

UNCORRECTED PROOF ISSUE

Thursday 1 July 2010 - Estimates Committee A (Green) - Part 2

CHAIR - We have done your overview so I will just a couple of overview questions before we get to the outputs. Once again I have the same question about election promises, because the Premier said he could only deliver on 75 per cent of the Government's election promises. What in Primary Industries has not been delivered in terms of promises?

Mr GREEN - With respect to?

CHAIR - Primary industry in this Budget. Just the ones that are missed out, the ones that did not get in.

Mr GREEN - Just the ones that are missed out. You do not want the good news.

CHAIR - No, we read them in the budget papers. It was only the ones made during the election campaign that have not come through.

Mr GREEN - There is Wealth For Water, a \$7.24 million commitment. We effectively budgeted for \$1 million a year over the four years.

CHAIR - Say that one again, please.

Mr GREEN - Wealth For Water, a \$7.24 million election commitment. We have funded \$4 million - \$1 million a year over four years. Having said that, the Premier has committed to that funding in years 11 and 12 to put the \$3.24 million on top of that. The water access plans, \$500 000, and subsidies for compliant water meters, \$3 million. We are in a process of funding water meters and working with the Commonwealth to ensure that we actually access those funds through that process. So we have \$100 000 for water meters but we want to leverage those funds from the Commonwealth. In my discussions with the Department it has been suggested that that is certainly.

CHAIR - In terms of agency cost-reduction requirement, obviously there were some requirements to carry out such things as early or closed, in retirements, leave without pay, targeted voluntary redundancies. How has DPIPWE implemented those cost reductions?

Mr GREEN - Can I allow Michele Moseley to work through those?

Ms MOSELEY - Thank you, Minister. As you said, the savings that we have made have been largely through internal staff redeployment - staff securing positions with other departments through the State Service vacancy control process that the Government implemented. We have reduced payments to contractors, particularly in the information management services area, and are doing a lot more in-house. We have made savings through merging systems because, with two agencies combining, we were able to combine our finance systems. Just yesterday we finished combining our HR systems. In terms of accommodation, we are working through the negotiation of lease arrangements, and to date savings have been achieved from ending our lease on level 8 at the ANZ building. We have also, of course, made significant cuts to mobile phones, domestic travel and the vehicle fleet. We have improved videoconferencing facilities in Hobart and put video-conferencing facilities into the north and north-west to help cut down on domestic travel. General managers sign off on all intrastate travel to make sure that it is absolutely

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necessary and we make much greater use of videoconferencing with our interstate colleagues than we had in the past.

CHAIR - And SES reduction?

Ms MOSELEY - We had a target of four with SES and we made a reduction of six - four from within Primary Industries and Water and then another two as a result of the amalgamation of the two agencies. So we have made six SES cuts.

CHAIR - And the number of personnel now currently employed within the department. It would seem as though the whole department has contracted anyway. Through you, Minister, as obviously Ms Moseley is -

Mr GREEN - It is much easier for Michele.

Ms MOSELEY - Yes, the number of FTEs in the department has dropped from 1 669 to 1 454 as a result of the budget measures that the Government has put in place in response to the global financial crisis.

CHAIR - Run those past me again.

Ms MOSELEY - We had 1 669 FTEs.

CHAIR - That was at?

Ms MOSELEY - In May 2009. In May 2010, 1 454.

Mr WILKINSON - As a result of those reductions that we have been speaking about, are you able to put a figure on the savings?

Ms MOSELEY - Yes. In 2009-10, the total savings that the department made was \$11.69 million. That was across all the things that I referred to - SES, travel, advertising, mobile phones.

Mr WILKINSON - Thank you.

CHAIR - Minister, having a background in agriculture it has in some ways been disappointing to see the department shrink in size over the last few years. Jan Davis expressed the TFGA's disappointment. There was a 7.5 per cent reduction in funding. What is your view on that? Why is this very important industry for Tasmania being cut back?

[1.45 p.m.]

Mr GREEN - Thank you, Mr Chair. Sure, the numbers of people employed within the department can be raised as an issue but I think that what we ought to do is focus on the partnerships that we have managed to build over time with FTR, for example, and TAFI is another example. From a development point of view, the Government has been and is absolutely committed to ensuring that we provide the necessary funds, in some cases in partnership with the Commonwealth, to take the agricultural sector forward.

In my documents here somewhere, I have a brief that talks about the growth in primary production over time. Often we get caught up in the Budget from a day-to-day perspective whereas my view is that we need to look at the successes of the sector over time and actually celebrate that. So, there have been efficiencies but at the same time there have been significant changes.

If you think about it from the point of view of the pure statistics on how the industry has been performing over time, you will see that there has been significant growth in dairying, salmon, vegetables, lamb, cherries, apricots, beer and wine production. The 2007-08 food and beverage industries score board has just been compiled and it confirms what a bumper year there was in the food and beverage production side. Total farm-gate and beach-point sales increased by \$169 million or 14 per cent compared to 2006-07. Increased sales of milk is plus \$98 million; vegetables, plus \$43 million; wine and grapes, plus \$15 million; cherries, plus \$15 million. They made major contributions to the rise.

The value of food production increased by \$218 million compared 2006-07; the increase in dairy products, \$106 million; beer, \$74 million; vegetables, \$53 million. They were the main contributors and the total net revenue, based on sales interstate, overseas and in Tasmania was estimated at \$3.7 billion, \$233 million higher than 2006-07. And it goes on.

The point I am trying to make is that, yes, there has been a strategic approach to research and development and growth in the sector overall and that has been backed up with capital to ensure that we roll out irrigation projects, for example. Of course we still want to work very closely with vegetable producers, the dairy industry and all sections of primary production to continue that growth phase. While the department may have shrunk as a result of the economic issues that the Government and the country faced through the global economic crisis, I think we have still got a very good story to tell as to the actual growth of primary production in the State.

CHAIR - I have to say that is outside a lot of the State Government's influence, particularly with the exchange rates and those sorts of issues and the pressures facing the dairy industry and, indeed, poppies and others at the moment. I do recognise that we are in a global market and that is the way it is.

I turn to something which has been very topical. The decision on the sow stalls that has been made and obviously, as a rural representative myself, and other members have had a lot of representation, I know what has gone on with the AWAC decision. If that ban does apply here eventually, are you then going to ban imported pig meats, pork, coming in from the mainland and, indeed, live animals that have been raised in other jurisdictions in sow stalls?

Mr GREEN - As you know, there will be a national ban on to sow stalls in 2017. I would rather look at it from the positive point of view -

Mr WILKINSON - Yes, but we are going to have the problem here from 2014 if these regulations go through, aren't we?

Mr GREEN - Yes, but in my view you ought to take it in the context of how a number of producers on the mainland and other parts of the world are changing their methods and the fact that in some parts of the world they have been banned altogether for some time. The big producer in Canada, where a lot of imports come from, Maple Leaf, is making the conversion. Riverland piggery on the mainland has, I think, 7 000 sows and they are the making the conversion

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themselves on a voluntary basis, as have a number of producers here in Tasmania. The recommendation came from AWAC and my view was that it was reasonable in the circumstances, given that it first came on the agenda in 2003 that sow stalls would potentially be banned.

CHAIR - But why jump so early when we had that national agreement in place?

Mr GREEN - Because I had advice from AWAC. We have always maintained the position in Tasmania that we could and would go further if we thought it was appropriate.

CHAIR - Going back to that original question I asked -

Mr GREEN - About banning sows themselves?

CHAIR - Pig meat, because we do not produce enough here anyway to supply the local market. Obviously there is pork produced in sow stalls; are you going to ban that from coming into the State, and/or breeding sows, boars or whatever? Otherwise the whole thing becomes hypocritical in that respect.

Ms FORREST - And inequitable for Tasmanian markets.

CHAIR - Very much so.

Mr GREEN - As I tried to indicate, I would rather see it as a positive - that is, we get consumers to support the pig industry here by buying pork produced by Tasmanian farmers.

Ms FORREST - How will they know, though?

CHAIR - And they are going to be producing it at a competitive disadvantage.

Mr GREEN - As I have indicated to you, the initiative that producers have taken here in Tasmania and in the big production in lines in Australia has been to understand that this ban has come into place. The UK banned them in 1999. The recommendations have come forward and I have accepted them.

CHAIR - Would you agree that the pressure has come from certain lobby groups? We have jumped the gun. What do you think of Jan Cameron's ads? There were ads in the *Advocate*, if I recall, congratulating you and then at the same time saying, 'Don't eat pork from Tasmania', so that became a nonsense.

Mr GREEN - Those ads made no difference to me. I received advice from AWAC about a ban and I sought advice from my department on production techniques and methods and what the ban would mean. It is about animal husbandry more than issues associated with production. It is about sows fighting one another over food and those sorts of things. I have been informed that it is well and truly possible to have sows in an environment where they are fed almost separately. I admit and accept that some producers in Tasmania are not happy; by the same token I am comfortable with the decision I have made based on the advice from AWAC.

