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**THE PARLIAMENTARY STANDING COMMITTEE OF PUBLIC ACCOUNTS
MET IN COMMITTEE ROOM 2, PARLIAMENT HOUSE, HOBART ON
THURSDAY 5 FEBRUARY 2026.**

FOLLOW-UP AUDIT - EOI TOURISM INVESTMENT OPPORTUNITIES

The Committee met at 11.31 am.

CHAIR (Ms Forrest) - Thank you, Minister, for appearing, and to your team here at the table. This is the Public Accounts Committee inquiring or doing a follow-up review of the Auditor-General's 2020-21 report into expressions of interest for tourism investment opportunities. I will get the people at the table to introduce themselves.

Mr DENNIS HENDRIKS, ACTING COORDINATOR-GENERAL, **Ms PETA SUGDEN**, ACTING CHIEF OPERATING OFFICER, and **Mr ANDREW CRANE**, TOURISM EOI PROJECT DIRECTOR, OFFICE OF THE CO-ORDINATOR-GENERAL REPRESENTATIVES, WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED.

CHAIR - Thank you. The purpose of this inquiry, as with all our other follow-up reviews, is to determine whether or not the Government have adopted the recommendations of the Auditor-General.

If they have, how and when did they adopt the recommendations, and to provide some evidence of that and, where it's appropriate, to respond to what outcomes have been achieved through the adoption of the recommendation.

If they haven't been adopted, to provide a reason as to why not, and what other measures have been taken to address the concern that the Auditor-General raised.

I will hand over to you, Minister, if you want to provide any opening comments. Perhaps you could clarify for the Committee and anyone watching which recommendations you are responsible for, and which Minister for Energy and Renewables, Mr Duigan, is responsible for.

Mr ELLIS - Thank you, Chair, I'm happy to work through that. The Tasmanian Government takes its responsibility for managing Tasmania's extensive reserve estate seriously, and remains committed to delivering the Tourism expression of interest (EOI) process, given the important role it plays in facilitating sensitive and appropriate tourism projects within Tasmania's national parks, reserves and Crown lands.

Critically, the Tourism EOI process provides a first-level filter of projects at concept stage to ensure that an equitable, consistent and statewide approach is maintained in assessment of commercial tourism propositions on public land. These concepts are reviewed by an independent expert panel and must demonstrate that they are environmentally, culturally, economically and socially responsible before they can be recommended to proceed to the next stage of formal assessment. If a proposal is recommended to proceed to the next stage and that recommendation is accepted, the Parks and Wildlife Service of the Department of Natural

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Resources and Environment Tasmania (NRE) assumes the responsibility for the environmental assessment and client management of the proponent and proposal, including the Reserve Activity Assessment (RAA) process.

Any proposal that reaches this stage must address any relevant Commonwealth and State environmental and planning approval requirements. This stage also provides opportunity for community involvement.

This staged approach is intended to clearly delineate between the responsibility of the office of the Coordinator-General as the investor attraction facilitator, and NRE Tasmania as the regulatory body. The EOI process is designed to play a key role in delivering the Government's vision for increased yield and dispersal in the tourism industry, generating demand for travel to our State and in our State, particularly in our regional areas.

The Maydena Bike Park in the Derwent Valley and the Blue Derby Pods Ride in the north-east are fantastic examples of great ideas becoming great successes with the help of the Tourism EOI process.

The Auditor-General's report, tabled in September 2020, found the EOI to be a robust process, and concluded that:

the EOI process as measured against the audit criteria was in all material aspects implemented and administered effectively and in a manner consistent with the Tasmanian Government's policy objectives;

There is no evidence to support allegations of undue secrecy of the EOI process;

The publication of information on recommended proposals had been sufficiently timely and appropriately handled;

The process in guiding principles were fundamentally sound and well-supported by reference to authoritative guidance on ecotourism;

Staff were knowledgeable and diligent in relation to relevant issues pertaining to proposals, and adequate advice was sought, obtained and considered from qualified experts.

The EOI process has been successful in contributing to the objectives of economic growth that were the purpose of its instigation by the Tasmanian Government.

The Tasmanian Government has been committed to further improvement. In a 2022 comprehensive review, consultation and assessment of the tourism EOI process was completed and subsequently considered by Government. The review included recommendations from the Auditor-General's September 2020 report and input from the Tourism Industry Council of Tasmania (TICT), the EOI Assessment Panel and NRE Tasmania. This feedback was used to enhance the Tourism EOI process and has resulted in a number of improvements to both processes and information provided to potential proponents.

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In my letters to this Committee of October [2025] last year, I outlined the progress in implementing the Auditor-General's recommendations, but I'd also note that the enhancement process has included other changes.

One particular important enhancement which we've made, to address concerns about land banking, is that, from June 2022, the proponents with projects at the stage of formal assessment and approvals have been asked regularly to provide evidence of substantial progress or risk being removed. The panel will now request that proponents provide updates, typically within six months of receiving the request. This process has been repeated three times. In addition, the panel has requested shorter timeframes for the provision of evidence where specific matters have been identified. As a result of this process, eight of the original 18 remaining projects have been withdrawn, either voluntarily or by the Minister.

Another enhancement, in 2024, was to amend administrative procedures which allow for updating the Office of the Coordinator-General (OCG) website without compromising the robustness and integrity of the EOI process and necessary probity arrangements. This change allows the website to be updated within 48 hours of receiving advice on a change in project status, rather than first requiring notification of the panel, which had previously resulted in delays in updating publicly available information.

