

UNCORRECTED PROOF ISSUE

Friday 12 June 2015 - Estimates Committee B (Rockliff)

LEGISLATIVE COUNCIL

ESTIMATES COMMITTEE B

Friday 12 June 2015

MEMBERS

Mrs Armitage
Mr Dean
Mr Finch
Ms Rattray
Mrs Taylor (Chair)
Mr Valentine

IN ATTENDANCE

Hon. Jeremy Rockliff MP, Deputy Premier, Minister for Education and Training, Minister for Primary Industries and Water, Minister for Racing

Department of Primary Industries, Parks, Water and Environment

John Whittington, Secretary
Mark Sayer, Deputy Secretary
Alistair Scott, Acting Deputy Secretary
Adrian Pearce, Manager, Finance
Deidre Wilson, Acting General Manager, Corporate Services
Penny Sale, Acting Director, AgriGrowth Tasmania
Michael Varney, Acting General Manager, Land Tasmania
Lloyd Klumpp, General Manager, Biosecurity Tasmania
Martin Read, Acting General Manager, Water and Marine Resources
Tim Grant, Acting Valuer-General
John Diggle, Director, Inland Fisheries Service
Robert Gott, Director Marine Resources, Licensing & Administration Water and Marine Resources

Department of State Growth - Racing

Bob Rutherford, Deputy Secretary – Industry and Business Development
Amanda Russell, General Manager Corporate Services
Tony Murray, Director Racing Services Tasmania

Department of Education

Colin Pettit, Secretary

Liz Banks, Deputy Secretary, Early Years and Schools

Robert Williams, Deputy Secretary, Department Services

Kane Salter, Director, Finance and Business Services

Jenny Rayner, Director, LINC Tasmania

Stephen Conway, CEO, TasTAFE

Nick May, Executive Manager Finance and Resources, TasTAFE

Gail Eaton-Briggs, General Manager Operations Organisational and Business Development, TasTAFE

Ministerial Staff

Jenny Gale, Chief of Staff

Bronwyn Perry, Deputy Chief of Staff

Ashley Bastock, Senior Adviser

Anna Jones, Senior Education Adviser

The committee met at 9 a.m.

DIVISION 8

(Department of Primary Industries, Park, Water and Environment)

Minister for Primary Industries and Water, Minister for Racing

Output group 1

Land Tasmania

CHAIR (Mrs Taylor) - Good morning, everyone.

Mr ROCKLIFF - I am pleased to be here again this year to provide an update on the progress of what our Government is doing in growing our economy and creating jobs through our strategic investment in the primary industry sector.

When I came to Budget Estimates last year, our Government had laid the foundations for our vision to see the agricultural sector in our state reach its full potential to grow to a farm gate value of \$10 billion by 2050.

We are also committed to supporting our wild-catch fisheries, both commercial and recreational, by providing them with resource security and improved biosecurity, and by removing bureaucratic obstacles to sustainable growth of the sectors.

We are also committed to providing strong support to all sectors of the aquaculture industry to grow sustainably and to maximise their commercial returns through the further development of our high-value brand and strong biosecurity culture.

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Last year we laid the platform to achieve that growth and this year we are consolidating on that platform in continuing our investment in key areas to partner with our farmers, our public services and our research development and extension providers. We are assisting our agricultural sector to access new markets, boost their production and develop industries that sustainably achieve the maximum from their resources.

Our Government recognises the knowledge, skills and expertise of our farmers and rural communities. That is why our funding is about partnering with them and our primary industries, and enabling them to get on with the job while we deliver in areas that can assist them grow their markets.

Key to this is our biosecurity system, which not only protects our primary industries from a range of pests and diseases, but through that protection also enables our agriculture sector to reach a range of overseas markets. Last year we laid the platform for enhancing our biosecurity systems. We have established Biosecurity Tasmania to create a more integrated approach across the biosecurity continuum. We delivered \$900 000 to strengthen Tasmania's biosecurity protection.

In 2015-16, built on that platform with \$2 million to fund the addition of three new detector dog teams to be used at our border entry points to build Biosecurity Tasmania's capabilities to protect our primary industries, natural environment and social amenity from a range of pests and diseases. In addition, we have also provided a further \$2 million to fund major biosecurity upgrades that are vital for protecting the value of our primary industries and for securing Tasmania's position in the twenty-first century global marketplace. These upgrades include new visitor signage and other communications at key entry points. Upgrading our laboratories to improve our detection response capabilities and upgrading post border hygiene infrastructure in priority areas.

It is not just about protecting our industries, however, we are also focused on assisting them to reach their full potential. The Budget confirms the state Government's commitment to \$30 million leveraging the Federal Government's \$60 million to progress five proposed tranche 2 irrigation schemes. Irrigation as you all know is a partnership. A partnership between Government, federal, state and farmers. Farmers will contribute some \$25 million to make the total figure of \$115 million available for the tranche 2 irrigation.

We have also confirmed our ongoing support for the \$6.5 million Cultivating Prosperity, agricultural initiatives which we started rolling out in 2014-15. \$800 000 for relevant industry research and development. Partnering with industry and Tasmanian Institute of Agriculture, \$1.5 million for Water for Profit program, \$600 000 Farm Productivity program, \$435 000 three year Farm Safe Tasmania program and an Agricultural Skills Plan with the TFGA of some \$450 000 investment.

I finish on this, Chair, with respect to consolidating the growth of our world-renowned fisheries through our supporting a world-class Tasmanian fisheries and seafood sector policy with funding under this initiative, and helping to underpin the future of the seafood industry. Ongoing commitments over the next three years of \$500 000 to the Institute of Marine and Antarctic Studies for salmon industry research. A further \$400 000 to supplement the Tasmanian Shellfish Quality Assurance program. Earlier this year I released the Developmental Fisheries Framework which provides a structured approach to the growth of the new environmentally sustainable and commercially profitable fisheries in this state.

Our Government has created the platform in key areas and is now consolidating on that to help our agricultural sector and our economy to grow overall and to create jobs. I welcome the opportunity to discuss these initiatives and other key items in the Budget as we progress today. Thank you.

CHAIR - One of the things you said to us last year that the Government was planning to do was reducing red and green tape by 20 per cent and you were going to have a regulation reduction coordinator. I guess, however that is going, you might address how the 20 per cent reduction is going? You did say 20 per cent over the term of this Government, rather than this year, but you might like to in each area as people ask you questions you might mention that.

Mr ROCKLIFF - With respect to red tape reduction within my department. There are a number of initiatives we have done. You would be aware farmers in particular are sometimes very critical of the red tape and the beaucroatic obstacles they have to go through. Particularly with respect to water development, for example, and on farm dam approvals. Soon I will be introducing legislation to the lower House which will change our system. Which has been an evolving system in terms of on farm water development. We started with the 1999 Water Management Act, it was implemented in 2000. There was a major reform there. We formed more in 2007 a system where it was more of a one stop shop. It was the previous government, with respect to building water storage on farm, and by the abolition of the Assessment Committee for Dam Construction, which is a key initiative that will further reduce red tape for farmers and cost a lot less for applications.

CHAIR - You talked to us about that last year, in last year's Budget, so progress since.

Mr ROCKLIFF - Yes, that legislation will be tabled very shortly and it is looking good in reducing that red tape and we will have discussions like that when the legislation is tabled.

Ms FORREST - What about the green tape?

CHAIR - We saw red and green tape and we were going to keep our comments to a minimum. We were going to ask questions. Do not forget about the green tape.

Mr ROCKLIFF - Yes, there is a bit of green tape in the dam. One of the other areas across my portfolio that we are acting on is the industrial hemp legislation. We anticipate it to be put into the lower House at the end of this year. In January this year, I announced a simplification of regulation to support the growth of the hemp industry. For example, an addition to allow farmers to hold a licence to grow industrial hemp for five years, rather than one year. It used to be a one year licence and we are going to make it five year licences. Also, increase the THC threshold from .35 per cent to 1.0 per cent to provide national consistency. We are working on specific purpose legislation for industrial hemp which will be welcomed by many.

We are also trying reduce red tape through bio-security, so at the moment we have a bio-security legislation review, happening currently. While this is a complex task, we want to simplify many aspects for producers, industries and other stakeholders. It is intended that a policy framework position will be delivered in early 2016, for consideration by the Government, and this will be after a consultation has occurred during this year with an options paper and the like.

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With respect to fisheries regulations, the Fisheries, Commercial Dive Rules 2011, now enables its entities to hold up to three licences, to place supervisors on licences, and provide flexibility, and the use of approved sites. The penalty for failing to submit a telephone report under the Fisheries Rock Lobster Rules 2011 has been reduced and offences can now be dealt with by infringement notice, as an example of the fisheries sector. Also, an exemption order has been executed, allowing rock lobster fishers to traverse closed areas with baited pots on the decks of their fishing vessels - an example, that was presented to us as red tape. It was fairly impractical and could be wiped out and that has been done. It has been welcomed by the Rock Lobster Association. So, we are ongoing, monitoring all regulations through the department.

CHAIR - Are you still aiming, 20 per cent reduction during the term of this Government?

Mr ROCKLIFF - Certainly. Across my areas of responsibility of Primary, Industries and Water, we want to reduce the impact of red tape and green tape on farmers. We have to be mindful of federal legislation and also in our obligations to the environment and social amenities. There are many practical areas that were found within my department that are not necessary, through regulation legislation, just a process of issues that we can simplify, and that is ongoing. Continuous improvement.

CHAIR - Did you do anything about your regulation reduction coordinator? Have you set one up or do you still intend to? Last year in Estimates, you said that is what you were going to do.

Mr ROCKLIFF - Yes, that falls under Mr Groom's responsibility of State Growth and that is absolutely established. My understanding is the person in that position is consulting with industry and small businesses, and identifying other areas that do not come across our desks.

CHAIR - Do you have a name?

Mr ROCKLIFF - Mr Stuart Clues.

Mr WHITTINGTON - He is the acting regulation reduction coordinator. We have had quite an extensive engagement with Stuart on a range of matters so when we seek advice on how we might do something better, we ring him up and show him what we are doing and ask him if he has any ideas on ways to do it better. It is an active engagement whilst not in our agency.

Ms RATTRAY - In relation to opportunities to grow other crops, and you talked about the hemp growing opportunity, but we recently heard at a committee that there appeared to be a large opportunity to grow cereal crops, wheat, barley, not so much maize. Have you any information regarding that? Is that something that your department is looking at, assisting property owners, land owners, farmers?

Mr ROCKLIFF - Yes, there is research being undertaken at the present time by the Tasmanian Institute of Agriculture in the cereals area. This is an area that has a lot of potential for growth. I like to encourage the growth of our cereal crops in Tasmania because with the rapid increase in the dairy production in Tasmania, there is going to be need for more cereals. My preference would be that those cereals are grown in Tasmania because the importation of cereals for the mainland presents a bio-security risk and an extra cost for farmers and at the moment the economics in respect of buying grain -

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Ms RATTRAY - It is the quality of the grain we grow in Tasmania and the consistent quality is the issue. Is the department doing anything about that aspect of it?

Mr ROCKLIFF - Yes, and the Tasmanian Institute of Agriculture supports all sectors of Tasmanian agriculture and there are examples of this. TIA coordinates the regular Dairy Smart workshops, field days for dairy groups, for example, pasture and cereal production as supported through cultivar development and extension of activities to foster that, integrated and existing enterprises, whether it be cropping, or large scale cereal production.

The Tasmanian Institute of Agriculture is actively engaged in this area and it is all about improving productivity of cereals and improving cultivars and varieties so we can be more self-sufficient. My goal would be that there is enough gross margin in cereal production to be a sustainable industry and growing industry in Tasmania to support the growth in our dairy industry. Cereals are also very good for managing soil - in more intensive cropping areas, say the north-east and the north-west coast - to break up your cropping rotation, particularly after intensive crop and deep root crops like carrots or potatoes. It is good practice to sow that down to pasture for those intensive crops the next season. Or have that break with the cereal crop which has the benefit of storing the soil and making sure that good soil management practices by that break in that rotation with a cereal crop but also the added value of growing a cereal for the dairy industry or the pig industry.

Ms RATTRAY - The answer is, yes, Chair.

1.1 Land Titles, survey and mapping services -

Ms RATTRAY - Minister, there is a slight increase in this line item and I am interested to know if that is related to the twenty-seventh pay. That seems to be the standard answer this year; last year it was the pay pause, this year it is the twenty-seventh pay. Is it related to that, or is this department lucky enough to have an increase this year? It is not a large increase. Also, in relation to the issuing of titles, I recently had an experience where it took three months to receive a title to a piece of land. Is that the standard time to receive a title for a piece of land?

Mr ROCKLIFF - I know the department is improving its processes all the time in this area and is doing a very good job of that.

Ms RATTRAY - Was I just an unlucky customer then?

CHAIR - No, you were not, unless we were both unlucky customers.

Mr ROCKLIFF - Occasionally we get some constituent issues like that but I will ask Mr Varney or Mr Whittington to answer.

Mr WHITTINGTON - On the first question, you would be referring to a revenue by appropriation?

Ms RATTRAY - Correct.

Mr WHITTINGTON - That increase is the twenty-seventh pay.

Ms RATTRAY - That is fine. Are the staffing numbers consistent in that area?

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Mr WHITTINGTON - We have achieved our budget challenge from last year and now we are on a very stable footing.

Mr VARNEY - In terms of land registration transaction processing times, we have a target of 75 per cent registered within one week. At the moment we are currently on 76 per cent, so we are reaching the target.

Ms RATTRAY - You suggest I am in the 24 per cent that completely fell outside that?

Mr VARNEY - I think so.

Ms RATTRAY - Would there normally be some correspondence with people on that issue?

Mr VARNEY - Yes, absolutely. The requisition might have been between your solicitor or the surveyor involved and sometimes it can take some time to get responses back from the relevant party.

Ms RATTRAY - I found that an extraordinarily long time to receive something as simple as a title.

Mrs ARMITAGE - Has the Tasmanian Online Plans system - TOP that is being developed been completed?

Mr VARNEY - It is in its final testing stage and we hope to release it during 2015-16.

Mrs ARMITAGE - What savings are you expecting to achieve by making the information available online?

Mr VARNEY - We have already made a lot of plan information available online and that has enabled us to automate what was a manual process. It has enabled us to achieve budget savings at the Land Titles Office. The TOP system will provide a lot of efficiencies for surveyors and councils in dealing with the lodging of plans.

Mrs ARMITAGE - What proportion do you think would be done online?

Mr VARNEY - With the Land Titles Office? About 75 per cent of all dealings are lodged through the TOLD - Tasmanian Online Land Dealings - system. That means the conveyancers preparing the document in the TOLD system, then lodging the paper, and then we scan a barcode and are able to retrieve the data that is entered in the system.

Mrs ARMITAGE - In the DPIPWE annual report 2014 you state: 'In the valuation services adjustment factors for land value for all 29 municipal areas were issued in March 2014. Valuation consultancy advice was provided to government resulting in significant rental savings for key buildings.' How much was saved?

Mr WHITTINGTON - I would have to take that on notice; I would not like to hazard a guess at the dollar figure.

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Mr DEAN - In the Land Titles Office, I note that there is a quite a large increase in revenue to the collective within that office that is envisaged for the 2015-16 year. I think that is put down to the increase and better market we currently have. Is that the situation of the believed income you will receive? Are targets reasonable in the circumstances?

Mr WHITTINGTON - Yes, it reflects a turnover in the property market and from the number of applications coming across our desk. It is an estimate for the year and we believe it is on track.

Mr DEAN - Was the budgeted amount in 2014-15 achieved, the amount you have budgeted for in that year?

Mr WHITTINGTON - We are still in 2014-15 of course, but on the latest figures we are just slightly ahead, aren't we?

Mr VARNEY - We have exceeded the original budget figure.

Mr DEAN - That is good.

Mr WHITTINGTON - On the basis of that, we have had to adjust the forward Estimates to reflect what we anticipate the market to do.

Mr VALENTINE - I do not know if this is where we talk about possible purchasing of crown land by private individuals. It is about land titles and crown land.

CHAIR - Ask your question and we will see whether the minister can answer it.

Mr VALENTINE - The Government talks about creating jobs and wanting to improve the employment situation. Where individuals are occupying leased crown land and running a business with little chance of that style of business changing on that site, has the Government given any consideration to how they might be able to encourage lessees to purchase the crown land without necessarily going out to tender? I know that is a difficult issue, but has there been any consideration of that?

Mr ROCKLIFF - Of course, I would imagine it has always been an open and transparent process with respect to that. It is a question for the minister responsible for crown lands, who I understand is on this afternoon in another committee, but we can refer the question to him if you like.

Mr VALENTINE - It is just a continual issue with a person who occupies some crown land down near the Dunalley Canal who runs a simple fish and chips business. He wants to develop the property and employ more people but is not going to be putting the investment in for the length of lease he has and cannot sell it, obviously.

Mr ROCKLIFF - I understand it is a particular constituent of yours. It is Mr Groom's portfolio.

Mr VALENTINE - He is not a constituent of mine, but nevertheless.

CHAIR - It would be good if you could pass that question on and get an answer for us.

1.2 Valuation Services -

Mr VALENTINE - What is the number of FTEs last year and now, in that line item?

Mr WHITTINGTON - The figures for Valuation Services from March to March were: 33.04 FTEs in March 2014 and 33.34 FTEs in Valuation Services at the end of March 2015.

Mr VALENTINE - So there has been very little change there.

Mr WHITTINGTON - About one-third of a person.

Mr VALENTINE - My next question is about valuations. Who is actually doing the valuations? Is it external, from Victoria? I am talking about the general valuations across various municipalities. There have been some concerns that getting Victorians to do the valuations is ending up devaluing the properties and people have an issue with then going to a bank and getting the right level of funding needed to be able to develop their property. Looking at our properties through the eyes of Victorians with their knowledge of values, considering Tasmania as being a bit of an isolated place and maybe at lower value. I do not know. Can you give me an understanding?

Mr ROCKLIFF - We will obtain that information for you. By way of leading into that, valuations undertaken by the Office of the Valuer-General include fresh valuations and revaluations for approximately one-third of the 29 councils in Tasmania, which are undertaken every two years under a six-year valuation cycle. Supplementary valuations, which occur between the valuation cycles, comprising approximately 96 000 notices of valuation relating to the 2014-15 revaluations for Devonport, Kentish, Latrobe, West Coast, Central Highlands, Southern Midlands, Hobart, Huon Valley and Kingborough local government areas were issued to property owners in the last week of May this year. The land value, capital value and assessed annual value for each property are determined as at 1 July 2014 levels of value. Those values will take effect from 1 July 2015 for rating and taxation purposes.

Mr GRANT - The revaluations, nine municipalities were undertaken this financial year. The contractors were both mainland firms. A firm by the name of ValueIt understood the revaluations of West Coast, Devonport, Kentish, Latrobe and Central Highlands. A firm by the name of LG Valuation understood the valuations of Southern Midlands, Hobart, Huon Valley and Kingborough.

Mr VALENTINE - Do we know how they were undertaken. Are they coming to the state and doing a kerbside assessment or are they using Google Earth and the videos associated with that? I know that might sound a little trite. I would like to know how they are doing those.

Mr GRANT - I can confirm they are on site. A requirement of tender documentation is that they undertake a kerbside inspection at minimum of residential properties. They are to undertake full inspections of commercial, industrial and rural properties to ascertain that the records we have on those properties are correct. They have to analyse all the current sales in the area and provide detailed feedback to my office to undertake that valuation. We undertake a very detailed, rigorous quality assessment of each of those valuations.

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Mr VALENTINE - So you can be pretty sure their experience in the Victorian market, say, or Queensland, wherever they are coming from, is not skewing the value of properties in Tasmania?

Mr GRANT - No, they are employed as valuers. They are independent valuers. They have to look at the sales that have taken place in that area.

Mr VALENTINE - You have the quality control in place to make sure?

Mr GRANT - Quality control in place to ensure those sales they have used and the figures they arrive at within the requirements of the tender documentation.

Mr VALENTINE - Okay. Thank you for that. There is an upside with cheaper rates, but if you cannot get a loan it is difficult. The next question was with regard to AAV ceasing.

Ms RATTRAY - In relation to the kerbside assessments, are you absolutely certain they go out to places like Levendale, Parattah and Woodsdale and look on site to see what improvements have been done in particular areas?

Mr GRANT - Yes, I am. They are required to undertake that inspection, yes.

Mrs ARMITAGE - I note the valuations in the article in the *Mercury*. It said the average land value increased by 14 per cent and the assessed annual value by 13 per cent. How do those rises compare with the mainland?

Mr GRANT - We do not compare those figures.

Mrs ARMITAGE - We have mainland valuers; I wondered whether the comparison to do with increases -

Mr GRANT - No, because each area is looked at individually in relation to the sales that have taken place. We have a six-year cycle. That is the increase over six years. To look at that on a mainland term is difficult to get back. We are looking at them providing us information on the sales that have taken place, rents that have taken place, to analyse what the current market value is at a point in time.

Mrs ARMITAGE - How did the rise compare with the previous six years?

Mr GRANT - There was a considerable increase six years ago. We went through the period of the 2002, 2003, 2004 boom. Hobart values were 100 per cent and 200 per cent -

Mrs ARMITAGE - So has it settled back down to what it was, relatively, previous to that?

Mr GRANT - Yes, that would be a fair comment. The percentage change in this six-year cycle was very low, very little change in values from the 2008 levels to 2014 levels. The market was depressed or flat. There were some properties going up and some coming back. Overall, very little change.

Mr VALENTINE - I am certainly very comforted by that response, thank you. AAV ceasing in valuations, where is that at? It was being looked at but not by this group. It was being

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looked at somewhere, we thought, within DPAC; that was the answer last year. It turns out it is probably Treasury. Has there been any movement from your perspective with respect to bringing in that AAV not being part of the valuation, and capital value being concentrated on?

Mr GRANT - You would be aware, as was previously stated, the Valuation and Local Government Rating Review concluded in May 2013. The previous Government accepted the recommendations but the further implementation of those recommendations to discontinue assessed annual value and transition to a two-year land value and a four-year capital value cycle. This Government supports the current implementation program led by the Local Government Division of the Department of Premier and Cabinet, as you pointed to, to transition to capital value. The Local Government Division of DPAC has initiated a project to progress and support councils' transition to capital value. Two councils have already moved to rating based on capital value - Clarence and Sorell. I am advised other councils may consider transitioning to capital value at the conclusion of the current revaluation cycle.

Mr GRANT - We had meetings as a result of the revaluation of the nine councils that were up for revaluation. Those councils indicated they were looking at the implications of going to capital value rating as against AAV rating, with the result of the new valuation cycle coming in. Most, at this point, have indicated they probably would continue with AAV rating with this cycle, but they are looking at looking at the implications.

Mr VALENTINE - It is certainly a very significant thing for some. There will be different reactions from different councils. The six-yearly cycle, is there a move to bring that down to a lower level, to four years?

Mr GRANT - That was certainly part of the review, to look at an amendment. At this point in time we are continuing with the six-year cycle.

Mr VALENTINE - Obviously challenges are made to valuations. Can you give me the level of that for 2014-15? Is that going to reach the target of less than 2 per cent? It is not huge, in the context, though there are quite a number of valuations so 2 per cent could be quite a number.

Mr WHITTINGTON - We have data through to 24 April, by municipality. Objection notices received - 0.69 per cent - and objections leading from amendment - 0.56 per cent, less than half of one per cent.

CHAIR - It has been consistently going down.

Mr VALENTINE - If there was a problem with the valuation system, we would certainly see it start to crop up there.

Mr GRANT - Yes.

Mr DEAN - What is the main reason for the objection? Is it a miscalculation of Forestry on plantations on properties? That was an issue, going back a few years ago.

Mr GRANT - As you are aware, we issue revaluations on a two-yearly cycle. So in this particular year, we are talking about supplementary valuations that were undertaken by our office; so it is objection to that. We are going into the new period and there will be objections to the

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revaluations; but objections to supplementaries were related to various issues and not one particular issue.

Mr DEAN - That is what it was previously.

Mr VALENTINE - Adjustment factors - are they still yearly?

Mr GRANT - Adjustment factors for land value are calculated on an annual basis - correct.

Mr VALENTINE - That is all I need to know. Assessed annual values are still biennial?

Mr GRANT - Correct.

Mr VALENTINE - I think you have answered the next question. Do you stipulate to any valuers, interstate or not, through tender papers, perhaps our valuations [inaudible]. That is it.

Mr DEAN - What is the cost of having those valuations done, and who suffers the cost of it?

Mr GRANT - The tender is let for the revaluation of the properties to -

Mr DEAN - So the state lets the tender, or is it local?

Mr GRANT - The state issues the tender and my office manages the tender process. The actual cost of the contractors is met by the councils.

Mr DEAN - Do the councils have any say as to who the tenders are let to?

Mr GRANT - Yes, the councils have representative on the tender committee and they have a say on that tender committee.

Mr DEAN - What was the cost for these revaluations?

Mr GRANT - Sorry, but I do not have that information.

Mr DEAN - Take it on notice.

Mr GRANT - Yes.

Mr WHITTINGTON - We can take it on notice and consider that question, Mr Dean.

Mr DEAN - My other question is that this government is about using local firms, contractors and businesses. So why is not a local business used?

Mr WHITTINGTON - As an internal process we use the governments 'buy local' guidelines and it would be no different to that through this process. It is a combination of availability, quality of product and ability to do the job in the time required. So we have a mix of state and interstate valuers who come through that process. We certainly use the guidelines for 'buy local', but the local market cannot always supply the service that we need.

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Mr DEAN - You mentioned quality. Are you saying that the state's valuers could not provide that quality, or is that not an issue?

Mr WHITTINGTON - I am saying value for money has a number of elements to it. And they are all assessed as part of the package in the buy local.

Mr DEAN - Are local valuers given the opportunity to participate in that process?

Mr WHITTINGTON - Yes, and some of the work does go to local companies.

Mr GRANT - When the tenders were called there were three tenderers who submitted tenders for a combination of the nine municipalities; one of those was a local firm. The tender committee awarded them to the mainland firms on the basis of cost and other issues that were raised at tender meetings.

CHAIR - I think this Government and the previous government have said - or it has been suggested - that there be a disaggregation of tenders. Sometimes our local tenderers do not have the capacity to take the whole tender but might be able to take sections or join up. Was this for the entire nine municipalities in one hit, or were they individual, or what?

Mr GRANT - No, each municipality was called as an individual tender. The price was submitted for a particular municipality.

CHAIR - And the local firm won none of those?

Mr GRANT - Not at this time. They did win them in the previous cycle with three municipalities undertaken by a local firm but this time those firms were not successful.

Mr DEAN - Are we able to have that document tabled? I would be interested to know what the difference is in the quoted prices from these organisations because this Government has also said that it will not always go on price only.

Mr ROCKLIFF - That would be commercial-in-confidence.

Mr VALENTINE - May be there is another way of approaching that. Can you tell us whether there is a price leeway of, say 10 per cent, given to local companies? So if they are less than 10 per cent under the best price they can get the gig?

CHAIR - That is the 'buy local' policy.

Mr ROCKLIFF - We can take your question on notice. I am wary of the commercial-in-confidence aspects of that but if we can provide some insight, then -

Mr DEAN - Can that include the percentage difference in this case? That is not commercial-in-confidence, I would not have thought.

Mr VALENTINE - You do not need to know the price.

Mr DEAN - No, I do not need the price at all. It is an indication.

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Mr ROCKLIFF - We will take it on notice and we will consider that.

Mr DEAN - It is because of your government's statements about 'buy local' and 'use local'.

CHAIR - We take note of the fact that it is not only on price.

Mr DEAN - Does the department sign off on it, or is it signed off by the minister for a contract like that?

Mr WHITTINGTON - A point of clarification: these tenders were let in the financial year 2013-14. That is one of the reasons I do not have all of the details; it was in the previous year.

CHAIR - The previous government therefore let the tenders, or did you?

Mr WHITTINGTON - It would be this Government but it is in the last financial year, not the 2014-15 financial year.

CHAIR - Should we be asking now about tenders for next year, otherwise every year that is going to happen? 'Oh, no it was in the last financial year.'

Mr WHITTINGTON - My understanding is that the tenders through this process will be signed off by the minister at the time.

CHAIR - So have we gone through the process of tenders for next year's valuations? Which municipalities are being done?

Mr GRANT - No, there is a two-year cycle so tenders will be called later this year for the valuations to be undertaken the following year.

CHAIR - Thank you.

Mrs ARMITAGE - One further question regarding the AAV - the land value and the capital value and, of course, the flat rate. I am sure that adds a few extra complexities for the valuation. Do you have an opinion on the four different types - the AAV, versus land value, versus capital value, versus flat rate for valuation? Is one more pure than the other?

Mr GRANT - Each valuation methodology has its benefits. We will value whatever is required.

Mrs ARMITAGE - Is it costing more for the valuation, having so many different ratings across so many different councils?

Mr GRANT - Certainly. To provide a land capital and annual value for every property is a higher cost than providing a land capital or even just a land value. There would be differences in cost if we are providing one, two or three tickets.

Mrs ARMITAGE - A lot of land value in capital value? Would you be able to say which would be the more pure?

Mr GRANT - It is a personal thing.

Mrs ARMITAGE - Does the Government have a view?

Mr GRANT - I am not sure they do.

Mr WHITTINGTON - One of the purposes of the valuation was rates and review. Premier and Cabinet, like a Government division, is running a project to progress transitions to capital value with councils, so that is the answer to that question.

CHAIR - It is going to be up to each individual council as to when and if they pick that up?

Mr WHITTINGTON - We are working with councils.

**Output group 2
Primary Industries**

2.1 AgriGrowth Tasmania -

Ms RATTRAY - Minister, this has the AgriGrowth initiative in this particular line item. Is this correct?

Mr ROCKLIFF - Yes.

Ms RATTRAY - According to my figures, it is around \$320 000 to implement that because with the decrease next year, I am assuming that \$320 000 is what the initiative is costing. Is that correct? It has been in place for almost 12 months now.

Mr ROCKLIFF - That is right, and that was set up so the Department of Primary Industries and Water would be far more responsive and have more of a whole of government focus to issues that present themselves in agriculture, both in industry need for the future and an industry concern. An example of where we were very responsive, as a result of AgriGrowth, was the downy mildew situation with the poppy industry. That was a huge concern and remains a concern to the poppy industry. It presented itself around October/November last year, and it was a strain of downy mildew that was not being addressed through normal crop texture and product regime.

Mrs ARMITAGE - You talked last year about it being a one-stop-shop for farmers.

Mr ROCKLIFF - That is it.

Mrs ARMITAGE - I suggest that particular issue was a once only issue. Would that be fair to say?

Mr ROCKLIFF - Hopefully, those sorts of really concerning issues do not present themselves too often, but that was an example of AgriGrowth able to be on the front foot to get three companies, poppy processors - Tas Alkaloids, GlaxoSmithKline and TPI, and the Tasmanian Poppy Growers Association and the Tasmanian Institute of Agriculture, all round the table in a short period of time. They were able to obtain funding privately from the three companies and from TIA, the Tasmanian Institute of Agriculture, and they came up with a budget

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in a very small amount of time of some \$260 000 to put into research and development to address the downy mildew issue which, I understand has been progressed.

Ms RATTRAY - My calculation of that particular initiative costing around \$300 000 is not right according to the budget figures of what you were ceasing in 2018-19?

Mr ROCKLIFF - It might be an item within this Output group that you refer to but establishment of AgriGrowth is there for the long haul.

Ms RATTRAY - It is the Cultivating Prosperity in Agriculture policy that is going to cease?

Mr ROCKLIFF - These are the Budget initiatives and the Cultivating Prosperity budget initiatives in Water for Profit program, Farmsafe program, developing and implementing the agricultural skills plan, the on-farm productivity, the \$800 000 research and development preparation fund, totalling \$6.5 million They were the commitments we took to the last election. We are progressing those and they have been followed through over the next four years and some of those initiatives will be expended and cease. They might not be replaced with other initiatives at the time.

Ms RATTRAY - Can you give me some idea of how we are going to measure the outcomes from that significant investment? I am not saying it is not a good investment but I want to know how we are going to measure. Is it number of farmers that are coming and making contact with the department and saying this is what I want to achieve and what help can you give? Are there numbers related to that? How are we going to measure this?

Mr ROCKLIFF - First, we will be judged on the measurement of our vision for agriculture and that is to take our farm gate value of \$1.19 billion to \$10 billion by 2050. I am happy to be judged for an amazing result. It will have benchmarks along the way. We are not far from releasing our score card into agriculture activity. That is updated every couple of years and it will not be not far away. I travel the state fairly extensively and I spend a lot of time at Agfest and those sorts of things, and you get feedback.

Ms RATTRAY - You were lucky to get a site, minister, the Legislative Council did not get one this year.

Mr ROCKLIFF - The feedback has been very positive about an evolving, changing culture within the department as a result of the establishment of AgriGrowth. We have people on the ground who I have a lot of respect for, like Howard Nichol who has been working with the industrial hemp industry and Howard has been -

Ms RATTRAY - Gerard Nicholls and the rhubarb. We could name them all but we have not time today. When that report card is out, will that be made available to members of Parliament and the wider public?