CHAIR - Do you think that the pressure that came from the activists - could I put it loosely using that term - and they picked on Tasmania. We are the smallest jurisdiction and they thought, 'We are going to put enough political pressure on. We'll nail the minister. We'll nail the industry

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here and then we can go further'. I have just spoken to somebody who has been to a production seminar on the Gold Coast and that is exactly what they are saying.

Mr GREEN - The UK banned them in 1999; sow stalls in the European Union will be banned from 2013 and, as I have indicated, some of those big producers. The activists had no influence on me with respect to the decision I made. If you are suggesting that they have put pressure on Professor White, as the chair of AWAC, and others, you would have to ask him that, but I do not think so. I think they worked through the process logically and made a recommendation to me.

CHAIR - As I understand, there were only two industry participants on the AWAC committee - the CEO has been away in Europe for some time anyway - and I understand they both voted against the AWAC recommendations.

Mr GREEN - There are also vets and people involved in issues associated with animal welfare that have expertise in that area. You are quite right, there was a TFGA representative and there was also a representative from intensive farming.

CHAIR - Minister, there is another question I would like to ask you on this. What do you think of Jan Cameron? She is a woman with a lot of wealth and she has offered this bounty. I have had pig producers in tears coming to me saying that they feel like criminals now because there is this bounty to encourage employees to do them in.

Mr GREEN - I think I will just read this: I am aware that a private individual, Ms Cameron, has advised that a reward will be available to persons who come forward with evidence about cruelty to animals in intensive-farming situations. I would hope that this announcement has no real consequence for Tasmanian society in general or for Tasmania's intensive-animal producers and workers. I say this for two reasons. Firstly, producers should be well aware by now that cruelty is not to be tolerated and that it will be discovered and dealt with under the new law if it occurs.

The department and the RSPCA have commenced an expanded program of random surveillance of animal welfare in intensive-farming operations so any issues out there should be picked up and remedied sooner rather than later. In those circumstances I would hope that even the slower learners in the industry have figured out that they must lift their game and that there should be nothing to report for any aspiring bounty hunters.

Secondly, it is clear to me that for officers of my department and the animal welfare officers appointed under the Animal Welfare Act that it would be entirely inappropriate for them to accept a reward or be influenced by the prospect of a reward in the conduct of their duties under the act. To do so would result in my revocation of that appointment and, in the case of the State servants, would result in formal proceedings under the State Service Act. Some people have suggested that officers have been so influenced. I say to those people that if they have evidence of that, they should bring it to me. If there is no such evidence to offer, then they must stop pretending otherwise.

Most of us would not be able to cope with the sorts of things that animal welfare officers see and deal with on a day-to-day basis. Yet officers continue to do their jobs as required under the Animal Welfare Act. The last thing they need when serving the community in this way is to have critics spruiking unfounded allegations about them and making their jobs even harder. So I think

the evidence speaks for itself. Our animal welfare officers deal with the vast majority of animal welfare issues by working with animal owners to improve the welfare of their animals and that is exactly what I want them to do on into the future.

As I was about to say from my own point of view, I do not accept that those bounties should be in place. I think the system that we have in place ensures that people should understand their full responsibility with respect to animal husbandry and meet those obligations and I know that intensive farmers at times have felt under pressure because of the industry they are in and because people have broken in and taken videos and done all sorts of things but in the end some of the practices that were being undertaken have led to charges and people have had to face up to that.

[2.00 p.m.]

CHAIR - I totally accept there is no place for any form of animal cruelty - that is a given - but just in respect to what you saying, I would like to cite a case very briefly. This occurred in the north-east. A piggery was broken into and I think it was raided by 54 people. A week later the owner/operator rang the RSPCA and DPI/PWE welfare officers and asked them to come in and inspect the premises. He pointed out they were treating a couple of pigs, as you do in a large operation like that. I think one had one leg a bit longer than the other and it had a little bit of ulceration or whatever. They said everything was okay. The next day he received a phone call from the department saying that they were going to prosecute. He asked why and I think they talked about the fact that some scans had been done and that there was some arthritis in the sow - which from outside is very hard to pick up. Now he is going to be prosecuted. So that story, whether it is entirely correct or not, I am just putting it on the record. It has been passed through to me and that would seem to me to be rather heavy-handed in that respect. That is all I can say.

Mr GREEN - As you know, given there have been charges laid, I cannot really comment.

CHAIR - Yes, okay.

Ms FORREST - Minister, the chair asked you a couple of times, would you ban incoming pork or the import of live meat?

Mr GREEN - No.

Ms FORREST - Thank you.

CHAIR - There are a couple of overview questions. The 1080 issue: how do you respond to your Green Cabinet colleagues wanting to ban 1080 in agriculture - to have a total ban?

Mr GREEN - I have been on the public record as saying that I believe there has been a huge drop in the use of 1080 in Tasmania, as you well know. Forestry Tasmania has not used 1080 for a long time and Gunns have not used 1080 or will not use 1080 from this point on. As for the resulting press associated with 1080, I went on the public record and said that I do not support the total ban of 1080. I think that farmers need to be in a position to have a spread of options with respect to controlling browsing animals. Obviously there are first responses to larger problems like shooting, culling or effectively trapping et cetera but I accept from time to time, as in all cases, it goes beyond that and 1080 could be required to allow farmers to effectively co-exist with the wider population of browsing animals. So no, I do not support that position.

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CHAIR - Thank you. Another quick general one on ground spraying as opposed to aerial spraying, an update on where the issue is at.

Mr GREEN - I have received a briefing with respect to sprays and buffers et cetera and I have asked the department to prepare regulations for further community consultation with respect to that matter and the preparation of those regulations is ongoing now. In fact, I signed off on a brief I think yesterday with respect to setting out the criteria as we discussed in the briefing. Maybe it will now come forward as a set of draft regulations that we can further consult with industry on. That has come about as a result of the consultation that was established after the first position came out.

CHAIR - When are we likely to see the regulations?

Mr GREEN - As soon as it can be arranged, but I signed off on the brief yesterday so the draft regulations are being put together as we speak, in fact.

CHAIR - Another question on asset disposal. Has the department disposed of any assets recently? I know the Cressy research farm, for example, that is being leased at this stage -

Mr GREEN - It has gone over to TIAR and it has been done on the basis that it has been leased -

CHAIR - Sublet.

Mr GREEN - The sublease takes into consideration the offsets for the research programs that are undertaken as part of the lease arrangements.

Ms MOSELEY - I am just adding to what the minister said. The Grove Research Station is also being leased by Oak Tasmania. Part of the condition of the lease is that it is kept available for research, should the Tasmania Institute for Agriculture wish to use it for that purpose.

CHAIR - No other assets have been sold off at this stage?

Ms MOSELEY - No.

CHAIR - How much has been spent on consultancies, and can you provide a list, please? And where are they from? Are they all Tasmanian?

Ms MOSELEY - I do have a briefing on that in the list attached to that which we would be happy to table if the minister is happy with that.

Mr GREEN - Yes, sure.

Ms MOSELEY - Rather than read it out because there are a number of small consultancies so it would take a while to read some. So I am happy to table that.

Mr GREEN - There are two or three pages. We can table that if you like. That is acceptable to you?

CHAIR - Yes.

Output group 1
Information and land services

1.1 Land titles, survey and mapping services -

Mr HARRISS - Minister, there has been some publicity in the last 12 months and it is a matter that I have been aware of for a while and I raised it here last year with your predecessor. That goes to the matter of reserved roads that have never been constructed across land because a road has been constructed in a more topographically agreeable location. So that reserved road will never be needed nor used and yet it can cause immense difficulties, as you would be aware, with land owners in times of selling land because they may have, in the process of developing their land, constructed a building on that reserved road. I will not go any further with the big-deal issues but they are numerous. Is the Government looking at a solution to that in terms of a fairly speedy process? Is there any attention to that from a policy point of view as much as a practical point of view?

Mr GREEN - The only information I have with respect to reserved roads is to do with an ex gratia payment. The issue falls within crown land management, which is David O'Byrne's responsibility.

Mr HARRISS - Not with land titles? Land title, survey and mapping services? It is a title matter related to the land.

Ms KENT - I can talk to it very briefly. Reserved roads come under the Crown Lands Act and so theoretically the issue is around reserved roads related to that legislation. The issues are that there are reserved roads that are used and that they are right across the State and at different times people can apply to lease them and their arrangements under the Crown Lands Act and also if they have determined if they are no longer needed they can then purchase them. So there is a process to that. Under the review of the Crown Lands Act we are also looking at particular issues to do with the leasing and licensing of reserved roads because councils have more surety into that process. So it really does come under the Crown Lands Act. Probably the cases you have referred to have been around issues where people have applied to do something and by looking at their title the issue has come up. They are the ones that have been well publicised through the ABC and the newspaper. So it is sort of a cross-divisional issue.

Mr HARRISS - It is a matter I will take up with the minister, then. Thanks.

1.3 Service Tasmania -

Ms FORREST - Are they going to open any more offices anywhere - in my patch particularly or the minister's patch too, quite frankly? No sign of any new ones?

Mr GREEN - You know what I am concerned about in my patch?

Ms FORREST - No, I am just reminding you that that is where your patch was.

Mr GREEN - I know; you have been on my back about mines and various other things.

