.26 p.m.**