I am confident that the Tourism EOI process is robust, fair and responsible, and doing what it's intended to do. Of the 73 EOI projects that have been submitted to the OCG, to date nine projects have completed the assessment process and have worked through all of the approval processes to be operational.

Job creation and investment value to date for operational projects is 64 employees and \$31,575,000.

Projects have been approved to proceed via the EOI process, including those that are already operational, are estimated to provide investment of over \$98 million and 305 full-time equivalent (FTE) jobs when fully realised.

I welcome any further questions today from the Committee and on the process and the Auditor-General's report.

CHAIR - Can you confirm which recommendations you are responsible for, Minister, please?

Mr ELLIS - Sure, happy to work through them for you, Chair. Recommendation 1: obviously, the stakeholder consultation in the context of the reserve activity assessment. When we're talking about reserve activity assessments, those are typically done by Parks and Wildlife, and then the OCG aspects are contained in that. There are some recommendations on EOI Round 2 which the OCG has undertaken for Recommendation 1.

Recommendation 2 is for the Minister for Parks.

Recommendation 3 is for myself.

Recommendation 4 is for myself.

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Recommendation 5 will be myself, although there are some matters in relation to Aboriginal assessment that, of course, the Minister for Parks may wish to speak more to.

Recommendation 6 is for myself.

Recommendation 7 is for myself.

Recommendation 8 is for myself.

Recommendation 9 is for the Minister for Parks, although there are some matters that we could discuss.

Recommendation 10 is for myself, although Parks may wish to talk more about learnings from successful projects as well.

CHAIR - Thanks for that. For ease of information, I will work through the recommendations one at a time.

Recommendation 1: You say that's complete. Minister, you referred to parts of that, and I believe this also feeds into where the website has been updated to enable more timely adjustments to it. It seems that you've ticked the boxes here, but how have you demonstrated that actually is happening, that it is being updated?

Mr ELLIS - We're updating the website. I'm happy to pass to the team from the Office of the Coordinator-General to talk about website updates.

Mr CRANE - I can certainly speak to that, and thank you for the question. The specific incident that prompted that particular change in terms of the speed at which information could change was the withdrawal of a proposal. A successful proponent retired and decided to do something else and in fact entered the TAFE education system to teach.

What happened was that that process we had in hand which we had been using meant that the panel needed to be notified and it took several months for the information to change on the website. We've changed the administrative process so that once we have been notified of the withdrawal of the application, and the licence has been returned to Parks and Wildlife, we're able to change the status information on the website within 48 hours. We've adopted that as a practice from now on with the endorsement of the panel. We no longer need the panel's approval to make those kind of administrative changes.

I think the more substantive changes relating to this are the information and the recommendation from the Auditor-General in regard to Recommendation 1 around updating the documentation for potential proponents to ensure the information in those documents was accurate and up-to-date. There have been significant changes to that documentation to make sure it's contemporary.

Ms THOMAS - Thank you. Just a follow-up question in relation to updates to the website. On the 'Accepted Concepts' page for proposals for new tourism opportunities in national parks and reserves, it appears that that page was last updated on 21 May 2025. Can you explain, if it's being updated as things occur, why that's the last date of update?

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Mr CRANE - There's been no change to the status of any of those projects within that timeframe.

Ms THOMAS - Okay. There's been no new accepted concepts in almost 12 months?

Mr CRANE - That's correct.

Ms THOMAS - Okay. There's another web page with the heading 'EOI Statistics' and that was last updated on 26 May 2025. That suggests, again, that there's been no changes to those statistics since May last year.

Mr CRANE - That's correct.

CHAIR - The Minister said in his opening comments, unless he was referring to something else, that there's a six monthly update and that was one of the other changes that have been made, so one would expect some of these to progress. What's going on that nothing has changed?

Mr HENDRIKS - My understanding is that it's typically every six months that the panel would ask the proponents to provide further updated information, but that information is predominantly around providing evidence that their proposals are moving forward and that they're undertaking activities to support that progress. That doesn't necessarily result in an actual change to the website information that's actually available. It does inform the panel in relation to whether or not a proponent's project should stay within the EOI process.

Ms SUGDEN - Of course, Chair, that would be changed should the panel then decide to withdraw or to seek further evidence to look to withdraw. In fact, that process has been undertaken recently. I will chair a meeting shortly where we will be going through the information provided from proponents to make an assessment on whether there has been progress or not.

CHAIR - One would assume from that if that decision is made that they haven't made progress, and there doesn't appear to be a likelihood of it -

Ms SUGDEN - We would ask them to withdraw.

CHAIR - Yes, and then that would be updated within 48 hours?

Ms SUGDEN - Correct.

Ms THOMAS - Just confirming you've said there's been no changes to those EOIs in around 500 days. Minister, is that something that's concerning to you? Is there any particular reason you're aware of as to why proponents aren't progressing these proposals?

Mr ELLIS - Sorry, what date did you say again, Ms Thomas?

Ms THOMAS - Since May last year there's been no progress on any of these proposals.

Mr ELLIS - And did you say 500 days?

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Ms THOMAS - Yes, almost - no, sorry, that's not right. Did I say 2025 or 2024?

CHAIR - 2025.

Ms THOMAS - Yes, I did say 2025. May 2025 was the accepted concepts last update.

CHAIR - So one would presume there had been a six monthly check on those.

Ms THOMAS - Yes, but there's been no progress.

CHAIR - Except what Ms Sugden's referred to.

Ms THOMAS - Yes.

CHAIR - The last review that was done, then - just to clarify - was a six-monthly review of all the projects that sit there?