Ms FORREST - Are there any plans for new ones?

Mr GREEN - It is a DPAC issue.

Ms FORREST - That is what I thought it was.

Output group 2
Primary industries

2.1 Agriculture industry development services -

CHAIR - The first question that I have relates to footnote 1 under Agricultural Industry Development Services. It notes that there is a massive drop in funding and this output is due to the completion of programs. The question is, can you understand that there is a degree of concern in the farming community that less funding is being directed at this sector than they have been receiving? And why isn't there any funding for new programs so that agriculture does not get a diminished share of the Budget?

Mr GREEN - There has been a drop in that output as a result of the completion of programs but there has also been a range of other programs that have been effectively established in the preparation of the Budget and leading up to that time through McCain's task force and other areas. I accept that the Budget has dropped as a result of completion of projects but by the same token there are other projects that are being instituted. I read out the growth of the agriculture sector in recent times and the strategies the Government has had over recent time. To look in isolation at the funding coming to primary industries now is unreasonable in the context what we are trying to do is to ensure that the economic wealth of Tasmania is assisted through funding - agriculture, fisheries et cetera being an extremely important part of that, and that funding which is coming out of the Department of Economic Development et cetera will be orientated towards farming through projects. It is important that we understand that and we have the innovations strategy going to be launched soon - \$4 million. I believe, given the budgetary constraints that we have, that we are doing our level best to maintain activity within the sector. In fact, we want to be in a position to grow the sector and I will be meeting with the TGA tomorrow to talk through their issues but, from my point of view, I am confident that we can continue to grow the sector based on the funds that we have available.

[2.15 p.m.]

Mr HALL - Whilst I think of the TFGA and their submission to the budget process, they wanted \$370 000 to employ field officers across the State to work with farmers to provide advice on such things as legislation, planning and emerging policy and regulatory instruments. That would also support farmers to undertake property management planning as well. Is the State progressing anywhere on that front?

Mr GREEN - In the first place, I think with respect to property management systems as part of the irrigation development program, management systems have to be applied. The NRM is working with a number of farmers with respect to building property management systems and of course that is all vetted by advice that comes through TIAR and the work that they do and their interface. I have been to a number of forums and seminars over time where people have been actively involved.

With respect to the funding itself, obviously the Budget includes delivery of advice to farmers; \$150 000 will be made available towards consultancies for the costs of preparation of

farm water access plans, et cetera, in 2010-11; \$120 000 over two years will be allocated to enable the TFGA to coordinate and manage local irrigation leadership groups to assist farmers in planned irrigation areas to consider the various factors relevant to making their decisions on whether to invest in irrigation schemes, and the wealth for water program will involve the provision of information to farmers on crops and markets. There is a range of opportunities there I think and the combination of all will ensure that the farmers are well served in that regard.

CHAIR - One matter I probably should have raised in the overview part, Minister, and I have written a letter to you regarding the SOURS program. SOURS is a program in Victoria - Stock Over/Underpass Road Safety - and the Victorian Government has had a program in place whereby up to a figure of \$40 000 is provided to subsidise farmers or landowners dollar-for-dollar in constructing underpasses in roads. So therefore it is a maximum of \$20 000 per landowner. Obviously, as Minister, you would be well aware that landowners to make their properties viable have often had to buy adjoining properties and therefore there are large movements of stock under roads and it has become a real safety issue. There are litigation issues out there at the moment and obviously tourists and some people do not respect however many signs you put up with flashing lights and all the safety requirements there; it is still a big issue.

It was something that I had asked for and I am just going to ask your opinion on whether it is something that you ought to look at as a measure to assist because these underpasses do not come cheap. Even with one just for stock, you are looking at a bottom line of \$150 000 to put it through.

Mr GREEN - The advice I have is that the TFGA did approach us on the basis black spots - the black spot program - because underpasses potentially create a situation where road accidents or road crashes might occur. The advice I have is that I think we ought to manage this on a case-by-case basis. I am aware obviously when we do new roads. As you would be aware, heading out towards Meander there has been a road reconstructed. As a result there have been underpasses established there. I think the most sensible way to approach this is on a case-by-case basis, particularly if it is based on black spots.

CHAIR - You know that Lake Secondary Road that was done with some offsets from the landowners.

Mr GREEN - It was, and it was similar on the Bass Highway.

CHAIR - I suppose the Bass Highway being a Federal -

Mr GREEN - No, this was Sisters Hills effectively. That was State but there was some Federal funding in there.

CHAIR - A lot of this applies to council roads and others and it is just a bit of impetus.

Mr GREEN - We are more than happy to have a look at it on a case-by-case basis, particularly in relation to black spots. If there is a serious situation with cattle crossing the road or whatever, we would certainly be prepared to have a look at that.

2.2 Marine resources -

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Mr WILKINSON - This first question relates to the development of the Tasmanian marine farming industry and also the wild fisheries. Marine fishing has obviously been a success story over the years. Can you give us some indication as to how it has grown over the last three years and how it is expected to grow over the next three years?

Mr GREEN - With respect to each of the species? Are we talking about the wild fishery?

Mr WILKINSON - No, the aquaculture industry - marine farming.

Mr GREEN - Salmon production in Tasmania reached 30 000 tonnes in 2009, which has an approximate farm-gate value of \$330 million. The industry has indicated that demand in the domestic market is strong and has advised that it is seeking to increase marine-farming leases in areas to meet the increased demand. I do not have any figures going back. Can you remember Les, off the cuff, what the production rates were before the 30 000 tonne-milestone was achieved?

Mr FORD - It has increased from approximately 10 000 tonnes in 2001, so it has gone up in 3 000 or 4 000 tonne steps.

Mr GREEN - I think it would be fair to say that it has been a great success story. The economic benefit in 2008-09 from the 29 015 tonnes was \$320 million. There were 3.6 million dozen Pacific oysters produced - I know that quite a few of those have been consumed here in Parliament House - worth in excess of \$20 million. We want to work with the industry to establish what is required - that is why TAFI is so important to us - the science associated with the expansion of this industry is crucial.

Mr WILKINSON - What is holding us back, if anything?

Mr GREEN - Water.

Mr WILKINSON - The ability to obtain water through more farms, is that what we -

Mr GREEN - The critical issues are associated with sustainability, fallowing et cetera. We need people to work on the technology and the science to open more water for marine farming, which provides us the best opportunity to significantly expand the salmon industry in Tasmania.

Mr WILKINSON - Is that going to be the development that you can see in the area of salmon farming, to get them out of the estuaries into the open water?

Mr GREEN - That is the advice I have had. I am not sure what happens around the world but I think people are now focussing on open ocean because it is a critical issue generally. That is why TAFI is important with respect to the work that they have done and continue to do. The fishing industry has increased its profitability through the way that it has bred fish. The amount of weight a fish puts on compared to the amount of food that it takes in now compared to when the industry first started this significantly more - it's a totally different fish from a production point of view. The industry is looking to further build the volume of production. I am not sure whether there are any applications, Wes, for more water in the estuaries around Tasmania at the moment?

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Mr FORD - Yes, there are a couple. We are working with three companies looking at expansion. There are still some expansion opportunities in Macquarie Harbour and we are working with the companies over there.

There are expansion opportunities in the southern part of the State around Storm Bay area, moving further south of Dover towards Southport and on to the eastern side of Bruny Island and the western side off Nubeena and up to Wedge Island - that is what we mean by more open oceans. There is a big lease area in Trumpeter Bay which has not yet been developed, principally because of the technology required to secure farms in those rougher locations.

Mr WILKINSON - It has grown three-fold in the last decade. Are there any plans - any targets would be a better word - over the next decade?

Mr FORD - The industry's target is to double within the next 10 years. There are a number of limiting factors around that. Water is one of them, clearly market is another one - they need to be able to sell the fish. They can only grow at a certain rate.

Mr GREEN - But there is demand indicated above what they produce at the moment.

Mr WILKINSON - That is what I was going to get at. There is a market still for this doubling of fish?

Mr GREEN - Maybe not doubling - that is the industry's aim. I guess the great thing about the industry from a Tasmanian perspective is and has been that there has been a wide acceptance of farmed fish by consumers right across the nation and that trend is continuing. First of all the product had to be established because it was new on the scene. Now it is established it continues to grow particularly on the back of marketing and of course some famous people have said that the ocean trout produced at Macquarie Harbour, for example, is the best in the world. Tetsuya Wakuda, the famous chef, has ensured that a lot of the fish that is produced in Tasmania ends up in the United States.

Mr WILKINSON - What about seals? Seals have always been a problem. Is that problem starting to diminish or is it getting bigger - where are we with the seal issue?

Mr GREEN - It is a constant problem in some areas, particularly down here in the south. It remains a huge problem for the producers. At the conference dinner recently the number one issue that they raised with me was seals and how they can best manage them. The seals have come to learn about the industry and we have been through all the relocation issues associated with seals. We've tried crackers and goodness knows what else to put them off but they are not stupid and it is a problem for the industry. Staying within the parameters of animal welfare, of not being able to destroy seals, it is an issue that we have to continue to work through. We have to come up with the best mechanism not only to help contain production costs but also for the safety of the people working within the sector because seals do become very aggressive at times. They have been known to bite people who are working in the industry. So it is a big ongoing problem for us.