Mr ROCKLIFF - The performance indicator is also in the department's annual report and the budget papers which we will be judged and provide targets for the department to achieve, or the industry to achieve dare I say it.

Ms RATTRAY - There are not any targets in the budget papers relating to this line item, that I can see anyway.

Mr ROCKLIFF - Table 9.4 in Output group 2, there are value targets, if you like to put it that way, in agriculture. For example, the \$1.19 billion figure I quoted before which was actual in terms of the value of agriculture of 2012-13. If you look at that target for 2015-16 it is \$1.35 billion. They are the targets. That does not include fisheries so if you add fisheries into that it goes to \$1.9 billion.

Ms RATTRAY - When is that report card due to be released?

Mr ROCKLIFF - I understand it will be the end of June.

[10.00 a.m.]

Ms RATTRAY - In relation to the support King Island received - I believe that is in this line item; we spoke about it in last year's Budget sessions - may I have the figure they continue to receive? Has the request for Flinders Island and Bruny Island been considered as well, in relation to support for their beef industries?

Mr ROCKLIFF - Yes, I will answer the question, honourable member. There is a decrease, and that decrease in line item 2.1 refers to the cessation of the King Island Assistance Package further down the track.

Ms RATTRAY - So that has finished?

Mr ROCKLIFF - Almost.

Ms RATTRAY - So the quantum is?

Mr ROCKLIFF - The Government provided an additional \$600 000 in its first Budget last year to extend the Target 120 program. That is now being funded through the 2013-14 and 2014-15 budgets.

Ms RATTRAY - So another \$600 000?

Mr ROCKLIFF - Yes, but that will cease.

Ms RATTRAY - So that is \$1.2 million they have had over two years?

Mr ROCKLIFF - For the year 2013-14, \$1.246 million, and the year 2014-15, \$600 000.

Ms RATTRAY - Almost \$2 million to King Island?

Mr ROCKLIFF - In total that was \$1.846 million. That was in direct response to the closure of the abattoir, JBS Swift. It was an adjustment package that alleviated some financial burden around costs.

CHAIR - Has the problem been resolved? This was supposed to be transition. Have they transitioned?

Mr ROCKLIFF - Part of the transition was also looking at improving on-farm productivity. There were some initial concerns around the Meat Standards Australia accreditation and those sort

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of things as a result of the transport. For transport from the island for processing, the subsidy was effectively \$30 per beast. That assisted farmers, particularly those supplying JBS Swift, with the change in the system. King Island beef producers supply two abattoirs - Greenham in Smithton and JBS Swift.

CHAIR - They both cost and it was an additional cost to them. That cost is still there?

Ms RATTRAY - What happens when the subsidy runs out? How is the island going to stand on its own two feet?

Mr ROCKLIFF - It is important not just to provide a transition subsidy. It is also important to improve the skills of beef producers and improve on-farm productivity. When the subsidy comes off, you would hope productivity has lifted to account for what was an additional cost. That is why we have had a specialist extension officer working on the island since January 2014.

Ms RATTRAY - When that ceases -

CHAIR - That is exactly what you said last year, which I understand. My question now - and I think that of other members' - is: Is it working? Has it worked? Are they now in a position where they can do without the subsidy? Has productivity increased?

Mr ROCKLIFF - My understanding is that, yes, the feedback has been very good from the workshops on the island. The extension officer is going to continue until January 2016. We will always look at ways that look at isolation: King Island is a separate entity but farmers on the island and producers can also potentially access other forms of research and development initiatives as well.

Ms RATTRAY - So that means there will be an extension to that subsidy by having that extension officer on King Island past June 2016?

Mr ROCKLIFF - Yes, but the same amount of funding indeed applies. There is no extra funding to that. We are looking at ways by which we can maintain and increase that productivity. As all farmers are - if you stand still and do not invest in research and development, your businesses die. Having visited the Beef Producers' Group on the Island in recent months, feedback to me has been very positive.

Ms RATTRAY - I am not saying it is not a good initiative. My only issue is that it is not equitable across all of our islands that is my only issue but it does not seem like I am going to get any traction out of that.

Mr ROCKLIFF - I take your point. When an island abattoir with a throughput of 38 000 head of cattle closed, farmers suddenly had to face transport logistics and concerns around MSA accreditation. You can imagine the difficulties: before the closure farmers on the island could load up their cattle from your farm, travel 15 kilometres and unload at the abattoir. Suddenly they have to load cattle on the farm, unload them onto the boat, off the boat on mainland Tasmania and then truck them up to Longford - naturally there are some issues.

Ms RATTRAY - Flinders Island farmers do that week in, week out, minister.

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CHAIR - I think the member is suggesting, it was not just transport subsidy. It was also trying to improve the productivity of the farms. I think she is suggesting that maybe Flinders Island people might also like to have access to that sort of productivity.

Ms RATTRAY - That is right, Chair. We also talked about other farmers and producers being able to access Agribusiness for support as well. You said the initiatives being rolled out on King Island were available right across Tasmania. Can I have some figures around how many of our producers have used the services of the department to also increase their production as well?

Mr ROCKLIFF - There are initiatives where the Tasmanian Institute of Agriculture works parts of the sector, for example, DairyTas. The department supports workshops and field days. There is throughput from the collaboration of Tasmanian Institute of Agriculture and DPIPWE with Agfest, for example. Farmers use that to directly engage with DPIPWE and TIA. Biosecurity - right next door was the Tasmanian Farmers and Graziers Association's tent as well -

Ms RATTRAY - Do we have some numbers, minister? Did we log numbers? I am not sure if you know, but in our electorate officers, we are required to log, how many contacts we have and what they are asking for, what they are seeking.

CHAIR - We are all requested to do that.

Mr ROCKLIFF - There is no one point of logging in so to speak. However, for example, in recent months I launched the Water for Profit program. That will engage a lot of farmers right across the state particularly in areas new to irrigation. Water for Profit is about the department and the Tasmanian Institute of Agriculture working with farmers, upskilling farmers, soil-backing, farmer groups, benchmarking and so on.

As a farmer, the best way to learn is from other farmers, and impart your knowledge as well. If that is to be facilitated by the Tasmanian Institute of Agriculture or AgriGrowth, it is the Government's job - to bring everyone around the table. There are very smart and capable farmers in Tasmania. That is why we have enormous opportunities in agriculture and why we are seeing increased production in our vegetable and dairy products.

We are being very proactive about investing particularly in research and development. From the perspective of a Tasmanian student of agriculture, the shift is in terms of research and development and how that is applied. I want that change; I want that research and development to be far more applied, more practical, to what is happening on the ground. That is why, for example, we have initiated the \$800 000 research and development collaboration fund. That is about the Tasmanian Institute of Agriculture and our private industry, farmers, working together on projects that have practical application to improve farmers' activity - their bottom line -and increase their gross margins.

CHAIR - We love the policy but what the member is asking for is some kind of data.

Ms RATTRAY - There are not any numbers, I get the message.

CHAIR - There might be other measurements, is there an annual report that says what they do, for instance?

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Mr ROCKLIFF - There is the FarmPoint website, for example, and the pages are accessed 76 000 times per year. That is accessibility of information to support farmers to run their businesses. This is table 9.4, if you go the footnote there it says, 'The FarmPoint website provides easy access to information required by farmers to run their business.'

CHAIR - I am sure the member has read all those details.

Ms RATTRAY - My last question is then, is how many extension officers do we have in the state?

Mr WHITTINGTON - The answer to that is also linked to our joint venture with the Tasmanian Institute of Agriculture.

Ms RATTRAY - We have one on King Island.

Mr WHITTINGTON - We have extension officers who have extension functions as part of their employment within the agency but most of our RD&E research and extension is done through our joint venture with TIA, which we put \$4.8 million a year into. It is through that relationship that most of the extension work is undertaken.

Ms RATTRAY - We have one on King Island and that is it for the state?

Mr WHITTINGTON - No, that is not what I said. Through the joint venture with TIA, we have a number of staff in TIA focused on extension. I cannot give you the total number at this point.

Ms RATTRAY - We do not have any other person who is undertaking an extension officer's role other than the King Island FTE?

CHAIR - And the TIA ones.

Mr ROCKLIFF - The policy that we are implementing is about private providers and public providers coming together. Many farmers, for a decade or more, would not have seen many DPIPWE extension officers arrive at their door as it used to happen in the old ag days.

Ms RATTRAY - I do not think I am going back too many years when that was not the case, there were those extension numbers.

Mr ROCKLIFF - A lot of that has been taken up by private industry service providers.

Ms RATTRAY - Consultants, if you like.

Mr ROCKLIFF - Agronomists, consultants.

CHAIR - And they are paid for by the farmers themselves?

Mr ROCKLIFF - That is right. If you go to a field day at Forsyth, for example, on the north-west coast, there is a huge range of opportunities where farmers all get together with the Tasmanian Institute of Agriculture employees, other departmental officers and members of the AgriGrowth team. They go around all the trial sites, discuss and learn. The Elliott research

station is in a similar vein. Of course there is extension provided in the initiatives that we are implementing, such as Water for Profit.

Ms RATTRAY - The question is, why does King Island has its own extension officer and the rest of Tasmania has to have this other system? What is so special about King Island?

Mr ROCKLIFF - The other system is a really good system. King Island is an example of where there was a major event. An abattoir closed in a very short time and there had to be support provided to the island. It was initiated by the previous government and continued by our Government, which is phasing out subsidy now but extension is provided until January 2016.

Sheep Connect Tasmania, for example, has that excellent engagement success with the sheep industry, with 82 per cent of farmers interacting with the program reporting that they had made practice changes as a result of the program. I expect similarly high percentages when we deliver Water for Profit and other on-farm productivity programs around Tasmania where farmers learn not only from the extension provided but also from each other.

CHAIR - What you are saying is the style has changed? You are providing the same or a better service, maybe in a different way? Is that what you are saying?

Mr ROCKLIFF - That is right, and it is important also to be very responsive. The top 10 per cent of the farmers in Tasmania would be in the top percentage of farmers in the world. I know where you are coming from as you represent Flinders Island.

Ms RATTRAY - And Bruny Island. There is a significant cost to those producers getting their product to market as well, and I appreciate the King Island situation. I was just looking for equity. I accept your response.

Mr ROCKLIFF - I am really open to talking with farmers and producers on Flinders Island or Bruny Island, but let us just focus on Flinders Island at the moment. I have spoken to farmers there over the last six months and I will be visiting Flinders Island in a couple of weeks and spending some time on the island, engaging with farmers. I welcome the opportunity, if they put forward some ideas to me on how they would like to access the funds provided to improve productivity programs on the island with their individual businesses, I am more than open to that.

Mr DEAN - It is expected that the value of the agricultural sector in Tasmania will grow up to \$10 billion by 2050. Much of that, I take it, is based on the irrigation schemes that we have and the production that will increase. Does dairying come into that? Is that part of AgriGrowth?

Mr ROCKLIFF - Yes, absolutely.

Mr DEAN - I know we have cycles, ups and downs, in all of these things; dairying has gone through that previously. Where would you say the huge growth is going to be? With growth there have to be sales. What is happening in the area of sales to ensure that for agriculture, for instance for vegetable growing, there will always be the sale and export opportunity? I take it that is where it will be, in exporting mainly. What work is being done on that?

Mr ROCKLIFF - A lot of work. You would be aware of our engagement with China, on the visit by President Xi Jinping this last November, and the follow-up from that. The follow-up is

very important. The Premier has recently been in China, and there will be further follow-up by other ministers over the coming years. There is huge growth opportunity there.

Exports is where it is at obviously, exporting a premium product. Even in our domestic market, we are selling \$1.8 billion worth of Tasmanian product into mainland markets. I am excited by the free trade agreements with South Korea and Japan which recently came into force, and those provide a great opportunity. Also, a free trade agreement with China has enormous potential for our state. We know how to pick winners and you mentioned volatility et cetera, and there is a dairy industry which is currently producing around 800 million litres of milk. We want to get that up to well over 1 billion litres; some people believe 2 billion litres in the not too distant time frame. There is a possibility there. Water has a huge bearing on it. Where you apply water and make water accessible, that brings opportunity.

I am excited by the fact that we have been able to get \$90 million worth of public funds - that is \$30 million in this Budget, and \$60 million from the Federal Government as announced by the Prime Minister earlier this year. That is to progress the five irrigation schemes at Swan Valley, Southern Highlands, Evandale, Scottsdale and Circular Head. That is dependent on farmer buy-in. Over a period of 10 years between 2008 and 2018, including farmer investment into irrigation schemes their investment on-farm to distribute that water around their farm, and public-private investment, there will be \$1 billion worth of investment spent on irrigation over a 10-year period, in my estimation. For a population of 500 000 people, that is very good going.

That is why, when you have the water available you have to invest in research, and development programs like Water for Profit so we bring the skills up for the farmers, particularly in the non-traditional irrigation areas. We are seeing dairy, which is traditional in the north-east and the north-west, now going into the midlands; it will improve the growth of that particular industry. The cherry industry is very exciting. We have huge growth happening in our protected cropping industry; that is, strawberries, blueberries, and the like.

Mr DEAN - Do we have the young farmers coming into the industry? As I understood it, we were having difficulties at one stage through the universities in getting the students going through there for agriculture and those areas involved in this.

Mr ROCKLIFF - Agricultural science has increased. This year's enrolments look very positive. In terms of encouraging young farmers onto the land, because farming is going through a very rapid period of innovation and change, it is exciting. There are new enterprises cropping up. Smaller landholdings now are becoming more of an opportunity. Winners of the Women in Agriculture are testament to that - Annette Reid and the like - also initiatives such as our Crop Retention Loan Scheme, which we announced a couple of days ago and which we are piloting over the next 12 months. It is a \$10 million loan scheme. We are predicting loans of up to \$30 000 to \$1 million encouraging new investment in the industry, and keeping young people there.

CHAIR - Minister, with respect, do you have any evidence to show the trend? Is this anecdotal, or a gut feeling?

Mr ROCKLIFF - Anecdotal evidence would suggest we are keeping young people in the industry. There has been an improvement of people in terms of numbers coming into university for Agricultural science. Having young people in this industry, whether they are on the farm or in laboratories or research development facilities, is a good thing. Our \$450 000 commitment to the

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Agricultural Skills Plan, which was developed by the TFGA, supported by us, is also an opportunity for young farmers.

I want to try and align my education responsibilities with primary industry responsibilities so we can encourage new entrants into the industry and provide career pathways by greater collaboration with the Department of Education and our school farms. We have set up a Centre of Excellence for School Farms at Hagley. My vision would be that entrants to the industry, who might work on a farm, start off doing a motorbike safety course to allow them to be on a dairy farm and then progress right through the VET system, even if they go to university. That is a great aspiration to have, with share farming opportunities.

CHAIR - We understand the vision. We think it is fantastic but do you have a specific question?

Mr DEAN - When you travel around, the evidence you get from the older farmers is that they are not getting the young farmers coming into the industry. It is a problem for them. That is the information. The minister is saying that this is a vision, but is it happening?

Mr ROCKLIFF - Well, in my view it is so, and I will tell you why. You will be aware of the recent Rabobank survey which recorded the highest level of confidence in the farming sector, ever since that survey has been put out. When you have confidence in an industry, and if people believe there is a strong career in that industry, naturally people are attracted to it. For those reasons, with that confidence, then you are going to get new entrants into the industry. They will be young people, and it is changing, in my view.

Mr FINCH - I wanted to talk about us losing exclusivity as far as the poppy industry is concerned. I wonder if you care to make a comment about what the future holds, perhaps for somebody like Tasmanian Alkaloids at Westbury. How are they positioned as we head into the future?

Mr ROCKLIFF - Well, the Tasmanian Poppy Industry has a very bright future. We are working with our federal colleagues at the moment. Growers through the Tasmanian Poppy Growers Association and processors are working to secure Australia's and hence Tasmania's global reputation for excellence in poppy production. Now the Australian government has committed to controlled expansion of the poppy industry into mainland states. There is a five-year implementation strategy. We continue to work with the Australian government and other states on that.

You mentioned Tasmanian Alkaloids; they grow and value-add in Westbury. GlaxoSmithKlein has a presence in Latrobe but value-adds their product in Victoria. We are working through an agreement at present. We said we would implement a very measured and considered five-year implementation strategy for controlled mainland expansion. My view is that the companies are committed to Tasmania. This is where the expertise is and where the investment is. We have had an industry which has been a very reliable supplier of opiate products for the last 40 years and I am very confident that it is going to continue in Tasmania.

Ms RATTRAY - Have you, minister, decided on what percentage the levy will be per hectare for poppy growers, considering that the subsidy for the supervision of poppies is going to cease next year? Is it one per cent per hectare? Is it 12 per cent?

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Mr ROCKLIFF - We have not decided that. We are working with the industry at the moment, under the Attorney-General's portfolio of responsibility.

Ms RATTRAY - She asked me to ask you.

CHAIR - We did ask her earlier in the week, and she said to ask you.

Mr ROCKLIFF - You would be aware of the Ramsay Review into the Poppy Advisory Control Board and that regulation. We are working through those recommendations at present. There is provision in the forward Estimates, which takes note of the levy. My view is that we can gain greater efficiencies with respect to the Poppy Advisory Control Board.

Ms RATTRAY - It finishes next year.

CHAIR - It was a very specific question; poppy growers need to have some certainty.

Ms RATTRAY - The industry need to know how much extra it is going to cost to put their poppy crop in the ground. They have to make that conscious decision whether they believe it is viable to even put them in the ground so they need to know. There is a live letter somewhere in the department asking for a percentage, asking for a cost.

[10.30 a.m.]

Mr ROCKLIFF - No decision has been made.

Ms RATTRAY - How they can make a decision, and you would know this, minister, as well as anyone -

CHAIR - The question is when will a decision be made?

Mr ROCKLIFF - The next crop around Tasmania is planted in some areas probably towards the end of this month, through to October. There is no impact on this year's crop.

Ms RATTRAY - But you need to have it in your mind what your crop rotation is. You have to look ahead and you have to know whether you are going to put a crop in the ground.

Mr ROCKLIFF - That is right and that is why we are conscious of that. We are consulting -

Ms RATTRAY - When will the decision be made?

Mr ROCKLIFF - We are consulting with the Poppy Growers' Association and farmers over the course of this calendar year. Farmers will be informed of the industry levy over the course of the next 12 months.

Ms RATTRAY - I am absolutely stunned. The letter has been with the department or the minister, or somebody, since August 2014.

Mr ROCKLIFF - Which letter is this?

Ms RATTRAY - A live letter from the poppy industry asking for the quantum, the levy.

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Mr ROCKLIFF - We have been working very closely with the Poppy Growers Tasmania, Mr Keith Rice and Mr Glynn Williams, and they are comfortable with the level of consultation at this present time. The current cost of running the board is approximately \$691 000 per annum.

Ms RATTRAY - And there are no forward Estimates for 2016-17 in the Government's Budget.

Mr ROCKLIFF - Based on the current estimates approximately \$500 000 will be raised by the levy but I am not aware of any letter.

Ms RATTRAY - Somebody needs to check. There is a letter.

Mr ROCKLIFF - That is from the Poppy Growers' Tasmania?

Ms RATTRAY - That is from the industry asking for how much per hectare the Government intends to put on, so people know whether they are going to be in the business of growing poppies or not.

CHAIR - Perhaps that could be pursued outside Estimates because that is all the answer we are going to receive now.

Mr ROCKLIFF - I will pursue that but can I say we have a very strong working relationship with the Poppy Growers' Tasmania.

Ms RATTRAY - I know you do, minister, you know it better than anybody else I know.

Mr DEAN - We look like losing some of our industry to Victoria. What is the position?

Mr ROCKLIFF - That remains to be seen. I cannot give a yes or no answer. There were crops planted this year in Victoria, and I understand they were not terribly successful. We have the agronomic skills in Tasmania to grow a good industry. My understanding is that the push is coming from parent companies, in particular local companies, who want to see a spread of risk, an example of that but -

CHAIR - And cost competitive no doubt, but the minister gave quite a good answer to the previous question.

Mr ROCKLIFF - We cannot have a fortress Tasmania approach. We have to be mindful of that and have a very measured and controlled expansion. My view is the overwhelming base for the poppy industry will always be in Tasmania.

CHAIR - We have no control about whether it is going to be grown in other states or not?

Mr ROCKLIFF - We have some opportunity of control because there is an intergovernmental agreement that has been established and we are working through that now.

2.2 Marine resources -

Mr DEAN - There was a decrease last year in this budget line. Another one this next financial year. What does this mean to the industry?

Mr ROCKLIFF - With respect to marine resources, I am excited about the opportunities in this area about the introduction of the Developmental Fisheries Framework, which provides new opportunities. We have expansion in the salmon industry which we are managing well and sustainably, based on continuous improvement, which is exciting and goes to our clean brand. That is something we can be very proud of. I have regular engagement with all sectors, the abalone industry and rock lobster industry. While there is some resource pressure on the east coast, the prices for rock lobster have never been as high but they are very good. We are working with industry to cut some red tape. I have given some examples already. It is an exciting part of the portfolio which is varied and diverse. In some areas you could say competing interests. This is an industry with which I am encouraging strong collaboration and co-existence.

Mr DEAN - One of the biggest concerns is risk to our marine fisheries. What is the Fish Health Centre at Mt Pleasant working on? Last year you said they were expected to have been finished last year. Where are they at?

Mr ROCKLIFF - My understanding is it is completed, virtually operational. With respect to the facility, we have an expanded facility of 60 fish tanks at the department's animal health laboratories at Mt Pleasant. The construction cost was \$1.6 million. The work started in May last year and was completed in late December last year. The design, size and capability of the new facility overcomes the severe limitations in having two at the previous site. I can understand why the previous small scale facility, as it was.

The new facility increases the capacity for fish disease research and will be able to work at physical containment level 2. The facility is being commissioned ready to bring into service for third party external audits by the Australian Pesticides and Veterinary Medicines Authority and the Australian Government Department of Agriculture. It will be used by multiple research agencies in partnership with the Tasmanian Government and industry. The initial focus will be on salmon diseases. Currently, work is focusing on the pilchard orthomyxovirus. That has recently been identified in Tasmania and it was previously called salmon orthomyxovirus when it was first identified in Tasmania.

Mr DEAN - My next question is on Macquarie Harbour. When we look at what happened recently in relation to the aquaculture farming in that area.

Mr ROCKLIFF - Are you talking about the extreme weather event and the death of fish there?

Mr DEAN - Is there any way of getting around that? We have had that extreme weather event and it is likely to happen again. What is the position there?

Mr ROCKLIFF - It can potentially happen again, and there was a kill of some 87 000 fish, from memory.

CHAIR - It would be nice if your people did not keep handing you two pages to read out each time.

Mr ROCKLIFF - It is good to prompt because it is an important question. It was 85 000 fish from Petuna's operation there which was 3.7 per cent of its total fish stocks in the harbour. On 5 May there was an extreme weather event involving a significant drop in barometric pressure

and strong north-northwesterly winds of more than 100 kph. Data collected by Petuna indicates that these conditions most likely caused oceanic waters to enter the harbour. This in turn forced waters in the middle water column with lowered dissolved oxygen levels than in surface waters and to cages on at least another 133, which caused impact on fish health. It was an extreme weather event and it is unlikely, given the severity of that event, that it could be prevented in future, although naturally there will be research done on how we might alleviate and protect as much fish stock as possible should a further event occur. Mr Whittington can probably provide further insight into Macquarie Harbour.

Mr WHITTINGTON - It was a unique set of circumstances having such a strong consistent and intense northwesterly blowing down the harbour with low barometric pressure which caused a big surge of seawater to come into the harbour. The seawater is denser than the fresh water in Macquarie Harbour, it slides in at a level that is right and that caused an upwelling of water from lower down. Through that process we have done a lot of monitoring in the harbour. We have strings of dissolved oxygen meters, temperature meters and sensors and the industry downloads that data in conjunction with us on a regular basis. When we pull all that data in we can then start to understand exactly how the water is moving around and where the risk zones are in the harbour. That will help us and the companies manage into the future so they can have stock in the right place at the right time and not in the wrong place at the wrong time. The data generated during that event is being utilised right now. It was downloaded last weekend right on another challenging, severe weather event. We are learning all the time how the harbour operates under different atmospheric conditions and it will be a continuous learning and the industry will learn and adapt; they are good at that.

Mr DEAN - Where are the other salmon farms in the state apart from Macquarie Harbour?

Mr WHITTINGTON - In the south-east and we have some in the Tamar.

Mrs ARMITAGE - Minister, you mentioned the expansion of the salmon industry and I notice there have been several amendments to the marine farming development through the statutory planning approval processes providing fresh water to support increased production of Atlantic salmon. What is the anticipated level of expansion to this industry over the next few years, particularly on the state's west coast?

Mr ROCKLIFF - The industry have a 2030 target to expand the industry to \$1 billion. It is currently a \$534 million industry and with expansion in other Tasmanian waters the aim is to double over the next 15 years or so which is exciting. It is an industry that a lot of private research and development goes into, supported by government, so it is exciting to double the production in 15 years.

Mrs ARMITAGE - You think that is a real possibility?

[10.45 a.m.]

Mr ROCKLIFF - Absolutely, because when you look at the cages, for example, over the course of the last five years they are more robust, the feed is controlled and it is an amazing going to visit some of these areas such as Macquarie Harbour. I was down the Huon recently to visit the Huon Aquaculture facility which is just an amazing piece of technology and infrastructure. I do believe it is possible but we have to be very vigilant in terms of our research and development into disease and the like. That is where our biosecurity is so important as well. There are examples across the world where aquaculture industries have been virtually wiped out overnight

because of the introduction of an exotic disease so we have to be absolutely vigilant about our biosecurity at the border, pre-border and post-border biosecurity in a general sense in Tasmania, but more particularly the industry. The expansion you referred to is predominately going to come from the expansion of the south-east borders.

Mrs ARMITAGE - Are the markets there?

Mr ROCKLIFF - Yes. I know there is some salmon exported internationally but most of the salmon produced in Tasmania can be consumed domestically, if not all of it at the present. Pretty much all of it is domestically consumed.

Ms RATTRAY - I am interested in the number of legal actions that have been taken relating to fisheries in the last 12 months. Is the outstanding Furneaux group legal matter resolved as yet?

Mr GOTT - Before the courts we have the matter involving Mark Eather and a conviction in relation to rock lobster. In terms of what is in the courts at the moment, we have the one action that is currently afoot and two to three others that are pending. Going into courts there have been delays in the court process over the last year, due to the courts having some extraordinary cases to hear, which have put back the number of fisheries cases.

Ms RATTRAY - And the Furneaux group matter?

Mr GOTT - I am a little unclear as to what remains outstanding in terms of the Furneaux group. My understanding is that all matters in relation to the Furneaux divers are now resolved.

Ms RATTRAY - So that has been resolved since last year?

Mr GOTT - Again, I am not clear on that. I am not aware of any outstanding matters in relation to that.

Mr DEAN - Just on that, are we on top of illegal fishing and taking of abalone and rock lobster? Minister, do you think it is happening out there or are we catching the one or two offenders who are doing it?

Mr ROCKLIFF - We are certainly doing all we can to be very vigilant about stealing a very valuable resource from the Tasmanian people.

Mr GOTT - It is an important issue, because it was described to me by a previous Fisheries manager as essentially having around the coastline of Tasmania an open-cut goldmine. One of the difficult issues for us in any compliance matter is knowing what you don't know, so I guess the difficulty is how you get a handle on illegal activity. We get anecdotal reports, and I'd suggest that in the time I have been in the job the level of anecdotal reports about illegal fishing activity have remained pretty constant. We have a close working relationship with the marine police who undertake our compliance work. We have effective processes through the quota management systems for our most valuable species that have proven, over the 20 or so years they have been in place, to be a really good mechanism for picking up illegal activity in those high-value species. We have also been quite effective in our capacity to use those systems to prosecute offences where they are found.

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I guess that is as good as I can give to you in terms of a response. Again we have changed our focus on managing compliance. At the moment I think the system is working pretty well. I keep tabs on it in a very rough way, in that six times a year we put out the *Fishing today* report in which we always report on successful prosecutions. We reached agreement with the industry about three or four years ago that we would name-and-shame. In that time, each edition we put in details of two or three prosecutions.

Mr DEAN - The rock lobster translocation program on the west coast is, according to the budget papers, going to move to the east coast.

Mr ROCKLIFF - That was always the intention.

Mr DEAN - How many are being relocated? What is the impact so far?

Mr ROCKLIFF - In consultation with the Tasmanian Rock Lobster Fishermen's Association, in terms of when that will happen -

CHAIR - It has not started yet? It has started. You were doing it last year.

Mr ROCKLIFF - There has been research into it for quite some time. Ten years ago Caleb Gardner gave presentations on the rock lobster translocations project, harvesting small rock lobsters from the south and warmer areas of the east coast, and further north potentially. There has been a lot of research and development. There has been a Budget allocation of some \$300 000 for that project.

Mr GOTT - There are two dimensions to this. One is the Government's policy commitment on translocation to the east coast. We have had a pause in that as we resolve some issues with the Tasmanian Rock Lobster Fishermen's Association. The other component of translocation is the industry-driven program, which is now in the second year of translocating undersized, slow-growing pale rock lobster taken from deep water in south-west Tasmania to inshore locations on the west coast and as far north as King Island. The science the minister referred to has demonstrated that the rock lobster taken from those environments and put into an environment where growth rates are increased and the rock lobster is the right colour. Since February this year the Rock Lobster Fishermen's Association has translocated 95 000 rock lobster to areas of reef inshore on the west coast as far north as King Island.

We are working through some issues with the association and next year we hope to implement the Government's initiative to translocate rock lobster from the south-west to areas on the east coast where we have some issue around rock lobster stocks at present.

Mr DEAN - Who bears the cost of that?

Mr GOTT - The translocation on the west coast component of the program is paid for by a levy on holders of rock lobster units. We collect \$15 per quota unit each year by way of an industry levy. That amounts to \$157 000 available to undertake the translocation I referred to earlier.

Mr DEAN - Minister, it has been suggested there are too many abalone licences, which is creating some issues. If we look at abalone licences and the amount the state receives from those

licences, this year there is a slight increase again and a slight increase moving forward. Are the licences increasing in that area? Is the stock available to satisfy the licences we currently have?

Mr ROCKLIFF - In terms of the abalone dive rate, I am aware the dive rate has increased over recent years. The abalone dive sector would argue it is too low at this present time. These are business arrangements between the divers and the quota holders and market forces, essentially. It is questionable whether Government has a role to play here to intervene. Notwithstanding that, my department has organised discussions and meeting with representatives of the Tasmanian Abalone Council to discuss this matter and identify a potential way to resolve some of the issues you have highlighted. The Government has to be careful when intervening in the free marketplace between quota holders and abalone divers themselves. I understand some of the concerns.

CHAIR - Does the Government set the number of licences?

Mr ROCKLIFF - Yes, but the rate is worked out between the divers themselves and the quota holders. Mr Gott, who will be involved in some of these discussions with the Abalone Council, might like to provide some insight.

Mr GOTT - We have 121 licences for abalone divers. The issue is that the dive rate return is around \$7 a kilogram for divers. The rate has been in place for about a decade, during which time the costs for divers to do the work have increased. A number of these divers who entered the industry in recent years and are not as well established are under pressure and are seeking to have that rate increased. It is a commercial arrangement between the unit holders and the divers. How would Government intercede in what is a commercial transaction to try to improve this arrangement? We have divers indicating they would like to see a better return for their efforts. The flipside of that is the unit holders are saying, 'Well, the market should decide. We want to get the maximum return that we can from our asset, which is our proportion of access to that resource.' At the moment this is a tension within the Abalone Council because it affects both the unit holders and the divers. The council has approached the minister for ideas to resolve the issue. A range of potential mechanisms could be contemplated but there is a question about whether it is a proper role for government and if you are going to end up causing conflict within that particular market.

[11 a.m.]

Next week we are going to meet with the chair of the Tasmanian Abalone Council Limited, the chief executive, and a representative from the divers' sub council to talk about all the potential approaches that could be taken. This is not a new issue and one that has been addressed over a number of years and it is indicative there are no simple solutions. We have some ideas we would like to put to the council. The minister will need the council to come back on the dive sector, and the unit holders are supportive of that. They are going to be quite challenging.

Mr DEAN - Abalone farming, is that successful? Where are we with that?

Mr GOTT - Abalone aquaculture has quite a long history in Tasmania. People started looking at it in the late 1970s. Abalone are a cream product and in high demand. They are simply a snail and we should be able to grow these pretty easily so let us get on and do it. Thirty-odd years of experience has suggested otherwise. The early issues were around husbandry techniques. Very slow growing and there was quite a bit of work needed to be done to develop an artificial feed to enable farming to be a commercial proposition. That probably took about 20 years and we

saw a flurry in the early part of the last decade where we saw the artificial feed issues sorted out. We saw resolution of the best husbandry techniques in tanks and we saw people prepared to put in some capital to make it happen. We ended up with six land-based abalone ring farms in Tasmania and it has been a bit of a chequered progress from there.