Ms SUGDEN - We send a letter out to the proponents and the proponents are then given six months to provide us information. Then the meeting for the assessment panels are scheduled and therefore information may not be truly six months, but then it is assessed. It doesn't necessarily mean there's no progress, it just means that there may well be an iteration, but that iteration doesn't change the overall project. For example, they may still be doing exploratory works, they may give us evidence that they've undertaken a detailed Aboriginal assessment, those types of things which aren't then recorded.

Ms THOMAS - Okay. So, there's no public visibility, ultimately, of what's occurring unless it's significant?

Ms SUGDEN - I suppose it's like those that then have gone on to Parks and they would be starting to undertake their environmental approvals and you would be able to check with the Minister about the processes for consultation along that pathway.

Mr HENDRIKS - It's probably also worth noting that not every project is necessarily written to every six months simply because a lot of the projects aren't voluntarily providing information through to the office or they may be involved in other processes that both ourselves and Parks are well aware are ongoing, so there's really little point to actually asking them because it's already known.

Ms THOMAS - Right, okay. So, in the last 12 months, has there been any action taken in relation to the Halls Island, Lake Malbena application or proposal?

Ms SUGDEN - I can confirm a letter was sent in the last few months to Halls Island on the matter, yes.

Ms THOMAS - But there's no update for the public on where that proposal is at?

Ms SUGDEN - I suppose it's important to note that our processes as far as Halls Island are largely completed because that's a matter where we are progressing the approvals along with the Australian Government.

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Ms THOMAS - Okay.

CHAIR - One point that the Auditor-General did make in his report was that the Office of the Coordinator-General did not seek the Solicitor-General's legal advice on individual EOI proposals, which may have enhanced the quality of legal guidance on specific proposals in recommendations made to the Minister. He wasn't recommending necessarily that that happens, but it was an observation. Has that changed and have there been any cases where the advice of the Solicitor-General has been sought?

Mr ELLIS - Chair, are you talking about recommendation 6?

CHAIR - Sorry, maybe I've jumped ahead.

Mr ELLIS - I'm happy to talk about recommendation 6 now if you like.

CHAIR - Let's just do it, otherwise we're going to run out of time.

Mr ELLIS - The OCG sought advice from the Solicitor-General early in the development of the EOI process, where a need to understand the application of legislation including the *National Parks and Reserves Management Act 2002* and the National Parks and Reserve Land Regulations 2009 was identified. Given that responsibility for the relevant legislation was and is the responsibility for the Minister for Parks, it was also agreed by the OCG and Parks and Wildlife early in the EOI process that all subsequent requests for legal advice was best managed by PWS.

Every proposal considered by the panel includes advice from PWS relating to the application of relevant legislation. Furthermore, there's substantial consultation with the Office of the Crown Solicitor, Crown Law, during any resulting negotiations of leases, licences and other authorities.

If new legal issues arise that involves the interpretation of law, advice will be sought from the Office of the Solicitor-General. However, in most cases, Crown Law will be the appropriate area within the Department of Justice for obtaining advice regarding a proposal.

Since the Auditor-General's report, there have been eight projects. Given the nature of these, the panel did not require SG advice in the early concept stage. NRE may wish to speak to this more, but I will pass to the team from the OCG if there's anything further they'd like to add.

CHAIR - Does your answer to the question I asked have any - has the advice of the Solicitor-General been sought on any since the Auditor-General's report was done?

Mr ELLIS - Yes, that's what I just said, Chair. Since the Auditor-General's report, there have been eight projects -

CHAIR - I thought you said they weren't.

Mr ELLIS - Given the nature of these, the panel did not require SG advice in the early concept stage.

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Mr HENDRIKS - No advice sought from the Solicitor - they didn't require it.

CHAIR - They didn't require it?

Mr HENDRIKS - They didn't require it, essentially.

CHAIR - They weren't new or novel, or -

Mr HENDRIKS - No.

CHAIR - There is no legal issues identified? Is that the reason?

Ms SUDGEN - There's no legal issues identified in the concept stage, Chair. There will be issues that come up once they start through the assessment processes, but they would be a matter for NRE.

Mr HENDRIKS - Parks do brief the panel. They advise in relation to every proposal that comes through. The panel's also getting the advice at that concept stage from Parks in relation to the relevant legislative basis.

CHAIR - Minister, are you confident that this is being handled appropriately?

Mr ELLIS - Yep.

CHAIR - Is there anything else on 1? No? Unless there's anything you want to add particularly, Minister, on 2, we will go on to 3, because that's mostly Minister Duigan's.

Mr ELLIS - Yeah, if that works for you, Chair.

CHAIR - Recommendation 3. Is there anything in particular you want to add on this one now, aside from what you've given us? It's pretty similar to Recommendation 1 in lots of respects.

Mr ELLIS - The OCG has implemented the recommendation to make stronger guidance available to potential proponents that more clearly outlines the process beyond the EOI stage once Ministerial approval has been given. The OCG undertook a comprehensive review of all EOI process documentation and updated the full suite of the materials, including the EOI application form, guidelines, probity guidelines, conditions and online content. These updates clarify the EOI applications are assessed by the EOI assessment panel, and that this is an assessment of the concept and does not constitute proposal approval. The steps required to obtain the necessary approvals are contained within the process documentation that's provided to proponents.

Clearer guidelines outlining the process beyond the EOI stage have been incorporated into the revised documentation a total of six times. This guidance provides proponents with clear information about what occurs after Ministerial approvals; timeframes; and potential hurdles that may need to be addressed before the project can proceed further.