Mr WILKINSON - A seal has even attacked a surfer during the last six months. Have we gained anything at all in relation to the ability to stop the seals raiding the catch?

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Mr GREEN - There has been various things but if you listen to the industry they say that even if you shoot them with a - what are they called?

Ms FORREST - Tranquilliser gun?

Mr GREEN - No.

Mr WILKINSON - Like a stun gun?

Mr FORD - Bean-bag pellets.

Mr GREEN - Bean-bag pellets, yes. They know they are going to get it. They close one eye and wait for it, cop it and then move on. They know.

Mr WILKINSON - 'Give us your best shot. Can't you do better than that?'

Laughter.

Mr GREEN - Yes, that is it. Then they will just get on with their business. So they have come to learn. That is the problem. I am not aware of any changes in technology that really has had a dramatic effect. Do you, Wes?

Mr FORD - Every time they think they are a step ahead the seals soon learn another mechanism to get around or through or over or under. They are an animal that learns and remembers behaviour and can teach others. It is going to be an ongoing challenge for them.

Ms FORREST - They need behaviour-modification for seals.

Mr FORD - Yes, that is right.

Mr WILKINSON - There has been an increase in the seal population, has there not, within Tasmania? Through you, can I ask Wes that question?

Mr GREEN - They were hunted to near-extinction but now that they are protected they're slowly coming back. Of course New Zealand is part of the equation as well. They have shifted into a vacant space effectively.

Mr WILKINSON - Is that the major problem the industry has?

Mr GREEN - In the south there is still the amoebic gill issue. They are working hard to get the biology and the fish tolerance right with respect to that issue.

Mr WILKINSON - Last year there was a rise in temperature.

Mr GREEN - Warmer water is an issue.

Mr WILKINSON - That is what I was going to mention. Did that cause a problem? It certainly causes a problem as far as rate of growth is concerned, I understand. Did it cause a problem last year?

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Mr GREEN - It did. Prices went up but the volume went down as a result of the warmer water.

Mr WILKINSON - Are there any new fisheries? Crayfish? Abalone?

Mr GREEN - There are always people trying, obviously. The abalone industry has existing on-shore farming operations. There is research going on, by TAFI with respect to rock lobsters. But that is in the early stages. I think there is a snapper farm proposed for George Town off the Tamar.

Mr FORD - As the water warms up.

Laughter.

Mr GREEN - And of course the oyster industry has struggled a little bit in recent times getting from the marble stage through to the stage when they look like an oyster. That has been some difficulty there. That came about as a result of the food they were being supplied with being not that good. Talking with the scientists at TAFI recently, they think that they have discovered the reason why that happened. So they are on top of that. It once again highlights the importance of this organisation to Tasmania, keeping us at the forefront of agricultural production.

Mr WILKINSON - There has been some talk about marine reserves. Are there any new marine reserves being considered and, if so, where?

Mr GREEN - There are other fish. You know those trials were going on. They have made tremendous breakthroughs in being able to breed fish in a situation that would allow them to be commercialised. The issue then becomes whether or not the commercialisation is viable, whether they can make any money out of it. Striped trumpeter is a good example; they have done all the work and understand completely what the situation is with breeding striped trumpeter in captivity and they can do it relatively easily now. To get them to grow fast enough in a farm-type situation has proven very difficult and, as a result, all the work that has been done so far will probably come to nothing from the point of view of commercialisation. That does not mean that within a decade that intellectual property when it comes to striped trumpeter is not going to be amazingly important. As the ocean stocks diminish there is still going to be a requirement for seafood and striped trumpeter being a very palatable fish will come back into the fore and the growth rates they can achieve with striped trumpeter may well and truly be acceptable after that. There is still a range of work going on in the giant crab area and scallop research. There is quite a bit going on.

Mr WILKINSON - The scallop industry was a big industry years ago and then fell away for quite some time but is starting to come back now. How is that going?

Mr GREEN - I think it has been managed in a paddock-type situation. Areas are monitored, set aside and opened when it is deemed appropriate with respect to the volume of fish on the seabed. That is the way it is being managed - on a rotating sustainable basis. The recreational fishery opens from time to time, particularly in the D'Entrecasteaux Channel, and it is my understanding that it will be opening very soon.

Mr WILKINSON - How are the scallop stocks? Have they improved over the last two years?

Mr FORD - They are still quite low. The reality with the scallops is that you are dealing with a single stock that covers much of south-eastern Australia, from Victoria through Bass Strait to Tasmania. The stocks are a fraction of what they were in the 1950s and 1960s.

Mr WILKINSON - In all those States?

Mr FORD - Yes, in all those States. From a joint management perspective, by having rotational management and resting the fishery, we were lucky that the Tasmanian fishery was able to stay open for about three years while the Commonwealth fishery was closed. That allowed Bass Strait to re-establish itself. Currently the Bass Strait fisheries operate but there is no fishery in the Tasmanian coastal areas. For commercial fishermen, the reality is that to be a successful scallop fisherman we need to have access to the fisheries in Victoria, Bass Strait and in Tasmania. If you have access to all three, you could probably expect to fish maybe eight years out of ten.

Mr GREEN - The recreational fishery will open through July.

Mr WILKINSON - Have the marine reserves increased since the alliance with the Greens?

Mr GREEN - That is my claim to fame, you know. When the Greens were not in Parliament, I declared the largest marine national parks ever constituted in Tasmanian waters - Port Davey and in Bass Strait. Nevertheless, as of May this year, the Tasmanian reserve estate included 133 600 hectares of marine-protected areas, of which the Macquarie Island marine-protected area was 74 700 hectares. There are a further 48 500 hectares under reserve in other areas of marine and estuarine environments in Tasmanian waters.

Mr WILKINSON - Are there any new marine reserves being considered and, if so, where are they?

Mr GREEN - It is really in Minister David O'Byrne's portfolio from the point of view of conservation. If you have a look at the changes that have been made with respect to even the recreational fishery not allowing for netting in estuaries, say, in Georges Bay even though that met with a lot of angst at the time, it has proved to be a very good thing from a recreational point of view and, that is, where once upon a time you found it hard to catch a fish there and now they are holding national tournaments for catching bream in Georges Bay.

I think there is a range of ways that we can continue to manage our fishery and I think that we are mature enough in this day and age to understand that we cannot rape and pillage when it comes to the ocean. We have to manage it on a sustainable basis and in some ways marine protected areas play an important part of that. If you come down the eastern seaboard of Australia you can see that they have bitten the bullet in a range of areas along the coast, say, of New South Wales and they have magnificent marine protected areas. Anecdotally, that has improved the opportunity for recreational fishers and professional fishers outside those areas. I am not being completely dismissive of supporting marine protected areas in appropriate places.

Mr WILKINSON - The final question that I have is, if I am to look for a highlight in a fishing area that we are talking about here in the next 12 months, what am I going to look for? When I sit here hopefully in 12 months' time and look back and ask what my highlight was in the last 12 months, what do you believe that will be?

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Mr GREEN - There is a lot of work to be done in respect to the recreational and professional fishery when it comes to rock lobster. You would be aware that there is consultation going on right at the moment and Tasmania has a bit of an issue at the moment with respect to recruitment of rock lobsters along our shores and particularly the east coast. Some of that is associated with the oceans warming, meaning that there are lots more sea urchins which are creating barrens which means that pueruli are not settling in the way that they used to. It is a problem for us going forward.

From the point of view of an issue that is going to be confronting us with respect to the management of that fishery going forward, if we can resolve that issue and take as many people as we possibly can with us on the issue of managing rock lobsters, the environmental issues associated with the urchins and other things, then I think we will have made a bit of progress. Even though it is not from a productivity point of view and there are plenty of things going on that if we had TAFI here to talk about, say, research and development opportunities but we are really cautious about talking about those given the commercial sensitivities of them. If I could talk about them I would be suggesting that that could be a highlight for it, but I cannot, so I am not going to.

I think the work that we have to do in the rock lobster area is firstly if we can resolve it and take as many people with us as possible, given that it is a really hot issue, that would be a highlight for me anyway. I do not know about you, Wes?

Mr FORD - Along with the salmon expansion.

Mr GREEN - And the salmon expansion, obviously.

Mr WILKINSON - Can I say to you that it would seem to me that the Legislative Council would benefit from a meeting or briefing from TAFI in relation to issues which -

Mr GREEN - They are building strong partnerships with international people and they have some really good projects underway but they are sensitive, to say the least. I would be more than happy to organise a briefing for the Council if you would like one.

Mr WILKINSON - Thank you.

CHAIR - Minister, I just need to apologise. I need to go back just one step to 2.1.

Mr GREEN - Hogs again?

CHAIR - I can ask you a lot more on those, if you like. In fact, there are quite a few I have missed.

Ms FORREST - What about ducks?

Mr GREEN - That is not my area either.

CHAIR - We could go down that track, could we not, but Minister?

[2.45 p.m.]

Ms FORREST - We could.