To put it in context, in China over that time, it has gone from producing a few wheelbarrows of abalone and the state is now producing 50 000 tonnes of farmed abalone. It has clear implications for our market farm, let alone into those markets, and we need to have a clear distinction. We are able to be successful in those marketplaces with our wild product because it has that cache name product. There are potential issues around marketing and, unfortunately, we have had one abalone farm that was impacted by the Dunalley bush fires, such as it is now closed, not operating, and has changed hands. The other operations had an issue three or four years ago where the abalone stock was impacted by a disease outbreak of abalone viral ganglioneuritis. That particular farm had to be destocked completely.

Mr DEAN - That probably covers it. There are difficulties in it and you are progressing in that area. The other question I had was on inland fisheries.

The committee suspended from 11.04 a.m. to 11.18 a.m.

Mr VALENTINE - My question is related to transfer of crayfish to the east coast in relation to the invasion of sea urchin and the way that is eating away at the crayfish habitat because it is reducing the kelp forest and I am wondering whether the Government is doing any monitoring of that. How it is combatting that? Can you give us an update and why it is sensible to be putting crayfish over there when the habitat may be disappearing.

Mr ROCKLIFF - I will refer to Mr Gott in a moment. It is unfortunate. The sea urchins are there. It is an invasive species and is impacting on habitat. There has been quite a lot of work involved in combatting the incursion. That is a combination of other industries such as abalone working to reduce the numbers. We have Dave Allan who has been involved in trying to establish a commercial production of sea urchins.

CHAIR - I think that is closed at the moment, is it not?

Mr ROCKLIFF - That is a brief introduction, in terms of your direct question, and for expansion, Mr Valentine, I will refer to Mr Gott.

Mr GOTT - *Centrostephanus* is a species that represents a range extension into our waters. It has washed down from New South Wales, and we have populations that are established, as you identify, impacting on the marine environment.

Mr VALENTINE - They are not from Japan? They are not an introduced species?

Mr GOTT - No, it is a range extension. Their natural range is south east New South Wales, and with the east Australian current pushing down stronger and stronger, the water temperatures on the east coast of Tasmania warming, we have seen a spread of this particular species into our waters. It was first reported in 1985, in Tasmanian state waters, and gradually the numbers have increased to where they have become abundant. They end up eating up all the macro algae and

completely disturbing the ecological balance such that the environment will not sustain rock lobster and abalone and those important species.

It is a real issue for us. It is very difficult to manage and extensive research has been undertaken in trying to come to an understanding of how this species behaves in Tasmanian state waters, where it is found, and the work that was done at the back end of last decade, indicated there was a relationship between rock lobster and *Centrostephanus*, particularly in relation to the large rock lobster which were shown to predate on *Centrostephanus* and it was one of the few species of marine animals that will.

One of our targets, and part of the rationale to our East Coast Rock Lobster Harvest Rebuilding Strategy, is to try to increase the numbers of rock lobster on the east coast so that we have a natural predation of *Centrostephanus*. The Government's initiative on translocation will help.

Mr VALENTINE - Help, rather than hinder.

Mr GOTT - Will accelerate that stock rebuilding strategy. The good thing about rock lobster is they are out there 24/7 and chomping on urchin and what is also useful is that they eat them in shore and in deep waters, where we physically cannot dive.

CHAIR - But it is only the larger rock lobsters that eat them. They impact on small ones do they not?

Mr GOTT - The urchins impact by eating the macro algae on the rocky reefs. The rock lobster predate on the urchin. The rock lobster is impacting its environment. The research undertaken by Craig Johnson showed that rock lobster at a certain size are capable of consuming large urchins. What we have not the same level of understanding, is that emergent urchins, when they are wee, rock lobster, at the smaller size, can probably consume those effectively. We think it is a good idea for a whole range of reasons, but as an attempt to get an ecological balance to try to rebuild rock lobster stocks on the east coast. That is one prong of the trident.

The other approach, if we are going to have a long term, sustainable management of *Centrostephanus*, if they are going to wash down. At the moment the spawning occurs north of Tasmania, they wash down in Tasmanian waters, the population is established. What we are unclear on is whether we have spawning occurring in Tasmanian waters, because Tasmania is too cold for periods of the year to enable this little life cycle to close here. In the future that could happen.

What would be ideal, if we could get a commercial fishery established, so we can harvest these things, and we could have that constant take out of the marine environment. That has been problematic because, initially, conventional orthodox thinking was that the roe from the *Centrostephanus* which is the market product, is of inferior quality to our native species, *Heliocidaris*, and then Dave Allen, engaging with Japanese experts, has figured out how to process these fish and produce roe which is attractive to the Asian markets.

Mr VALENTINE - This is at St Helens?

Mr GOTT - That is correct. Dave had a bit of a struggle getting up and going, and my understanding is that his company has been restructured and he is going to open the doors again 1 July.

Mr VALENTINE - The second question was about Macquarie Harbour and water quality. Given the fact that the King River empties into Macquarie Harbour and there is quite a degree of heavy metals in it, do we know that the water quality in Macquarie Harbour is good enough for what is happening there in terms of fish production? Can you give me an understanding as to whether that is being monitored?

Mr ROCKLIFF - Yes, it is being monitored. Yes, the water quality is absolutely good enough for salmon production in Macquarie Harbour.

Mr WHITTINGTON - Where we have allocated lease sites in Macquarie Harbour it takes account of the discharge from the King River. That is part of the number of things you have to manage in allocating lease area is water quality.

Mr VALENTINE - I was round the west coast the other day and saw some of the pollution that still goes down that river.

CHAIR - We were talking about some inland fishery questions but we will save that for when Inland Fisheries.

Mr VALENTINE - There is no Inland Fisheries item.

CHAIR - There is no line item, but it is a statutory authority and we generally do have them coming in separately, I understand.

Mr ROCKLIFF - Yes, we do.

Output group 4 Water Resources

4.1 Water resource management -

CHAIR - We have already covered that to some degree. I was going to ask you about the Water for Profit program. You have already talked about that to some extent. Is there anything else you would like to say? You were saying it is going really well.

Mr ROCKLIFF - It has just been launched, the Water for Profit program, and there are a number of aspects to it. It is a \$1.5 million investment. It is a strong collaboration between Tasmanian industries, agriculture, Tas Irrigation, AgriGrowth, and farmers themselves. There are five components to be delivered over the next four years. Peer-to-peer learning networks, irrigation and cropping decision tools, improved soil management information, improved soil mapping information and management, and knowledge brokering. The knowledge brokering component will ensure industry stakeholders are kept well informed of the activities and outputs from other programs and this will be run by the Tasmanian Farmers and Graziers Association.

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In a breakdown of that \$1.5 million, the knowledge brokering is \$90 000, improved soil mapping information is \$350 000, improved soil management information is \$180 000, irrigation and cropping decision tools is \$480 000, and the peer-to-peer learning networks is \$400 000.

CHAIR - This is over four years?

Mr ROCKLIFF - Over four years and it is a very important program because we are putting water into non-traditional irrigation areas and on soils that have not been traditionally irrigated or have had any intensive agriculture, horticulture production. That is not to say all land will be utilised for cropping. There is dairy expansion going on in some of the areas of the Midlands where the Midlands scheme is put on, but it is all about mapping, informing farmers of their soil types and the level of potential productivity of soils, and how to sustain their operations as well.

CHAIR - Will it be farmers coming and asking? You say informing farmers about what their soil profile is for instance. Cost for service?

Mr ROCKLIFF - All of the above. It will not be a cost to farmers. The farmers have expressed their interest in irrigation through purchasing the water. It is about farmers coming together and learning off each other. It is about extension, research and development - accommodation of all of the above. We do not want a situation where farmers have invested in expansion of irrigation, but some of them on traditional gross margins of crops such as poppies on what would be an average productivity probably for their particular area. We have to make sure that productivity is increased and maintained. It will probably go backwards with inputs and their gross margins will decrease, but should certainly be maintained and increased. The way of doing that is, as in other areas, by research and development of crop inputs but also by managing the soil. We do not want to see depleted organic matter in soils. We want to see the soils being productive and maintain the production level of organic matter as much as possible and enhance it, if possible, with crop rotations, green manuring, all those sorts of traditional farming practices.

CHAIR - And keeping an eye on the risks of irrigation as well, obviously.

Mr ROCKLIFF - Yes, because if productivity decreases in these areas and the investment in irrigation has been made, then that would be very concerning for the profitable enterprises of farmers. Investment in irrigation in terms of infrastructure and water is one thing, but going hand in hand with that must be that research and development, enhancement in productivity, upskilling of farmers and proper soil management techniques so the water as applied can be sustainable and the farming business can be sustainable into the future.

Mr FINCH - It is good to get up all these irrigation projects but one of the main problems is salinity. Do you think we have overcome that in Tasmania?

Mr ROCKLIFF - Salinity will present itself where there are poor practices. We do have pockets of potential salinity in areas of Tasmania. There was a report released in 2004 under the minister then, Ms Jackson, that highlighted some issues around salinity in certain areas around Tasmania. Some of those areas were the areas that we are applying water to now. Mr Finch, with respect to your question, in order to be able to buy into these water schemes, you have to have water plans, whole-farm plans, to ensure that the areas you are applying the water to you are going to manage effectively. That is part of the deal. You buy in, you have to do a water management plan for your farm and a whole-farm plan, to ensure that you are going to use what will increasingly be the most precious resource - it is the most precious resource in the world -

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and apply that properly, making sure the other resources such as soil are not depleted in the process. A great example of salinity is the golf course around the Launceston Casino where there are saline areas. There are new houses established and concrete that will potentially be eaten salinity.

Mr DEAN - That might be the position if you were going to take water, that you have to have this plan. Who monitors that plan to ensure that what the farmer has said they would do, is done?

Mr ROCKLIFF - Tasmania Irrigation are instrumental in working with the farmers on the plans. There are audits in place as follow-up to make sure the farmers are doing what they said they would do. That is where the monitoring occurs.

Mr FINCH - In a different area but still about the big water resources you are talking about: they are all very good and make a big difference, but there is an argument for more on-farm water storage. I think you mentioned something about that. There is an El Nino year coming up, and what steps are we taking to support farmers to capture more of that water?

Mr ROCKLIFF - Farmers have been identifying areas on their farms for water storage for decades. There is potential for further dam developments. For your information, the water management and assessment branch supports the approval process for dams and currently has the responsibility of the Assessment Committee for Dam Construction. During this financial year just about to end, 40 dams were approved with a combined capacity of over 10 500 megalitres, which is an average of 262 megalitres per dam. As at 22 April 2015, there were 19 applications at various stages of the approval process with a combined capacity of nearly 2 813 megalitres.

CHAIR - We did have an extensive discussion on this last year, so the recent figures are very useful, thank you.

Mr ROCKLIFF - That is right and the feedback from farmers is still that it is costly and that it is still too bureaucratic when it comes to on-farm water storage in areas -

Ms RATTRAY - That is exactly what I said last year, minister, if you want to read it.

Mr ROCKLIFF - You are on the money, Ms Rattray. I look forward to briefing the House on our new model to support further development of on-farm dams through basically cutting red tape for farmers while still maintaining safety standards of dams. That legislation will come to the Parliament in the next month.

Mrs ARMITAGE - With regard to the on-farm dams, I notice the footnote on page 211 of DPIPWE says that the timeframe for processing dam applications is current 84 days.

Mr ROCKLIFF - That is the statutory timeframe, 84 days; that is the target.

Mrs ARMITAGE - Are we looking at trying to shorten that? That is a considerable length of time.

Mr ROCKLIFF - I expect, with the new model for developing on-farm water storage, by getting rid of the bureaucratic layer of the ACDC and refining that process, I anticipate and we would to see shorter than the 84 days, absolutely. That would be my objective.

Ms RATTRAY - In relation to TasWater, what relationship does the department have, if any, with TasWater about supply of water to particular townships? Is there any involvement with your department?

Mr ROCKLIFF - There is interaction with our department. TasWater is owned by councils but I have met with Mr Brewster and Mr Hampton for briefings and the like, so I keep informed about TasWater and their plant et cetera. As to the direct relationship with the department, Mr Whittington might like to tell you.

Mr WHITTINGTON - We have a good relationship with TasWater. We have statutory roles but we also have a good working relationship.

Ms RATTRAY - In relation to the Pioneer and Winnaleah schemes that provide water to the townships, have you had any role in providing potable water into those townships? As you know, they cannot drink the water.

Mr ROCKLIFF - I guess people see my title as Minister of Primary Industries and Water, and think, 'I will go to Mr Rockliff'. Actually, responsibly for that falls with the Minister for Health and Human Services.

Ms RATTRAY - So the water that goes into those townships that is not drinkable, is not under your bailiwick?

Mr ROCKLIFF - TasWater is owned by the councils, but the Minister for Health and Human Services has responsibility for that safety aspect.

Ms RATTRAY - In the table relating to quality of water information, it talks about the proportion of stream flow sites that meet quality assurance standards, then N/A, N/A, N/A and 95 per cent for 2015-16. Does that mean we have not been able to measure it prior to this financial year coming up? Is that what I can take from this?

Mr ROCKLIFF - This is a new measure developed by the department for more accurate information. The nationally accepted benchmark for this indicator is 95 per cent of target sites and this will be used for the target for this particular financial year.

Ms RATTRAY - We do not know what our percentage is in meeting those standards at this point in time. We have no measure to start with? We have no base measure? Is that fair to say?

Mr ROCKLIFF - Measurements that have been performed over the course of the last decade -

Ms RATTRAY - They are not on this graph; they are not on this performance information? Luckily, somebody is rushing to your aid.

Mr READ - As the minister said, it is a new measure. You might recall in previous budget Estimates we had a performance measure around the number of stream place stations and that was focused on reaching a target of around 110. We have not completed that and we have those 110 stations in place.

Ms RATTRAY - So now we can monitor -

Mr READ - Now the focus is on the quality of information coming out of that. We monitor the quality of information, but we are now dropping that accepted target of 95 per cent.

Ms RATTRAY - We have got no base model to start with, no base information?

Mr READ - We do, but it is in relation to the accuracy of the flow information and it is quite technical. This is about the proportion of stations that meet those underlying technical criteria.

Ms RATTRAY - Next year I will be able to ask another question in relation to whether we have met the 95 per cent?

CHAIR - Minister, are there any figures available on the value of outputs versus investments in irrigation programs, such as the payback period for investment? How long does it take before increased production to an irrigation scheme actually pays for the cost of a scheme?

[11.45 am]

Mr ROCKLIFF - Farmers buy into water schemes. They get a tap to their farm gate, if you like, and then the additional investment will depend on the type and size of the farm. For example, for a farmer who has not had traditional water infrastructure, it would be quite a considerable capital investment. We have new irrigation systems. Ten years ago you hardly saw pivotal irrigation systems on traditional cropping areas.

CHAIR - So the short answer is that you do not know.

Mr ROCKLIFF - It depends on the investment and the type of irrigation infrastructure you are using. There are different systems for viticulture, for example. There is expansion in certain non-traditional areas as well. That is really determined by the farmers themselves. They will make an informed decision based on their financial advice of whether or their return -

CHAIR - They would have business plans, so do you have any idea of what they would expect as a good payback period? They are not going to buy water unless they invest in the infrastructure.

Mr ROCKLIFF - They will be buying water based on increasing the value of their land; that would be a factor. It would also be based on the enterprise - dairy, for example, and intensive horticulture as a higher value-add, potentially. I am also hearing of livestock and grazing areas increasing prime land reduction. The prime land production is relatively high at the moment. In New Zealand, for example, they have their lowest lamb production for 60 years and that is largely due to the expansion of the dairy industry into traditional sheep grazing areas.

There is discussion around irrigation for cattle as well in terms of the pasture production. The irrigation schemes themselves have to satisfy three of the key criteria for them to proceed to obtain federal and state funding, and they are the economic criteria. Does the business case stack up for the individual schemes? Is it environmentally sound? That is where spring flows and water plans come into play. There is also the social factor - will it sustain regional communities?

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CHAIR - Because they do have to put in business plans, do you have any figures on the payback periods or the value of outputs versus investment? Obviously, you are saying it is too complicated and too diverse.

Mr ROCKLIFF - Well, if you ask what the return on investment might be for a dairy farmer in the Circular Head region, for example, I might be able to go away and apply some gross margin figures and bring those back to you. It is really industry and investment-specific. Selling these schemes cannot go ahead if the business case does not stack up. That is the uniqueness of the Tasmanian model, developed by Tasmanian Irrigation. With the potential expansion of irrigation schemes in other states, Barnaby Joyce talks about dams in the north, et cetera. It is great to stand up in a forum in Canberra and demonstrate that we have the model right here in Tasmania. We have been able to access government funds because of the very sensible model that requires farmer buy-in. That is why it is so successful.

Mr VALENTINE - With respect to farmers buying into the irrigation system, at the end of the day, does that provide money for ongoing maintenance or is that something that we are going to be continually expecting to come from federal or state governments?

Mr ROCKLIFF - No, as part of the buy-in, there is an ongoing cost allocation to fixed and operational costs which farmers pay every year irrespective of whether or not they buy the water. A farmer, for example -

Mr VALENTINE - It is covered in the litreage charge.

Mr ROCKLIFF - Yes, and the megalitres. Farmers might well have a 100 megalitre water entitlement through the scheme and if they do not use any of that water, depending on the scheme and the size of the scheme et cetera, they may well pay up to \$40 a megalitre -

Mr VALENTINE - For the privilege.

Mr ROCKLIFF - Yes, basically. That ongoing maintenance is built in.

Mr DEAN - This could fall under policy as well, but it is under 4.1 on page 211 and relates to regulation of the urban water and sewerage industry. What is happening in the sewerage industry side here? What is the input there in this line, water resource management? It says it supports the development and coordination of the policies relating to the regulation of the urban water and sewerage industry. Where does it regulate the sewerage industry?

Mr WHITTINGTON - We provide the policy support that underpins the urban water and sewerage sector through the Water and Sewerage Industry Act. We manage that act and when changes are needed and the like we do the work around that. That is our role in that space.

Mr DEAN - If you develop that for the sewerage industry, is that in conjunction with TasWater? What sewerage?

Mr WHITTINGTON - Right across government. We work with the EPA, the Office of the Economic Regulator and industry around management of the act. This is looking after the architecture of the act rather than actually going out there. Under this output group we do not manage the sewerage industry, we manage the act.

Mr DEAN - Who do you manage it for?

Mr WHITTINGTON - For government.

Mr DEAN - What do you do? You must do something to manage it.

Mr WHITTINGTON - Our role in this place is purely around administration of the act. Day to day that means very little, but if a clause needs changing or a regulation needs making -

Mr DEAN - I just question why it is here? Why is anything to do with sewerage under water resource management?

Mr WHITTINGTON - When the Water and Sewerage Industry Act was drafted in 2008 it was done inside this group and we have kept control of administering the act, so it is just looking after the architecture of the act.

CHAIR - Looking after the legislation itself.

Mr WHITTINGTON - Absolutely.

Mr VALENTINE - You're the policemen, really, aren't you?

Mr WHITTINGTON - I think we are more of a custodian of the legislation to ensure that it remains contemporary. Day to day there is not a lot of work to do there.

Mr VALENTINE - You've got the EPA for that.

Mr WHITTINGTON - The EPA is a regulator of discharge. We are very much about being a custodian of the legislation on behalf of government.

Mr DEAN - Is it the view, minister, that that is the right place for it to be? Should it not be with the TasWater in their act?

Mr ROCKLIFF - In terms of the Government's responsibility to make sure there is oversight and that the act reflects practice, it is appropriate that it is in the area of where the most expertise would be with water.

Output group 5 Policy

5.1 Policy advice -

Ms RATTRAY - Minister, this appears to be doing very little into the future yet the allocation for funds has not reduced significantly, less than \$200 000 per annum. Can you give me some indication what the 14.25 FTEs, if that is still the number in that area, are doing when there is only three for the target for strategic projects into the next financial year?

Mr ROCKLIFF - There are a number of areas they will be working on in policy development. MrWhittington might like to explain.

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Ms RATTRAY - It might be useful if we could have a list of those projects. We were fortunate enough to receive that last year.

Mr WHITTINGTON - It would be useful to put a bit of context around it, if I may. This group manages on behalf of the agency all of the ministerial coordination tasks we have. That is supporting the minister's officers in their work, it includes right to information and provides our corporate policy area. Much of our policy is done within the relevant divisions, such as fisheries policy in the Fisheries division, but there are some policy jobs that cut across the agency so they would be under this space as well. Most of the FTEs are very much around providing corporate support, whether it is RTI or ministerial coordination services.

Ms RATTRAY - So that is still 14.25 FTEs?

Mr WHITTINGTON - Yes. Three out of four of the major projects that we are working on at the moment out of this policy group are the management plan for the World Heritage Area, we developed the expressions of interest process for reserved land out of this area -

CHAIR - That is interesting for Primary Industries.

Mr WHITTINGTON - As I said, it is a policy group that sits across the agency and sits by convenience in one output group that happens to report through this. It also did the hemp review, so it does agricultural as well as environmental policy work. They are probably three of the major ones.

Mr ROCKLIFF - With the potential of poppy expansion in other states there has been some involvement from this unit as well.

Ms RATTRAY - They might have the letter that we are looking for; I will have it re-sent just in case.

Rebuilding the forest industry was a priority for this agency last year. Seeing we could not get a lot out of the Minister for Resources on Tuesday let us have a go here. What is happening in relation to that for this output group?

Mr ROCKLIFF - This is a question for the Minister for Resources. My responsibility is Primary Industries and Water.

Ms RATTRAY - There is no work being done around forestry other than the World Heritage Area then?

Mr WHITTINGTON - This is very much Minister Groom's portfolio, but out of that process the department through Parks and Crown Lands has a much bigger estate to manage, so we are very much involved in that space through Minister Groom's portfolio as well. We provide advice to the Forest Practices Authority on a range of matters. We are still very much involved with the forest industry but not through Minister Rockliff's portfolio. The work in the main in that area is now done by divisions that are not in output group 5.

Ms RATTRAY - But you still have the same number of people in the department, though. It was 14.25 FTEs last financial year and it is 14.25 FTEs this financial year.

Mr WHITTINGTON - I am not sure where those numbers come from.

Ms RATTRAY - They came from last year's *Hansard* and you just told me you had the same quantum of staff, so is that not quite correct?

Mr WHITTINGTON - No, I misinformed you. We have reduced staff in that area.

Ms RATTRAY - Can we have the actual numbers then of the staff in this area, thank you, minister?

Mr ROCKLIFF - We can get those on notice for you if you like, Ms Rattray, but I remind you that John is the secretary of the Department of Primary Industries, Parks, Water and Environment that covers two ministers and Mr Groom is also, I understand, being scrutinised.

Ms RATTRAY - We have dealing with areas that cover seven ministers over the last three days and it is not an easy task.

[12.00 p.m.]

CHAIR - It is a line item and an output group here for us today, so this where we have to ask the question, because where else are we going to ask?

Mr VALENTINE - That's why we need a review.

Ms RATTRAY - Thanks, Chair, but I think I am going nowhere quickly here. That's okay, we can table the answers, I'm happy with that.

Mr FINCH - We just touched on something there from Ms Rattray and I am just wondering whether this might be an opportunity to ask about the allocation of farm forestry development and improved returns from residues, which is mentioned on page 197. I think that is to the tune of \$1 million. There is a lot of plantation and native forests in private hands and I am wondering if there will be more support in the future, because \$1 million is not much.

Mr ROCKLIFF - Ah, well -

CHAIR - Most of the private forests are on farms.

Mr ROCKLIFF - The Government is acting on a number of fronts to facilitate alternative uses for forest residues. We are very aware of the potential there. The residues solution study is assessing potential options to utilise harvesting and processing residues from Tasmanian forests, including native forests and indeed plantations. Stage 2 of the residue solution study is underway and is expected to be completed by July 2015.

CHAIR - Who is doing that, because the Minister for Resources told us the other day that expressions of interest would be going out at the end of this month for ways private industry might be able to deal with residues and other forest downstream processing, so does that fit in with this? Who is this group? Do they sit under Resources or State Growth?

Mr WHITTINGTON - It is part of the Cultivating Prosperity suite of projects which is overseen by this minister, but the actual work is being done in State Growth.

CHAIR - So we are presuming that this review will feed in?

Mr ROCKLIFF - Yes, it will be an important reference for government and industry. The Government has taken the decision to seek greater private sector engagement in development of opportunities to utilise forest residues. In terms of the policy commitment from Agrigrowth that we took to the last election, part of our AgriVision 2050 plan is for production of bioenergy and clean technology materials from forestry and farm-sourced biomass residues as well, which has to come into this. Under the AgriVision 2050 program \$550 000 was provided over four years in the 2014-15 Tasmanian Budget for biofuels and bioenergy work. A third funding stream of \$200 000 was provided over two years in 2014-15 for work on biofuels in the Dorsett and Huon municipalities. Obviously there are clear synergies between the three areas of residues work and to ensure the best value for money for projects are eventually facilitated the AgriVision 2050 biofuels funding streams will commence in 2015-16, informed by the outcomes of stage two of the residues solutions study.

CHAIR - When will this residues solutions study be completed?

Mr ROCKLIFF - Stage 2 is expected to be completed by July of this year.

CHAIR - So who will that go to?

Mr ROCKLIFF - That will inform government with respect to policy.

CHAIR - Is there any hope we might see that? It is a study, it is not report.

Mr ROCKLIFF - Possibly. Minister Harris is really responsible for this area, notwithstanding the fact that the on-farm residues policy was developed by me as an individual in opposition that we took to the last election. We have to provide opportunities to utilise our natural resources, our land. Farmers come into play about that but it is not only plantation residues, there are other waste products on farms that can potentially be used for biofuel.

CHAIR - Members, was I missing in action and did not hear Minister Harris talk about this? We had the minister all morning and I do not recall this review being mentioned. Does anybody?

Ms RATTRAY - Perhaps there needs to be a meeting between ministers, Chair, and I am not being disrespectful about that, it just needs to happen.

Mr ROCKLIFF - I am informing the committee of the situation as part of AgriVision 2050.

CHAIR - No, you are being very informative and we appreciate the information. Did you get an answer to your question, Mr Finch?

Mr VALENTINE - I do not think they are blaming you.

Mr FINCH - I just want to put it on notice that it was only \$1 million for that farm forestry development and residues need to be focused on by the Minister of Resources but also with the farms being involved and so much native forest being in private hands, and plantations as well -

Ms RATTRAY - And road plantations.

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Mr FINCH - Yes. I am sure this minister would be vitally interested in supporting farmers who are looking to get some good return from their trees.

Mr ROCKLIFF - Absolutely. It is all about value-adding what you grow on your land that you have invested in. Under the initiative Cultivating Prosperity in Agriculture in the budget papers, underneath the \$1.4 million for additional agricultural research development extension and improved farmer productivity is highlighted \$1 million for farm forestry development and improved returns from residues et cetera.

Mr FINCH - That is page 197, is it?

Mr ROCKLIFF - No, 195.

CHAIR - Thank you very much. Are there further questions?

Mr ROCKLIFF - I will also say, in addition to the policy area we have mentioned industrial hemp and poppy expansion. That output group will be involved in the fracking policy development as well.

Mr VALENTINE - With regard to the management of reserved land that is being transferred across from forestry, is that policy?

Mr WHITTINGTON - That is very much for Minister Groom with the Parks and Wildlife output group.

Mr VALENTINE - The other thing was industrial hemp. Can you give us an update on exactly what is happening there? I believe some legislation might be going to Parliament on the growing of industrial hemp, is that correct?

Mr ROCKLIFF - That is correct, and I briefly touched on it this morning. You would be aware of the parliamentary inquiry we had in the lower House. The recommendations informed further policy work and we will take up virtually all of those recommendations from the inquiry.

Mr VALENTINE - Virtually all?

Mr ROCKLIFF - I think 99 per cent of them, basically.

Mr VALENTINE - You don't know what you're not taking up?

Mr ROCKLIFF - There are areas and Phil Reader, the head of the Industrial Hemp Association, identified some recommendations that were probably not practical, but in large part that will be all taken up, expanded on and improved. For example, it is good that we have national consistency around THC levels, which we mentioned this morning. Currently I think it is 0.35 per cent increasing to 1 per cent. Also, licences are currently issued annually but there is no reason they cannot be five-year licences so we have made that decision. There will be special-purpose legislation introduced in the House I would hope by the end of this year. There is a bit of work to do to ensure it comes under the responsibility of DPIPW rather than Health.

CHAIR - Minister, may I ask the member if he would like a briefing on this before the legislation is drawn up?

Mr VALENTINE - It would be good.

CHAIR - Is that possible, minister?

Mr ROCKLIFF - Yes, we can do that if you like.

Mr VALENTINE - It is a very important area.

Mr ROCKLIFF - It is.

Mr VALENTINE - Given that it is another rotational crop, it is fantastic for farmers.

CHAIR - There are some members in the upper House who have a high interest in this so it would be good to have a briefing and perhaps a discussion about that.

Mr VALENTINE - There is also the potential for it to replace tree farming because you get more fibre out of it.

Mr ROCKLIFF - That is right and the fibre is an important aspect of the enterprise but the real value-adding will be in allowing hemp in food. This Government has been very proactive in pushing that at the COAG level. We almost have other states across the line and we would hope for some positive news over the time that would allow that, because that is where the real value-adding opportunity is for farmers and where Tasmania can probably differentiate in the future.

Mr VALENTINE - That is separate to medicinal cannabis?

Mr ROCKLIFF - Yes, it is.

Mr VALENTINE - Can you update us on that?

Mr ROCKLIFF - We are waiting to be informed by the trials on medicinal cannabis in New South Wales. It is potentially an opportunity for Tasmania. I cannot say how big in terms of economic impact but it has potential. Incidentally, the recommendation that we are not proceeding with in the parliamentary inquiry was the recommendation on random testing. It was not supported by the industry but the rest of the course were.

CHAIR - Mr Finch might have a supplementary on medicinal cannabis.

Mr FINCH - It was only in respect of the opportunities that might present for Tasmania if the Senate approval comes through, of there is an agreement to proceed with some testing and some opportunities for Tasmania. I relate this to biosecurity because, as with our poppy industry, being an island we are able to better regulate, monitor, protect and guard the biosecurity of a product like this.

Mr ROCKLIFF - Yes.

CHAIR - Security anyway, not biosecurity.

Mr FINCH - It is drawing a long bow.

Mr ROCKLIFF - It was a biosecurity issue potentially when the previous government was going to allow importation of Turkish poppy straw. That was a biosecurity risk but thankfully that did not proceed. We are keen to support any new enterprises across Tasmania. That is a given and medicinal cannabis has the potential to be one of these new industries. For this reason, I am monitoring other jurisdictions with interest, including the progress of the Regulator of Medicinal Cannabis Bill through the Australian Parliament and the clinical trials supported by New South Wales. The outcomes of these processes will help inform the Tasmanian Government's next steps on the issue. Tasmania has the expertise, as we have spoken about today, to undertake research, development, cultivation, processing and extracting of cannabinoids that would be necessary to produce a quality pharmaceutical product.

The lessons learnt, as you have alluded to, from the development of the Tasmanian poppy industry could also be applied to the production of medicinal cannabis, which is another reason why the Government is committed to continuing dialogue with Tasmanian poppy producers and processors. A high level of security is obviously needed to grow high-THC crops. For the benefits of intensive, climate-controlled production in boosting yields it is likely that a similar model be required in Tasmania with intense security apart from biosecurity.

Mr FINCH - May I add that the recommendations by the Senate on the Regulator of Medicinal Cannabis Bill are likely to be handed down early next week.

Mr ROCKLIFF - Yes.

Output group 6 Biosecurity Tasmania

6.1 Biosecurity -

Mr DEAN - I appreciate you have gone through all this in the other place yesterday. In relation to the funding for the new dog teams, how many teams will there be?

Mr ROCKLIFF - We currently have six teams of a dog and a biosecurity officer. Our investment of an additional \$2 million, which is \$500 000 a year over four years, will increase those teams from six to nine. This will allow us to try to achieve our target of a team meeting 100 per cent of flights into the Launceston and Hobart airports. It will also benefit the other ports of entry for TT-Line and other airports. Biosecurity is so important in terms of maintaining our clean, green, natural reputation and quality product. An incursion into Tasmania of an exotic pest or disease is extremely expensive. An incursion might be, for example, blueberry rust, myrtle rust, bathurst burr, dare I say fox -

Mr DEAN - Do not mention that and do not waste your time.

Mr ROCKLIFF - They are all examples of incursions right across weeds, diseases and pests. That will allow us to target that 100 per cent coverage in those two major airports. At the moment, my understanding is that 96 per cent of flights are met by either a quarantine officer or a team. I stand to be corrected on that but I think that is right.

CHAIR - That is in all airports, including Wynyard and Devonport, or just the two in Hobart and Launceston?