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Mr HENDRIKS - I suppose the only other comment that I could make is that the proponents are generally - and I think it's on the website, or certainly within some of the forms, they're encouraged to actually talk to both our office and Parks as part of that process as they're moving forward. There is further guidance given at that point, too.

CHAIR - In your response to the Committee, you note:

Input from other stakeholders will be sought as appropriate to inform the process.

Who are the stakeholders we're talking about here? There was some commentary from the Auditor-General about engagement with stakeholders, which obviously occurs in the later stage as well.

Ms SUDGEN - The panel receives advice from the agencies that are relevant, so always Parks and Wildlife Service (PWS), Mineral Resources Tasmania (MRT), Aboriginal Heritage and Heritage Tasmania.

CHAIR - That's the list of stakeholders we're talking about here? We're not talking about any local community?

Ms SUDGEN - No, we're talking about those official bodies. They basically address the proposal appropriateness and then that information is given to the panel.

CHAIR - We'll move to Recommendation 4, which is regarding the modification of the assessment panel evaluation report to include documentation of the panel's considerations. I won't read the whole thing. You've got a quite a brief report here to say this one is complete. Have you got anything further to add about how you've demonstrated the application and effectiveness of this recommendation?

Mr ELLIS - The OCG has modified the assessment panel evaluation reporting to record the fact that the assessment panel has viewed each individual proposal against the three criteria, as well as the seven guiding principles.

It should be noted that the guiding principles relate directly to the three criteria, with six of those principles specifically focused on the appropriateness of a proposal - criterion 1, and one principle focused on the financial viability of the proposal and the ability of the proponent to deliver it, which is criteria 2 and 3.

The panel receives advice from PWS, Aboriginal Heritage Tasmania and Mineral Resources Tasmania that specifically addresses the proposal appropriateness. That is, this advice responds to the guiding principles and allows the panel to evaluate the proposal against these principles and overarching criterion.

Ms SUGDEN - I might add, Chair, that I recently returned to this role in about October [2025] and I personally did review those reports and saw that that was noted. It is literally the narrative within the report that notes the guiding principles and the proposal's appropriateness.

CHAIR - I'm not sure if a comment from the Auditor-General refers to this, but he did make this point:

We found the publication of information on recommended proposals to be sufficiently timed -

Whether it refers to another one, I wasn't sure:

and appropriately handled. Notwithstanding the adequate publication of information, stakeholder consultation undertaken through the reserve activity assessment is primarily proponent-driven and unstructured. This increases the risk of positive bias by the proponent, either conscious or otherwise, in reporting on the outcomes of consultations.

I'm interested in how that's mitigated against because everyone wants to spruik their own project. Is this the process where that occurs, or is that in a different point?

Mr HENDRIKS - I think within the Auditor-General's report, that stakeholder consultation that he is talking about there predominantly occurs after it's been through the EOI and is actually made public. I mean, one of the issues prior to that is that until it's actually approved through the EOI, it's confidential and commercially sensitive. When it gets to that next stage, most of the referral points through the Auditor-General's report is very much focused around the RAA¹ process and the stakeholder consultation that's occurring through that process.

CHAIR - He does point out the risk, though, of proponent positive or confirmation bias in that. That's to do with Parks, not to do with you or your office?

Ms SUGDEN - Chair, I might add, because I was the person that was there during the time of the audit, to say that a lot of that was linked to the commentary with regards to making it clearer for proponents that this was, in fact, a concept stage approval because proponents had a certain view, some of them, that it had a level of an approval. So, I think those two do need to be considered together.

Mr CRANE - One of the services that we offer is, essentially, a concierge service at the beginning of this process, which is entirely voluntary for a proponent to take up. But what we do as part of that is ensure they understand the local operating context in which they are proposing to develop something and the kinds of stakeholder consultation and the stakeholders they need to engage with at that stage.

CHAIR - This is members of the public you're talking about? Or it could be the organisations, or whatever?

Mr CRANE - Absolutely. And to understand that context in which they are proposing something so that they don't suffer from confirmation bias. And we make sure that they don't only seek out the advice of those people who are likely to support their proposal.

I'd also say that the way in which the panel operates - and I've certainly experienced this in my time in this role, is extremely diligent in terms of drilling down to the facts, rather than

¹ Reserve Activity Assessment

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simply what's put in the proposal. And the panel will seek to go back to a proponent for further information and evidence of any assertion they may make about community support.

CHAIR - Are there any other questions about that from members? If not, we will go to 5. Minister, do you want to add anything to this?

Mr ELLIS - In general, the Tourism EOI Assessment Panel is based on relevant skills and experience. Its members do not represent any organisation, including those for whom they work. The panel consists of members with a wide range of skills and experience, including planning and land use management, management of the Tasmanian reserve estate, tourism and tourism development, financial and business case analysis, and governance, and community group expectations.

Following the Auditor-General report, the OCG undertook a review of the composition of the assessment panel and the panel was reshaped to ensure there was no potential or perceived conflicts.

CHAIR - Minister, you referred to this in your here with the assessment panel to look at matters of significant Aboriginal heritage?

Mr ELLIS - Thanks, Chair. Obviously, this is the gateway to a process, and that process includes Aboriginal heritage assessment. All proposals received to the EOI process are then submitted to Aboriginal Heritage Tasmania (AHT) for review and advice on potential impacts on Aboriginal heritage and related matters.

CHAIR - Before the process proceeds any further?

Mr ELLIS - From what I understand, it's just part of the normal process, although, I should say that the advice from AHT is then formally considered by the EOI assessment panel. The process ensures that cultural appropriateness is a fundamental consideration of the panel in its evaluation and recommendations for each EOI proposal. I will pass to the team from Office of the Coordinator-General to talk through that further.