CHAIR - Secretary O'Connor was out in the front of Parliament House saying that duck shooting was going to be banned and then suddenly everything went quiet.

Mr GREEN - I will not be supporting it.

CHAIR - You will not be supporting it?

Mr GREEN - No, because I think hunters and the various opportunities hunters get underpin the 90 per cent reduction in use of 1080 in Tasmania over recent times. So I am always going to be supportive of hunters.

Ms FORREST - You don't kill ducks with 1080. We are baiting ducks, are we?

Laughter.

Mr GREEN - Yes, but if you go to the mainland, they do.

CHAIR - And in New Zealand too.

Mr GREEN - With rice and other things, they shoot a lot of ducks over there just for crop protection. So I am talking about it in the same vein as crop protection and the opportunities that hunters have.

Ms FORREST - You need a good dog.

Mr GREEN - A good dog.

CHAIR - The question I had is in relation to the beef industry - the Tasmanian beef industry R and D Trust Act of 1990 -

Mr GREEN - Right.

CHAIR - So the question that I have and it was put through to me a while ago is, what is the current balance in that particular trust? Secondly, is it fulfilling its purpose and what have been the key expenditures over the last four years?

Mr GREEN - We are just having a look; we might have to take that on notice.

CHAIR - Okay that is fair enough; you can take it on notice.

Mr GREEN - So do you need to make a note of that question.

CHAIR - Yes. The other question I had, Minister, I forgot to ask under agricultural industry services was the fact that the food bowl suddenly seems to have disappeared off the radar as a notion or an objective of the Government.

Mr GREEN - Not true, your honour.

CHAIR - Okay. There was no mention of it in the budget papers.

Mr GREEN - In my opening statement I talked about the fact that the water irrigation initiatives as such have been around for a long time now so everybody is forgetting about them.

CHAIR - I suppose we can cover those in water management.

Mr GREEN - I am talking about it in an overall context. Our strategies are all about increasing agricultural production which is all about making us effectively the food bowl. If we learned anything as a result of McCains' decision to take their frozen vegetables off-shore to New Zealand, we learned that what we have to do is be in a position to understand where the growth areas are on into the future. So, our strategies have been all about innovation, products, niches and marketing opportunities in areas different to those we traditionally imagined. I still think that is reflected in the growth of the sector over time that I have already explained it to the committee.

I do not accept that the food bowl strategy has gone. On the contrary, I think that the work that we have been doing over time reinforces the message that we are strongly supportive of a food bowl strategy for the State.

CHAIR - I suppose we have to put that in context, though. We cannot ever be a food bowl for Australia per se, can we?

Mr GREEN - No.

CHAIR - The reality is we have small amounts of fertile ground. A lot of the State is wilderness and forestry, as we know, and so it is not the soil types -

Mr GREEN - I can argue that you would not have thought once upon a time that there would be a significant apricot industry in the Coal Valley or that we would be growing lettuces or salad greens intensively to the point that we are now supplying major supermarkets. Or whether you would have thought that because of the length of our day here in Tasmania particularly on the north-west coast of the State sets us up for perhaps a very large greenhouse industry, given the length of light we have. So there are lots of opportunities to think about how we can expand intensively but sustainably in agriculture. You have to take the blinkers off and you find that through the berry industry -

CHAIR - Yes.

Mr GREEN - Now we have a large blueberry farm being established -

Ms FORREST - Raspberries, he was.

Mr GREEN - Yes, but I am saying -

CHAIR - Down the coast?

Mr GREEN - Yes. Now we have a large blueberry farm going in on the north-west coast. Who would have imagined that you would see 100 hectares of blueberries going in?

CHAIR - It is a fundamental shift, I have to say, going from supplying bulk products in a processing industry to actually employing a lot of labour with all the issues and one of our great constraints

CHAIR - employing a lot of labour with all its related issues. One of our great constraints is that our casual labour rates here are about the highest in the world, which is a big impediment to us. We also have those long transport links as well. Whilst I appreciate that niche markets are very important, someone can always knock us off the perch -just like that.

Mr GREEN - It is a commercial world, isn't it?

CHAIR - Yes. We could talk about that for a while but I think that we will now move to output group 4: water resources, and water resource management is the first one.

**Output group 4
Water Resources**

4.1 Water resource management -

CHAIR - Has any of the Commonwealth's \$140 million been received and, if so, how much has been spent?

Mr GREEN - There is money for Headquarters and there is also money for the new one that we are doing right now at Cressy - Whitmore. We have received Commonwealth funds for the Whitmore project as well.

CHAIR - How much has been spent? Could we have a breakdown for that, through you Minister, to Mr Ford, perhaps?

Mr GREEN - We will have to get something out of the Irrigation Development Board.

CHAIR - Do you want to take that on notice?

Mr GREEN - I will have a look and see whether what we have got something here that helps you. You asked how much had been expended so far?

CHAIR - Yes.

Mr GREEN - I can tell you a lot about what is happening and potentially going to happen but if you want exactly -

CHAIR - Could that be tabled? That was another question that I had - a quick précis of the priority projects at this stage and when construction is supposed to begin, if that is possible?

Mr GREEN - I am more than happy to table that.

CHAIR - If that is tabled that will save time there.

UNCORRECTED PROOF ISSUE

Mr GREEN - We will probably have to get you the specific information about what has been expended to this point.

CHAIR - Yes, please. That is one for our secretary to write to you about. I have to ask this question: This Government, which I fully supported in the last couple of years with the rolling out of water projects, had quite a lot of opposition from your Green colleagues. Are they now supportive of these projects and are they supportive of the rollout of the pipeline projects from the Meander Dam? Do they support that?

Mr GREEN - I have had no opposition to that and we have been rolling those out. Fortunately, we had the Meander Dam in place in the first place.

Mr HARRISS - Otherwise we might not have got it under the current regime?

Mr GREEN - I do not know whether I would go that far but it probably would have been a little more difficult. Having said that, as you know we have the pipeline effectively going to the Rubicon from the Meander and to -

CHAIR - Caveside, Western Creek

Mr GREEN - Yes, but to the Liffey, the other way. That work is being carried out. It was not called in under the EPBC Act. That work has been undertaken and, to my knowledge, other than the initial protest with respect to planning of pipelines - the linear planning issues associated with putting in that infrastructure - there have been no problems. The only problems that we have had with respect to the Headquarters Road and the Whitemore projects, certainly Headquarters Road as a result of having too much rain which has held that project up even though we are going to complete the spillway. We will not be able to complete the dam until next year and that has put us back a year effectively. Whitemore is still going ahead. I will be bringing some amending legislation into the Parliament soon that changes the status with respect to people who can take up water rights. Obviously farmers get first option but what we want to be in a position to do is allow for other investors to take up options with respect to water, such as poppy companies or growers generally - larger companies - so as to ensure that the projects themselves become viable from a commercial point of view. So I guess your question will provide a test to see whether or not I am successful.

CHAIR - It will.

Mr GREEN - It will because it has to go through Cabinet and come to the Parliament obviously.

CHAIR - Yes. It will be an interesting debate, that one.

Mr GREEN - Yes.

CHAIR - There are a lot of other questions but a lot of those fall in the realm of IDB and TIS so I understand that.

Mr GREEN - We have tabled that now and you will see that there is lot of work going on.

UNCORRECTED PROOF ISSUE

CHAIR - Yes. There is one thing that you may or may not be aware of regarding the rollout from the Meander Dam and the pipelines: Are you aware that there is a significant issue with regard to Aurora - still putting your other hat on - and the availability of power if farmers put in all these items? There are the new pumping stations on the Meander itself and there is obviously a lot of infrastructure to roll out. It has been raised and the Meander Valley Enterprise Centre have been working on it. Aurora have been looking at it. I do not know whether you are across this issue at all?

Mr GREEN - No, nobody has raised it with me. But what you are saying is that it is holding back the potential production options?

CHAIR - The great fear at this stage is that there will not be enough juice in the system, if I can put it that way, when -

Mr GREEN - We will make a note of it.

CHAIR - Yes, particularly when a lot of pumps start off off-peak. There is a real concern and Aurora have recognised that there is a real issue but we need some significant upgrading of substations and all that sort of thing, as I understand it.

Mr GREEN - We will have to get the regulator onto it. The regulator makes decisions effectively as to what we can improve.

CHAIR - What I am saying is that it could jeopardise some of this.

Mr GREEN - I understand that.

CHAIR - So it is a serious matter at this stage.

Mr GREEN - We will make a note of it.

CHAIR - I thought it had been pushed through from MVC to your office, to be quite frank.

Mr GREEN - That is the first time I have heard of it.

CHAIR - You have not seen anything? Righto. In the performance table on table 11.10 there is a blow-out in the average time for processing applications for dam works. Approvals have gone from 77 to 84 days, when the actual in previous years has come in at 71 days. We have had a one-stop shop for dam approval -

Ms FORREST - Allegedly.

CHAIR - Allegedly, but it may well be. But we still get a lot of frustrated people in, regarding the time it takes to process dam applications.

Mr GREEN - We have significant documentation with respect to dam applications and approvals et cetera, if you would like me to table that.