Mr ROCKLIFF - I think it is only the major airports. Only 40 per cent of flights are met by a team. You have all arrived at an airport where there is an officer standing there, asking you whether you have any fruit in your bag et cetera, which is great and provides awareness. Often people think, 'I might have, I had better check.' Having the team there to sniff that out, so to speak, provides greater security. That will be a huge boost to our border biosecurity but also the additional \$2 million of infrastructure into biosecurity is going to be utilised for upgrading signage to more contemporary multilingual signage. There will be post-border biosecurity infrastructure such as truck washes. You would be aware of the increase in farm machinery and livestock movements et cetera, farm to farm, internal measures as well.

I cannot forget the pre-border biosecurity. Across the whole biosecurity continuum, we have pre-border, border and post-border operations. We have established Biosecurity Tasmania, which is a whole-of-government approach, multi-skilling the biosecurity workforce. We just do not have experts in weeds and foxes and whatever, everyone has the skills. We see our team in the New Town Laboratories at the height of the myrtle rust concerns all working together; they have been brought together very quickly, enabled by the Biosecurity Tasmania establishment where we have a multi-skilled workforce now that can come and look at these areas of huge concern or crisis, as it might be, with a very serious incursion, and myrtle rust is a serious incursion.

Also, there is the pre-border biosecurity and we instigated a trial in December last year for inspections to take place at Melbourne and the TT-Line there. As a result of that, there was 10.5 tonnes of potential quarantine risk product - fruit and vegies, whatever it might have been - was seized at the pre-border inspection and did not even enter Tasmania. Approximately 2.5 tonnes of that product was taken away for further analysis to assess the potential seriousness of risk. That trial has now been evaluated; it is going to be permanent. Not only is it great that the pre-border inspections are seizing the product - voluntarily or otherwise - before it enters Tasmania, but they allow tourists who get off the boat at Devonport not to be held up for such long times by quarantine inspections at the border. It is a better start to their experience in Tasmania. Notwithstanding that, there will be audits all the way through to make sure -

CHAIR - What are you doing with commercial shipping? You are only talking about passengers here. It is not only freight shipping; it is also all the yachts that come and so on.

Mr ROCKLIFF - Oh, you mean for biosecurity? Biosecurity reviews happen at Flinders Island and King Island, with a potential upgrade of infrastructure on both islands. For example, I think King Island will get an increase in visitor numbers with the golf course development and the like.

CHAIR - Are you going to try to do that by signage and awareness?

Mr ROCKLIFF - Yes, freight awareness.

CHAIR - I did not mean to make this a huge thing, but when you are talking about biosecurity, it is not just the people coming off the aeroplanes at the major airports.

Mr ROCKLIFF - If we get biosecurity right, it also gives us access into other markets that other states and countries do not have access to.

CHAIR - I understand we are building a good system if we find a biosecurity risk, but we are talking about prevention here.

Mr ROCKLIFF - If we find it, and to prevent it in the first place.

Mr KLUMPP - Part of our routine day-to-day work is inspection of cargo, containers et cetera.

CHAIR - What do you do, say, for the Sydney to Hobart Yacht Race?

Mr KLUMPP - We have officers down on the docks when the yachts come in. We have a whole set of inspection processes for cruise ships and for cargo.

Mr VALENTINE - Wynyard Airport?

Mr KLUMPP - Yes, we have officers at Wynyard.

Mr DEAN - What is the main biosecurity risk product to this state that is seized?

Mr ROCKLIFF - I am assuming fruit, with the fruit-fly risk potentially and other diseases as well.

Mr DEAN - You referred to 10 tonnes over a period, and that seems fairly static. In previous years there has been quite a large amount as well. Even though we have a new system in place, the quantity confiscated is still the same.

Mr KLUMPP - No, the quantity we reported per annum in previous years was approximately 6 000 kilos; this is 10 000 kilos just from the ferry in five months.

Mr DEAN - What is it?

Mr KLUMPP - It is a whole variety of things. We defined it as quarantine risk material. We have a list of these things - fruit, vegetables, raw fish -

CHAIR - That is interesting if you do it preboarding. I presume there would be people who would take it onboard and consume it onboard, as you might when you get on an aeroplane. You might take a piece of fruit with you and eat it onboard. So you are going to stop people taking it onboard?

Mr KLUMPP - No. The line is our border. We allow people to eat the food on board if they want to but they become aware -

CHAIR - You tell them preboard?

Mr KLUMPP - Yes, and they can surrender it at that point.

Mr DEAN - So it has been taken before it gets to the state; then inside the state, you are still taking possession of that large amount of product?

Mr KLUMPP - That is right. Passengers still have the opportunity to surrender material at the Devonport end. We have an audit process in place to inspect for compliance with that.

Mr DEAN - What about myrtle rust and blueberry disease? Could those get back into the state when you are saying - or the minister is saying - that we have biosecurity wrapped up and we have biosecurity levels of extremely high value?

CHAIR - That is not quite what he said.

Mr ROCKLIFF - When I say 'wrapped up', we have to mitigate the risk where we can. We invested \$900 000 on the biosecurity frontline in last year's Budget. We are putting another \$2 million in this Budget and another \$2 million in infrastructure, so it is an example of how seriously this Government takes biosecurity.

It is not just about, as we have been speaking about today, growing our industry through investments in research and development, and irrigation. It is also about protecting our agricultural industry - grow and protect - but also it is an environmental issue as well. Our target is a 1.5 million visitors by 2020. With an increase in tourists comes increased risks, environmental risks in terms of bushwalks and other issues. Myrtle rust is an example of that, and that is why we have to be so vigilant.

Mr DEAN - Can we be assured that with the system we now have in place, minister - can we be 99.999 per cent certain - that myrtle rust will not get back into this state and the blueberry disease will not be able to get into this state, and fruit fly and all of those other things?

Mr ROCKLIFF - It would be great to build a big force-shield right around Tasmania and have a 100 per cent prevention, but we cannot have that.

Mr DEAN - That is why I said 99.9 per cent.

Mr ROCKLIFF - That is why we have to be absolutely vigilant and do the absolute best we can with the resources we are providing.

Mr DEAN - To protect our clean, green image - that is the position we have to have. We rely on it for our exports, and all the rest of it. I think you would be aware of a report I have just had done, an intern report from the University of Tasmania into biosecurity. There are a lot of issues -

CHAIR - Will you share that with the rest of us?

Mr DEAN - I will when I table the document in parliament. I will table it and I will talk on the report, which raises a number of very interesting issues and a number of points on biosecurity, where it is at and what it is doing. So we are pretty satisfied that we have it right?

Mr ROCKLIFF - I am very satisfied with the Biosecurity Tasmania model. It ended the fragmentation in biosecurity and has brought the Invasive Species Unit, Quarantine and everything together into one whole-of-government approach. We have multiskilled the workforce so we can more easily respond to an incursion like myrtle rust. I am confident we have the model exactly right. With the extra resources going into the biosecurity frontline in particular, I am confident we have the required resources to prevent exotic pest disease and weed incursion. I

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cannot be 100 per cent certain, but if it gets past the border we have a team in place in post-border biosecurity operations to ensure that we limit the risk and the spread.

Mr DEAN - I just raise the issue of funding. What funding is provided still to the biosecurity area from the Commonwealth?

Mr ROCKLIFF - We had a decrease in Commonwealth funds, , which was very disappointing. That was reflected in the Budget papers, particularly last year.

Mr DEAN - You are not going to blame me for the fox situation, are you?

Mr ROCKLIFF - No, I am not. It is nothing to do with the fox issue.

Mr DEAN - That is the kind of question I want to ask. You said Commonwealth funding has decreased; what was it provided to the state for?

Mr ROCKLIFF - All biosecurity operations.

CHAIR - It is just a federal contribution?

Mr ROCKLIFF - Yes.

Mr WHITTINGTON - Just to follow on from the minister. The Commonwealth has a service-level agreement with the state to provide Australian Quarantine and Inspection Service services at various ports of entry. That service-level agreement has existed for a long time. Over the last couple of years the Commonwealth has decreased the level of services purchasing from us, so that has had an impact on our revenue. That has decreased by about \$1.2 million over the last couple of years. That has had a significant impact on our revenue stream. That was a service purchased by the Commonwealth. In addition to that, the member is I think referring to funding that we received from the Commonwealth to support various work in the fox space. So we do receive Commonwealth money to do work in the fox space.

Mr DEAN - How much?

Mr KLUMPP - It is \$500 000 for the next financial year and \$490 000 for the year after that.

Mr DEAN - So it is \$500,000 and -

Mr KLUMPP - For 2015-16, and then \$490 000 for 2016-17.

Mr DEAN - What are those funds being used for?

Mr KLUMPP - They are used for the development of a range of tools for the detection, surveillance and prevention of foxes entering the state.

CHAIR - Only foxes?

Mr KLUMPP - No.

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Mr DEAN - This is the question I am getting at. The \$500,000 and the \$490,000 for the following year, is that solely for the purposes of -

CHAIR - Prevention of foxes coming in; but the answer is, 'no'.

Mr DEAN - Can I just get an answer to that? Is it solely for that purpose, or is it not?

Mr KLUMPP - The simple answer is that we are still negotiating with the Commonwealth about what that is; but the answer is 'no'. All the techniques that can be developed through that program can be used for all vertebrate species.

Mr DEAN - I just wanted to make that perfectly clear. So the \$500 000 and the \$490,000 are not solely for the fox eradication program?

Mr ROCKLIFF - The same techniques will be used to prevent other incursions as well. I have had the big debate about foxes and the like, and the amount of funds expended over the course of the last decade or more. However, foxes are still an incursion risk. We can debate about foxes being here or not here until the cows come home. It is still an incursion and we have to be very vigilant about -

Mr DEAN - So are dingos and a lot of other feral animals. They are a risk. What is that percentage risk? I have got a report here from the management of Toll to say it is almost an impossibility for foxes to get onto their ships and come across here. That is the management of Toll. I can read it if you want me to; it is only a short document.

CHAIR - No, I do not.

Mr DEAN - So the money currently being received from the Commonwealth is partly for fox eradication program work?

Mr WHITTINGTON - We have the money that Lloyd just outlined - the \$500 000 in 2015-16 and the \$486 000 in 2016-17 is around ongoing preventative measures. So it is developing tools for surveillance and detection, and response to incursions, with a focus on foxes. We are also negotiating with the Commonwealth for the last two years of that - these two years - around exactly the scope of works. We also receive funding from the Invasive Animals Cooperative Research Centre. It is \$280,000 for a project to be completed by June of 2016.

That is looking at potentially the next generation DNA analysis to be able to detect multiple species from carnivore scats - quolls, cats, devils, foxes. That work is separate again. It is a \$280,000 project to develop DNA analyses. That will help us understand lots more about a whole suite of cats, devils and quolls, as well as foxes. So it is not a fox-specific piece of work. In combination, they are the monies I am aware of that we are receiving into that space.

Mr DEAN - The reason I asked was because my advice was it was coming for the fox program and it was an opportunity to cover off on that. Feral cats was the other question I wanted to raise. What work are we doing on a real feral pest in this state that is causing significant harm and could well create the extinction of many of our threatened species?

Mr ROCKLIFF - I acknowledge your concerns. It is a community-wide problem and has been for some time. You recall the Cat Management Act went through the Parliament about

2009. It was not at all implemented until around 2012. The previous government then wanted to review the act. I wanted to have a more in-depth look at what is a community-wide problem and not focus on areas of the domestic population and desexing. That is not the only area we need to focus on. There are areas around the domestic, stray and feral cat population. I do not believe it will be simply fixed by legislation. That is why we are committed to delivering on what will be the first cat management plan for the state.

We have recently set up a reference group of key stakeholders with direct interest in the management of cats. It will help drive the development of the plan. It will provide what will be a foundation for a more coordinated approach to the responsible ownership and management of cats by all levels of government, all key stakeholders and the community in general. I have requested that the reference group consider all aspects of cat management, including strategies to increase levels of responsible ownership as well as dealing with feral cats. I expect advice will be that the draft cat management plan will be completed by the end of this year, 2015.

CHAIR - Then you will try to translate that into a new act?

Mr ROCKLIFF - I am not sure it will be a new act.

CHAIR - Into legislation, so we will see. There could be amendments to the current act.

Mr ROCKLIFF - Legislation is not the only aspect when it comes to the control of cats. It is a part of it. The cat management reference group might say we need to tweak the existing act in some way. There will be other areas pertaining to cats, cat management, stray cats, and the feral cat population that we will consider as well. We will have a statewide plan for cat management in Tasmania for the first time. It is not only about legislation. It is about having a proper plan.

CHAIR - We are talking about biosecurity at this point. I am not sure that cats are biosecurity. Do you have another biosecurity question?

Mr DEAN - I do, but let the others go and I will come back to them.

Mr VALENTINE - Mine is about the checking of vessels coming into the state. Do you also check fishing boats? Fishing boats coming from interstate can be carrying all sorts of product, simply to feed the fishermen on board. It may well be that they are carrying product that is diseased in some way.

Mr ROCKLIFF - We were talking about *centrostephanus* from Japan et cetera. You may have been thinking about the sea star that arrived on a boat as well.

Mr VALENTINE - No, it was not that.

Mr ROCKLIFF - That is an example of an incursion.

Mr VALENTINE - I was thinking of the more domestic, commercial boats coming from interstate to fish in Tasmania and what they carry on board, as opposed to ballast water which may be an issue.

Mr KLUMPP - It is a bit more complicated than simply having inspections. The answer is yes; if they are coming from interstate, the boats are inspected. There is a whole process of

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requirements as well. There are things like approved arrangements and documents that control those sorts of systems. We do not inspect every boat that comes but we have a process in order to manage the risk.

Mr VALENTINE - So it is a spot-check arrangement. I do not know if you are aware of the huge numbers of white cockatoos. Are these an endemic species, or are they introduced? Are they on the radar at all?

Mr ROCKLIFF - They are on the radar.

Mr VALENTINE - Are they endemic?

Mr ROCKLIFF - There are a lot of them and they cause serious concerns. Last time I spoke to the Tasmanian Poppy Growers Association they were into me about white cockatoos. They are quite a pest and challenging to manage.

Mr KLUMPP - They are not a native species to Tasmania, but they have been here a long time. It is like kookaburras, another of a whole range of what we now call established pests.

Mr VALENTINE - There is no attention being paid to them at the moment?

Ms RATTRAY - I want to talk about weeds. Would it be fair to say you have walked away from the control of ragwort in this state, given that there is no longer a focus from the biosecurity area around ragwort and weeds? You are leaving it up to local government?

Mr ROCKLIFF - No, we do not walk away from any potential incursion or further spread of weeds, whether that be ragwort or whatever. There is information available to primary producers around the seriousness of ragwort. Mr Klumpp might respond further to this.

Ms RATTRAY - But the department has stopped funding ragwort control?

Mr KLUMPP - We have never funded ragwort control.

Ms RATTRAY - You have funded programs that assist in ragwort control. I have it in writing so it would be fair to say that is the case.

Mr WHITTINGTON - The system we had in place for the work describing how they would have managed -

Mr KLUMPP - For a range of those sorts of weeds, like established pests, we have systems in place whereby it is our compliance arrangement about that responsibility.

Ms RATTRAY - Including the state Government as a landowner? They also have ragwort on their property, on behalf of Tasmania.

Mr KLUMPP - That system requires compliance management. There are authorised weed officers, both within local council and within the state, in order to manage that compliance system. That is across a range of declared weeds, including ragwort.

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Ms RATTRAY - There is that obligation for crown lands to control ragwort and gorse on their properties, as well as land owners?

Mr KLUMPP - Yes.

Ms RATTRAY - If a person from the public, who may be an adjoining landowner, makes a complaint to your department about crown land with those two particular species of weeds on it, that will be acted upon?

Mr KLUMPP - Yes, in accordance with the weed management plan for that species. There is a Tasmanian weed management plan which has within it plans for particular species, so we operate within those plans. If a complaint like that came in, if it was in context of one of those plans, we would operate within those plans.

Mr ROCKLIFF - It is everyone's responsibility and should not cross barriers, local, state and the like. It lies with cooperation between the state and local government to address the issues you have raised. Local government, state government, and farmers, have some responsibility.

CHAIR - It is a common complaint from farmers that they do what they can on their own properties but across the fence, which is crown land or Forestry land, or whatever, the incursions continue because they are not controlled on the other side. I think that is what you are referring to.

Ms RATTRAY - That is exactly what I am referring to. I am comforted by the fact that if there is a complaint or an issue put to the department, the Government will have to act upon it now.

CHAIR - I do not think the answer was quite as direct as that. I think it was, if it is within our plan.

[12.45 p.m.]

Mr ROCKLIFF - We are on the development of a good neighbour charter at this present time which will cover these issues so that is a good note to show between the Government and land holders, and weed management is very much part of that.

Mrs ARMITAGE - I am sorry to go back to the biosecurity procedure at the Port of Melbourne which I know has become permanent. Can you tell me what the cost of making that permanent is?

Mr ROCKLIFF - I can give an indication of freight costs in terms of FTE numbers.

Mr KLUMPP - I cannot give you a number but I can tell you that it is less than the previous model.

Mr WHITTINGTON - The risk creator pays in that quarantine system. It is the first principle of this. The cost was previously borne, and continues to be borne, by TT-Line as the risk creator. TT-Line, in the past, contracted the department to provide the services at Devonport. This is a more efficient way of doing it for TT-Line. Not only are we getting a better system, the system is costing less money. I do not know the exact dollar amount that TT-Line is putting into this.

Mrs ARMITAGE - The trial has become permanent, as being borne by TT-Line at the Port of Melbourne?

Mr KLUMP - The design of the system means the resources that were already in place at the Port of Melbourne. Passengers would come to the Port of Melbourne and sit there for three quarters of an hour before boarding the ferry. TT-Lines security officers, looking for guns and all sorts of other things, would inspect those vehicles. What we have done is develop the hybrid system using the same resources, plus a bit of extra resource, at the Port of Melbourne to use that time to do the inspections.

Mr ARMSTRONG - That is what I was asking. What the extra resource was?

Mr KLUMP - Retrain TT-Line staff.

Mr WHITTINGTON - It is a matter for TT-Line rather than us.

Mr ROCKLIFF - May I commend Mr Klump and the work of his team and TT-Line as a really good example of two areas of Government working together to find a sensible solution that has worked, and the evaluation demonstrates its work, since it is now becoming permanent. Mr Klump and his biosecurity team and TT-Line need to be commended for the work they have done.

Mrs ARMITAGE - In the Tas Country Hour I noticed that Fruit Growers Tasmania said that, while they welcomed the extra money announced in the state Budget for biosecurity, they felt that more needed to be done on the mainland to inform potential visitors of our biosecurity requirements. Are we doing more on the mainland apart from being there and checking? Are we doing more to have signs and information?

Mr ROCKLIFF - That is part of the new system in place but some of the \$2 million of infrastructure funding which was separate to the \$2 million that we are funding to increase the level of detection the teams, will be used to upgrade signage and the like at that point of entry.

Mr DEAN - What is the current staffing of the biosecurity? Have the numbers decreased as a result of the Budget savings strategies?

CHAIR - Do you want to take that on notice, or is it easy?

Mr ROCKLIFF - I will take it on notice and provide that information for you. Right across the department there has been a decrease in 44 FTEs. We made the election commitment to redirect resources from the fox eradication program to areas of Health and Education to reduce their number. I am happy to take that on notice to find those figures for you, Mr Dean.

Mr WHITTINGTON - What is really important is that the expense for this output group is historically high and increasing. We are spending more money in biosecurity than in the past.

Mr DEAN - Minister, I am asking about biosecurity specifically and the staffing levels in the Devonport office, what they were and what they are now. The reason I ask is that I have a long report - and I think you would have seen some of the detail - about the morale in the Devonport office being very low, so is that fact and what is happening if that is the case? There was a recent

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situation there, and I do not want to go into that; I think some of us are here are aware of the matter to which I refer without identifying the people involved.

Mr ROCKLIFF - Any of that detail we can probably provide at a later time. When you speak of morale, change is difficult and there has been change in the area of biosecurity. I have explained that in terms of the fragmentation that was in place before the fox eradication program that was in place for 10 years. That is a big cultural change because we no longer have the fox eradication program as it once was. There is cultural change in the organisation because we are moving to a system where we are multi-skilling our staff so we can respond more effectively to a serious incursion such as myrtle rust, and sometimes change is difficult for some individuals, but when I see the myrtle rust team going about their work they are people with new skills who did not have those skills before and that is exciting and creates personal growth. It is terrific to upskill and be trained, and that is what has happened at Biosecurity Tasmania over the course of the last 12 months and that is a good thing.

Mr DEAN - I specifically asked if there were morale problems in the Devonport office. How is the redundancy program managed within that office?

Mr ROCKLIFF - Mr Whittington might like to comment.

Mr WHITTINGTON - As the minister said, these have been challenging times. We have ceased the fox eradication program, a longstanding program that has had a difficult life.

Mr DEAN - And properly so.

Mr WHITTINGTON - We have had other challenges in this space. We have created a new system and are upskilling people to operate in that system. With that comes change and we have to manage that change. As the secretary and with Lloyd as the general manager, we are working with people to bring them along to this new system. Not everybody is going to enjoy the ride but our job is to manage our staff and that is what we are very much intent on doing. I recognise there are problems with morale in certain places but we are working on those with external providers to provide support to staff to help them with change. We have two external employee assistance providers available to all staff free of charge and it is confidential. We have support services in place for our staff. We are working directly with work groups around the state, including in Devonport, with change management processes for all groups that are affected.

I do not walk away from the problems but we need to manage change carefully and it is not easy for everybody, but we do have processes in place. We acknowledge it is going to take some effort. Having said that, Biosecurity Tasmania has done some amazing work over these last 12 to 18 months. The response to blueberry and myrtle rust have been nothing short of spectacular. As a group I think they are performing well. We have to work hard on change and we have support processes in place. They are used and we will continue to use those.

Mr DEAN - Is there any real evidence at all of foxes in this state?

CHAIR - I'm sorry but I'm not going to allow that question.

Mr DEAN - It's a proper question, Madam Chair.

CHAIR - You've been told a number of times that there are none.

Mr DEAN - I'm just asking now if there is any real evidence of the existence of foxes in the state?

Mr WHITTINGTON - We haven't had any what I would call hard evidence in recent times.

Mr DEAN - Thank you.

6.2 Product integrity -

Mr VALENTINE - With the new KPI, how many audits are intended to be conducted?

Mr KLUMPP - Is this in relation to animal welfare standards?

Mr VALENTINE - It is the new KPI, isn't it?

Mr KLUMPP - Yes. I do not know which audit you are referring to but there is one about high-risk fence safety areas.

Mr VALENTINE - It is to do with food, not to do with animals.

Mr KLUMPP - We had 175 this year and next year it is 210. That is based on -

Mr VALENTINE - So 175 was this year's target?

Mr KLUMPP - Yes, and we met it 100 per cent.

Mr VALENTINE - That is fine. Has the regulation of chooks been completed yet? Last year you talked about the regulation of chooks or hens. You said that was being investigated or under consideration last year. Has that been completed?

Mr ROCKLIFF - With respect to the egg production and stamping of eggs, yes.

Mr VALENTINE - No, the regulation of how many hens people could have.

Mr ROCKLIFF - When it comes to food safety, Tasmanian producers are required to meet national food safety standards as set out in the Australian and New Zealand Food Safety Standards Code. On 1 February this year, the Primary Produce Safety Egg Regulations 2014 came into effect. The regulations establish the egg food safety scheme which give effect to national requirements. The egg food safety scheme introduced mandatory accreditation for commercial producers based on the volume of eggs produced. For large commercial egg producers, accreditation under the previous legislation, which was the Egg Industry Act, is recognised under the new scheme and they already have food safety systems in place. Small commercial producers generating less than 20 dozen eggs in any one week, equivalent to around 50 laying hens, are not required to hold an accreditation or pay for an annual food safety audit. Instead, they will need to register with Biosecurity Tasmania, comply with the Australian and New Zealand Food Safety Standards Code and stamp their eggs with a unique identifying number. People who produce eggs in their backyard for their own consumption are exempt from the requirements of commercial producers.

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CHAIR - That still leaves a gap, though. When this was being discussed last year we talked about people who might have a dozen spare eggs and take them to a street stall and sell them, so the CWA shop, farm gate sellers or whatever.

Mr ROCKLIFF - I am not sure there is a gap now.

CHAIR - Well, they are producing less than 50 dozen.

Mr ROCKLIFF - Small commercial producers generating less than 20 dozen eggs in any one week are not required to hold an accreditation or pay for it.

[1.00 p.m.]

CHAIR - No, but they still have to be registered and they have to stamp their eggs.

Mr KLUMPP - Yes, that is right. If they are supplying them for sale.

CHAIR - Yes, they are supplying them for sale, technically, but in actual fact they are not. If people have some chooks and they have spare eggs and they sell them to their neighbour or at the roadside or at a stand at a charity function, a bring and buy stall, they are technically selling them. Technically they fall within this thing where they have to register and stamp.

Mr ROCKLIFF - Yes, but backyard producers who sell occasionally are exempt.

CHAIR - Thank you. That is what we wanted to know.

Mr VALENTINE - What is the number of laying hens a backyard producer can have?

Mr ROCKLIFF - Less than 20 dozen.

Mr VALENTINE - That is 20 dozen eggs or the number of hens it takes to lay them?

Mr ROCKLIFF - Well, 50 hens would produce around 20 dozen eggs in any one week, potentially. We are trying to go to a system that is more production-based rather than talking about the number of hens. That is where we have changed the system.

Mr VALENTINE - Of course local government will have their own standards.

Mr ROCKLIFF - It is an important issue for food safety. Traceability is very important. I know there are some concerns about impost and the like but the information I have is that there are around three or four potential poisonings a week.

Mr KLUMPP - There are 200 notifications of salmonella from egg based products in Tasmania a year.

Mr ROCKLIFF - Yes, and the trend is going up. That is almost four a week. If one of your family members was sick with salmonella through egg you would absolutely want to make sure you are able to trace that egg back to the source to prevent that happening to anyone else. It is an important issue.

Mr DEAN - What causes the salmonella in the eggs?

Mr KLUMPP - It is bacteria that gets in through contamination.

CHAIR - When you do the research, mostly are they either from a commercial producer, or through poor handling of the egg?

Mr KLUMPP - The traceability allows us to do that research properly.

CHAIR - I understand that.

Mr VALENTINE - You are asking what the cause is.

CHAIR - Of the 208 incidents a year.

Mr VALENTINE - Is it chook faeces on the egg? Is it people that wash their egg, trying to get rid of the chook faeces and puts the salmonella into it at that point?

Mr KLUMPP - That kind of thing.

Mr VALENTINE - To clarify my earlier question; the audits of high-risk food safety areas without significant findings are now 100 per cent. That is a new KPI, is it not? The reason you have 100 per cent is because you have not done any yet.

Mr KLUMPP - For this financial year?

Mr VALENTINE - Yes.

Mr KLUMPP - Yes. This is work we have been doing for many years. We do the audits. We have changed the way we measure our performance indicators.

Mr VALENTINE - Okay, that is clear. What action has been taken regarding the fraud overseas associated with the labelling of international fruit as Tasmanian? What action is being taken by the Government? Is there any action being taken? Can the Government take any action with regard to the fraud situation overseas where cherries are being labelled as Tasmanian but are not Tasmanian? Can you update us on that?

Mr ROCKLIFF - This issue has been around for some time. There have been concerns around King Island branded products not being from King Island. There was a case where people were branding and selling King Island rabbits, but there are no rabbits on King Island.

CHAIR - The question is, can you do anything about it, is it possible? Some of this is going on at a big scale.

Mr ROCKLIFF - It is, and I understand Mr Groom, in his capacity as Minister for State Growth, is looking into this issue. He is in charge of state growth and exports but as it affects my constituency I am keeping a very close brief on it.

Mr WHITTINGTON - The other thing we are doing is working with industry on traceability. If we can get good traceability schemes in place then that helps us protect our brand.

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One of the projects we are starting now is with Sense-T about building a traceability project which will help our producers to uniquely identify their produce and stop counterfeiting.

Mr VALENTINE - Carton markers and those sorts of things, is that you are talking about?

Mr KLUMPP - There is a whole range of technologies that are being explored. Carton marking is one but there are also things like micro-dot technology that are also being worked through.

Mr VALENTINE - Yes, that is right, just the same as they do with vehicles.

CHAIR - You average buyer in China or Japan who sees it labelled Japanese cherries is not going to go to the extent of -

Mr KLUMPP - As an example, one of these technologies allows for the average buyer to use their mobile phone to scan the barcode on products with a trace -

CHAIR - So the cherries are going to have barcodes on them?

Mr KLUMPP - They already do.

Mr VALENTINE - The cherry cartons.

CHAIR - That is what I am saying, the cartons does not mean the cherries do.

Mr WHITTINGTON - These are new technologies that we are working with industry on to develop traceability and that is the way it is being done, with carton marking.

CHAIR - I am aware of the fact it is now 1.05 p.m., are there any questions on grants and subsidies or capital investment programs in this area?

Inland Fisheries Service -

Mr ROCKLIFF - I am very pleased to provide an update on the progress the Government is making in developing, managing and protecting our valuable inland fisheries. This year, we celebrated the 150th anniversary of the introduction of trout to Tasmania. Over the last 12 months we have seen a number of special events to recognise this anniversary and it has included a very successful celebration at Salmon Ponds.

Every year around 28 000 licensed anglers enjoy memorable experiences whilst trout fishing in Tasmania. Last year the Government made a strong commitment to protect our world-class recreational fisheries which attract 6 000 visiting anglers to the state each year. This was delivered through the appointment of fisheries officers at Liawenee in the central highlands and Devonport on the north-west coast. Angler access was also a focus this year with the launch of the River Derwent Anglers Access Project which has significantly improved access for anglers between Dowsing Point and Gretna. Infrastructure such as styles over fences, steps, foot bridges and access signage has been installed in each location.

Given the success of the carp management program in eradicating carp from Lake Crescent and containing them to Lake Sorell, the Government remains very strongly committed to

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eradicating carp from Tasmania. Funding has been provided in the forward Estimates for the next four years and ongoing support is being sought from the Federal Government. With sustained effort we are hoping to see carp eradicated in the coming years.

CHAIR - So we have not succeeded yet?

Mr ROCKLIFF - We are almost there. Crescent, yes; Sorell is about to be there, we would hope, having met with the team a few weeks ago who are working on further strategies in this area -

CHAIR - So it is still going to be an ongoing program for a number of years?

Mr ROCKLIFF - I am happy for Mr Diggle to comment on that shortly, but it is a really tough job. The team there at IFS have done an extraordinary job and to see their enthusiasm and expectation -

CHAIR - I am amazed we think we can do it.

Mr ROCKLIFF - It is an example, once again, of an incursion that has been very costly and to eradicate it is a testament to the work of John and his team. The Government is also committed to supporting small business and the commercial fisheries sector and this year saw the completion of the Tasmanian Eel Industry Development and Management Plan. The plan will guide the future direction of the industry, which is looking to ensure sustainability, to expand the wild harvest fishery and the develop aquaculture opportunities. Throughout the Inland Fisheries Service, the Government is implementing fisheries management projects aimed at understanding, managing or improving important recreational fisheries. Trout population studies have been undertaken at Four Springs Lake and Penstock Lagoon, to guide optimal stocking rates and to fine-tune regulation. New fish traps have been developed on spawning creeks at Arthurs Lake and Great Lake. They will be used to capture wild trout from overstocked waters for transfer to other fisheries. This initiative is cost effective and will reduce reliant and expensive hatchery operations.

In line with the commitment made last year, the Government is getting on with the job of investigating opportunities for developing recreational fishing opportunities in the south of the state. Options under consideration include the development of a dedicated impoundment, an enhancement of an existing dam or expansion of the River Derwent and anglers access project. The IFS team do a tremendous job; it has been an exciting year for their 150th anniversary. It has been great also to present awards in the anglers' hall of fame. The two people and their families have dedicated a lot of their lives to improving our fisheries. It has been a great year and I look forward to the questions that you have.

Ms RATTRAY - Is Lake Sorell still closed?

CHAIR - Yes, because of the carp.

Ms RATTRAY - So that is not likely to be open to the public again?

CHAIR - Yes, that is why I asked about the carp.

Ms RATTRAY - Okay.

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CHAIR - So could we finish off the discussion on carp then, perhaps.

Mr DIGGLE - It will be reopened when we eradicate carp. So the objective is to eradicate carp in the next couple of years - 2017-18 is our target. That is what we are working towards, so hopefully in the next few years it will be reopened.

Ms RATTRAY - Did we have an increase in licences of people taking up a five-year licence with the incentive of winning a Ford Ranger last year. I do not need to know who won, because it was not me.

Mr ROCKLIFF - I drew the raffle and it was great.

Mr ROCKLIFF - I actually did not do the raffle; I announced the winner at Liaweenie, which was a magic day.

Ms RATTRAY - So did we get an increase in those five-year licences?

Mr ROCKLIFF - Five-year licences - I will take that on notice, but it was a good way

Ms RATTRAY - Of what, if we did not get an increase?