Ms SUGDEN - The Minister has answered that correctly in that we get advice from AHT on every proposal. I have nothing further to add.

CHAIR - Just on that, and it may be a matter for Minister Duigan, does the panel also engage with the local Aboriginal community or just with AHT?

Ms SUGDEN - As you've indicated, that actually happens further in the process, so it's a question for Minister Duigan.

CHAIR - Okay, we will save that for Mr Duigan.

Mr JAENSCH - Do you have something to add, Mr Crane?

Mr CRANE - I was simply going to say that a proponent is strongly advised to undertake, or have undertaken, an Aboriginal heritage assessment of the site on which their proposal is to be located as the first stage as part of that submission. If a submission was to be made that did not include that assessment, the panel would not accept it and would require the proponent to

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then have that work undertaken. There is that advice provided from the proponent as part of their submission. That advice is then reviewed by Aboriginal Heritage Tasmania. Aboriginal Heritage Tasmania also has to review that original report when it's prepared as part of that process, so there are two gateways to get that professional advice. Aboriginal Heritage Tasmania may also seek the advice of the Aboriginal Heritage Council should they wish, to get further detailed information and community feedback as a part of that process as well.

CHAIR - Before they feed back to the initial process -

Mr CRANE - That's correct, yes.

CHAIR - Under the Office of the Coordinator-General?

Mr CRANE - Yes.

CHAIR - Okay. Thank you. Any other questions there? Does anyone else anything further on Recommendation 6? We did jump ahead to that, sorry. We will go to Recommendation 7: to exclude the contractor appointed to provide the probity adviser role on providing any external advice. Minister, you've given us a very brief response to this saying this is a complete recommendation as well, but can you further elaborate on that at all?

Mr ELLIS - Thanks, Chair. Probity officers are appointed in order to ensure that the probity guidelines are observed. A suitably qualified probity adviser is present at all meetings of the assessment panel as well as being available to provide advice to the OCG and PWS staff throughout the assessment process. The probity adviser also provides a report at the completion of assessment of each proposal, with an opinion on adherence to the process. The Attorney-General recommended that the contractor appointed to provide the probity adviser role be precluded from providing any external advice to the EOI process to remove any perceived or actual conflicts of interest. The company appointed in the probity adviser role, KPMG, has been precluded from providing external advice to the Tourism EOI panel on matters pertaining to the individual proposals.

CHAIR - So they may still provide advice on other matters, but not on that particular proposal? Is that what you're saying? Is it focused on proposals or more broadly, to be clear?

Ms SUGDEN - Either of us can answer it. KPMG is limited to providing the probity advice.

CHAIR – Just on the individual proposals?

Ms SUGDEN - They attend every meeting.

CHAIR - Right. Any other questions, members? We will move to Recommendation 8. This is around the EOI application form. You say it's been updated as part of the comprehensive review. You did speak a bit to this in your opening comments, Minister. Do you have any other comments you wish to make in addition to your response here in the letter you wrote to us?

Mr ELLIS - Consistent with Recommendation 8 of the Auditor-General's report, if a proposal has been previously assessed and rejected by PWS, the panel will consider whether circumstances have materially changed before allowing it to progress beyond the initial

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assessment stage. Where no substantive changes are evident, the panel may determine that the proposal should not proceed further in the EOI process.

CHAIR - How is that reported? What's the process there?

Mr ELLIS - I will pass to the team from the OCG.

Ms SUGDEN - There's a section on the form that makes it very clear.

CHAIR - Any more on that one? Some of these are quite self-explanatory. Recommendation 9 applies to Minister Duigan. For recommendation 10, I know you've provided some written information. Do you want to speak further to that?

Mr ELLIS - The proponents with projects that have commenced commercial operations were invited to complete two short online questionnaires in 2024 and 2025. The response rate in 2024 was 50 per cent and in 2025 it was 71 per cent. The responses received have helped the OCG update project data, including investment levels and employment figures. The processes also serve as a mechanism to remind operators of their responsibilities under the tourism EOI framework and updated information from the proponents has been included on the tourism EOI website.

CHAIR - Can you be more specific about the changes that have been made in response to that feedback?

Mr ELLIS - When you say changes, do you mean as in learning from the successful proponents?

CHAIR - Yes, you indicated there had been some response to feedback from proponents.

Mr ELLIS - Yes, I suppose in general, it's been helpful to gain an understanding. It should also probably be worth noting that in their responses, several proponents indicated that they've actually invested significantly more than originally intended and employ more people as well. The EOI process has provided an opportunity for ongoing investment in our tourism industry, which I think is very positive and worth putting on the record, but I will pass back to the team from OCG as far as further learnings are concerned.

CHAIR - Has there been any process changes as a result of the feedback? Effectively, that is the question.

Mr CRANE - Without wanting to suffer from confirmation bias myself, Chair, the feedback has been uniformly positive in terms of the process. What we have learnt, as the Minister has alluded to, is that it is worth trying to understand what the investment patterns are and what businesses have been successful to allow significantly increased investment. Blue Derby is a very good example of a business that has not only expanded its own local footprint but is expanding much more significantly than that. It is ambitious in terms of offering a broader range of opportunities but is also deeply embedded in the community and has been phenomenally successful in terms of the revitalisation of Derby itself.

CHAIR - Would you take that into account?