CHAIR - I think we are fairly aware of what goes on. The only question is why have we not sharpened up the process? Why have we not been able to condense the time for applications and approval?

Mr HARRISS - The contrary is the case. It has blown out.

CHAIR - Yes, it has gone out.

Mr GREEN - A considerable number of approvals for new dams continue to be granted through the assessment committee for dam construction under the Water Management Act 1999. The number of approvals is slightly down on previous years, possibly reflecting the weather conditions in 2009. For the current financial year until the end of May 2010, 72 dam work permits were approved. A further six to eight permits are expected to be considered in the final approval before 30 June 2010. The total capacity for these new dams is at least 14 949 megalitres at a conservative capital cost of \$900 per megalitre of capacity. This represents over \$13 million of direct private sector investment in water development. The number of dams approved for the current year will be less than last year's total of 110 and fewer than the average number since 2000. The average capacity of the 70 dams already approved this financial year is around 213 megalitres which is similar to last year's average of 229 megalitres. This is a major increase on the average capacity of 68 megalitres of dam approvals between 2000 and 2003.

[3.00 p.m.]

This growth in average dam capacity reflects the need by landowners to seek larger capacities so their storages are economically viable and their water supplies are reliable. The increased size of dams is also marked by an increased complexity of the dam applications. The higher level of interest in the construction of new dams continues. As at 25 May 2010 there was a total of 60 applications for dam permits under consideration by the assessment committee at various stages of the approvals process and 44 of these applications have now been issued with notices from the assessment committee requiring the applicants to provide additional information. The applicants have up to two years with a possible extension of a further year in which to provide this information before the application lapses. During the year, all dam work permit applications have been assessed within the statutory time limits required by the Water Management Act 1999.

As most surface water in summer is already fully allocated and the enforcement of current licence takes is being enhanced by the installation of water meters, it is expected that the demand for winter storage of water will continue to increase. Applications of winter flows for taking into storage are still available in most catchments of the State either through the granting of new licence allocations or through transfer arrangements with Hydro Tasmania. And then there is a series of tables with respect to the thing. In fact the volume of water that is being captured in Tasmania is increasing. The size of the dams means that they are more complex with respect to approvals and that is probably why they are doomed to be a bit slower.

There has also been a change in the process. The 2007 changes to the dam approval process commenced and we now have a true one-stop-shop environmental assessment process of dam works permits. The Assessment Committee now considers all relevant environmental matters for dam proposals which are covered under the one permit.

CHAIR - As I say, that was meant to speed the whole process up but I think the only thing that was left out in that amendment, as I recall, was the Aboriginal heritage issues that were only outside the one-stop shop. I take on board what you say about larger dams and more complex

UNCORRECTED PROOF ISSUE

engineering issues with them but I am just passing on quite a few complaints through my office - and probably through Ms Forrest's too - that there is a lot of frustration with getting those approvals done.

Ms FORREST - Particularly on the back of a promise that it would be sped up. That is the point the chair is making, isn't it?

CHAIR - Yes.

Mr FORD - Can I just clarify that it actually has sped up? I think the problem in a reporting sense is that what we are reporting in the budget papers is our process, entirely at departmental level. Under the old system, people had to come to the department with their dam application, their threatened species permit and their forest practices plan already approved, so our reporting figures do not take into account how long it took somebody to do that three years ago. If you applied for a dam three years ago, there was possibly 50 or 100 days worth of processing time before the 70-odd days that are reported in our figures. Now, under the one-stop system people lodge their application, the assessment committee develops the structure and does all of the processing other than the Aboriginal permit process so what you are actually not seeing is a true reflection of the time because of the way in which the statistics are gathered. There is a perception issue in terms of the farming community about the length of time. The concern that people generally express, because they express it to us as well, relates to the time it takes around that notice period because, quite reasonably, the legislation stops the clock on the approval process when there is insufficient information and that is why the ACDC issues a notice and people have up to two years to comply with the notice. Some people get their information back within a few weeks and their dam application can proceed but we have many applicants who do not deal with the information; they do not want to pay the money, they cannot engage the consultants, they do not really know to proceed. We get a lot of applicants who use the full two years of the notice period because it takes them that long to get the information that is required to allow the assessment committee to make the decision.

CHAIR - Minister, with regard to groundwater, about two or three years ago we had some amendments to the act and I think groundwater was going to be properly surveyed and mapped. What progress has been made on that? Are bores going to be licensed?

Mr GREEN - In the north-west we have some issues with subsidence and it is something we need to think about in the future. That is why I think surface water is much better - we know exactly what is happening there.

CHAIR - Yes, but groundwater is still a very important component of water supply in a lot of areas.

Mr GREEN - The management of groundwater has developed more slowly than that of surface water, reflecting the relatively low level of use and the generally healthy state of our groundwater resources. Only in the north-west is there a bit of a problem in some parts. Demand and competition for groundwater in the State is increasing and this is especially so in areas where available surface-water supplies are fully utilised and in response to the recent dry conditions which have limited availability of surface water. Fortunately there are many areas of the State where opportunities for significant groundwater development still exist. The Government has progressed a number of initiatives to ensure the continued sustainable management and development of groundwater, allowing us to make the best use of this valuable resource.

The Government's SMART Farming initiative has substantially increased the capability within the Department of Primary Industries, Water and Environment for the assessment and management of groundwater in the State. The initiative provided an additional \$900 000 over four years to 30 June 2010. The regulatory framework for groundwater management being developed includes a system to license the State's well-drillers. This came fully into effect on 11 August 2009. The licensing system ensures that minimum standards of well-drilling and construction are met and the drillers are properly qualified and experienced. This brings Tasmania into line with other States. A permit process for new wells also came into effect on 1 September 2009. This allows for better management and location of new wells and the standards to which they are drilled and constructed and assists with the collection of information on the groundwater systems, levels and the development of use. A system for licensing of groundwater use is also being developed and will be implemented progressively in high-priority areas where the level of groundwater development is substantial. The first area to be licensed will be the Sassafras-Wesley Vale area and it is likely to be followed by -

CHAIR - That is the most heavily-used area.

Mr GREEN - Rockliff, is it?

CHAIR - I do not think you should be political. He has dams, I think; I am the one who has bores.

Mr GREEN - This is likely to be followed by the north-west area. The new regulatory framework will help improve security and sustainability of access and underpin investor confidence in the groundwater development. Smart-farming investment will also enable us to leverage significant additional funds from the Commonwealth Government water fund. A major project modelling 20 key groundwater systems in the State was completed in 2009. The models provided an improved understanding of our groundwater systems, how groundwater use is affecting these systems and the interaction between ground water and connected surface-water resources. Other projects underway include the development of a Tasmanian groundwater management policy framework and its application in key areas; a detailed investigation of the groundwater systems in the Smithton-to-Togari area to enable the impacts of groundwater development to be better understood and managed accordingly; an information technology project to improve public access to groundwater information and a project to provide an improved understanding of the interactions between groundwater and surface water.

CHAIR - It is an important matter. You did not mention the Midlands but a lot of the groundwater is quite saline in the Midlands. If you take the case of the Canterbury Plains in New Zealand, they have huge flows which, unfortunately, we do not have here in Tasmania but as each new well goes down the flows become much less, they've got drill much deeper. Anybody who goes to put a new bore down now has to go through a whole appeals process so it has become a very complex thing. I am saying I am pleased that those -

Mr GREEN - You are with us on this one.

CHAIR - Yes but it needs to be a bit speeded up, I think.

Mr GREEN - There are some silt issues and salinity in the north-west of the State as well.

CHAIR - Are there?

Mr GREEN - Big problems actually.

CHAIR - Whereabouts?

Mr GREEN - That is a problem for the dairy industry.

CHAIR - Which area?

Mr GREEN - Togari, Montagu - those areas where you use groundwater.

CHAIR - I am surprised.

Mr GREEN - Well it is below sea level in places through there.

CHAIR - Okay.

Mr GREEN - And iron too.

Ms FORREST - Minister, you mentioned earlier about Federal funds that have flowed through for some projects. I note that the Tasmanian Irrigation Development Board is borrowing \$77 million in the year ahead. If the Federal funds are flowing why do they need to borrow and for what purpose?

Mr GREEN - The Federal funds are ticked off on the basis of the project meeting all of the various parameters of the National Water Initiative, as you would know.

On the borrowing of \$77 million I will have to take some advice. It is a sort of GBE-hearing question really. I will have to take some advice on that - I am not sure because they have a budget.

Ms FORREST - That is the question.

Mr GREEN - Do you want to wait until the GBE hearings?

Ms FORREST - It would be helpful to know because I have not noticed them borrowing in the past. They may have done but it is a bit hard to track because when they are off the general government balance sheet -

Mr GREEN - Yes.

Ms FORREST - When a subsidiary borrows it does not appear in the general government reporting whereas if the general government borrowed it and then made an equity injection to them it is easier to track -

Mr GREEN - Yes.

Ms FORREST - So we do not know what is going on.

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Mr GREEN - I understand what you are saying. I will see if I can get some information for you. I have been advised that Les is saying the farmers' contributions are upfront.