Mr ROCKLIFF - Promoting the fisheries - the 150th Anniversary. Our forbearers had great foresight to develop this fishery and it was very difficult to establish trout in Tasmania. There were families with kids enjoying their fishing at that weekend at Liawenee which attracted almost 4000 people on the day I went. It was wonderful to see. The fish care people, the IFS staff were helping kids catch fish, probably for the first time in their lives. Literally those kids would have been hooked for life.

Ms RATTRAY - It was more about the celebration, rather than encouraging people to buy a five-year licence. Is that what you are saying?

Mr ROCKLIFF - It was both. In the period up to the 30th April 2015, a total of 26,207 angling licences have been recorded on the licensing system, with revenue standing at \$1.589 million. A total of 120 whitebait licences were issued in 2014, returning \$30,192.

[1.15 p.m.]

Mr ROCKLIFF - Analysis of angling licence sales to date suggest a similar result to the previous season.

Ms RATTRAY - So, no increase.

Mr ROCKLIFF - The sale of whitebait licences increased by some 37 per cent.

CHAIR - It will not pay for the Range Rover, though. Was that donated? Did you have to buy the Range Rover?

Mr DIGGLE - No, it was partly sponsored by the Ford dealers in the state. It was a joint promotion.

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Ms RATTRAY - But it cost the department.

Mr DIGGLE - Yes, it cost money. It was an initiative to celebrate the 150 years but also to encourage sales if we could. What we have managed to achieve was a stabilisation in sales because we had been declining in the last couple of years. It did slow it down.

Mr ROCKLIFF - It had the effect of stabilising and there is a very happy 18-year-old in the south of the state who has a brand new Ford Ranger. It is probably his first car, so good on him.

Ms RATTRAY - They are five-year licences.

CHAIR - If it was an 18-year-old with a first car, statistics say he has probably had a little accident by now.

Mr ROCKLIFF - I hope not.

CHAIR - I hope not, too. There is good reason for giving an 18-year-old an older car. We had some discussion last year about where licence fees went to. Are they all used for fisheries employment and projects, or does some of it go into consolidated revenue?

Mr DIGGLE - We receive all the revenue from licences. We spend it on the fishery. All the money comes to us.

CHAIR - You still need money from consolidated revenue as well?

Mr DIGGLE - We are still getting supplementary funding as well. That is to meet our other community service obligations.

CHAIR - The number of FTEs - have you changed over the year? More or less employees?

Mr DIGGLE - A bit over 20 FTEs at the moment. It is about the same as it was last year, not a lot different.

CHAIR - So you did not have to take Budget cuts?

Mr ROCKLIFF - No savings had to be found in IFS.

CHAIR - No savings had to be found. Good, thank you. Do you have any questions?

Mr DEAN - I do. Last year when we asked a number of questions and got the results back, I was staggered at the amount of work that has been done in this area and how the staff are working. The feedback is incredible.

CHAIR - The question is?

Mr DEAN - The question is about the offences being committed across our inland fisheries areas. If I could be given the number of offences again this year and what they specifically related to, whether it is whitebait in the main, or unlicensed anglers in a trout fishing area?

Mr ROCKLIFF - Compliance is an extremely important area and I will firstly agree with your compliment for John and his team at IFS. It has an important compliance function ranging from investing back in the fishery and managing and protecting our valuable freshwater recreational, commercial and native fishery resources. Within the IFS there are 11 authorised officers who ensure compliance with the requirements of relevant legislation.

For the period 1 July 2014 to 30 April, fisheries officers inspected 3 330 recreational angling licences and 191 recreational whitebait licences. I am pleased to advise that in accordance with the Government's election commitment, we appointed a new fisheries officer at the north-west coast in August last year. The officer is based at Stoney Rise as well. The Liawenee fisheries officer position was refilled in January 2015. That had been vacant for some 11 months. That particular area is a very important aspect for resources. Inter-agency cooperation with Tasmania Police and Parks and Wildlife Service has resulted in a significant performance enforcement activity in inland waters.

A total of 31 kilograms of illegally caught whitebait, nine whitebait nets and a 4WD motorbike were seized during the period. Two people were successfully prosecuted in the Burnie Magistrates Court for taking a giant freshwater crayfish, so we have had successful prosecutions in the Magistrates Court in 2013-14-15. This financial year to 30 April, we have had eight. Infringement notices issued, 78 in the previous 2013-14 financial year. This financial year 2014-15, we have had 72 infringement notices issued; and infringement notices and notices of offences issued as conditional cautions, we had 50 the previous financial year, and year to date 30 April, 55, so an increase.

Mr DEAN - It indicates the array of service that you are on top of.

The committee suspended from 1.21 p.m. to 2.19 p.m.

DIVISION 8

(Department of Primary Industries, Parks, Water and Environment)

Minister for Racing

Output group 9

Racing regulation policy

9.1 Racing regulation and policy -

Mr ROCKLIFF - On 1 July Racing Services Tasmania will become the Office of Racing Integrity. The Government recognises the Tasmanian racing industry is a significant contributor to Tasmania in terms of employment and the indirect and direct economic benefits it provides to the wider Tasmanian community. It is committed to safeguarding the industry's sustainability over the longer term. The Director of Racing through Racing Services Tasmania is responsible for the delivery of integrity functions across the industry.

In terms of Racing Services Tasmania's role, a number of key areas are essential for the delivery of best practice integrity. These include the Director of Racing's statutory role, stewarding on both race days and non-race days, a sophisticated drug control regime, and a best-practice system of licensing persons to participate in the industry. Other key areas include

modern and effective communication with participants and the provision of integrity in a fair, transparent and accountable manner.

Confidence in racing integrity underpins the racing industry's health and wellbeing. Key performance indicators such as industry participation and wagering are linked to the integrity of the industry. The delivery of integrity to the racing industry, especially in view of the constantly changing wagering landscape nationally and internationally, is more challenging than ever before. There continues to be a focus on a swabbing regime that promotes drug-free racing as consistent with contemporary practices; the provision of a high-quality skilled workforce with particular emphasis on attracting, training and retaining stewards; the provision of high-level regulatory controls to ensure those participating in the industry are fit and proper and appropriately skilled persons.; the ability to utilise modern integrity practices inclusive of human resources and technology; and the benchmarking of integrity practices and procedures of national and international racing to support integrity jurisdictions.

This was at the forefront of the announcement in March this year that Racing Services Tasmania was to transfer from the Department of State Growth to the Department of Primary Industries, Parks, Water and Environment as at 1 July 2015. Factors influencing this decision include the biosecurity and animal welfare capabilities that exist within DPIPW that align well with Racing Services Tasmania's responsibility to ensure the industry is safe, fair and credible.

Racing Services Tasmania as the racing regulatory body can leverage the animal welfare and veterinary skills to achieve better animal welfare and integrity outcomes. Racing Services Tasmania is well equipped to meet the integrity challenges. Its director continues to work closely with key industry stakeholders to maintain an effective and robust integrity regime.

We are investing an additional \$230 000 to employ a steward investigator and a racing integrity manager to build on a level of integrity oversight of the industry. As well as the transfer for Racing Services Tasmania to DPIPW on 1 July, the agency's name will change to the Office of Racing Integrity to better reflect its responsibilities. I would like also to take this opportunity to thank this committee for the scrutiny of TasRacing last December. It has been almost 12 months since the last budget Estimates, and Mr Murray and I look forward to your questions on racing integrity matters.

Mr DEAN - Minister, you offered to provide a briefing on the infamous report - if I can call it that - about which I have earlier asked questions. I appreciate that very much. However, in answers provided in the House a couple of weeks ago, you indicated that the report was not specifically on Tasracing, meaning it was obviously about some other area. Can you indicate what it was on?

Mr ROCKLIFF - The election commitment was to establish a working group to look into the sustainability of racing in Tasmania and that does not just mean Tasracing and the commercial arm, it also looks at all aspects of racing. The working group's brief was to look at making sure that racing can grow its product, live within its means in terms of within the deed and ensure that we have the highest possible integrity and client functions. As I said in my opening statement, we can have confidence in the industry and at Racing Services Tasmania we are the integrity arm and Mr Murray and Tasracing presented to the working group. The working group also took submissions and prepared a report to inform me on the future sustainability of racing in Tasmania and we are still working through that report.

CHAIR - Minister, you did say last year that you expected to have recommendations from that report and while you have clearly said to us that you are not going to release the report because it is for you, I presume there are recommendations. If indeed there are recommendations is there any reason you couldn't at least let us know what they are - they wouldn't be commercial-in-confidence or anything, I imagine - and do you intend to act on those recommendations?

Mr ROCKLIFF - The report is in my possession and I am still working through the recommendations at this present time.

CHAIR - You got it last December.

Mr ROCKLIFF - It was presented to me towards the end of last October and there is a substantial amount of work, not just with respect to the report. I am not entirely basing my actions around sustainable racing services on the working group report only but it has a lot of commercial-in-confidence aspects to it to inform me and the Government. We will be making decisions with respect to the future sustainability of racing in Tasmania in the not-too-distant future.

CHAIR - So you're not able to release to us at least the recommendations of the report?

Mr ROCKLIFF - No.

CHAIR - It would just inform all of us. You understand that some of us are closely allied in our own electorates with racing.

Mr ROCKLIFF - That is right and I respect that, but when we release our proposals for sustainability measures for racing we will refer to aspects of the report and some of the recommendations.

CHAIR - So we will not see any recommendations that you do not report on, for instance, that you do not follow up? All we will hear are the ones that you decide on.

Mr ROCKLIFF - The Government will make a decision on the recommendations and they will inform the Government but there will be other aspects to a sustainable model for racing and of course the industry will be a consultant. We will work with industry to ensure it is sustainable. The previous government did little to put Racing on a sustainable footing but we will rise to that challenge and inform the committee and particularly racing industry stakeholders at that time.

CHAIR - So you are not looking at just making it sustainable within the deed for the next 15 years, but beyond that as well?

Mr ROCKLIFF - Absolutely.

CHAIR - That is the big issue. Yes, there are sustainability issues now but there are going to be bigger sustainability issues in 15 years' time.

[2.30 p.m.]

Mr ROCKLIFF - Absolutely, and my responsibility is to ensure that Racing is on a sustainable footing within the deed which expires in 2029. We have already implemented some measures along with the support of this House to increase the sustainability of Racing with more

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amount of flexibility. In terms of race field fees, for example, that legislation went through the Parliament last year and will provide the commercial arm of Tasracing greater flexibility and income-generating capacity by ensuring that their income from race field fees reflects the market in other states.

CHAIR - I will leave it at that, but in terms of the racing industry and the community generally I think that is a concern, minister.

Mr DEAN - You might have discussed this at the beginning. If you did, tell me and I will lay off the question. During the GBEs at the end of last year, minister, you said there would be no further additional state funding from the government at all and that the industry had to stand on its own feet. That would be over and above, I think, the 20-year money available through the TOTE funding of \$28 million provided to Tasracing. Will Tasracing be able to survive into the future in its current position and the way it is set up?

Mr ROCKLIFF - This question was from the GBEs last year scrutinising Racing Services Tasmania, which is the integrity arm of racing. My objective is to make the racing industry sustainable and ensure that wagerers have the confidence to place their bets on the Tasmanian industry, which is where the integrity arm comes in and that is why we are strengthening in the budget by \$230 000 integrity provisions in Racing Services Tasmania, soon to be known as the Office of Racing Integrity. Ms Rattray asked why we are changing the name. One of the reasons is so people can more easily distinguish between Tasracing and Mr Murray's department, the Office of Racing Integrity, as it will be known. People now do not really distinguish between the two arms. Racing Services of Tasmania is a lot like Tasracing in terms of appearance and names and the like, but the Office of Racing Integrity says what it is.

With the greyhound debate and the horrific images we saw on the *Four Corners* program, commissions of inquiry have been established around the country and it was interesting that one of the key recommendations of the Queensland enquiry was to go to a model such as Tasmania's where you have a commercial arm separate from your integrity arm. They are two distinct entities and in my view, the fact that we have had those two distinct entities for some time in Tasmania gives greater confidence, not only in terms of animal welfare provisions in the industry but also integrity functions as well.

I am informed by the director, Mr Murray, that the Victorian report was handed down yesterday and had the same recommendations for a similar model as Tasmania's, so it is a testament to our model that is working effectively.

Mr VALENTINE - I was looking at the swabs taken in 2013-14, 3 695 with about 14 positive swabs taken in that year. It is quite a significant number of horses to be under the influence, can I say?

Mr ROCKLIFF - I will ask Mr Murray to explain it in more detail. The director of racing has a statutory responsibility to ensure racing is conducted with absolute integrity. One of the primary tools utilised is a high level drug and alcohol testing regime across all codes of racing. Racing Services Tasmania stewards test at race meetings and trials, taking both animal and human samples. In accordance with national trends, there has been increased emphasis on out of competition testing in the past few years, targeting high level and illegal drugs.

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In recent times the use of cobalt, which again, this morning, hit the mainland headlines, has been to the forefront. A threshold level has been introduced into the thoroughbred and harness codes for all of racing to recognise that cobalt can be present at very low levels when naturally occurring or as the result of routine nutritional sources. However, cobalt becomes a prohibited substance when they present above 200 micrograms per litre of urine, as an example. In terms of samples and the regime, I will refer to the director, Mr Murray. Thank you, Tony.

Mr MURRAY - Yes, 14 positives in 2013-14. It would be interesting to have a look across the three codes. Of those 14, one was a horse positive in thoroughbreds, one was a jockey positive; in harness there were five horse and six driver positives; in greyhounds there was one. If we move to the current year there is a switch. One horse in thoroughbred and two jockey; one horse and one driver in harness; and greyhounds were up to five. There has been an increase in greyhounds. We have ten in the current year and we have three inquiries pending in relation to irregularities of samples.

CHAIR - It would fluctuate from year to year, would it not?

Mr MURRAY - Yes. The last three years, 2012-13, there were five positives across the three codes; 2013-14 there were 14, and we have 10 finalised this year with three pending.

Mr VALENTINE - Three codes, I missed that, but that is a reasonable expectation. I wanted to know what that was.

Mrs ARMITAGE - The Department of State Growth will implement savings of \$68.9 million over the Budget and forward Estimates with savings of \$13.1 billion in 2014-15. Of the \$13.1 billion of savings that State Growth was asked to achieve, how much did output group 9, Racing, save?

Mr ROCKLIFF - I introduce Mr Bob Rutherford, who is the Deputy Secretary of State Growth and last time he will be Racing Services Tasmania.

Mr RUTHERFORD - Yes, after a very long association. Racing, moving to farming. I have had a very long and fruitful working relationship so it is a matter of deep regret.

Mrs ARMITAGE - How much did they save in 2014-15? What have they been directed to save in 2015-16?

Mr RUTHERFORD - The crucial part of the savings that came into State Growth which were apportioned across all areas were those due to the pay pause not occurring. That was a sum, for this budget area, of \$282 000. That is the main item. The issue you would see in the budget papers is the coming off of the 2014 election commitments. They are commitments that have been completed and expended. That is a reduction of \$104 000. They are the two things that disappear at the end of this year.

Mr ROCKLIFF - As a result of the greyhound situation, we have additional funds coming into this financial year, some \$230 000 for those two positions to strengthen the integrity function.

Mrs ARMITAGE - The Tasmanian Racing Board, I notice the internet site has changed somewhat. It used to say when people were elected but on the Tas Racing Board it mentions Directors are appointed for a maximum of three years. I know in the constitution they can be re-

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elected. Is it your intention that there is a changeover when it states, on the board, that directors are appointed for a maximum of three years, when I believe that most of the members of the board have been there almost since inception.

Mr ROCKLIFF - Firstly, this is a scrutiny of -

Mrs ARMITAGE - It is, but it is still money. The state GBE -

Mr ROCKLIFF - GBE scrutiny was in December, and the board has done a very good job in recent years operationally, ensuring where they can that they have cut costs. In the scrutiny of this session, it is for Racing Services Tasmania, and Mr Murray, and GBE will no doubt come up.

Mrs ARMITAGE - I will ask you another question about the board to do with money if that is okay. Previously, it has been said that overseas travel by the Chairman, directors, and the CEO has been integral to Tas Racings customer and export goals. Over the forward Estimates, has TasRacing been directed by you to reduce its costs on overseas travel and why can the board not use conference, skype facilities to catch up with overseas customers?

Mr ROCKLIFF - Once again it is in the wrong hearing.

Mrs ARMITAGE - Still money, okay, that is fine. I have one more. Suspensions, disqualifications and fines imposed by stewards on licenced persons. The target in 2014-15 was 450, actual figure was 462. What were the main reasons for suspensions and disqualifications and did any relate to the activity of live baiting, and if so, where and what penalties were imposed?

Mr ROCKLIFF - None was involved in anything to do with live baiting. That is exactly the right question to ask, in terms of Racing Services Tasmania. Mr Murray will shed some light on the 462.

Mr MURRAY - Disqualifications were generally the result of people presenting animals with prohibited substances at the races. As we discussed before, the positive swabs, they generally result in disqualifications. There has been one disqualification this year on an animal welfare matter, which is both before the courts and before the appeal board, so it is not appropriate I make any further comment on that. The majority of the suspensions refer to interference in races, either jockeys or drivers causing interference in the races. That is what normally causes suspensions from stewards.

Mr DEAN - A question on communication - effective and appropriate communication - and this is coming from one of the areas of racing, and I should not identify who it is. Simply saying that with Racing Services Tasmania, there is little communication, very little knowledge being imparted onto them. They are not being kept abreast of changes and things that are happening in this area, and they feel left out. They say that could be creating issues that should not arise if there was reasonable education and communication from Racing Services Tasmania.

Mr ROCKLIFF - One of the issues that Racing Services Tasmania have been very proactive on is the increased use of social media. With rapidly changing technology, it is important to the racing industry as any other. To enhance interaction with key stakeholders, RST has undertaken a number of initiatives and they include the use of social media platform, Twitter, to disseminate information relevant to the three codes of racing, including stewards reports, race day information and track conditions. An after hours nomination and scratching service, in addition to that, which

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allows industry participants the flexibility to notify RST of nominations and scratchings that they relate to Harness and Greyhound Codes outside normal business hours. Of course RST will continue to explore further technological and other opportunities to enhance its interaction with industry participants. From my point of view, there has been an increased level of communication via social media and the like and opportunities for stakeholders to engage after hours, which is a positive thing. Mr Murray you might like to take it further.

Mr MURRAY - We started Twitter, 12 to 18 months ago, with a very low knowledge base to be honest. Today we have 405 followers and we have sent 2 166 tweets, so we are certainly using it effectively now. Importantly, it is used from race meetings; stewards, during race meetings, will tweet out information about track conditions, jockey changes, protests and all that sort of thing. Twitter is very useful in getting information out there in real time. My staff are also about to enter the licensing season so my staff will be out at race meetings over the next two or three months helping participants fill out their forms and answering questions. Even recently the Tasmanian Pacing Club had a horse expo out at Elwick which was highly successful. We had an information booth there for anyone who wanted to come along and learn how to enter the industry and what is involved. We certainly have a high focus on communicating with the industry and will continue to do so. As you say, Mr Dean, it is critical in our role to communicate with the industry.

Mr DEAN - That sounds good and it seems like you are getting out there now and making that available because it is a very important part of the whole thing. Most in the industry are good people and do the right thing.

Mr VALENTINE - Further to that comment on tweeting, do you think that disadvantages some if they are not up with the technology and some are getting information before others do? Have you looked at that side of it?

Mr MURRAY - Of course we have promoted the fact that we are now on Twitter and we are using it. All racing jurisdictions now have a Twitter account and do something similar. I suppose the other way of doing it is to put no information out there. I think it is best to put out the information, make it available to people and let people know that we are putting it out there. We cannot make any comment on people who decide not to join up on Twitter but our followers continue to increase in number and it is a very useful tool.

Mr VALENTINE - Do you consider it an official means of communication as opposed to an unofficial one?

Mr MURRAY - It is seen as an official form of communication. On race day things are happening in real time and before Twitter there was no way to get that information out there to the general public unless they were on the race course. Now anyone, anywhere, betting on Tasmanian racing has access to that information in real time, it is accurate information from stewards and it is critical to the punters to get that information.

Mr VALENTINE - If they want to get the benefit they need to come up to speed.

Mr MURRAY - Absolutely.

CHAIR - As you say, if they are on the course then they get that information in real time.

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Mr MURRAY - They get it as well, yes.

Mr FINCH - Minister, you might have mentioned it already and apologies if I have missed it. Who actually takes charge of that communication on Twitter? Do you have a designated person or personnel to make sure that the right message is being delivered?

Mr MURRAY - Very much so, the Chairman of Stewards at the race meeting has control of the Twitter account so he or she either does that personally or delegates that under their supervision during the race meeting. It comes from the Chairman of Stewards; from the office there are a couple of people who have the log-in details. We were very careful when we set it up to make sure that the security was in place to ensure that there was no false use. I am pleased to say that in the time we have been using it there has not been one message tweeted out that was not authorised to be sent. We are very much wary of that, and from my viewpoint I am regularly checking it and making sure that everything is as it should be.

CHAIR - Do you have any more questions? We have two minutes left? You have explained the additional funding of \$800 000 over four years for racing integrity. What is the \$800 000 for over four years?

Mr ROCKLIFF - Two positions are going to be created costing \$230 000 a year.

Mr VALENTINE - How many FTEs does that bring it to? Total, sorry.

Mr ROCKLIFF - Twenty-one. Yes, so that will carry it through.

Ms RATTRAY - That is over \$100 000 each per year?

Mr ROCKLIFF - That averages out as that, yes. There is a difference between the salaries of the two FTEs. The average is \$115 000.

Mr FINCH - The Office of Racing Integrity seems to be partly aimed at animal welfare and obviously to do with the greyhound industry. How does horse racing fit in here?

Mr ROCKLIFF - In terms of animal welfare?

Mr FINCH - Yes.

Mr ROCKLIFF - I know there have been the very serious issues of live baiting evidence on the mainland with greyhounds. Animal welfare equally applies to the harness codes and thoroughbred codes. It is not just about greyhounds.

Mr MURRAY - We have stewards out in the field all the time doing stable and kennel inspections. We have currently one steward investigator, as the minister has advised. There is funding in the Budget for an additional steward investigator. We have stewards on the ground all the time. On non-race days we have ramped up our presence. We do the inspections, we do out-of-competition testing, which is very crucial. It ensures horses are not being provided any illegal or prohibited substances not on race day. Traditionally there has always been drug testing on race day once the animals arrive at the track. However, we now do significant amounts of out-of-competition testing to ensure the welfare of the animals as well.

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Mr FINCH - Away from the race track at locations where horses are bred and trained?

Mr MURRAY - That is exactly right, yes.

CHAIR - Are you responsible for sponsorship of something like Elwick Racecourse, for instance? Where does that come in? Who is responsible for that? I make the remark only in the fact it was some years ago named Tattersall's Park, it had always been Elwick Racecourse but it was named Tattersall's Park because of a sponsor. I notice some weeks ago Tattersall's have changed their name and it now says UBET Park.

Mr ROCKLIFF - It is now UBET Park. It was a commercial decision for Tasracing.

Mr MURRAY - Tattersall's was rebranded UBET. It started a couple of weeks ago, across all their outlets across Australia.

CHAIR - I suppose it is that thing about when we talk about venues, people get to know venues by a name and suddenly the Tattersall's Park has disappeared and we now have UBET Park. I find it rather disconcerting, and so does the public. The locals still call it Elwick Racecourse and I think that is absolutely sensible to keep calling it so. Who pays for all the rebranding?

Mr ROCKLIFF - That would be between Tasracing and the sponsor.

CHAIR - We will ask Tasracing, thank you.

Mr VALENTINE - What are the rules on the use of the whip in thoroughbred racing these days?

Mr ROCKLIFF - In harness racing there would be implications and in thoroughbred racing, of course. There have been some recent changes in harness racing, I understand. Mr Murray, you might like to expand?

Mr MURRAY - Both harness and thoroughbreds are conducting national reviews on the use of the whip. There are a number of times you can use a whip, forehand, backhand in thoroughbreds and a number of times in harness. Both codes nationally have put that high on the emphasis of animal welfare initiatives. They are conducting full reviews on the use of the whip.

DIVISION 1

(Department of Education)

Output group 1

Education

1.1 In School Education -

Mr ROCKLIFF - The Tasmanian Government is committed to investing and improving education outcomes in Tasmania. The 2015-16 Budget builds on our strong investment in Tasmania's education and training systems, delivering a record \$1.44 billion commitment to

raising educational outcomes. All Tasmanian children deserve the best possible start to life and valuing education is everyone's responsibility.

Last year we delivered on our election promises including our commitment to extend 21 regional and rural high schools to year 12 over the next four years. This is an important step in our plan to increase student retention and create a job-ready generation of young Tasmanians. Operational funding for 2015-16 year of \$7 million increasing to \$17 million in 2017-18 has been committed to continue this initiative. A capital allocation of \$6 million over four years commencing from 2014-15 has been made available for necessary capital work. Six selected schools are delivering year 11 programs this year and a further six will commence extensions in 2017.

We have also fully scoped our program to introduce a contemporary model of child and youth health nurses across Tasmanian government schools and to realise this new initiative a \$5.8 million budget has been allocated. The first 10 nurses will commence in schools around the state in July this year. A \$9.8 million commitment over the next four years to fund 25 specialist literacy and numeracy teachers is well underway with these teachers commencing across Tasmanian schools in term 3 last year. Specialist teachers are working with years 7 to 9 students who are performing below the national average minimum standard by providing a target of one-to-one and small group specialist assistance. Targeted support, personal attention and coaching aims to build the confidence of identified students in their learning and bring them up to a comparative standard with their peers. A new approach to career education, My Education, has started for grade 10 students this year, and we will have a video presentation in a few moments.

Through consultation on the review of the Education Act we will continue to engage with the community as we build a system that will set Tasmania up for the future. We made structural changes last year to put Education on a sustainable footing for the future. This year we have delivered a budget that allows us to get on with the task of allocating our education resources where they are most needed. This year's record investment is another step in reinvigorating our education system to improve standards. This Budget provides us with the opportunity to direct resources where they are most needed and to invest in critical infrastructure which will support the reinvigoration of our high schools.

Our commitment to Students First - the Gonski funding - remains, with a \$77 million investment in 2015-16 which is \$21 million than in 2014-15. This investment provides another minimum 5 per cent increase in the Fairer Funding component of school resource packages in 2016. We will also use the additional Gonski funding to support those schools with the greatest need. Funding will remain for programs that continue and extend the agreed joint state and Australian Government reforms in workforce development and an improved and more consistent level of information technology access to platforms across our schools, quality teaching, quality learning and empowered school leadership.

[3.00 p.m.]

This Budget also delivers on the promises we made to create a job-ready generation of young Tasmanians. As a government we have been clear in our objective to ensure more Tasmanian students go on to complete year 12 with strong literacy and numeracy skills and a meaningful qualification, providing them with real choices for their future. We are investing \$68 million in reinvigorating Tasmanian high schools, representing the largest state infrastructure investment in Tasmania's high schools in 20 years, and providing modern and flexible facilities for twenty-first century learning.

The Tasmanian Government has a fundamental commitment to working with and supporting education professionals in the state. We are also investing \$17.75 million over four calendar years for the critical early years to develop an exciting new program targeting four to eight-year-olds and their families. Learning in Families Together, or LIFT, will focus on school and family partnerships in education particularly in literacy and numeracy. This program acknowledges that active, engaged parents have a significant impact on increasing learning development outcomes for children. LIFT will combine evidence on children's development with teacher knowledge to provide parents with extra support for their child's early development. LIFT will give schools a fantastic opportunity to create a brighter future for young Tasmanians through increasing parental engagement in schools and in their children's learning. It is widely accepted that education is the cornerstone of Tasmania's economic and social improvement and we will continue to build on our key policies to improve educational outcomes and raise the value of education in Tasmania. I firmly believe that if we can lift education in this state we can lift Tasmania. We look forward to your questions and the My Education video. Would you like to introduce it, Colin?

Mr PETTIT - The minister has asked that we show this because last year there was a lot of interest in where we were at with My Education which was rolled out really new. This is an example of a pilot and as of next week all schools with year 10 will be invited to provide a video of this sort of quality. They will be supported to do so by joining online.

Video with dialogue shown.

CHAIR - Are you doing a series of these?

Mr PETTIT - Yes, and the minister will talk about the online program shortly. When we talked last year one of the elements of My Education was an online program. The winning contract, and the minister will announce that shortly, has Americanised statements like this so we are downloading them on agreement with the company and asking all year 10 students, as of next week, to start to develop similar pilots and we will build a library of all Tasmanian schools. It will go across all of Tasmania and they will be supported in every school. All of that filming was done by students, it was edited by students and spoken by students.

CHAIR - Last year you said to us it would be in place this year for year 10.

Mr ROCKLIFF - That is correct.

CHAIR - So it is not quite in place.

Mr ROCKLIFF - There has been a lot of work done and I am happy to detail some of that work with schools in a moment. I have access to that information across all high schools. It is a three-year program for implementation. In 2016 it will be implemented for years 7 to 12 and in 2017 all schools will implement My Education

CHAIR - If I might interrupt you, last year you said that as from this year the previous system would not be in place and that year 10s would be doing My Education. There must be a gap; the previous system has not gone on and now the new system is not yet started and it is already June.

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Mr ROCKLIFF - Pathway planning is in place for year 10 absolutely. I can explain what is happening in each individual school if you like.

CHAIR - No, because we are pushed for time. This is the biggest line item. I do understand that there is a lot to say here but there are a lot of questions that members have too in in-school education and I really want to make sure we finish this before 4 p.m.

Mr ROCKLIFF - Absolutely. We can have questions on career planning and My Education that is being rolled out. We have three coordinators across Tasmania working with schools. As Mr Pettit said, an online career planning tool was a key component of the program and the tender process was undertaken by the Department of Education to procure the right tool that will deliver this program in a Tasmanian context. After a detailed tender process, I am pleased to announce that Kuder Visions Unlimited have been notified as the successful tenderer, and that is a contract of \$2.1 million for 2015-16 that has been negotiated between the department and Kuder. The online career planning tool will be likewise changed for the Tasmanian environment to ensure the data and information presented are done from a local point of view. It was interesting to attend the Dark MOFO Hothouse presentation last night where career planning came up in conversation and the thoughts and recommendations very much aligned with My Education.

CHAIR - Minister, I canvassed my schools because last year we talked about the cutbacks to Education and where this was going to affect schools, and I thought the best thing I could do was to do a round of a number of schools and ask people to comment. This is from a secondary school principal. I am obviously not going to tell you who the individuals are, and I will not have a chance to read out all of them, but this for me was very indicative. I am sorry, it is really hard but I think you need to hear this.

It is really hard. We are unable to support the students who will experience difficulty transitioning to college. We have very large classes which in hard-to-staff schools make it really difficult to teach. Principal loads have increased incredibly and the strain is now showing, with many principals expressing real concern for their health and wellbeing. Assistant principals are expressing a lack of desire to be principal, as the job is now too large.

The loss of staff has meant a reduction in subjects on offer. Things like languages have taken a hit. Grade 7 camp is cut due to lack of funds because we have had to buy staff. Productions are now every second year due to staffing shortages. Services to schools are hard to get because the centres have been stripped of extra staff, so when I had a crisis and needed quick advice I rang four senior people at Learning Services on their mobiles and I could not get anyone.

This is common practice. We can wait days to get legal advice now, as we only have one instead of two lawyers to support our schools. We have huge delays in getting staffing sorted - months in some cases - due to cuts in HR. Principal network leaders' loads have increased heaps because their numbers have been cut back and they struggle to get into schools. I have seen ours once this year.

Morale is about as low as I have ever seen it and I have been in education for more than 30 years. At the same time we are seeing a spike in really difficult kids coming through, high poverty, high trauma and not enough resources to

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manage. It is a recipe for disaster. For the first time in a long teaching career I believe the job is becoming overwhelming. Despite this, we continue to manage but the toll is starting to show.

I know this is not just about My Education but it is a picture of how a senior principal sees the situation now as opposed to previous years. I cannot express it any better than that.

[3.15 p.m.]

Mr ROCKLIFF - Yes. We inherited a very difficult budget situation where the previous government had completely wrecked the Budget. We had to make some challenging decisions to get the Budget back on track. The pay-pause was part of that. That did not eventuate, which meant we had to make some challenging decisions. I have travelled to primary schools and high schools right across Tasmania. The principals I talked to were very respectful but frank in terms of their feedback about the challenges they experience. I have to say, they also are excited also about opportunities. I do not see doom and gloom in schools.

When I visit schools, I see a lot of excitement, professionalism of teachers and professionalism of principals and the leaders in schools. I receive very good feedback from very committed individuals. There will always be more resources applied to schools, which is what is happening now. We have the Budget back under control. We have done the heavy lifting in education. We have \$1.44 billion going to education and training this year, an increase, and \$21 million extra from Gonski funding this year, all of it going right through the school gate.