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Mr CRANE - We certainly do. We're always aware that in speaking with the proponents, some of the information they have they may or may not choose to provide, given the commercial-in-confidence nature of some of that, particularly if they have expansion plans. Also, others have been very clear and happy to share their success. As an example, in one that's been alluded to, one of the proposals was originally to employ an additional person and invest \$1 million. The feedback we've received from that proponent is they now employ six people and they've invested \$14 million in their business. That's been very, very successful from what was ultimately a fairly modest proposal to start with.

We've also noted the changes within the industry. There have been - and I alluded to this previously - proponents who had relatively small businesses, single-owner operators or partner-owner operators, whose lifestyle has changed, so they've chosen to exit the industry to do other things. We've seen that that's with a typical small business. There's nothing unusual in that in terms of success or failure or otherwise. What we've also tracked from this information is the significant impact that COVID has had, and I noticed Ms Thomas' question regarding progress. It's very clear in talking to the proponents who remain in the system that COVID has had a significant impact on their capacity to invest further, whether that's because they operate multiple operations in different jurisdictions, whether they're facing competition from national or international markets, costs have increased in building materials - all of those things materially impact on their ability to progress their proposals. The COVID disruption continues; it hasn't changed. We've learnt a lot from discussing with those proponents exactly what the kind of market forces are that they face. That helps us understand the challenges, but it also helps us engage with the right kind of investors that may be able to support them.

CHAIR - Any new proponent, you would expect, would be fully aware of the escalation in construction costs from COVID and every other reason?

Mr CRANE - You would hope that that was the case, Chair.

CHAIR - Right. It was probably a rhetorical question. Minister, I do understand you have to leave.

Mr ELLIS - Thank you, Chair, I appreciate everyone's time.

CHAIR - Minister Duigan is there, he's online, so I will get him to unmute and come online. Do you want your team to stay at this table, Minister, in case there's questions that they are best placed to answer?

Mr ELLIS - Are you talking to me?

CHAIR - Yes.

Mr ELLIS - I will leave it in their capable hands to decide on that one. Thanks, everybody.

The witnesses withdrew.

CHAIR - Welcome, Minister Duigan. Have you got other people coming to support you?

Mr DUIGAN - I certainly do, Chair. Yes, indeed.

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CHAIR - Are they here in person?

Mr DUIGAN - I believe so.

CHAIR - We've got some people online too.

Mr DUIGAN - We've got some onliners; Sophie Muller, who's Deputy Secretary, Parks and Wildlife; Danielle Poirier, General Manager, Landscape Programs, and Andrew Harvey, who is Manager of Projects and Programs for Parks, who is in the room.

CHAIR - Thank you, Minister. I will invite those people to take the statutory declaration. I don't know if the two on the screen have it in front of them. If not, I will read it to you and ask you, 'Do you agree?'

Mr ANDREW HARVEY, MANAGER, TOURISM PROJECTS AND PROGRAMS, WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

Ms SOPHIE MULLER, DEPUTY SECRETARY, and **Ms DANIELLE POIRIER**, GENERAL MANAGER, LANDSCAPE PROGRAMS, PARKS AND WILDLIFE SERVICES, WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED VIA TEAMS.

CHAIR - Minister, did you wish to make any opening comments? We know you've got a limited number of recommendations in this that reflect your responsibilities, and we have just heard from Minister Ellis, who has clarified those matters for us, but did you want to make any opening comments or ask one of your team to?

Mr DUIGAN - No, thanks, Chair. I will make a brief opening statement, if I may, and appreciate the opportunity to join yourself and the Committee. In fact, we are coming to you today from beautiful downtown Smithton, which is, as you would be well aware, an area of the State which continues to attract tourists, local, national and international.

I understand you have heard from Minister Ellis, but obviously we would like to reinforce how the Tasmanian Government welcomes appropriate nature-based tourism proposals in our parks and reserves. We remain committed to delivering the tourism expression of interest process which proactively encourages tourism opportunities in our natural areas by inviting creative and innovative proposals that will provide best practice environmental tourism and deliver social, environmental and economic benefit and visitor experiences that are the envy of the world.

To support best practice management of Tasmania's reserve land, the Tasmanian Parks and Wildlife Service released a consultation paper seeking feedback on proposed amendments to the *National Parks and Reserves Management Act 2002*. The proposed amendments related to the Reserve Activity Assessment (RAA) process. Interest in the process was significant, with more than 800 submissions received. There was strong support for retaining the existing provisions for assessment under the *Land Use Planning and Approvals Act 1993* (LUPAA). We have listened to this feedback, and that's why the Government will not be introducing a new statutory process for the environmental impact assessments on reserved land.

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Importantly, improvements to the RAA process over the past four years have resulted in a more consistent and robust process with greater transparency on the significant projects of interest to the community on reserve land. This includes the launch of the online Lease and Licence Portal, which supports our transparency agenda through the publication of active leases and licences on reserve land.

Parks and Wildlife will continue to focus on increasing transparency through the publication of RAA assessment guidelines. It will also improve coordination between the RAA processes and the planning permit application process under the *Land Use Planning and Approvals Act*.

Thanks again, Chair, and I appreciate the opportunity to join you.

CHAIR - Thanks for that overview, Minister. Unless you have any comments on the other ones, we will move to Recommendation 5 - which predominantly sits, as we were informed, with you - which is the review of the composition of the EOI Assessment Panel, which is the Coordinator-General's role. Specifically, to obtain broader representation of community stakeholders, including representing conservation and Tasmanian Aboriginal interests. We talked to Minister Ellis about this -

Mr JAENSCH - Sorry, Chair, I just got an indication this may be an OCG matter.