Mr FORD - Because of the nature of the funding arrangements that have been put in place, by and large all the schemes have somewhere around the 40-, 50-, 60 per cent farmer-contribution component but the TIDB arrangement means it has to provide the cash flow and so it borrows the funds in advance. The farmers make their contribution once the schemes are commissioned -

Ms FORREST - The farmers pay back the debt?

Mr FORD The farmers are not required to make their investment in it until the scheme is commissioned so the construction cost has to be borne by the TIDB. The borrowings allow TIDB to do the construction.

Ms FORREST - Regarding the selection process for some of the irrigation schemes, we still do not see many in the tried-and-true area of the north-west and the far north-west. I know there have been investment-ready projects that have been sitting on the reserve list as long as I have been here -

Mr GREEN - Are you talking about the Forth scheme, for example?

Ms FORREST - I think the Forth scheme did appear on the list of 13.

Mr GREEN - Yes.

Ms FORREST - Ones that are on that list that are still quite worthy projects in an area that we know has the capacity to increase production. When are we going to be looking at some of those or are we going to be looking at some of those?

[3.15 p.m.]

Mr GREEN - I do have the opportunity to direct the Tasmanian Irrigation Development Board with respect to various projects if I choose to. I have been to their offices at the Launceston Airport to look at the work that they are engaged in. I know there is the Waterhouse project, for example. It is a relatively small project but the farmers are probably in a position to do that themselves without going through the formalities of creating an irrigation district. So that is one level that they have been assisted by the Irrigation Development Board. There is another opportunity in the far north-west that we need to fully understand before we commit to it but that work is going on.

Ms FORREST - I understand there is a lot of work being done on some of those already though.

Mr GREEN - That is exactly right. It may well be that they are just about to get over the line. For example, the Macquarie settlement has established its own pipeline. But they have had some issues with it, with pipes leaking et cetera.

CHAIR - They sure have.

Mr GREEN - Yes. They built their own. They thought they could do it cheaper. They got the approvals and the project got underway. Obviously with the Howth one, we have been

working with them to make sure that they have all the available information at hand to understand what is required. If there are other projects that you think ought to come to the fore I would be more than happy to talk to you about it.

4.2 Water resource assessment -

Ms FORREST - With regard to that area - that is, looking at water quality and monitoring and reporting - obviously you would be very well aware of the recent outcome of the George River inquiry. What action will you be taking as Minister for Resources in response to the damage done to public confidence and Tasmania's image by the coverage that those allegations got?

Mr GREEN - As you would be well aware, we have a significant monitoring program going on around the State which has shown that our river systems are healthy. We are obviously monitoring for pesticides and chemicals. The other major step that the Government has made is to ensure that drinking water in particular is managed on a first-world basis as opposed to a third-world basis. That is why we went ahead with the water and sewerage reforms so as to ensure that there are the economies of scale to do the work that is required to get drinking water standards up. But, yes, we have a significant monitoring program going on. We have chemical legislation or regulations in front of us now that we just talked about a moment ago going out to consultation.

The difficulty with Tasmania is that, if you are in New South Wales they have a declared water collection area and nothing happens within that area at all. No agriculture, nothing. Victoria is the same. In Tasmania it is fully integrated. We have forestry activity, we have farming activity, all of the things that go with that. Having said all that we are still in a position to monitor and allow the people to understand that our water quality is very high, and if there are detections we get right on it.

Ms FORREST - Table 11.10 does show there is some deterioration in band C and band D, band D being impoverished water and C, severely impaired. There has been a significant increase in band C and there was two in band D where we had none the previous year. Some of that could be attributed to the particularly dry spell we have had but are you confident that the health of our waterways in that regard is being ensured, particularly in the light of those concerns that were raised in Georges River? You have not responded to that aspect of the question either.

Mr GREEN - The Georges River, of course, the science has been done.

Ms FORREST - Yes, but that is separate. I am asking what your response is to that issue and how you intend to address it into the future. I think the Premier has asked for some sort of apology, has he?

Mr GREEN - It is just so sad that things get inflamed from time to time - methyl bromide, for example - inflamed to an extent that you would not believe. Sometimes community concerns are elevated in various ways and the credibility of the people who elevated this issue is in question now, based on the advice that the science has provided.

CHAIR - The timing was interesting, too.

Mr GREEN - Yes, of course I am disappointed. By the same token it does sharpen you up with respect to issues associated with catchment management and under the National Water Initiative, this State has a responsibility to provide catchment management plans for every

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catchment in Tasmania and we will be undertaking that. We have one under way through the Planning Commission which gives it that credibility in the South Esk now. The river that flows into that lagoon up there in the north-east at the top - where we went to visit those shacks -

Mr HARRISS - Ansons Bay.

Mr GREEN - -where the shacks are going to fall into the sea - Ansons Bay, the river that runs into there. That has been completed. All of those things contribute to giving a guarantee that our waterways are healthy.

Ms FORREST - When we see a deterioration in the reported information in the budget papers, it is a concern.

Mr GREEN - It is prolonged rainfall and before there was a proper management of dam permits, et cetera. Lots of dams went into creeks that normally flowed all year round; they have been dammed and irrigated from and there has been a change in the balance.

Ms FORREST - Not in the last two years though; it has not happened.

Mr GREEN - That was dry-related. That was because of the drought.

Ms FORREST - Yes, but if you are damming a river, creek or whatever, then you are potentially drying it up. We are looking at 2007-08 and 2008-09 here and the increase has been in 2008-09 when we have had greater rainfalls last year, so I am just a little bit concerned about the apparent health of some of the waterways.

Mr GREEN - Do you want to comment on that, Wes?

Mr FORD - It is as a result of the drought and we are seeing the effects in 2008-09. The return to normal winter rainfall was over the term 2009-10 and the sampling is later, so what has been reflected in the report is a consequence of the drought over the two or three years before June last year.

Ms FORREST - But you would not expect to see those sorts of figures next year, is that what you are telling us?

Mr FORD - We are already seeing improvements. Where sampling has been done, we are already seeing improvements in a number of water systems.

Mr GREEN - We have 80 water stations and 37 sampling sites and the results of sampling in 2009-10 indicate the river health in many Tasmanian rivers has returned to good to excellent levels since the increased rainfall in 2009 and the end of the drought. So, it is improving.

CHAIR - I have one further question on water and I suppose it is a bit more of a generic one. It is a question about our water resource here. Has there been an update on discussions of people wanting to export water from our resources - where they want to pipe it to the mainland? Are you aware of anything going on there at all?

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Mr GREEN - The Tasmanian Government is absolutely committed to making sure that all of our needs with respect to fresh water in Tasmania are well and truly looked after before we entertain the idea of exporting water.

CHAIR - There has been no-one nibbling away at this stage?

Mr GREEN - Nobody has been nibbling away. It is a fairly juicy prospect. Once we make sure everything is taken into consideration.

Mr HARRISS - Our needs are secure, aren't they? We might not have it piped to where we want to get it yet.

Mr GREEN - A lot of it is about community perception, too. The thing about Tasmania is that we have made significant changes to the way water flows already. So we know that the majority of the water that used to flow south down through the Ouse River now flows north out to the Tamar River as a result of the Poatina power station.

CHAIR - You haven't shifted much silt.

Laughter.

Mr GREEN - It comes in down below there but don't get Don fired up.

CHAIR - I know the Launceston Cabal; they are not on this committee so we do not have to worry about it.

Mr GREEN - A lot of people do not appreciate that all of that massive Ouse River that used to flow down collecting all the water from just above the kingdom there, used to flow south into the Derwent whereas now flows north into the Tamar. The same exists for the north-west coast where the Mersey used to flow down much more strongly but now all the water comes down the Forth River because it has been diverted to the Forth. We have already made significant changes with respect to where water flows in the State. When it comes to arable land and the amount of water that is required - if we always think about that at the top end - then if you are spending almost billions of dollars on desalination plants around Australia and we have a lot water flowing into the sea -that could make us a lot of money.

Mr HARRISS - That money might be able to generate some of the programs that you might like to see implemented, if we were to get moving on it sooner rather than later and promote it.

Mr GREEN - I just to make sure that we have Tasmania looked after first. To answer the question, nobody is nibbling - it is only thinking.

CHAIR - Only tyre-kickers at this stage.

Mr GREEN - No it is only me thinking out loud in front of you.

Mr HARRISS - Thought bubbles.

Laughter.

Mr HARRISS - Teasing. I leave that to your coalition colleague.

**Output group 5
Policy**

5.1 Policy advice -

Dr GOODWIN - Minister, does this output group relate to the whole of the department or just your areas of responsibility?

Mr GREEN - The whole of the department.

Dr GOODWIN - Do I need to try and confine it to the bits that you are responsible for?

Mr GREEN - I am cat management, flood risk management, the legislative program, the Midlands water scheme, strategic assessment under the EPBC act. Other than that it is Mr O'Byrne.

Dr GOODWIN - Cat management. Can you tell me how that is progressing?