So, \$4 million additional for the fairer funding component of the Schools Resource Package. The Learning and Families Together initiative for kindergarten to grade 2 will receive \$5 million. A brand-new initiative, it will build on the good work of the child and family centres and the Launching into Learning, Focusing on Literacy and Numeracy and Parental Engagement programs. An additional \$1 million is available for students with disabilities. That is a spend of \$70 million this year. An additional \$11 million, to take it up to the \$21 million, will go into schools with the greatest need. You would be interested, I am sure, in Ken Boston's presentation in Hobart very recently. He said -

The Labor-Green Government in Tasmania, and Labor federally, did not stick to the true Gonski principles and ideals when they signed the heads of agreement.

We are carrying it forward; an agreement has been signed. This is a state government, incidentally, unlike the Labor Victorian Government which signed up to the six years of Gonski funding. We are redistributing Gonski funding throughout Tasmanian schools in, all \$21 million of it through the school gate. The \$11 million will go to the 80 schools around Tasmania that have the greatest need. In other words, this is Government is very committed to the true Gonski ideals and principles.

CHAIR - Minister, I am sorry, I am going to interrupt you. I do not doubt anything you say. Yes, I understand you are putting more money in, but this is a real-life situation. I do not believe this is alone. I have primary schools, colleges - not saying all the same things particularly. I want to know what you are going to do about this situation. This is real. This is not to say all the new programs you are putting in place are wrong. That is fine. We are talking here about principals saying they are so stressed - that assistant principals are so stressed, they do not even want to become principals.

Mr ROCKLIFF - That is what we are about. I mention the \$21 million of extra Gonski funding all going through the school gate. The 80 schools I refer to, of course, are the schools that will participate in the \$5 million this year for the Learning and Families Together. The remaining \$11 million will be distributed to schools in need. I wanted to clarify that. Eighty schools for LFT, and the rest will be distributed based on a fairer funding model, which will include areas of disadvantage. I am aware, honourable member, of the concerns. I am not blind to that. I have been very open about that.

CHAIR - We said this to you last year. We said - and teachers around the state told us - that the cuts you are going to make would cause cuts. They would have to cut music programs, and all kinds of programs so they could actually keep their teacher ratios. This is the result of that.

Mr ROCKLIFF - School communities themselves made those decisions.

CHAIR - Only because they had no choice. You did the teacher cutbacks.

Mr ROCKLIFF - No funding has been cut from education at all. There was a \$1.4 billion investment in education and training last year; it is \$1.44 billion this year. As I talk to teachers around the state, they also say me, along their challenges, that they would have liked an opportunity to say 'Yes, we will have an 18-month pay-pause. We would have voted for that.'

CHAIR - I am sorry that is passed; it has nothing to do with the situation as it is.

Ms RATTRAY - That was not our call.

Mr ROCKLIFF - It is a fact and so when the AEU rejected that 18-month pay-pause, in my view against the wishes of a lot of its members -

Mr DEAN - I have said that many times.

CHAIR - It is passed. We cannot do anything about that.

Mr ROCKLIFF - That was unfortunate, but we had to make some really difficult decisions.

CHAIR - I do not know that you did, particularly in education, which you say is so important. We all agree it is absolutely vital to both the economy and to the social welfare of our state. I do not know if you did, when you are now telling us that the financial situation is not so bad and that in fact in three years you are planning to be in the black. So it could not have been nearly as bad, it seems to me, as you all said last year that it was. Things are looking good.

Mr ROCKLIFF - We had to bring the Budget under control, with \$1.1 billion-worth of accumulated deficits. There was volatility in GST receipts and -

Ms RATTRAY - And that remains. Would that be fair to say?

Mr ROCKLIFF - We cannot really guarantee that GST will flow through, forever and a day, at the current levels. Western Australia is a classic example of that. One of my aims in education is to stop the boom-bust cycle - we invest in education and then there are some challenging economic circumstances and we have to make some really tough decisions. We have

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consolidated and now we are rebuilding in a sustainable way, and rebuilding and reinvesting, can I say, on the true Gonski principles. That is, to the areas of greatest need and disadvantage across Tasmania, where the resources should go, as Gonski said, and as Ken Boston said, the other day, when he was critical of the previous federal Labor government and Labor-Greens government, and the way that the deal was struck. We are addressing that, and I am committed to addressing that.

CHAIR - You have heard what I have to say on this one, on school education. As I say, it is repeated across from college to primary school. That is the entire picture, so -

Mr ROCKLIFF - That is right.

Ms RATTRAY - Minister, 287 teachers were taken from the education system. Can we have a breakdown of where those positions came from - classroom, classroom support workers, administration staff, departmental staff in regional officers, and departmental staff in head office?

Mr ROCKLIFF - It is 287 positions, as of the 31 March, right across the department.

Ms RATTRAY - Yes. If there are other areas, I am happy to have them included.

Mr ROCKLIFF - So, not teachers, not teachers; you said, 'teachers', not teachers.

CHAIR - No teachers?

Ms RATTRAY - No classroom teachers?

Mr ROCKLIFF - Two hundred and eighty-seven-

Ms RATTRAY - Two hundred and sixty-six teachers?

Mr ROCKLIFF - No.

CHAIR - Let the minister speak.

Mr ROCKLIFF - Right across the whole agency, 287 full-time equivalent savings, right across, okay.

CHAIR - So how many teacher is that?

Mr ROCKLIFF - As we said the other day, 185 of those are teaching positions, which is roughly the equivalent of the pay pause. We are on target for 266 positions, right across the whole agency, by the end of this financial year. So that was the target. The saving we had to make - 266 full-time equivalent positions.

CHAIR - And you have had more than that already?

Mr ROCKLIFF - Yes, but the 287 reflects seasonal fluctuations. In the next three months we expect that to be 266; we are on target for that level of savings.

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Ms RATTRAY - The table on 1.2, on page seven of the Budget papers, says 'reduction in FTEs as at the 31 March 2015' and then it says 'FTEs - education, 287'. Can we have the break up of that 287 or is this information wrong?

Mr ROCKLIFF - It is not wrong. It is 287 at 31 March.

Ms RATTRAY - I need the break-up of those.

Mr ROCKLIFF - You can put that on notice.

Mr VALENTINE - Can we have the number of people in that as opposed to FTEs?

Ms RATTRAY - In the separation of that 287, how much did it cost and was it funded internally from the department or was there borrowings needed?

Mr ROCKLIFF - There was a process, the Workplace Renewal Incentive Program, in which there were 367 positions, or people placed. It is a statewide program. The latest round commenced in September 2014, in accordance with the release of the Managing Positions in the State Service Framework.

CHAIR - The member has asked specifically for costs.

Ms RATTRAY - For the costs and how those costs were funded and did you have to borrow for those costs?

Mr ROCKLIFF - The cost of the WRIPs, as they are known. Average cost per WRIP was \$22 115.85. Total cost of WRIPs for Education was \$8.116 million.

Ms RATTRAY - So you spent \$8.116 million on getting rid of 287 positions from Education?

Mr VALENTINE - 367.

Ms RATTRAY - Did you have to borrow?

Mr PETTIT - The simple answer to that is no. The WRIPs are based on the fact we will renew with younger or more inexperienced people and that is the process which we are following. It is a repayment through having people who are less experienced to do that.

CHAIR - And cheaper. That is not a bad way to get the average teaching age down.

Mr ROCKLIFF - The program was about renewal. There are younger people coming through the education system which is a good thing.

CHAIR - So you are employing new teachers, young teachers coming out? We have had difficulty in the past of teachers coming out of the system and not being able to get jobs in the State Service.

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Ms RATTRAY - Initially, to cover funds needed to undertake WRIPs, what programs were cut or reduced in some way to compensate for that, if there has been no other borrowings? You are not going to reduce your wages and salaries by \$8 million just like that, I would not expect.

Mr PETTIT - No, you do not reduce it exactly like that, immediately. The \$8 million was not borrowed. It was part of the cash flow process we used in the \$1.44 billion budget. It will be repaid as part of that process.

Ms RATTRAY - What programs across Tasmania?

Mr PETTIT - We did not have any program. It is run through the cash flow process.

Ms RATTRAY - So everything that was being undertaken prior to that number of people being removed from the Education Department's system has not been cut, reduced, reconfigured, whatever?

Mr PETTIT - Not for the WRIPs. The WRIPs are a separate program to the savings of the 287. We used the WRIPs to free up positions and reinvigorate where we could. Where we could move people into those vacant positions, that is what we did. The saving is generated through that.

CHAIR - When you say cash flow, and you will catch it up next year, you are meaning you used some of next year's money?

Mr PETTIT - Some of it is cash flowed through that.

CHAIR - So it is not quite borrowed, except that it was borrowed from next year's Budget?

Mr PETTIT - It is cash flow.

Ms RATTRAY - Yes, right. Can we have identified in those numbers where the positions were and if we have a list of the schools as well that may have lost numbers which I know has been the case.

Mr ROCKLIFF - Yes.

Ms RATTRAY - In amongst that fulsome information that we are going to receive.

Mr PETTIT - We can give you as much of the information, as deep as we can. If we go down to individual schools privacy becomes an issue because people will know a particular person at a particular school. We will be able to say to you more broadly in regions, this is how many people left from the regions.

Mr ROCKLIFF - I will take that on consideration, on notice. I have an example of how getting younger teachers in the education system, if you would like me to find the example?.

Mr DEAN - What would be wrong with saying that Devonport High had one teacher removed or two teachers removed, rather than saying it on area?

CHAIR - Because if there is only one teacher everybody will know who it is.

Mr DEAN - They know who it is already. The people know it already.

Mr PETIT - Not everyone.

Ms RATTRAY - We might know in our schools.

Mrs ARMITAGE - With the teacher cuts, how will they affect the colleges that are helping the high schools to trial year 11 and 12 and has the Government provided extra funding in this Budget to assist those colleges in supporting the high schools?

Mr ROCKLIFF - The partnership between the colleges and the high schools is very important to ensure the success of the extension to years 11 and 12. I am encouraged when I visit a new state college, for example, that I can see a video link with St Marys and St Helens students participating in the class room effectively and so there is a strong partnership that has been developed between Newstead, St Marys and St Helen's. When I go to Scottsdale there is a very strong link and partnership between Launceston College and Scottsdale High School for example.

Mrs ARMITAGE - We are assisting those colleges?

Mr ROCKLIFF - Yes, we are working with the colleges. It is pleasing when you speak to people like Keith Wenn from Launceston College. People were saying this is going to hurt the colleges and impact on the colleges, but that it is not right. My understanding is that the increase in participation of years 11 and 12 in Scottsdale for example, not impacted at all on the college numbers in Launceston.

Mrs ARMITAGE - I am advised that some high schools involved in the trial are finding it difficult to recruit teachers for specialist subjects such as specialist maths as a result of the Budget cuts.

Mr ROCKLIFF - I am not aware of that. I met, a number of weeks ago, with all the participating principals of the high schools who were very positive about the program. This is not a trial, this is real policy being implemented. For the first time we have high schools that previously were offering 11 and 12 subjects now funded properly. St Helens High School, for example had some 11 and 12 offerings that were funding their program through the 7 to 10 resource. Now they are funded on the college model and that is what they are excited about. They can fully concentrate on building their numbers.

CHAIR - How many numbers do they have this year at St Helens for instance? How many post year 10 students?

Mr ROCKLIFF - I can find that for you.

Ms RATTRAY - I think we already know how much it is per student, minister.

Mr ROCKLIFF - That is wrong, that is absolutely wrong, those figures. This is a very measured way we are rolling this out. We are not rushing these reforms; we are not forcing schools into it. We are conscious of the fact that reforms in the past in education, for whatever reason, have not been successful, so we are working very hard to implement this effectively.

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Working with schools, school communities and colleges are a very important part of that. We started with the regional high schools first.

Mrs ARMITAGE - The numbers are?

Mr ROCKLIFF - We committed to 21 in the first four years and started with six in the first year, this year. For example, with the combined Dover District High School and Huonville High School, in 2015 there are 63 students, a 75 per cent increase on the previous year; Scottsdale High School, 37 students, a 23 per cent increase on the previous year; Smithton High School, 51 students, a 59 per cent increase on the previous year. There has been a 6 per cent increase in St Helens District High School with an extra three students participating there. Overall, there is an extra 38 per cent increase of those extension high school students in years 11 and 12. Those students participating in Years 11 and 12 who are 19 years and under, in 2015 in the schools I have just mentioned, were a total of 204 students.

Mrs ARMITAGE - That was an extension now. The real question I want to ask you under in-school education - and I did ask Jacqui Petrusma yesterday, but she said they actually came under your portfolio - is to do with students with disabilities. Minister, can you tell us how much money is in the budget in 2015-16 to support students with disabilities?

Mr ROCKLIFF - Yes. There is about \$70 million. There has been a \$1 million increase in the total Special Education budget, \$71.9 million in 2015 compared to \$69.4 million last year. Students supported through the Severe Disability Register are allocated \$39.4 million from the total special needs budget additionally. There are up to 1 500 students in 2015 with a cognitive capacity of between 55 and 70 full-scale IQ receiving \$5 000 funding each to their schools with a total budget of \$7 500 million.

In 2015 all schools received support teacher allocations to build the capacity of school staff to maximise educational outcomes for students. Schools with SDR students received allocations calculated on the basis of the number of students on the SDR at 0.2 FTE per student. Schools which do not have an enrolled SDR student receive a support teacher allocation of 0.2 FTE and 0.6 FTE determined by the Department of Education's variable funding formula.

Professional learning is provided to these staff to build their skills and knowledge in both addressing student needs and managing behaviour. Specialist staff including social workers, speech pathologists and school psychologists support students with special needs in schools, and the budget for this support is \$13.9 million; \$10.2 million is allocated for central support for students with hearing and vision disability, and children enrolled at early childhood intervention services. For the employment of physical impairment coordinators and autism consultants statewide, a further \$811 000 is provided for eight full-time equivalent social workers -

CHAIR - Perhaps, minister, you could table that.

Mrs ARMITAGE - I have two more questions but you might like to take them on notice. Can you give us a breakdown please of how many students are on the Severe Disability Register? How many students with additional needs are in Tasmanian schools who do not qualify for the Severe Disability Register, and what support is your Government giving them? One example is students with high-functioning autism, so students that for one reason or another do not qualify for the Severe Disability Register but still obviously have a disability and are in a Tasmanian school.

Mr FINCH - Do you have a group with whom you liaise that consists of parents who are letting you know their children's progress through school? All this funding sounds wonderful, but is it hitting the mark? Are parents happy with the support their children are receiving? Do you have a body with whom you communicate that gets the message through to you about how it is unfolding in the schools?

Mr ROCKLIFF - We meet with the Tasmanian Association of State School Organisations on a regular basis, who provide us with feedback from parents. I meet and have met recently with Kristen Desmond, who is an advocate for students with profound disabilities and their families. One of the reasons we set up the taskforce last year, and I expect a report from the taskforce at the end of this month, is to look at this very subject. How can we improve our education system and support for our students with disabilities in Tasmania? Some parents are content with the level of service and the service provider to their children in schools. I speak to other parents who believe we can do better, and I agree with them. We can do better and want to do better. That is why we set up the taskforce, chaired by Cheryl Larcombe, a retired north-west educator. That taskforce will provide me with a list of recommendations which I expect at the end of this month.

The taskforce comprises a range of education stakeholders including TASSO, the Australian Education Union and a range of stakeholders including the Tasmanian Principals' Association, the Tasmanian Disability Reform Lobby, which is Ms Desmond's organisation, Autism Tasmania, Australasian Society for Intellectual Disability, Office of the Anti-Discrimination Commissioner, and Tascare Society for Children. The group has been working for almost 12 months now. I look forward to their report. I keep in active contact with parents.

Mr FINCH - How many students with disabilities are there in Tasmanian public schools, and how many in non-government schools? I think you mentioned a figure before of 1 500.

Mr ROCKLIFF - The funding of \$7.5 million allows for up to 1 500 students to be funded with the \$5 000. There are not 1 500. There are currently 975.9 FTE students on the Severe Disabilities Register in state schools for 2015. Again, \$39.4 million from the total special needs budget of \$71.9 million is allocated to support their learning needs.

Mr FINCH - And in non-government schools?

Mr ROCKLIFF - I do not have those figures.

CHAIR - You do not support them, that funding does not go to them? Is that state government funding?

Mr ROCKLIFF - It is state government.

Mr PETTIT - The non-government funding is both Commonwealth and state combined. As part of the agreement under Students First, which was the Gonski Report, there are characteristics inside that funding model for students with disabilities. Their funding model contains money to address the need of students with disability.

CHAIR - But we do not know the number?

Mr PETTIT - We do not keep track of that number. That is something between them and the Commonwealth.

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CHAIR - Minister, you said a while ago you were going to table a paper. I asked you would you table a paper and you said yes.

[3.45 p.m.]

Mr ROCKLIFF - I can table the information later.

Mrs ARMITAGE - I am happy for you to table the answers to my questions.

Mr ROCKLIFF - If you put the questions on notice we will consider them and provide you with the answers.

Mrs ARMITAGE - The first question was can you tell us how much money is in the Budget for 2015-16 to support students with disabilities, and the other two were with regard to the breakdown of how many students were on the severe disability register.

Mr ROCKLIFF - We will provide that. I have answered most of those questions, but if there are areas you think I have not covered please write it down and I will consider that information.

Mr DEAN - Minister, you said that the figures given for years 11 and 12 going into these regional schools were wrong, so what are the correct figures?

Mr ROCKLIFF - The correct figures are around approximately \$3 600 per student, not \$125 000 reported recently. That is the cost of the 204 students I mentioned, and the additional resource for all those schools added up is \$740 000 overall for schools commencing in 2015.

Mr DEAN - Could we have the breakdown of the extra money that has gone into each of the schools to satisfy the years 11 and 12 students?

Mr PETTIT - Every school that entered the program receives an immediate \$10 000 one-off payment to start engaging their community and working up communication things. Schools in the program get one FTE to add to their current FTE position additional to their staffing, they get an additional 0.5 FTE assistant principal level -

Mr DEAN - So that is in additional to the extra money?

Mr PETTIT - Yes, and then we are giving them a 0.25 FTE additional to mount VET programs and that adds up to about the \$740 000, as the minister has said. If they are a combined school such as St Marys-St Helens, we also give an additional 0.1 FTE support so they can work to keep the community engaged.

Mr DEAN - I take it some of those additional staff would be doing other things as well in schools - would that be right?

Mr PETTIT - No, they have been allocated to years 11 and 12.

Mr DEAN - Wholly and solely for 11 and 12?

CHAIR - So 0.1 FTE is half a day.

Mr PETTIT - Yes, that is correct, but that is additional on top of the other bits, and that is permanent.

Mr DEAN - I just wonder how the press report can get it so horribly wrong.

Mr PETTIT - I can answer that.

CHAIR - Mr Valentine do you have a question?

Mr VALENTINE - Yes. Is there extra time being provided to teachers who will be required to implement the My Education program in 2016? Basically the work pathway planners did, so is there extra time being provided to teachers who are going to take up that workload?

Mr ROCKLIFF - When we say workload, the My Education career education is part of the Australian curriculum, so what teachers do is teach the curriculum. The My Education career education will be from kindergarten to grade 12. At the Dark MOFO Hothouse think tank, I was on stage last night and Mr Pettit was also present when one of the participants highlighted the value that an early careers education program would have. In terms of the support for teachers who will be involved in the curriculum of My Education career education, they get their training resource, supported relief for training professional development -

Mr VALENTINE - But they still have to organise the applied learning activities that students would undertake in that year 9-10 area?

Mr ROCKLIFF - You have seen an example of how career education would work in terms of -

Mr VALENTINE - But that's an example, isn't it? Someone has to organise that fellow to go to Nyrstar.

Mr ROCKLIFF - That's right. I mentioned before there are three managers around the state who have been appointed in each region working directly with schools on the implementation of the My Education program.

Mr VALENTINE - Three FTEs?

Mr ROCKLIFF - Of course. There are a lot of high schools participating in the career education program and it is worth noting just one. At Montrose Bay High School, for example, students in year 10 undertake a lesson each week during homeroom time to develop work readiness skills for their career planning. The school has introduced a growth mindset program to assist in raising aspirations amongst the student body. During term 3 the school provides students with a week-long careers and life planning conference to be conducted at the school with support from industry and further education partners. It is during the career conference that students will finalise the transition profiles -

Mr VALENTINE - But someone has to organise those things.

Mr ROCKLIFF - The managers will be doing that. The school provides a diverse offering of guest speakers and excursions for careers awareness. Year 10 students will take part in two

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orientation days at Claremont College. Year 10 teachers have attended briefings on course and subjects at Claremont College and completing a careers and life plan is one of the school requirements for its year graduation certificate.

Mr VALENTINE - The pathway planners used to do it, so who is doing it now? How many pathway planners were there? You tell me. I do not know how many there were.

Mr ROCKLIFF - The Guaranteeing Futures team had, I think, 45 pathway planners.

Mr VALENTINE - So there are only three people who are going to be doing it now but 62 were doing it before?

Mr ROCKLIFF - All schools have senior staff who would work with the managers of My Education around the state to assist the teachers in effectively what will be teaching the curriculum.

CHAIR - So it is another job for senior staff?

Mr ROCKLIFF - It is part of the curriculum. This will be for all students, I hasten to add, not just year 10, but all students will be participating in the program.

CHAIR - That does not make it better, it makes it worse because a lot of teachers are teaching a number of years, not necessarily just doing year 10.

Mr ROCKLIFF - Teachers are very competent and professional in what they do and their job is to teach the Australian curriculum and the My Education career education program is part of the Australian curriculum.

Ms RATTRAY - In relation to school health nurses there are supposed to be 10 by July 2015. In which schools? Then there will be potentially 20 positions by 2017. I am happy to take on notice a list of schools.

Mr ROCKLIFF - It is an exciting initiative and one I am pleased to be able to implement as Minister for Education given that I floated the policy as shadow minister for health -

Ms RATTRAY - Just the numbers, minister.

Mr ROCKLIFF - The program will employ 20 full-time equivalent nurses by July 2017-18 and each nurse will be allocated a number of schools within their region. The program will support schools and communities to create a physical and social environment that promotes health, wellbeing and a culture of lifelong learning. The core focus of the School Health Nurse Program is prevention, early detection and health promotion. It is a very contemporary model that will deal with the very complex issues that are presenting with our youth, particularly around anxiety, drugs and alcohol, and the like.

The primary school nurses will focus on kindergarten assessments - hearing and vision screening; developmental checks; local, state and national health promotion initiatives; targeted screening and health education in line with the Australian curriculum. Secondary schools will focus on health education in line with the Australian curriculum, including sexual health and

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healthy relationships; mental health and wellbeing; body image; nutrition; local, state and national health promotion initiatives; targeted screening and positive parenting programs.

Ms RATTRAY - Schools, minister - for the first 10, please. That is all.

Mr ROCKLIFF - They will be based at Child and Family Centres. With Burnie, for example, the school nurse will be based at the Burnie Child and Family Centre and work with Havenview Primary School.

Ms RATTRAY - I am happy for the minister to table that.

CHAIR - Could you table that list, minister, please?

Mr ROCKLIFF - I can provide a list for you.

Ms RATTRAY - That would be good.

Mr ROCKLIFF - We will not table this particular document, if that is okay. We can take that on notice.

CHAIR - I have two questions on notice. One is the average class sizes, compared to last year. You gave us last year a figure of average class sizes. My second question is, can we have the average daily absences for years 7-10? Again, you gave them to us last year. I would like to compare figures.

Mr ROCKLIFF - We can provide that information.

CHAIR - Are there any other questions on notice? We have one minute left.

Mr FINCH - It is about the TQA. I know we are dealing with a bit of history there. I had some queries from people who were supporters of the TQA. As you know minister, I was not a supporter of retaining the TQA but I have been asked to ask some questions. The abolition of the TQA was somewhat controversial. Time will no doubt tell if it was the right move. Has the department sought external advice in relation to integrating or otherwise interfacing the data management systems of the DOE and the TQA? Would you like to take these on notice?

Mr PETTIT - I can answer that now. The answer is 'yes'.

Mr FINCH - Right, okay. What has been the cost to date of the provision of that advice?

Mr ROCKLIFF - We will take that on notice.

Mr FINCH - Okay. Is it the case that the minister is the line manager of the executive officer of the TASQ?

Mr PETTIT - Overall, it is the minister. However, the day-to-day management rests with the secretary. It is the same with every statutory office.

Mr FINCH - Has the design of the position and the reporting relationship of the executive officer been reviewed by an appropriate human resources professional?

Mr ROCKLIFF - Yes.

Mr FINCH - If so, what was their advice in relation to the minister's capacity to exercise duty of care for the executive officer, given that this position can be expected to require close support as at times it will be very stressful, with high workloads, stakeholder conflict and very tight timelines for decisions?

[4.00 p.m.]

Mr PETTIT - It is exactly the same for every statutory office. The conditions are all the same, so there is support and the minister will ask his department to provide that level of support if it is required. We are talking about a very high-level operational person in this position and they would given every support needed, just as it would in any other statutory office.

Mr VALENTINE - This a broad question about whether teachers will be supported in any extra way in this coming year compared to last year to do their work. Teachers on the ground across the spectrum of teaching.

Mr ROCKLIFF - Absolutely, they will be supported.

Mr VALENTINE - Are they going to be supported more than they are this year?

Mr ROCKLIFF - In terms of pastoral care?

Mr VALENTINE - In terms of doing their job.

Mr ROCKLIFF - In terms of professional and workforce development, the answer to that would be 'yes'. We are investing \$4.2 million into a workforce development initiative which is about upskilling our teachers. This is an issue around teacher assistants, our principal leaders, our business managers at schools, and our graduates. There was a particular focus on maths and science. That is where we need to invest in some of the upskill, so we can have more maths and science teachers. In terms of a professional development sense, yes there will be more support.

Mr VALENTINE - On the ground, every day is there extra support being provided? For example, for kids with disabilities in the classroom and those sorts of things across the spectrum of teachers.

CHAIR - The minister has given us a whole range of things.

Mr ROCKLIFF - I point to my answer of the Gonski funding. There is an additional \$21 million all going through the school gate.

Mr VALENTINE - Is that with extra teachers?

Mr ROCKLIFF - Of course, there will be extra teachers for the Learning in Families Together program. Of that \$5 million initiative there will be around 80 schools of the greatest need as identified with the Fairer Funding model.

Ms RATTRAY - We let go so many of those teachers. What are we doing?

CHAIR - We are getting more money from the Feds for Gonski you see.

Mr VALENTINE - If I could just hear the answer, please.

Mr ROCKLIFF - If I can highlight the fact that we had to make some difficult decisions. We took an approach where we had to reduce teacher resources right across all schools and colleges - a maximum of two FTEs for high schools and primary schools and a maximum of four FTEs for colleges.

CHAIR - That is interesting because you have done the same for colleges as large colleges. It has to affect a small college more to lose four than it affects a large college.

Mr ROCKLIFF - That depends on enrolments; it is all based on enrolments. Not every high school lost two FTEs. If you had a primary school of 58 kids, you lost a 0.2 of a teacher, as an example. We have got the Budget under control; we have done the heavy lifting; we have consolidated the education Budget. There is no more of this boom-bust cycle that education has been experiencing over a long period of time. Now we are investing along the areas of the true Gonski principles; in other words, with further funding of the two.

Mr VALENTINE - Need versus -

Mr ROCKLIFF - That is what Gonski said, 'Invest in the areas of need'. We will never lift education in Tasmania unless we invest in the areas and the schools of Tasmania of the greatest need and disadvantage. That is what we are committed to; that is where the LIFT model will be applied. The \$11 million I spoke of before is being worked out and modelled through the Department of Education for the commencement of the 2016 year. There will be two adjustments to school resource packages. One addressing the imbalance of sectoral weightings, particular in school leadership, and further refinement to the Fairer Funding model staff allocations according to need. In addition to that, approximately \$4 million extra to the Fairer Funding component of the schools resource package in schools where it is needed most. Yes, there will be greater support in schools.

Mr VALENTINE - Does that include kids coming in without English?

Mr ROCKLIFF - English as an additional language. Once again, on need. There has been no reduction in funding in that area. I went to Invermay Primary School the other day where it is a very valued part of the resource.

Mr DEAN - It has been suggested the morale of teachers is down. My question is on the amount of sick leave taken by teachers in public schools around the state. If you could give me those figures and the number on stress leave, and the comparison with the previous year. I think that is an indication of whether or not they are. I do not agree they are but I am saying -

Mr ROCKLIFF - I have some figures. The short answer is that it has gone down.

CHAIR - Sick leave has gone down.

Mr ROCKLIFF - There has been a decrease. We will get sick leave for you, but there has been a decrease in the total number of workers compensation claims. There were 503 as at 31 March 2014. That has decreased to 481 as of 31 March 2015. This also builds on a decrease for

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previous years, 2013. An overall decrease from 2013 to 2014 and the two-year period, overall decrease of 66.

In percentage terms, there has been a 4 per cent decrease in the total number of workers compensation claims in the 12 months to March 2014-15 and a decrease of 12 per cent in the previous two years. Overall, a total of 62 stress claims were lodged. Claims lodged by educational facility attendants, clerical staff and teachers have all decreased. Of most importance and significance is the number of staff who are back at work and remain at work following a stress claim and as of 31 March 2015, out of the total number of 62 stress claims, 64 per cent of staff were back at work; 16 per cent had returned to work on a return to work rehabilitation plan; and 11 per cent were incapacitated, unable to come back to work. The five remaining claims were claimed.

CHAIR - Sick leave. We will take that on notice.

Mr DEAN - The other one was violence - student on student. My advice is, wrong or not, that violence, female on female, is an emerging factor. If you could give me any statistics you might have. I want to know the figures on suspensions, whether they are going up or down. More importantly, where a principal requires a parent to come and remove a child from school and to keep that child at home for two to three days, what is that classified as? Last year I was told it was not happening and very clearly it is happening. I could give examples if I had to.

Mr ROCKLIFF - The proportion of students suspended continues a trend down from 5.4 per cent recorded in 2010, to 4.6 per cent in 2014. In 2014 the three most common reasons given for suspensions were physical abuse and harassment, disobedience of instructions which regulate the conduct of students, and verbal abuse and harassment. In January 2014 the department released a Respectful Behaviour resource to support school leaders and teachers to develop and maintain a whole school approach to respectable behaviour. There is one component of Respectful School and Workplaces Framework that establishes behavioural expectations for students. A student support system is used by all government schools to record information regarding students' behaviour and support needs -

CHAIR - Minister, do you have numbers for end of March 2015?

Mr ROCKLIFF - I will take those on notice. In all cases of unacceptable student behaviour, schools work with parents and students to ensure disciplinary sanctions are used as an absolute last resort. Also, we are encouraging respectful schools through the Respectful Schools Framework but I have changed the minister's award - it was previously a Think, Go Back local award under Mr McKim, and now under myself it is the Respectful Student award.

Mr DEAN - The other one is drugs and ice in schools. Is there any evidence of that, is that an emerging problem, and the other is domestic violence. Is that impacting on the students in schools? It is a very important matter.

Mr ROCKLIFF - Family violence is an issue that is whole of government responsibility. It is being lead by the Premier and every department, including the Education department, with me as minister, are taking our responsibilities seriously in developing a family violence -

Mr DEAN - The question is, is there evidence of that impacting on students in schools? Is domestic violence coming into the schools in any way?

Mr ROCKLIFF - Students present with various concerns and we do not know, always, exactly what the reasons behind that. Colin might like to add information?

Mr PETTIT - To answer your question, any domestic violence cannot be tolerated and we all need as a community to work on that. The department are working across the agencies to support that. There is no evidence we have that it has gone up or down. However, we do not have a mechanism to delineate whether it is caused through domestic violence or other issues.

Mr FINCH - The Auditor-General's report recently identified strong to moderate cases for closure for 17 public primary schools. Minister, you may have released a statement in respect of that -

Mr ROCKLIFF - I did.

Mr FINCH - What communication are you having with parents of those schools to perhaps allay fears, or to communicate to the schools, about developments from the Department of Education?

Mr ROCKLIFF - The Auditor-General tabled the report.

CHAIR - You have come out clearly and said there will be no forced school closures.

Mr ROCKLIFF - Yes that is right. The Auditor-General made the report, it was independent of Government. We took a policy to the last election which we are standing by, with no forced school closures. I have communicated with the school principals on the day of the report and school associations. Each school principal had contact with my office on that day to assure the school communities and allay any concerns they may have had. As I receive feedback and questions from parents from particular schools that might feel vulnerable, I am responding to those either by email or verbally.

CHAIR - You have money in the Budget, so that if there are schools that want to consider -

Mr ROCKLIFF - Yes, I think in the school transition fund there is around \$450 000 remaining to support schools that want to have the conversation. Meander Primary School is an example of that last year, Mr Finch, which closed. That was a school community decision. I commend the Tasmanian Association of State Schools Organisation for taking a role in that in independently facilitating that process. The school was supported by the Department of Education as they were informing themselves on the decision. It is about what is best for the students. School communities will make those decisions depending on the level of enrolments and the like.