CHAIR - No. I'm just moving on from that. We did cover that pretty much previously. What we want to hear from you more, Minister, is apparently we've been informed that the predominant community engagement and other stakeholder engagement with Aboriginal communities, outside of what's already been described, and environment and other stakeholders, occurs under the RAA process. Can you talk us through a bit more about how that's going and, in your mind, have you really adopted the Auditor-General's recommendation there?

Mr DUGAN - In terms of the recommendation of the Auditor-General review the composition of the EOI Assessment Panel which, as I understand it, sits with the Minister, Mr Ellis. The composition of the panel is not something to which I would necessarily provide commentary on.

In terms of RAA, there has been a fairly substantial process in the last couple of years and then subsequently, prior to that, another review held into RAA. The RAA is kind of a living document or a living process, to some extent, and we are constantly looking at ways of improving it.

You know, typically in the tourism EOI process, these would be level 3 RAAs: I think, almost without exception, level 3 RAAs. With the level 3 RAA, currently there is one opportunity for public comment - a 28-day opportunity for people to submit in regard to the Draft Environmental Impact Statement.

Following that, Parks and Wildlife, through their assessment of the RAA, would detail how it would seek to mitigate any of those issues that are raised in that part of the consultation project or process.

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We are subsequently looking at having a further, or a step prior to that, whereby the public would potentially be asked to comment on the scoping of the RAA parameters and what are the issues that we should be looking at prior to.

As I say, there are constant improvements going on with the RAA, noting that the composition of the panel is not one of those things.

CHAIR - Sorry, I was reading the wrong page. This is about the rigour of the public consultation. What led me to that was that there's no public engagement in the initial process, and it then sits with the RAA process. I'm just asking your view of how this is going and what their feedback is from that. Is how it's now operating truly reflecting the Auditor-General's recommendation about improving or increasing the rigour of the public consultation process to ensure all relevant voices are heard?

Mr DUIGAN - Yes, and as I was saying in my answer to the previous question, there is currently the RAA process, but it's important to recognise as well that there is still the requirement, in the large part, for those proposals to go through the local process, so a DA² and council approval as well. The RAA process runs in parallel, and there is the opportunity for people to comment on the draft environmental impact statement and Parks then responds to those submissions. What we are contemplating is having a step prior to that where there would be public consultation and perhaps targeted stakeholder consultation around scoping the EOI. I will hand to Sophie or Danielle perhaps to give some more detail around the thinking about drawing in more public viewpoints as we put together the RAA parameters.

Ms POIRIER - Thank you. With respect to the scoping consultations, at the moment those components that make up the requirements of the reserve activity assessment are drafted. We talk to internal stakeholders and specialists, but the proposal is for those to be drafted, and then for a step to be published for a certain period - four weeks, something like that - to then receive comment from the community, the public and interest groups, in helping to respond to those draft requirements and then taking that feedback on board.

In addition to some standard conditions, there would be some specific for that particular project and then perhaps influenced through the submissions from the public during that development of those assessment requirements.

CHAIR - Minister, have you gone out and sought feedback on how the process is now working in view of the recommendation that the rigour of the public consultation be improved? How do we know that people are feeling that this is a better, more open, transparent and engaging process? If you don't measure it, how do you know?

Mr DUIGAN - Thanks, Chair. I think it's important to recognise that to support best practice and make sure we get this right, we released a Government consultation paper on the RAA process recently, I think probably in 2023 or 2024, if memory serves. That was obviously to get feedback on proposed amendments, and those proposed reforms were subject to an extensive public consultation process. In response to that, we had some 807 submissions, so there has been a great deal of focus on the RAA process in recent times and it continues to evolve. We have made a decision not to introduce a new statutory process, but to continue to

² Development Application

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use the RAA in concert with LUPAA, because that was very much the feedback we received through that consultation process, noting that there were -

CHAIR - Was that view shared across proponents or those involved in the tourism sector, Aboriginal organisations and environmental groups and others?

Mr DUIGAN - Look, I think there was a reasonable level of alignment. I would perhaps defer to Sophie or Danielle to speak about more detail in that regard.

Ms MULLER - Thanks, Minister. I think one of the things that's definitely worth noting in this regard is that the requirement for consultation since this report was released is a new requirement. When this report was undertaken, there wasn't a requirement for significant projects to have this period of consultation. That's a new step in the process that is required for all significant developments, so for all level 3 RAAs. That's undertaken through our website, so it's highly transparent and highly accessible. I think, as the Minister indicated, through our RAA review there were no concerns or issues raised with regard to that consultation part of the process.

CHAIR - Minister, you said you've decided, based on that review, not to change the process at all or introduce a new statutory process.

Mr DUIGAN - Yes.

CHAIR - You're confident, then, that the current process can deal with more complex or contentious proposals?

Mr DUIGAN - Yes, I think so. I'm certainly not saying we're not going to change the process. I think there is a constant evolution of the process. As Sophie said, it formerly didn't require public consultation and now there is the requirement for that. We would seek to, as I say, expand that into two public interactions through a level 3 RAA. We will also be making, I think, some changes to our level 2 RAA to provide some more visibility.

One of the things that came out of the consultation process was a greater desire for transparency into the RAA process. That's something we're seeking to do. Work in that space has been happening as well with the leases and licence portal, which essentially puts up on the website all the current leases and licences over reserved land in the state. Again, that's been welcomed by many in this space on both sides of the ledger.

CHAIR - Minister, you said that it's an ongoing process, so how will you monitor how the newer system is working? I call it 'newer' because there has been some change. How are you going to assess that into the future to make sure there's not other things that become apparent that may need further adjustment?

Mr DUIGAN - I think it's a reasonable question. The reality is we don't do a lot of particularly level 3 RAAs. There's probably one or two each year and they are invariably pretty public facing and well-known kinds of projects. I think each one has various certain nuances to them and there is the opportunity to take learnings out of them, noting that no two are exactly the same. They're each quite distinct and different proposals and we're seeking to have a process that can encompass all of those things. I would say that I feel quite confident in the process and again, not adverse to changing it if that is required.

PUBLIC

In terms of the review, I note one of the recommendations from the Auditor-General's report was around what we do in terms of reviewing how projects are meeting the requirements of their RAA. I think they then go into business-as-usual once they have passed through. There is a suite of reporting and monitoring we would do with each of the projects that come through the EOI, or whether they come through more normal means. It's just part of what we would do in the normal course of business.

CHAIR - The other recommendation that fits in your area, Minister, unless you want to comment on any others before, is Recommendation 9. We have obviously talked a bit - you've mentioned this on the way, that Parks and Wildlife Service better document the RAA post-approval reviews and ongoing monitoring leases and/or licences. Can you provide any further information on what's been provided there? You say it's complete. Can you just explain how you've achieved that? Sometimes things do need to be revisited, if some other problem is identified. This particular recommendation may have been adopted. I'm just interested in your views on that further.

Mr DUIGAN - Yes, thanks, Chair. As I was saying, while the Auditor-General's report is focusing on the EOI process, from the viewpoint of Parks, once a project passes through the EOI process and is assessed, through LUPA via EPBC and then subsequently in RAA, it then becomes just another one of the operations in the Parks landscape. There is a range of monitoring that happens to all of our projects that are happening on reserved land. Perhaps Sophie or Danielle could provide some more detail about what that compliance suite looks like.

Ms POIRIER - Yes, through you, Minister. As you talked about, I suppose from the get-go, where the conditions from a Reserve Activity Assessment are incorporated into the relevant authorising instruments: so, where we might have a lease or licence or grant authority. The process there to include those conditions and have them be very visible and very clear, and that then, as the Minister said, can be viewed through that lease and licence portal. Those agreements can be accessed there and those conditions are visible.

In terms of then into that operational environment, Parks will undertake post-approval assessment of documentation, so where it moves into that, post the lease or licence being in place, the management of those environmental management plans, operational plans. We do that with the component to ensure they align with the assessment.

If there's a construction component to the contractor, environmental management and monitoring, making sure those conditions are being met. Then in that operational phase, as the Minister said, it becomes a part of our business as usual how we operate, how we then manage that process of ensuring that those conditions are being met.

Since the Auditor-General's report, a comprehensive document management system's being rolled out in the department, and Parks is a part of that. That's a contemporary system where we document all our documentation, licences, leases, but also guidance and documentation. How we monitor conditions - there might be an auditing, we're trying to improve the guidelines for our teams on the ground. One example is development of a template for auditing during operations, so that will assist our staff out in the field when they're liaising with proponents or leaseholders in the field. In those operational ways, what the conditions are, also the ways to audit those particular conditions. That document management system helps us to manage that in a way that's documented, and then it becomes -

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CHAIR - That's much more effective, I'm sure. I'm just interested in how often there is an actual review that the individual business or organisation is meeting the obligations of their lease or licence, and how is that reported if they're not?

Ms MULLER - I guess there are 6,000 leases and licences that Parks manages. We have a system called Crest that helps to facilitate the management of that. Although that system is at end of life and we're currently going through the development of a business case around the replacement of that to have a more contemporary and fit-for-purpose systematic approach to managing that volume of leases and licences. Certainly, the team looks at milestones, rent reviews, et cetera, that are triggered by those leases and licences, and that occurs as part of our BAU (business as usual).

CHAIR - If a member of the community, say, raised a concern about the compliance with a lease or licence requirement or something, how is that dealt with?

Mr DUIGAN - Thanks, Sophie, I think that's an operational one for you.

Ms MULLER - If concerns are raised in terms of compliance with lease and licence conditions, that would be considered through property services or through a field centre, depending on the nature of the concern and the compliance matter that's been raised.

CHAIR - How is that reported - if there is found to be a breach in the lease or licence conditions?

Ms MULLER - Reported in what sense?

CHAIR - Well, I assume you'd let the Minister know? If someone's breaching their lease or licence conditions, there must be some sort of process to respond to that.

Ms MULLER - Correct, yes.

CHAIR - What is that process? I'd just like you to outline that process

Ms MULLER - It would involve seeking appropriate legal advice, understanding the requirements of the lease, understanding the avenues within the lease or licence for us to take appropriate steps in relation to issuing breach notices, monitoring, doing an audit, giving the alleged breach information to the person, and the opportunity for them to respond. That's something that we would undertake in a fairly routine manner and we would inform the Minister as we went through those types of processes.

Mr DUIGAN - Certainly there are a number of those issues that come to me, Chair, but as Sophie said, there are some 6,000 leases and licences that Parks manage. Not all of those breaches would necessarily make it to me. Certainly the odd one does. I can't think of a time where an EOI proponent or operation has done so, though.

CHAIR - I just want to try to understand the process if a matter was raised and it did relate.

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Okay, I think we're out of time. Does anyone have any other questions? Thanks for coming, Andrew. No other questions from members? Okay. Thanks, Minister, I will let you go and enjoy the beautiful day it will be in Smithton and say hello to my people there. Thanks to the rest of your team for appearing before the Committee.

The witnesses withdrew.

The Committee suspended from 12:39 pm to 1:30 pm.