The committee suspended from 4.15 p.m. to 4.28 p.m.

1.2 School support services -

Ms RATTRAY - I would be pleased to ask a question about the chaplaincy program. That was very successful in our school before the fiasco of the end of last year and the beginning of

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this year. Have you put together a way of funding chaplains across the schools that existed prior to last year's change in the structure of support for the chaplains in schools program?

Mr ROCKLIFF - I presume the fiasco you are talking about is the reduction in federal funding for it, and not anything the state government has done; it is a federal government program. In 2015 the department began to administer the state's allocation of the Federal Governments National Schools Chaplaincy Program. Prior to this, funds were paid directly from the Commonwealth to chaplaincy service providers under the former National School Chaplaincy and School Welfare Program.

[4.30 p.m.]

Tasmania will receive approximately \$2.1 million per annum over four years under the agreement with the Australian Government. The funding received includes funds for the Tasmanian Catholic Education Office and Independent Schools Tasmania to support the provision of chaplaincy services in non-government schools for the defined funding period 2014-15 to 2017-18. Eighty-nine government schools have been allocated chaplaincy funding. By a tendering process, the department has contracted three organisations to provide chaplaincy services to government schools: Scripture Union of Tasmania, Hobart Mission and Devonport Chaplaincy Incorporated.

Under the Australian Government's former program, Tasmanian schools received approximately \$2.5 million per annum between 2012 and 2014. As such, the new chaplaincy program has seen Tasmanian school chaplaincy funding reduced by approximately \$370 000 per annum.

The department, given the late notice and the reduced funding, did the best possible to allocate those resources amongst the 89 schools. That is disappointing. As I said before, the chaplaincy funding has decreased. I understand, as I believe you do, Ms Rattray, that I visit schools where chaplains are valued, where schools raise funds and have casual clothes days and other things to support the chaplaincy program. I understand its value in schools; that is the feedback I have. I am actually disappointed as well. In addition to my disappointment at the reduction in funding, I am also disappointed that the program does not fund secular workers in schools.

I have expressed that to the federal minister; I have lobbied the federal minister to ensure it did include secular workers. Unfortunately, there was a reduction of around 14. There were 14 secular workers in the program last round and, unfortunately, that is not possible.

Ms RATTRAY - There was, I believe, an undertaking that it would be re-assessed at the end of this year. Is that going to happen?

Mr ROCKLIFF - There is evaluation going on with the chaplaincy program. We will be informed by that evaluation and if there are better ways of -

Ms RATTRAY - Of distributing those funds fairly and equitably across schools. Will that happen?

Mr ROCKLIFF - That remains to be seen. Federal Government funding, as you know, has just decreased.

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Ms RATTRAY - But your department were the ones that allocated the funds. Is that not correct?

Mr ROCKLIFF - That is correct, based on a tendering process. Unfortunately, we had the pie; the pie became smaller and therefore we went through a process where the funds were allocated based on a range of criteria.

Ms RATTRAY - I understand all of that; I am looking for a commitment that the current structure will be re-assessed at the end of this year so that funds can be more fairly distributed and some of those schools that are missing out now but previously had chaplains in place, are actually able to re-instate them. That is what I am looking for.

Mr ROCKLIFF - Of course, by doing that, you are taking away from some schools.

Ms RATTRAY - Not necessarily. Instead of having two or three days in one school, everyone gets at least one day. You do not necessarily have to take away the position; you just potentially have to spread it across more schools. I could help, minister.

Mr ROCKLIFF - I am sure you can, and we have had long discussions around issues in the north-east. I wish there was a better way in terms of more funding but we need to follow the guidelines presented to us. We did not make up the guidelines; they were presented to us along with the decrease in funding. The evaluation will inform us, Ms Rattray, and we will have the discussion next year at budget Estimates about how that evaluation went.

Ms RATTRAY - No, we need to have it before then, minister.

Mr ROCKLIFF - The evaluation will take place this year. We will then see what we can do.

Mrs ARMITAGE - Minister, you and Minister Ferguson received a letter on 17 April from Life Education from Cheryl Wood, that said:

Minister, we are aware that Tasmanian schools are working very hard to ensure every Tasmanian child is safe and shows individual growth as is every other school in Australia. However, schools and teachers cannot be subject matter experts -

It goes on and talks about the Ice Taskforce -

Life Education is actively seeking participation on the Ice Taskforce and we feel optimistic that during the many years we have been serving the community that we would be involved.

Based on the attached article, which was to do with ice and the scourge in Australia and Tasmania, I urge you to please consider supporting the relaunch of Life Education in Tasmania with funding from the coming Budget. I urge you to please support our submission from December -

It goes on about how important it is to teach children, particularly, about drugs.

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CHAIR - Your question is?

Mrs ARMITAGE - Minister, what was your response to Life Education, to this letter? Will reconsider perhaps somehow finding some money to give to Life Education, considering that the Premier has put money in to trying to take the other end, people who are already affected by ice to help them to recover? If we put some money into Life Education, we can educate children at school not to go down that path in the beginning. It is prevention, which I think the Government has been all about, particularly with preventative health and other issues.

Mr ROCKLIFF - We consider any requests. There is not a budget allocation this year.

Mrs ARMITAGE - Do you see it as important, though?

Mr ROCKLIFF - I have met with Life Education. In fact, the member for Rosevears, Mr Finch, organised a meeting between myself and Life Education approximately 12 months ago. I understand the value of the program and I understand your advocacy too, Mrs Armitage. Life Education has demonstrated it does a really good job. Unfortunately we do not have the money in this year's Budget.

Mrs ARMITAGE - I think we heard that last year when we brought it up.

Mr ROCKLIFF - You might have done. We are investing back in schools, directly to schools, but there is some work being done. The department has met with Life Education. Mr Pettit might like to speak.

Mr PETTIT - Thank you, minister. Obviously ice is not the only thing that Life Education generally -

Mrs ARMITAGE - Absolutely.

Mr PETTIT - It deals more broadly than drugs. We take a very dim view, like every education system, about drugs in the community. It is high on our agenda. We have met with Life Education, as the minister has said. We have offered to support it through the Professional Learning Institute so that it can at least promote its information. We have also looked at ways that it can deliver through Professional Learning Institute as a broker, so we are supporting it to do that.

Mrs ARMITAGE - There is no possibility at this time of any funding? I wonder whether perhaps minister Rockliff might be able to speak to the Premier, combined with finding some funding to work at the other end, particularly with the ice scourge.

Mr ROCKLIFF - Yes, I can speak with the Premier. I speak to him every day.

CHAIR - You will raise this issue with him?

Mr FINCH - I have alerted the minister to the fact that Life Education is sending a report in that hopefully will be shared with you, Mr Pettit.

Mr DEAN - What are the staffing levels in Education Performance Services and in Learning Services? And the number of teachers in those areas?

Mr ROCKLIFF - We can get that on notice for you.

CHAIR - Can you repeat that for Natasha, please?

Mr DEAN - The number of staff in Education Performance Services and in Learning Services, separately, and the number of teachers who occupy positions in both areas.

Mr ROCKLIFF - As time is pressing, we are happy to take those questions on notice.

Mr DEAN - A comparison with this year's and last year's figures. What are some of the initiatives and directions that came out of Learning Services? I am told, quite frankly, that it is a waste of time, that the principals are already doing lots of things, and they have their fingers on the pulse. I want to know what Learning Services has done to provide the services to the schools that it is required to provide. Some of the initiatives and some of the directions that have come.

Mr PETIT - Thank you, minister. Learning Services has been reduced from three to two as of last year's Budget. Its function has changed as a result of that; it is support services predominantly and support directly to schools and principals so it hosts the principal network leaders. The principal network leaders work in approximately 35 schools each from Learning Services. It also supports any initiative that comes from the centre into schools. As we rolled out good teaching documents or our data warehouse, it supports schools to implement those. Learning Services does not develop and drive programs itself.

Mr DEAN - We only have two.

Mr PETIT - There is one in Warrane, and that is in the south.

Mr DEAN - One person only?

Mr PETIT - No, one learning service. We will get you the staffing level for that; it has everything south of Oatlands. One has multiple office spaces - small offices in Launceston, Burnie and Devonport.

Mr ROCKLIFF - You might have met Trudy Pearce who is the new Learning Services manager in the north; she is based on the north-west but covers the whole lot. Most other members know Judy Travers.

Mr DEAN - I have met the previous person. He came out of Rocherlea Primary School and was there for a short time. How is the teacher assessment done? I think Learning Services has a part. Assessing the teachers themselves?

Mr PETIT - Every teacher is required, just as every state servant is required, to have a professional development program, a PDP. That is done through their principal or line-managed through their system principal, depending on the size of the school. Every teacher has that.

Mr DEAN - How many teachers have been required to go back through special training or take on educational courses to update themselves to ensure that they are of the quality necessary of teaching in the classroom?

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Mr PETIT - Through you, minister. Every teacher is invited on a range of levels to professional learning throughout the course of the year. Some of them are required, and every teacher attends those; for example, we required a year 10 teacher to come to my education training. We have required a teacher of literacy from the school to come and do literacy training. Some of those requirements are met through the Professional Learning Institute; an array of professional learning is available to all staff. Every school has a budget and every school is invited to send people. We have had record numbers of teachers going through the PLI this year.

CHAIR - The schools have that as part of their budget? They actually have some money to do that?

Mr PETIT - They have money for the relief, and also to make sure teachers can get to a manager.

Mr VALENTINE - With respect to ICT services, how are they organised these days across all the schools? Does each school have its own?

Mr ROCKLIFF - Yes, we have remodelled ICT services. It is an improved model and it has a greater help desk capacity, which is working well.

Mr PETTIT - There was a slight reduction, as you know, from the last year's Budget. However, the report is that we have fewer trainees this year, which indicates that the schools are happy with where they are. In fact the service provided has been well received by schools. We would always like more, but the service is doing a very good job.

Mr VALENTINE - What level is it; do you have one per so many schools? One support person per how many?

Mr PETTIT - We have a hot desk that has approximately half a dozen people on it and they continue to provide service. Then every school has an allocation, subject to the size of the school.

Mr VALENTINE - If it is a high school like Cosgrove, what sort of services would they get from that?

Mr PETTIT - I would have to take that on notice but it is normally two to three days.

Mr VALENTINE - Just generally.

Mr PETTIT - Approximately two to three days of service, but it varies according to number of enrolments, number of machines, need.

Mr VALENTINE - And need, thank you.

Mr FINCH - I am very interested to hear and read about the autism special unit that has been established at Lindisfarne North Primary School. I know that this is a pilot program and one FTE has been provided for three years. However, are there any plans at this stage, or do you have a crystal ball that might suggest that there will be one set up in the north at some time?

Mr ROCKLIFF - I do not have a crystal ball unfortunately, however, I will be very keen to see how the unit progresses. It currently has five students. The prevalence of autism spectrum

disorder has increased quite dramatically, and the numbers of young people in our schools with a diagnosis is greater now than it has ever been before, as you would know.

We are committed to piloting the autism specific unit, which is attached to the Lindisfarne North Primary School on the nearly refurbished Geilston Bay site. It is going to provide young people with the best opportunities to learn and reach their full potential while still allowing them to be included in the mainstream school environment.

With respect to the north, in term 2 the number is now five, with other students being considered through a consultation process with families. The capacity of the satellite unit is expected to be between eight and 10 students for this type of unit. Like with everything we do in Education, with every new initiative, at present we are evaluating. When that data is in, then we will make decisions about other locations around the state.

Mr VALENTINE - What is the relationship with Ashley? How is education worked through and supported in Ashley? Can you just give us an understanding of that?

Mr ROCKLIFF - We can, in fact I visited Ashley school about six or seven months ago, and I was very impressed with the principal.

Mr VALENTINE - He was impressed with the fact that you visited?

Mr ROCKLIFF - No, I was impressed with him. He has what I thought was very infectious enthusiasm. Ashley operates 49 school weeks per year, all students have access to a full-time equivalent education. Australian curriculum subjects taught by Department of Education teachers are English, Mathematics, Health and Physical Education, Design and Technologies - wood and metal shop, strands 1 and 2 to foundation to year 8, Engineering Principles, Civics and Citizenship. There are other individualised programs as well. Currently four students have undertaken theoretical and practical work experience, either on-site or off-site. Currently one student is undertaking an off-site Rural Skills training course for eight weeks. Another student is currently undertaking five pre-tertiary subjects via flexible education at Newstead College. In terms of senior secondary TCE, identified subjects are under the auspices of Newstead College. TASC authorisation to conduct exams on site are to be negotiated again in 2015. The school is in the development stage; it supports students gaining their TCE. In terms of online learning, specific work site training cards - for example, responsible serving of alcohol, industry white card, working at height, responsible gambling and car or bike learner driver licence, barista courses et cetera. There is great education happening at Ashley. There is currently an enrolment of 31 students.

CHAIR - No, that is not right. There are not 31 students at Ashley.

Mr ROCKLIFF - There are 31 enrolments as at 8 May. Ashley scores 31 enrolments including three females.

Mr VALENTINE - We were told there are only eight people there and a maximum of 30.

CHAIR - Obviously they are multiple enrolments from the same people.

Mr VALENTINE - Different courses perhaps for the same people.

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Mr ROCKLIFF - Yes, the school population remains lower than in recent years. It is envisaged with the implementation of mandatory sentencing as well as bail and an increase in offences, they could rise but we will have the resources for that. It is working well. I am very pleased with the enthusiasm of the school principal.

Mr PETTIT - He is terrific and the school is doing well.

Mr VALENTINE - Is that principal based there full-time?

Mr DEAN - Who is it now?

Mr PETTIT - Shane.

Mr DEAN - Shane is still there?

Mr PETTIT - Yes.

Mr VALENTINE - When you say a principal, how many teachers are on site at any one time, or does that vary depending on workload? How does that operate at Ashley?

CHAIR - We are aware that it is costing \$1 million per inmate a year at Ashley. They ought to be able to get a good education.

Mr ROCKLIFF - The school is all run by the Department of Education.

Mr VALENTINE - I have my answer.

Mr ROCKLIFF - I have some information on the staff there if you would like.

Mr VALENTINE - If you could table that.

Mr ROCKLIFF - There are two full-time equivalents, a principal and a school business manager.

CHAIR - A school business manager?

Mr ROCKLIFF - A principal and school business manager.

CHAIR - A full-time principal and a full-time school business manager?

Mr ROCKLIFF - Correct, four base-grade teachers.

CHAIR - And two FTEs?

Mr ROCKLIFF - Two teacher assistants.

Mr DEAN - This is more teachers than students.

Mr ROCKLIFF - And facility attendants. It runs 49 weeks of the year.

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Mr VALENTINE - Do they have extra people -

Mr ROCKLIFF - It is 49 weeks as opposed to normal schools which have 42 weeks.

Mr VALENTINE - Do they travel out with the student when they go to an external site for some teaching? Are they the bodies that go with that student or is that some other staff member?

Ms BANKS - It depends on the program.

Mr VALENTINE - And the individual perhaps?

Ms BANKS - Yes, both of those things.

Mr DEAN - I have a question on Ashley. Have we looked at another system for educating these students in Ashley? We are currently told there are eight there. Now it seems like we have almost as many teachers as we have students. Is there not some other way - we already have some going out on placements anyway and most of these kids will, under supervision, do the right thing. Some do not, of course, but that is the same with kids in classes now anyway. Have you looked at another system of educating these students? In other words, conveying them to a school with the extra teachers or whatever.

Mr ROCKLIFF - Firstly, the resourcing at the Ashley school is extremely important. These kids have had various trauma in their lives and so require more intensive support and we have to give them the best possible opportunity of a good life and an education, good outcomes.

CHAIR - We are not arguing with that.

Mr ROCKLIFF - It is so they do not repeat offences so I make no apologies for resourcing the school effectively.

Ms BANKS - We do try a range of additional supports for the students at Ashley. You would be aware that the significant change is because students do not come and go as frequently anymore because of the change to the court system and the remand system. That means that the population there is more stable and that gives us an opportunity to think about working in a different way. Up until now, we had not been able to do that. However, we have exit programs for students so that they are exactly as you describe, Mr Dean, closely supported to re-enter into our schooling system. We have liaison officers who work with the courts to help support the students at that time.

CHAIR - Are they from the Ashley staff or are they in addition?

Ms BANKS - In addition, one in the south, and the service is provided slightly differently in the north but works closely with the courts.

Mr VALENTINE - Is that reflective with the one-on-one needed, the way the teaching system works there?

CHAIR - That is extra, this is on top of.

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Mr VALENTINE - I am talking about their teaching in general, that because of the type of student difficulties or whatever, one-on-ones are needed. Is that what it is?

Ms BANKS - It is not one on one but it does reflect very small class sizes and some of the issues that can easily occur in the school. Health and safety is prime in the way it is structured.

Mr DEAN - Must they attend class?

Ms BANKS - Whether they attend class or not depends on their behaviour inside Ashley, not inside the school in most cases.

Mr DEAN - Educational Performance Services has a responsibility here in relation to the national benchmark in the literacy and numeracy NAPLAN testing. NAPLAN was done three or four weeks ago and the results will not be known until towards the end of this year, which is of little value to the students who have been a part of NAPLAN because they have just about finished their school year and will move into a higher class next year. A number of teachers who have spoken to me about it have said that the timing is wrong for it to be done and have asked why it is so long before the results are known.

Mr ROCKLIFF - There is value in NAPLAN. There was debate about NAPLAN but it is good to have national benchmarks and there is discussion in the community about that. That is the measure and it is good to be able to measure it and we are making improvement in our results. I presented 153 certificates to students recently in the south of Tasmania who did their NAPLAN results last year. The answer to your question is likely to be addressed when we move to NAPLAN online in 2019. The Federal Government will be funding that which means we will get those results a lot sooner but it requires some work to make sure our schools are ready for that infrastructure- and IT-wise and that will be a staged implementation. Ministers around the country signed off on NAPLAN online a number of months ago but we have to work with the Federal Government to make sure -

CHAIR - NAPLAN results travel with a student, don't they? That is the whole point about things like that, so that next year their education is going to be informed by their result.

Mr ROCKLIFF - Exactly. NAPLAN results would go into EDI and students starting -

CHAIR - And they're done at years 3, 5 and 7?

Mr ROCKLIFF - Yes, years 3, 5, 7 and 9. For students who are now in grade 3, by the time they get to grade 10 they will have four sets of NAPLAN results. That is the value of eddi because if the results go down and there is a marked result, maybe there is a reason for that and you can look at issues around -

Mr DEAN - The results are transportable, I have no problem with that; they move across with them next year and so on, and the teachers are saying it is a good thing and they support it but they are saying it would be better if it was done earlier or if the results were known much earlier because they can then spend more time with those students who are having difficulty for the rest of that year rather than having to pick it up again in a higher grade next year.

CHAIR - I think the minister is saying that is what they are working towards.

[5.00 p.m.]

Mr PETTIT - Exactly. Teachers have been calling for this for a while and we have been pushing to move that forward. It is not as easy as just creating a test so that is creating some problems about getting a test that can be done by a couple of hundred thousand students within a couple of weeks without crashing systems. That is why bandwidth is important in getting our schools ready and that is what we are working on, through the minister, over the next two or three years so that by 2019 we will be ready. We are trialling in a number of schools now some of the NAPLAN testing but even then the results are not coming back as quickly as we had hoped and so all of those issues are being worked through.

CHAIR - Earlier in the week with one of the other ministers we talked about the costs of sport participation at schools and they said to ask Minister Rockliff.

Mr ROCKLIFF - We might have to take that on notice.

Mr PETTIT - We do provide some support for schools, particularly for students with difficulties, so that they can -

CHAIR - With disabilities?

Mr PETTIT - No, with payment difficulties.

CHAIR - Okay, what kind of costs are there for sport in schools?

Mr PETTIT - Sport in schools is to support communities develop some sporting activity for students, but by and large it is not something that schools get involved in a big way.

CHAIR - We were told that Active after School is finishing and we are now going to have a different system.

Mr PETTIT - Active after School is the new sports program that all schools are available for. We will get that for you. All schools can apply for that. It is a Commonwealth grant and about 50 of our schools have taken that up.

Ms RATTRAY - Minister, I read on social media this morning that there is a plan to have no first, second or third places in any school activities when it comes to sport in the future. Is that something you have addressed your mind to or support?

Mr ROCKLIFF - It is not a directive from the department, no.

Ms RATTRAY - Would you expect a school would need to have open consultation around something like that before they put that in place?

Mr ROCKLIFF - I would expect so. No first, second or third place?

Ms RATTRAY - So every child wins a prize.

Mr ROCKLIFF - I have some personal experience in this matter. I remember the inter-school sports when I was at Sassafras Primary School and all the kids got involved and there was Preston, Sprent, Moriarty and Wesley Vale and all the schools around. All the kids were really

enthusiastic and throughout the school day there up on the board was 99 point Sassafras, 70 Wesley Vale. I remember the year when they said they were not scoring anymore, not having points, and the enthusiasm of all the kids dropped completely off. While it would be a school community decision it would not be a decision I would encourage.

Ms RATTRAY - Some would say children need to know that they cannot always come first and they won't always come last.

1.3 Early learning -

Mrs ARMITAGE - Minister, last month the chairwoman of the Early Years Foundation, Elizabeth Daly, called for vocational and educational training programs for young mothers in the early years of their child's life. Ms Daly suggested these could be delivered at places such as Child and Family Centres and the aim would be to give support for the young mums to complete their education and improve their own prospects. Would you comment on whether this could be something that the Government pursues and what support is there currently in the early years budget for this kind of initiative?

Mr ROCKLIFF - Our office has a lot of interaction with Elizabeth Daly and I respect her very much, and her ideas. Some of those programs you referred to are happening in some of the child and family centres, not exactly perhaps but similar programs. We are very committed to investing in child and family centres. I spoke to Dr Sue Jenkins last night after the Hot House Forum and alerted her that I was quoting her in Parliament and in the Estimates about the resourcing of our child and family centres. We are undergoing a review because what Dr. Jenkins had said was that the CFC are fantastic and there are in key areas around Tasmania. They were very well designed for that and areas of particular need, but there were was a risk of burnout of the staff. That evaluation concerned me. As a result I have asked the department to review the staffing allocation with the aim to ensure there is increased resource, if possible, to avoid a burnout of staff, given their increasing value to our community. I am pleased with that and an evaluation is done and the feedback comes in and response to the feedback. The CFCs are great. I commend the previous government for those initiatives, a good and worthy investment, but it had to be resourced effectively. What the previous government did not get quite right was the resourcing of them. The infrastructure is there. I was very pleased to open the last one in George Town where I extolled the virtues of the CFCs. If we can resource them more effectively and sustainably, we should do that.

Mrs ARMITAGE - Did they eventually all get rolled out?

Mr ROCKLIFF - The previous government committed to over 30. We have 13, including the two Aboriginal Child and Family Centres based at and Bridgewater and Geeveston. I have visited both centres. We have 13 of the 30 originally planned.

CHAIR - Is this Government planning to roll out more, or are we stopping at the 13?

Mr ROCKLIFF - Sustainability must come first. We must get the model right. I do not want to invest in infrastructure and not support it with human resource. That is what we are about. We will get the model right.

CHAIR - You have not made a decision not to?

Mr FINCH - You might at some stage consider coming to have a look at the first Child and Family Centre at Beaconsfield.

Mrs ARMITAGE - What percentage of the 2015-16 Budget is directed to help the Education and Care Unit undertake its role as a regulatory authority, given the current staff workload and the review of the National Quality Framework due for completion early to mid-2016 at COAG level? Will the Education Care Unit have sufficient staff to undertake its role with the proposed changes to the National Quality Framework? There are indicated changes to the National Quality Framework which will require additional monitoring of family day care schemes, in one area. These changes are supposed to occur sometime during 2016. The indications are that these changes may be implemented around July 2016. Will the forward Estimates for 2016-17 and 2017-18, be sufficient to help in this area? We will give you a copy of that one.

There is one that follows on from that regarding funds directed towards operating expenses and capital upgrades of services. What are the Government's targets and objectives? Has the Government identified any areas, such as the west coast, to help in providing and assisting the development of child care? I understand there is a pressing issue at Strahan, particularly for RACT and Tassal which are both major employers, as they employ predominantly female staff. Both of these major employers, as well as the community, has identified child care as a major issue.

Mr ROCKLIFF - We will take those questions and consider those questions on notice.

Ms RATTRAY - I have one in relation to the Learning in Families Together program. I am interested to know what is the difference between the Launching into Learning program. It looks to me like it is a duplication?

Mr ROCKLIFF - No, it is absolutely not a duplication. Launching into Learning is from zero to four and parental engagement. This is a program that will build on Launching into Learning, starting in kindergarten through to grade 2, so years four to eight in age.

Ms RATTRAY - What about the Students First funding, where does that fit into it?

Mr ROCKLIFF - Students First is the new name for Gonski funding.

CHAIR - That is right across the board?

Mr ROCKLIFF - That is right across the board. The LIFT program is an extension of our commitment to improving literacy and numeracy right across schooling. You would be aware of our 25 specialist literacy and numeracy in grade 7 and grade 9, the one-on-one learning in small groups, and the literacy specialists imparting their teaching knowledge to other teachers, is a commitment of ours. It is a further commitment into literacy and numeracy, investing in the early years, kindergarten to grade two, so they are very different, Launching into Learning and Learning in Families Together, but it builds on parental engagement with a particular focus on literacy and numeracy from years 4 to years 8 in age.

Ms RATTRAY - Wouldn't you implement a new program like that when you have all the ones that you have in place humming along nicely and all working properly? Are we being too ambitious?

Mr ROCKLIFF - No, we can never be too ambitious when it comes to improving literacy and numeracy in Tasmania. Never. I make no apologies for investing in literacy and numeracy. It is so important.

Ms RATTRAY - I am not sure how much learning a zero can have, other than your goo-ing and gah-ing at it, with all due respect. I have had four zeroes.

Mr ROCKLIFF - With all due respect, that is Launching into Learning, and parental engagement is so important, and investment in the early years pays off. The Launching into Learning program has been so welcomed by school communities and it is in every school. The LIFT program will be different because it will not be in every school. The LIFT program is likely to be in 80 schools across Tasmania and schools that will be identified in areas of the greatest need, so areas of disadvantage.

Mr FINCH - We heard it mentioned about Elizabeth Daly from the Early Years Foundation. That was abolished?

Mr ROCKLIFF - No.

Mr FINCH - Okay, we need some clarification on that because I was curious whether Launching into Learning and Early Years was a replacement for the Early Years Foundation.

CHAIR - Did you change your mind about that one?

Mr FINCH - What has happened, can you give us a report, minister?

Mr ROCKLIFF - In the current financial environment we have been committed to look at all our spending in all area, across boards and committees, et cetera. We previously announced that this would include introducing legislation into the House to wind up the Tasmanian Early Years Foundation. Although the board cost the Foundation only around \$8 000 per annum, the Foundation's ongoing reliance on government to fund its activities have been between half a million and a million dollars which means it is unsustainable in its present form.

CHAIR - They were also pretty good at getting grants.

Mr ROCKLIFF - When the foundation was established it was expected that it would gain significant funding from other sources, from grants and the like, business, to support the program and reduce its reliance on government funding. While the foundation has been successful in gaining a small number of such grants, the fact is that a statutory body of the Tasmanian Government is restricted in its capacity to attract significant donations from third parties. It is an issue with the way it is structured -

[5.15 p.m.]

Mr VALENTINE - Didn't they get \$260 000 or something, or was that in the previous year?

Mr ROCKLIFF - I will come to that in a moment. The way it was set up restricted its ability to attract significant funds. However, consultations on winding up the foundation have made it clear that the work of the foundation is obscured, although it is valued by the community in the Early Years sector. After a number of discussions with the chair of the foundation,

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Ms Elizabeth Daly, we have agreed to postpone the winding up of the foundation as a statutory body until the second half of 2016. This will allow time for the Government to work with the foundation and move it to a new structure that enables it to continue its work and better be able to attract those donations -

CHAIR - So if it were an incorporated not-for-profit organisation or something like that, it would be in a better position.

Mr ROCKLIFF - Yes, we are wanting to give it a new life, if you like; to recognise the valuable work that it does; the good work of Ms Daly; and to set it up so it can be sustainable.

Mr VALENTINE - With all the child and family centres you deal with, has there ever been any discussion with regard to public liability and how that might be lessened on these organisations - to bring public liability together as an offering for the organisations to come under as an umbrella?

Mr VALENTINE - They are not yours, I understand that.

Mr ROCKLIFF - They are ours; they are government. I think what you are referring to might be the Tasmanian Association for Community Houses?

Mr VALENTINE - No, that is all right. I am under a misimpression. I thought you had some but there were others which were private.

Mr ROCKLIFF - No, they are all government.

Mr VALENTINE - That is okay, so it is self-insured?

Mr ROCKLIFF - Yes.

1.4 Statutory offices -

Ms RATTRAY - Chair, we know this is the replacement for the TQA and I would have thought this committee and this House had done TQA to death. So this is the TASC, is that correct minister?

Mr ROCKLIFF - Yes, it is.

Ms RATTRAY - So obviously the TASC has only been in operation for five minutes, if at all, and so I do not see any questions at this point in time.

Mr ROCKLIFF - We have an acting executive officer at the moment -

CHAIR - Who is it?

Mr ROCKLIFF - Jenny Burgess.

Output group 2 LINC Tasmania

2.1 Information service and community learning -

Mr VALENTINE - Basically, the FTEs for this business for 2013-14 was 379. What is it for 2014-15?

Mr ROCKLIFF - Can we take that on notice?

Mr VALENTINE - Has there been a cut in any services across the state with regard to LINC and what it does?

Mr ROCKLIFF - There have been some savings measures that had to be applied to LINC.

Ms RAYNER - There has not been any reduction in the services at all. There has been some internal restructuring largely achieved through staff taking WRIPs and some changes in the way the organisation operates but there has been no reduction in services.

CHAIR - So no change in operating hours? Opening hours?

Ms RAYNER - No, there has not. There is a proposal to make some variations but that is largely because of concerns about staff working late at night. It is not to do a reduction in FTEs.

CHAIR - But you do have a reduction in FTEs?

Ms RAYNER - There has been a reduction in FTEs, yes.

CHAIR - Did we say we would take FTEs on notice?

Ms RAYNER - Yes.

Mr VALENTINE - The number of people with a library card across Tasmania. Can you give me that?

Ms RAYNER - It is approximately 125 000 but I can certainly provide the details on notice.

Mr VALENTINE - So it is around 125 000. That will be fine; unless it is widely different you can let us know. With respect to the in-person visits, I notice they are up by 4.24 per cent between 2012-13 and 2013-14, and the visits to LINC online are actually down by 7 per cent. That is fascinating. Do you think in this day and age that visits online would be spiralling up and visits through the door would actually be down?

Ms RAYNER - It is actually a result of the change in the way the numbers are counted through the online access. We use something called Google Analytics and in 2013-14 year, they made some change in the way they actually measured access to online sites. It is just one of those unfortunate variations.

Mr VALENTINE - The number of items borrowed is down by 2.83 per cent between those two years, 2012-13 and 2013-14. Obviously, you cannot give us this year yet. That is down by 2.83 per cent. I am not quite sure how that has trended from previous years. Do you have any understanding there?

Ms RAYNER - There has been a slow but steady decline in borrowing.

Mr VALENTINE - To do with the digital world, do you think?

CHAIR - Is it in borrowing books?

Ms RAYNER - Yes. We do have a number of electronic alternatives which are increasing in usage, but overall the number of borrowings are reducing slowly.

Mr VALENTINE -In work and life skills program enrolments, they are down by 13 per cent; Adult Education program enrolments are down by 55 per cent. Do you have any feel for why that is, on both of those counts? I mean 13 per cent is not huge, but it is significant.

Ms RAYNER - In relation to the work and life skills program, it is still relatively new in our organisation and there are some variations across the state which we are attempting to address. Overall this year the trends are showing an increase again. That seems to be a well-established program. The Adult Education figures have, of course, been in decline for quite some time. The largest decrease came at the time the program moved to cost recovery. However, we are continuing to deliver a number of courses.

Mr DEAN - Just on that point, the target set for this year in Adult Education programs was set at 4 000 or thereabouts. Where are we tracking with them?

Ms RAYNER - For this year, I think the figure is about 850 enrolments.

Mr DEAN - This has been raised - the Adult Education side of things, minister. What are the long-term plans? The numbers are dropping off. The exception is the School for Seniors, which has a wonderful enrolment and is doing some wonderful things, particularly in Launceston. I guess the same would apply in Hobart - I would be very surprised if it were not - and probably on the north-west coast, if there is a School for Seniors there.

Mr ROCKLIFF - Community learning in LINC Tasmania has two program streams, as Ms Rayner has identified - Work and Life Skills and Leisure and Lifestyle, which were previously marketed through Learning Express, now Adult Education. The Work and Lifestyle Skills program typically has in excess of 9 000 enrolments per year. From May 2014, the Learning Express website and online course guide has been renamed Adult Education, which you are aware of.

In line with the Government's priorities, a key area for action was to extend Second Chance Learning for adults requiring development in foundation and employability skills. These skills enable entry into formal training and the workforce, as well as enriching everyday life.

LINC Tasmania supports self-managed groups through the provision of meeting spaces in LINC's to encourage learning and social cohesion throughout the whole community. Courses in Adult Education programs target the recreational learning needs of Tasmanians, and they are offered on a full cost recovery basis, as Ms Rayner said, principally in the greater Hobart area and in Launceston.

CHAIR - We are asking you about the future of those because the numbers are dramatically declining.

Mr ROCKLIFF - They are. You rightly identified that is because of a sharp increase in costs around 2010 when a cost recovery model was put in place. Private providers are increasing consumer choice in the marketplace as well. Community groups such as Neighbourhood Houses have also had an impact as well. We will continue to deliver courses with a leisure and recreation focus where the demand exists. It would be nice to find a price point in some way would encourage more participation, but of course that is a cost.

CHAIR - There comes a point where you have cost-recovery; as your numbers go down, your cost is going to rise.

Mr ROCKLIFF - Yes, because the economies of scale will not be there. I would like to see more participation in Adult Education courses.

Mr DEAN - At this stage, minister, you are going to persevere with it in the future. Is that the way you see it?

Mr ROCKLIFF - Yes, we will continue Adult Education. We will look at ways in which we can increase participation where possible.

CHAIR - You are not looking to review that? To see how you or somebody else might deliver something of that nature? You might partner with somebody else who is delivering it, like Neighbourhood Houses, for instance.

Mr DEAN - Or School for Seniors?

Mr ROCKLIFF - There are various options. Our focus is also around, as I said, literacy and numeracy, as I have mentioned in the school programs, but also 26TEN adult literacy and numeracy, which is a key focus of the Government.

Mr VALENTINE - I was going to ask about that, numbers -

Mr ROCKLIFF - 26TEN is a literacy and numeracy program I support. Many volunteers around Tasmania are involved in the program.

Mr VALENTINE - Last year I believe 1 600 were involved?

Mr ROCKLIFF - There were 1 000 trained volunteer literacy tutors. As at 31 March in the 2014-15 year, 1 740 people received individually tailored literacy and numeracy support through LINC Tasmania, above the annual target of 1 660. Eight hundred and sixty-seven people received assistance based on individual learning plans and a further 873 people participated in embedded literacy group programs.

Mr VALENTINE - That was year to date, that 2014-15 figure?

Mr ROCKLIFF - As to 31 March. LINC is responsible for the 26TEN strategy to raise awareness and encourage a collective effort to improve adult literacy challenges. LINC Tasmania now manages the 26TEN grants and workforce development programs previously managed by Skills Tasmania. Since 2011 over 50 projects have been supported; seven community grants were awarded in 2014-15. A fair bit happening in this space and I do not want to take up too much of

the member's time. There are some great anecdotes and stories around the adult literacy services on offer, but I will not go into them.

Mr VALENTINE - My last question is about school libraries being used by members of the public. How is that going?

CHAIR - We talked about that last year.

Mr VALENTINE - We talked about that last year and I think it was new

Mr ROCKLIFF - We already have examples of libraries attached to schools.

Mr VALENTINE - Do you know of any issues with that?

Mr ROCKLIFF - I am not aware of any issues at all. The department is still working with communities around school libraries, libraries in the community, rural libraries, online access centres and seeing what might be the most contemporary model. When it comes to online access centres, in particular, four out of five people have access to a computer and IT. While the purpose of online access centres was very valid, needs have changed. Online access centres are still valued in their communities and while we might retain the service, we might need to provide a more contemporary model. Such centres may well be attached to schools.

Ms RATTRAY - There is an increase in this line item, minister, of about \$1.6 million. I do not think that is the twenty-seventh pay. May I just ask why there is such a big increase?

Mr SALTER - Probably two main impacts there - the standard indexation that comes in each year and a transfer from State Growth for the 26TEN program. State Growth used to administer part of it, but now LINC administers the complete -

Ms RATTRAY - So is that a salary increase?

Mr SALTER - That would be transfer from State Growth. The majority of that is for grants for the 26TEN program.

Ms RATTRAY - And the percentage of the salary increase?

Mr SALTER - There was \$624 000 for the 26TEN transfer and the indexation was \$657 000, 2 per cent.

Mr FINCH - About LINC, the brand loyalty is very strong for libraries. I have been told our state library is one of the most efficient per lend in Australia, in respect of cost. Do we have any figures to support that?

CHAIR - That we are the best?

Ms RATTRAY - Let us just say we are and ask the next question.

Mr ROCKLIFF - We could provide National Library statistics.

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Mr FINCH - Is my suggestion right? That our cost per lend is the best in Australia? The most efficient?

Ms RAYNER - I am not sure it is the most efficient but it is at a high level in comparison -

Mr FINCH - Sounds terrific. I want to ask about a couple of matters. How much is the renovation of Launceston LINC building costing? It was obviously in the previous Budget. What will be the improvements? When will Launceston LINC renovation be finished?

Ms RAYNER - I think the renovation is scheduled to finish on 29 July. The minister will be formally opening the redevelopment in the middle of August.

Mr FINCH - I will look forward to the invitation to that.

Ms RAYNER - It is well on track. The renovation is happening over every floor of the building. The last stage will be the two public areas on the ground and the first floor. That is about to start.

Mr FINCH - So the costing of that? I can take that the question about cost on notice. The Budget allocated for it. How much is it costing? Is it over- or under-budget?

Mr PETTIT - It is on budget. It is approximately \$2 million. I was there last week and it was looking terrific. The bottom floor is being finalised, with the entrance. We are on time with the 29 July finish.

CHAIR - It looks \$2 million-worth, does it?

Mr PETTIT - It looks brilliant. It is a great piece of work.

Mr FINCH - Chair, I would like to ask about online access centres. Is this the time to do it?

CHAIR - Yes, we just had some conversation about that.

Mr FINCH - I want to be a little bit specific about Tresca in my electorate, and I know that there is an element of uncertainty about the funding for online access centres. Has that been clarified in this Budget or do online access centres have to wait longer for some certainty or to have their uncertainty realised?

Mr ROCKLIFF - As I mentioned before, I understand the value of online access centres and the department is working with communities to look at how we might develop the most contemporary models. Given that 78 per cent of Tasmanians have access now to a computer or mobile device there is not the demand for them, but I understand the value in terms of individuals who access that service. Mr Pettit, do you have a comment on that?

Mr PETTIT - Following the Budget we will be writing to all the online access centres to ensure they have their grants for the rest of the year and then we will work with them through Jenny's organisation to talk about how we can improve the service within the community. Some of the improvements have been, as we have with LINC's, co-locating them to schools. We are also talking with some of the councils about co-locating them to some councils.

Mr FINCH - So to my people at Tresca, be patient, you are clear at the moment, but the future could be a lot rosier?

Mr PETTIT - We think it is still rosy.

Mr ROCKLIFF - We want a better, more contemporary model.

Mr DEAN - There were issues at one stage about people accessing inappropriate material through the LINC's, minister. Is that now not an issue and are the computers now programmed the so that cannot happen?

Ms RAYNER - We use the department's filtering system but I am not aware of any appropriate accesses within the last two or three years.

Mr DEAN - In George Town, how is the new LINC progressing? Is it meeting the numbers you thought it would meet?

Ms RAYNER - Yes, it is going extremely well.

2.2 Tasmanian Archives and Heritage Office -

Ms RATTRAY - I believe there is a system in place called RefTracker at the Archives, which means that every operator has to put a detailed track about the queries of clients and it is quite onerous and taking up a lot of time. Is that something that has been implemented from somewhere else, a direction?

Ms RAYNER - RefTracker is a system for managing long-term enquiries. Obviously if somebody asks a question that can be dealt with there and then, it does not get logged into the system, but RefTracker is a way of -

Ms RATTRAY - So it's only for old -

Ms RAYNER - No, it is a way of registering deferred enquiries, something that you cannot deal with over the counter when the client is present. If you need to go away and do some additional research you log the query into RefTracker and then all of your colleagues also have access to it, so any number of people can work on the same enquiry.

Ms RATTRAY - So it's not becoming too onerous for staff to record all this information?

Ms RAYNER - Not that I have heard.

Ms RATTRAY - Maybe something like that might be brought up at a team meeting, I would suggest. Also in relation to security there has apparently been an incident or two at the Hobart Reading Room, formerly known as the old State Reference Library. Are there any security measures in place?

Ms RAYNER - We have a number of measures such as closed-circuit cameras to record what is going on. We provide all our staff with professional development in handling difficult clients and difficult incidents. We have had some training provided by Tasmania Police to assist

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with that but I think it is fair to say that in any public space there are going to be incidents from time to time.

Ms RATTRAY - Is that small increase in the budget related to the twenty-seventh pay?

Mr SALTER - That would be standard indexation and a bit for the twenty-seventh pay.

Mr FINCH - In table 2.8 on page 31 for output group 2, we have for LINC Tasmania a rare steady upward trend in this area. Is this just for increasing costs or is the service being extended? I am speaking specifically about Archives and the Heritage Office now.

Ms RATTRAY - That is the question I just asked.

Mr ROCKLIFF - Standard indexation, Mr Finch.

Ms RATTRAY - I am happy to share that with you.

CHAIR - When is the \$2.8 for the Burnie LINC starting; is that in train yet? I should have asked you during the LINC questions.

Ms RAYNER - There has been a process in place over the last six months to carry out a master planning exercise at Burnie LINC. That is almost completed and I think we are expecting the report any day. Based on that we will start to work with the facility section to determine what the priorities will be for the redevelopment.

CHAIR - Does that go through Public Works?

Mr ROCKLIFF - It is under \$5 million, so no.

Capital Investment Program -

Mr FINCH - We have good news in my electorate about Riverside High School but not until 2017-18 so that is unfortunate because they are absolutely hanging out for renovations to occur, although it is a substantial amount of money.

Mr ROCKLIFF - They are pretty happy, I understand, Mr Finch.

Mr FINCH - They are pretty happy but still waiting. Speaking about waiting, Exeter High School was built about the same time as Brooks which has had quite an influx. Exeter High School gets little patch-up jobs every now and again. I have a sense there is an agenda of when schools get that big support.

Mr ROCKLIFF - There is a process rather than an agenda.

Mr FINCH - For our people in the Tamar Valley who have children at Exeter - the parents, the students, the teachers - can we get some idea of when they might in the process get that input to bring their facilities up to date?

Mr ROCKLIFF - Mr Pettit will be able to describe the process. I take on board your question. There are a lot of needs out there, I well understand that.

Mr PETTIT - As you know, there is a SIIRP process through the Treasury. All of our facilities are rated against a set of criteria to make sure we are being equal and fair to everyone. There are three categories; high, medium and low. We put that through to the Treasury and Treasury prioritise those from that point. Now these announcements are done, we will go back and reassess every school, whether it be high, medium and low, and put them back on the list and restart the SIIRP process. Exeter is on the list as having some high need but the budget will only go so far. Only so many schools could be dealt with. We will have a look at what we can do with Exeter for the next round.

[5.45 p.m.]

Mr FINCH - Are you able to give me some information on that which I can share with parents and the people next to the high school?

Mr PETTIT - Not at the moment because they have announced all these capital works through the Budget. We would like to see them put through first and see what the new lists come like. From that, if the minister is happy, he could have a conversation with you about that.

Mr ROCKLIFF - Based on the index and the identification of Exeter being high up on that index, they are not forgotten. They are on the radar. We can have that discussion.

Ms RATTRAY - It would be good if we could all have a look at that list. There is not any in the Apsley electorate.

CHAIR - We are not going to go through it. The schools in this year's have been announced. I do not want to go through everybody's single school.

Ms RATTRAY - No. I have a question in relation to the allocation for the years 7 to 12 implementation planned capital. Can we have a break up of where the \$6 million from last year has gone and the \$2.9 million for this financial year, in relation to capital? I am happy for you to take that on notice.

Mr ROCKLIFF - May I correct the record. It is \$6 million in capital over four years. The allocation in the first year was \$1.5 million. The other allocation has gone to Huonville High School.

Ms RATTRAY - All to Huonville?

Mr ROCKLIFF - Other schools did not have high end needs.

CHAIR - It says the \$1.4 million for Huonville be carried forward from last year, 2014.

Mr VALENTINE - With regard to New Town High. Is that work going to fix access to the school? The new administrative building is accessed from the rear rather than the front. It is a difficult corner and causes a lot of issues.

Mr PETTIT - We could not do anything about the entry because of the railway existence. Now the railway has closed down we are looking at another entrance further south. We will need to have a conversation with a range of people about how we could have access into the lower side of the school, across the railway line.

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Mr VALENTINE - You cannot access it from across New Town rivulet? That was the front of the school.

Mr PETTIT - No. What we are trying to do is make an entrance further down so it can be at the front of the school but across the railway line. That is an investigation.

CHAIR - Absolutely, it is. It would also go across the cycleway.

Mr VALENTINE - All sorts of things. And the train line which we want to keep open.

Mr DEAN - The old Rocherlea Primary School site, has that been sold, is it signed off?

Mr ROCKLIFF - We will take it on notice.

Mr DEAN - The other one is the Newstead Special School which is going to be sold, I understand, as part of bringing together the Ravenswood and St George's School. What is the position with the Newstead Special School? Is that going to be advertised for sale? Is it going to become a part of St Giles?

CHAIR - Would they not go to Treasury? I thought the department might know because the funds, I understand, from that sale, are going to go to St Georges Special School.

Mr PETTIT - That is correct. The plan is in supporting special schools so we had an approach from the northern school in Launceston to relocate under one campus. To achieve that, in the style and support they need in the future, we would be selling their other site once we relocate them, to help find the right building for them.

Mr DEAN - That is a move that has gone well. Everybody is happy with that.

Mr ROCKLIFF - Similar on the north-west, merging those two sites.

Mr DEAN - Will the staff all be re-employed at St Georges, or what happens with the staff from the special school? I am getting a nod over here so I would say they are all going to keep their jobs.

Mr PETTIT - Yes, or will relocate.

Tas TAFE -

Mr ROCKLIFF - It is my pleasure to introduce the TasTAFE section for this Estimates hearing. One of our great success stories in Tasmania is our largest publicly funded, publicly owned, registered training organisation, and I was very proud to attend the National Training Awards last year in Adelaide. TasTAFE was highlighted as one the three nominees for the large training provider of the year award, and given the short time frame for which TasTAFE has been established, Mr Conway and his team right across TasTAFE can be very proud of their nomination. Although they did not win the award, they were very worthy runner-up and are the youngest and brightest of all the nominees. We do not run TasTAFE to collect awards, but I mentioned that achievement because it symbolises there is a lot that is great about TasTAFE. Since TasTAFE was established, the board, management and staff of this organisation have

worked very hard to make the brand strong and establish a reputation. A reputation is based on a strong focus on the provision of skills and job ready attributes for all its graduates.

During my time as Minister for Education, including vocational education and training delivered by TasTAFE, I have been impressed by the educational commitment of all involved in this organisation. They are well supported by industry enterprise and the community, and their students express a great satisfaction rate because the focus of TasTAFE is on the student, their needs and their aspirations. TasTAFE has been able to bring together the strengths of its pre-employment, in-service and industry focused courses into one great organisation. Their educational delivery is modelled on a strong applied learning model and TasTAFE students develop real skills to gain real jobs.

Earlier this year, the Government made a funding announcement about a pilot program focused on the provision of course skills required for anyone entering the workforce. This program has developed into not only enhancing employment and enterprise opportunities for TasTAFE students, but it also influenced how vocational education and training can be delivered right across Australia.

As a Tasmanian state service, TasTAFE is providing great value for the community, working collaboratively across the total education sector. TasTAFE is a vital part of our economy and workforce development. Certainly TasTAFE has had to watch its finances very carefully and has adapted well to the contestable training market but it has done so without any drop-off in service or quality. I commend all in the organisation for working very hard. While I must point out that the purchasing part of Skills Tasmania is Mr Groom's responsibility, of course I am responsible for TasTAFE and they do an excellent job. There has been a TasTAFE redesign over the course of the last 12 months. I commend the organisation, Mr Conway, the management, the staff and also the Australian Education Union. We have worked closely together on the redesign process, which is all about making TasTAFE more responsive to industry, to better align industry goals with the TasTAFE training. There has been some change in the management structure for some 51 managers around Tasmania, who were on teaching awards; now there are 31 managers on managers' awards. That means that the managers and management can be far more responsive during 48 weeks of the year to industry, rather than just 40 weeks of the year.

The fact that this redesign has happened with little angst is a testament to the team at TasTAFE but also the AEU. I am not always giving the Australian Education Union a tick, but they have also worked collaboratively well with TasTAFE, so I commend them on that.

CHAIR - The figures look interesting. We do not usually have deficit figure. It does not look as though it is going to get any better in that revenue is not going to go up by much, in fact it is going to drop over the next couple of years, and then the expenses have also taken a little bit of hit. When you get out to 2017-18 or 2018-19, there are \$8 376 000 and \$7 618 000 deficits - how does that work?

Mr ROCKLIFF - That is a very good question. I will throw this one to Mr May.

Ms RATTRAY - It is news to the minister obviously.

Mr ROCKLIFF - No, I have seen it, but Mr May, who is in charge of finance, can explain it.

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Mr MAY - One of the starting points in the conversation about our position is that you will see our budget is not presented as an all-agency budget, so you only get financial statements for TasTAFE. We do not get an appropriation, we receive grants from Government, we earn money and we operate on the basis of that. Therefore, the Government does not have the capacity to present the financial picture in the same way as you would see for Education.

CHAIR - Are the grants you get from Government for services you deliver, say courses, then you get money for those courses?

Mr MAY - Yes. There is a component of those grants that we receive on the basis of recognition that we perform a community service, for want of a better way of describing it. It recognises there is an inherent amount of money that should come to TasTAFE to enable us to be present across the state, to take that recognised responsibility for students who are often more disadvantaged or have greater learning needs. That is part of the characteristic of our role, compared to a private provider role, so we get guaranteed funding through Skills Tasmania on that basis, but then we also get money on the basis of the actual activity that we perform.

CHAIR - The number of students?

Mr MAY - Numbers of students; as a student enrolls and as a student completes, there is a financial transaction that takes place between us and Skills Tasmania which pays us for performing that service.

CHAIR - It is obviously costing you more than you are getting in, so is that the shortfall?

Mr MAY - If I draw your attention to the expenses from transactions, one of the important lines in that is the depreciation and amortisation line. As an organisation that holds assets of the order of \$200 million -

[6 p.m.]

CHAIR - That is the properties you own? Are they not owned by the government?

Mr MAY - They are owned by the government but they appear on our balance sheet. They appear as assets of TasTAFE for the sake of presenting a financial position for TasTAFE. TasTAFE, as a statutory authority, is required to perform financially in a way that is different to an agency. An agency gets an appropriation and the obligation of the agency is to spend that appropriation.

CHAIR - But you do not own those buildings, so it not like you pay a rent for those buildings?

Mr MAY - No, we do not. In financial terms, to be able to recognise us as a viable entity, our assets and liabilities are presented in normal financial statement terms. Our assets are those buildings for the sake of a financial presentation of our success.

CHAIR - That is not true. You do not own the assets, do you?

Mr MAY - No, but from a financial perspective in terms of giving Government a means of presenting what we are worth to the state -

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Mr VALENTINE - It demonstrates how they are performing against the resources and assets they have.

Mr MAY - It is not terribly dissimilar to a local government view of the world. Local government will present their performance and take account of the assets they own. Ultimately, the financial performance -

Ms RATTRAY - But they actually own the buildings.

Mr VALENTINE - If they do not, they have to have some way of doing it.

Mr MAY - That is exactly right, Mr Valentine. That is the way the government does it.

CHAIR - I will have someone explain that to me afterwards in words of one syllable or less.

Mr VALENTINE - It is a pseudo-position.

CHAIR - I understand what they are saying but it does not make sense to me. That is probably because I do not understand that particular accounting standard. I will do my best to acquaint myself with it.

Ms RATTRAY - Would it be fair to say you cannot function as a statutory organisation without having those figures in your balance sheet? You would have to become part of an agency, is that the long and the short of it?

Mr MAY - That is correct.

CHAIR - Would you not lease buildings?

Ms RATTRAY - Why would you not come back in under an agency?

Mr MAY - The Government owns the assets and TasTAFE is a statutory authority the Government.

Ms RATTRAY - Why would they not come back in as part of the agency?

CHAIR - The Education department. Was the original TAFE not part of the Education department?

Mr CONWAY - I think it is important to realise this is not something we see as a negative. It is actually a positive. The changes and reforms that have occurred across the vocational education and training sector across Australia has been to remove the public provider of vocational education and training from under government agencies to make us more autonomous and therefore more able to respond to industry. The fact we see the assets on our balance sheets is not something we resile from. It allows us to be compared, like for like, with those people we compete with, or within a contestable market. We use those assets.

While there is a very good point being made that ultimately they are the Crown's assets, in effect we have control over them. We are autonomous, we are at arm's length from the minister's direction because we operate with a board, so we are a statutory authority. I think it important for

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us to reflect on, if I might then go back to Mr May, his response about the impact of those valuations and the depreciation and amortisation of those assets and their impact on what members have seen here today to have raised some concerns.

Mr MAY - This takes us almost to a point where, if you discount those figures on the basis of the depreciation and amortisation, then you find yourself looking at a cash outcome that is considerably different to those negative outcomes you are seeing.

Mr VALENTINE - It does not mean much, does it?

CHAIR - Do you need the Government to give you money each year to make up that deficit? The answer is no. This is just an accounting system.

Mr MAY - That is correct.

Ms RATTRAY - Are we meeting the needs of the industry that the focus is on?

Mr ROCKLIFF - In my view, yes, TasTAFE is doing an excellent job of meeting industry needs.

Ms RATTRAY - So there are no gaps, in your view?

Mr ROCKLIFF - There is always room for improvement. That is why we have gone through the TasTAFE redesign which is in many respects about meeting industry needs and being more responsive to them. Also, we have had an increasingly contestable environment nationally with respect to training. There is increased competition from private providers. That being said, we have to make sure we have set up our public provider, which is valued by many people. With a population of 500 000 people in Tasmania, sometimes there is market failure. Due to issues in rural and regional communities, the private providers will not always go into those areas of high need. However, TasTAFE does, and that is the value of having a really strong public provider.

The draft 2015-17 corporate plan was provided to me in May this year and the key outcome of that plan is increased skills leading to real jobs supporting a growing economy. It has focussed on four key target areas: quality of educational training; increasing participation and completion of vocational education and training qualifications; developing people and culture; and achieving business excellence. TasTAFE is positioned to meet those four key target areas by its redesign and by the increasing level of professionalism in TasTAFE.

CHAIR - Can we ask how many students are currently enrolled in TasTAFE and how that compares with previous years? I would like to ask about five or 10 years ago, but of course we have had the hiatus in the meantime, so I am not sure whether that is comparing apples with apples.

Mr CONWAY - My colleague, Mr May, is going to give you the exact number of students but it is of the order of 30 000 Tasmanians who are enrolled this year.

CHAIR - And last year?

Mr ROCKLIFF - Total enrolments in 2014 were 38 572, and total students were 28 841.

CHAIR - That is interesting; some students have enrolled in more than one course?

Mr CONWAY - That is exactly right. One of the nuances of the vocational, educational and training system is that if we counted enrolments, we would find a particular student may re-enrol four times through one year. The total number of students who studied with TasTAFE in 2013 was 32 711; in 2014 it was 28 841. In this first quarter of 2015, we are seeing enrolments commensurate with 2014; that is, in quarter one 2014, 13 983 students and 15 870 enrolments; in quarter one of 2015, it is 13 256 students and 15 691 enrolments.

We expect some further growth in the second half of this year following the redesign of the organisation. We feel we are now even more capable from a marketing point of view to grow the number of students. We are estimating and very comfortable that we are on track for an eight per cent growth in enrolments.

CHAIR - You have actually dropped enrolments though from 2013-14.

Mr CONWAY - Yes.

CHAIR - And now you are hopeful that in 2015 you are going to go back to what you were in 2013.

Mr CONWAY - Yes, it is a very interesting landscape. Something we should all be aware of is that several years ago when it was TAFE Tasmania, it was essentially the only provider of vocational education and training within Tasmania. Nowadays, if I can use the word 'compete', we compete with many other registered training organisations. That is good for Tasmania because whilst we might see some impact on TasTAFE's enrolments, it allows us to specialise and move from what we are very good at to becoming what we are excellent at. There are private training providers who operate in a very niche part of the market to do things that we could never legitimately do to the level that they do. So whilst I do not resile from the figures, the best vocational education and training picture for what is happening in Tasmania is to reflect on the TasTAFE figures in the context of total enrolments across Tasmania.

CHAIR - You are charging fees now?

Mr CONWAY - Yes, that is right.

CHAIR - As private organisations are, you are too. How many TasTAFE students, per cent maybe, are actually availing themselves of Commonwealth assistance with their fees? When they do that, they incur HECS debts in the same way that university student do.

Mr CONWAY - I would have to give that to you on notice. What I can say is that VET FEE-HELP around Australia is allowing more people to undertake study than ever before and we expect this to happen in Tasmania,. We have taken a very studied approach to the operation of VET FEE-HELP because we are very conscious that there are other people in this market using tactics and strategies that have been questioned. This is not only through media reports but in terms of the Federal Government, which ultimately funds VET FEE-HELP.

Mr DEAN - I was just going to ask about the drop-out rate. Is that significant in any way? Obviously there would be one.

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CHAIR - Students who do not complete the course.

Mr DEAN - Yes.

Mr CONWAY - Again, I will take the exact figure on notice. The technical term in the Vocational Education Training is module load or load pass rate and that is what we operate on. At the organisational level, in 2013 it was 79.3 per cent.

Mr DEAN - Completed.

Mr CONWAY - Yes, completed.

CHAIR - A particular course.

Mr CONWAY - They are units passed as a proportion of the total assessment units undertaken. In 2014, in total it was 80.07 per cent.

Mr VALENTINE - How does it fair you with other places?

Mr CONWAY - These are good results. The quarter one figures for 2015 are at 89.65 per cent. We have put a lot of store in ensuring our place in the market, because we are an expensive provider of Vocational Education and Training. Our staff are more highly paid; we would say they are more highly professional. We have put a lot of effort into making sure that students who study with TasTAFE get a high quality teaching, learning and assessment experience.

CHAIR - I have been approached by a number of students who are currently at the Hunter St co-location of TasTAFE and the university, which I have always thought was a grand idea, that they would be able to share resources and possibly teachers. Currently, the students who are doing the wood design course, for instance, have been told by their teachers that they would not be able to be recommended for industry entry because there has been a fair amount of downgrading of specialist teachers. For example, seven years ago the diploma students studying wood design had a specialist woodturning teacher for 35 days of their study year. That has been reduced each year by about five days, so this year that class has had a sessional teacher of woodturning, a specialist teacher, for one day, and that is all they are going to receive. At the same time, the cost of that one year diploma has increased more than fourfold so in regard to wanting to do in wood design downstream processing or whatever -

Mr CONWAY - Can I respond in general terms?

CHAIR - It would be good if you would follow-up something like that.

Mr CONWAY - I do know a reasonable amount about the program we are talking about. The diploma and the way it is made up, is structured very heavily upon individual student electives they undertake, so it is perhaps not comparing an apple with an apple to say what was happening some time ago in woodturning. As often happens in these art courses, we may have five or six students whose elective may be around the medium of animation or digital design, so we may see a drop off in a wood turning teacher, and we may see we are increasing our expenditure in terms of some digital expertise.

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If what has been raised with you as a concern is highlighted in my investigation, then it is very easily rectified because TasTAFE offers a very large construction and joinery program at our Clarence Campus. If it does turn out that the feedback you have been alerted to is a concern, we employ first class tradespeople who will be able to meet those needs. Can I take it on notice, but sometimes these comparisons are made by people who are interested in wood turning as an art form and are generally replaced, in my experience, with people who are doing digital activities as an art form.

CHAIR - I hear what you are saying, but if the course is wood design, then -

Mr CONWAY - I think we are comparing the fact we are not employing a wood turner, may be that someone is using some other design aspect for wood.

CHAIR - But not these students.

Mr CONWAY - I do not know that. As I said, I will take that on notice. I guess the point I am making is that wood design is now -

CHAIR - It is not the case in this case. I understand what you are saying. I am told that the diploma students doing jewellery have been told by their teachers that none of them can be recommended to industry because of budget cuts. This is what the teacher said:

Budget cuts have meant reduced teaching hours and the removal of technical support for TasTAFE teachers.

The students are not having the opportunity to fully develop the skills they have been shown. This is a particular course. A couple of particular courses down there. I am not talking about the whole of TAFE and I am not talking about regional areas. I bring this to your attention because it is one aspect of -

Mr CONWAY - I think it is an unfortunate fact in any organisation that sometimes people, teachers, administration staff, may form a view of whether something is as good as we might aspire for it to be. I am not in a position to defend or resile from the comments. What I will say, very strongly, is that we have excellent connections with people in all industry and enterprise in Tasmania. This is the first time it has been put to me that a graduating student in any aspect of TasTAFE is not going to be welcome in industry. I would find that very upsetting but I will give it my absolute follow up.

CHAIR - They were not saying they would not be welcome, they were saying this teacher feels they could not recommend them to be industry ready, if you like.

Mr CONWAY - It is a funny comment for a teacher to make about students that teacher is teaching.

Mr ROCKLIFF - It is not a reflection of the whole TAFE. It is an individual saying that. I am also happy to follow up any direct examples and see if we can address that.

CHAIR - Are there other questions about TasTAFE?

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Mr DEAN - Are you running agricultural courses? We have an emerging need for development in agriculture and the Government's position is to increase agriculture tenfold over the next 35 years. My question is, are we running agricultural courses, dairying courses, within the TAFE system?

Mr ROCKLIFF - Yes. In support of our mission to grow the sector, \$10 million of farm gate value by 2050. We have to have a very effective training system. Across the state, TasTAFE's primary industry team has delivered training in agriculture, horticulture, production horticulture, forestry, food processing, laboratory operations, turf, some racing units, gun and security licensing and animal studies. It is actively engaged with the primary industry peak bodies such as Tasmanian Farmers and Graziers' Association, Primary Employers Tasmania and uses those connections to best determine course delivery, industry demand, future skills needs, which is important. Relationships with industry and employers are strong.

Approximately 20 programs and 419 places for students are currently being delivered to meet employer needs via funding from the Skills Fund. TasTAFE's offerings include programs delivered on campus as full time programs which include work placements to gain industry based experience, industry project work, access to Freer Farm, which is in the north-west, horticultural nursery activities and apprenticeships. With respect to apprenticeships, approximately 307 at the end of March 2015 in agriculture, horticulture, production horticulture, agricultural dairy production and landscape construction as well.

Mr VALENTINE - Aquaculture?

Mr ROCKLIFF - No, agriculture, horticulture, production horticulture, dairy production and agriculture and landscape construction. Eight formally recognised skill sets and a further three skill sets are under development to date. TasTAFE has also been involved in discussions with AgriTas regarding possible collaboration around private industry training agendas. AgriTas is based at Smithton. It was set up a few years ago through Commonwealth funding. There has been no formal agreement, there are just discussions happening with respect to that. There has also been a really good collaborative effort with Fruit Growers Tasmania about a career pathway program.

Mr DEAN - We are getting enough students in,

Mr VALENTINE - Can you tell me what you are doing for aquaculture? We have a heck of an industry in this state.

Mr ROCKLIFF - Absolutely, a growing industry, as we said today, doubled production between now and 2030.

Mr CONWAY - One of the things that has changed significantly in the Tasmanian landscape is other providers also operate in the vocational education and training sector. Some of these training organisations are well placed to operate in some of these niche markets. Aquaculture is one of those markets. We work very closely with the registered training organisation that delivers service to the aquaculture industry. It is my understanding that the aquaculture industry is very happy with the service that is provided.

Mr VALENTINE - So you would not be bothered going into that area?

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Mr CONWAY - We are not in the business of competition for competition sake. If there was to be a gap in the market or if there was a great concern about skilling in that area we would respond to that. Beyond the technical expertise of the aquaculture industry and all that is relevant to that vital industry to Tasmania, we provide service in courses that will assist people who work in that industry but may be not in terms of the specific technical details of fish farming and the like.

Mr VALENTINE - Does the same go for the fishing industry per se as opposed to aquaculture?

Mr CONWAY - That is right.

Mr VALENTINE - To distinguish people through there, so who provides those trainers?

Mr CONWAY - There is a registered training organisation which was nominated for the small training provider of the year last year, very successful, and we work very closely with them and have a mutual beneficial relationship.

CHAIR - It has been a long day but thank you, minister, and your staff have been extraordinary.

Mr ROCKLIFF - My pleasure, thank you for your questions. Thank you very much indeed and all the work from my department that has been represented today, especially to Stephen and to Nick.

The committee adjourned at 6.27 p.m.