Mr GREEN - I just made an announcement about cat management the other day with respect to us effectively moving it one year to allow for the necessary consultation with the various stakeholders. Before the act can operate and formally commence, the cat management regulations 2010 and a number of implementation mechanisms need to be developed. The development of the regulations is well under way. However, various tasks such as the preparation of communication and education materials can only be completed once the regulations are finalised and approved. As was highlighted during the debate in Parliament, the legislation will not commence until all the required mechanisms are in place. It will also be important to take time to effectively communicate the new requirements of the legislation to the community and affected organisations. Furthermore, it is important that adequate time is made available for people to prepare for the changes that will be brought into effect through the new legislation. To allow properly for implementation, the Act's commencement is expected to occur on 1 July 2011.

As one of only a few States that did not have cat legislation, Tasmania was able to learn much from the experience of other jurisdictions in developing what is a comprehensive Cat Management Act. The act reflects the input from a diverse group of key stakeholders involved in the development, including the Royal Society for the Prevention of Cruelty to Animals and the Australian Veterinary Association - Tasmanian division, the Tasmanian Farmers and Graziers Association, the Hobart Cat Centre, the Tasmanian Conservation Trust, and local government. These groups will continue to be consulted on the regulations and on other implementation requirements. The legislation will have a range of benefits to the community, the environment and animal welfare in general.

[3.30 p.m.]

Dr GOODWIN - On that point, the Tasmanian Conservation Trust was concerned about funding for the implementation of the Cat Management Act. Will there be provision for that made?

Mr GREEN - When we get to that point we have to fund adequately the implementation of it. My expectation is that that will be provided as part of next year's Budget.

Dr GOODWIN - So over the next 12 months there will be that process of working out what is required, how to implement the act and what sort of funding might be required.

Mr GREEN - The fact is we cannot implement it unless it is funded.

Dr GOODWIN - What about the legislative program for your area, is there anything on the horizon there?

Mr GREEN - The department administers 88 acts and the subordinate legislation of these acts. There are 31 in the ministerial portfolio of Environment, Parks and Heritage and 57 in the Primary Industry and Water portfolio, which is mine. The policy and projects group is responsible for coordinating the department's legislative program, including providing advisory, quality control and liaison services in relation to the legislation. In 2009-10, 12 bills were developed through the department and were introduced into and or passed by Parliament: four in the ministerial portfolio of Environment, Parks and Heritage and eight in Primary Industries and Water. The department was also responsible for amending or developing 59 statutory rules in 2009-10.

Currently, the department has nine bills in the advanced stages of development and expected to be ready for introduction in the Parliament in 2010: five in the ministerial portfolio of Environment, Parks and Heritage; and four in my portfolio of Primary Industries and Water. Drafting by the Office of Parliamentary Counsel is well under way for the majority. Several more are in the early stages of development, including some that might also be ready in 2010. In addition, there are 15 sets of statutory regulations being actively developed within the department: eight in the ministerial portfolio of Parks and Heritage; and seven in the Primary Industries portfolio. The department will continue to undertake legislative activities which contribute to the development and maintenance of a quality legislative framework for the Primary Industries and Water section.

Dr GOODWIN - What are the four bills in your area that are currently quite well advanced?

Mr GREEN - I talked about one a moment ago, the amendments to the take-up of water. There is a legislative program -

Dr GOODWIN - You can take it on notice. I have a couple more questions. I want to ask a question on table 11.12, which is the performance information. There is mention there of stakeholder satisfaction and an annual survey that is conducted. I wondered whether that has been completed for the last financial year and whether the target was achieved of 80 per cent stakeholder satisfaction.

Mr GREEN - I will ask Ms Moseley to answer that.

Ms MOSELEY - The only meaningful information we could come up with in terms of this output was a stakeholder survey. The survey has generally been done of the minister's office, the minister and his staff. But this year we decided, because of election changeover and so on, to survey the customers and clients within the agency. This figure for 2009-10 is the result of a survey internally within the agency.

Dr GOODWIN - So you have done that survey?

Ms MOSELEY - Yes, we have done that already.

Dr GOODWIN - And the result was good - hopefully?

Mr WHITTINGTON - We have done the survey but I do not have the results to hand.

Dr GOODWIN - If I can ask about this other performance measure: I am just wondering what we actually get out of the number of strategic projects with significant milestones achieved. It tells us how many strategic projects with significant milestones were achieved, but we do not know how many strategic projects there were. It might be better in percentage terms, I do not know. Do you agree?

Ms MOSELEY - Yes, you are probably quite right.

Dr GOODWIN - Will you have a look at that for next year?

Ms MOSELEY - Yes.

Mr HARRISS - In addition to that, through you, Chair: what are the projects which have been given that strategic importance attachment? Can you identify some?

Mr WHITTINGTON - For example, the cat legislation would be one of those in the earlier years. The projects going forward include heritage legislation. There are projects associated with the nomination for convict sites. Those are projects that are being delivered not through this portfolio but in that output group, as the minister said, that span across both the environment portfolio as well as primary industry. That is a snapshot of the sorts of projects.

Mr HARRISS - Do you publish those anywhere, those projects of strategic importance?

Mr WHITTINGTON - If the development of a building is the project, the building itself is, I guess, the output, in that sense.

Mr HARRISS - Do you identify anywhere in the departmental reporting that here is a project of strategic importance, whatever the project is, or do you just keep that internal?

Mr WHITTINGTON - No, we report those through our annual report the work that has been done through this output group.

Output group 6 Biosecurity and product integrity

6.1 Biosecurity -

CHAIR - Earlier this week you raised some alarm bells by suggesting that you might be slugging industry to fill a few holes in the biosecurity budget. Is that the case? Are you going to recant your comments or are you going to rule this out - what is happening?

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Mr GREEN - People were being a little mischievous with respect to the Budget overall and I just indicated that we could always have a user-pays system, which would change it. But, no, we have nothing on the table with respect to -

CHAIR - Nothing on the table? Right.

Mr HARRISS - A correction statement like the *Mercury*, 'We got it wrong'.

Mr GREEN - Was that in the papers?

CHAIR - Yes, I saw it somewhere.

Mr GREEN - Was it?

CHAIR - It was. The media is usually right, so we picked it up.

Mr HARRISS - It made you look bad. You looked terrible.

Ms FORREST - I heard on the radio that you were going to consider industry contributing to the cost of the biosecurity measures.

CHAIR - That is right.

Mr WILKINSON - There were letters to the editor signed 'AS'. I do not know who that would be.

Laughter.

CHAIR - It was on the wireless, Minister, there you go.

Mr GREEN - It was on the wireless?

CHAIR - On the wireless.

Mr GREEN - The old valves lit up.

CHAIR - Yes.

Mr GREEN - I can formalise that by saying I have not been advised of any new programs with respect to charging. I was retaliating to what I thought were a couple of low blows to know our ability to deliver biosecurity in Tasmania.

CHAIR - That is why your eyes were watering a bit.

I will seek your comments from an e-mail I have just received today and it refers to grain imports. There are fears and concerns regarding grain coming into the State. In 2006-07 there were 7 289 containers, in 2008-09 there were 9 408 containers, so there is a significant increase. The person who sent this claims that 61 containers of pigeon mix and bird seed came in and none were tested. There were 307 containers of canola meal that came in and none were tested, of 65 containers of lupins, only one was tested, of 2 163 containers of wheat only 49 were tested, of

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2 139 containers of barley only 52 were tested. So, Minister, there has been quite an increase in containers and a substantial reduction, so these people claim, in containers actually being tested. Is the minister aware of the risk to the local cereal industry?

Mr HARRISS - Don from Elizabeth Town sent that.

Laughter.

CHAIR - No, it wasn't him.

Mr GREEN - I have been advised in the past that the testing regime is based on a couple of scenarios. One is that if the seed or the product that is coming in is going to be milled or turned into animal food or go through a process that makes the seeds unviable then the testing is done less. The other testing is done randomly and based on the certification that the seeds before they come into the State are supposed to have. If contamination is found the stream where the common contamination might have occurred is monitored more heavily as a result. Alex gave a lengthy submission to the Estimates on Tuesday so I would be more than happy for Alex to build on what I have just said.

CHAIR - I suppose given the time aspect I would be happy, Minister, if Alex gave less than a lengthy one and encapsulated the main points.

Mr SCHAAP - The rate of testing does vary a little and it has been a bit hard for us to gather figures in the last few days about precisely where that is. We have recently moved to an electronic record-keeping system so we will be able to provide better reports on it in future.

The rate of testing does depend a little bit on how much we find. This year we have seen a very pleasing reduction in the number of consignments that have failed testing and because we have not had so many failed tests we have not had to put so many importers on targeted testing regimes, which means you do not need to test as many of the containers coming in. So the signals at the moment are that the system is working better than it has been and the rate of failure is improving rather than getting worse.

CHAIR - How many prosecutions have you had in the last year and how does that compare with previous years? Have we had any prosecutions at all?

Mr SCHAAP - For grain imports?

CHAIR - Yes, or any seed.

Mr SCHAAP - I think we may have issued an infringement notice with respect to grain in the container that was not declared. There has not been any legal action taken with respect to declared grain because when that comes in it comes in with a test certificate and our sampling is simply done to verify the results of the testing. The difficulty with this testing is that it varies depending on the particular sample that you take. What we are trying to do is verify the results that have been attained by another laboratory. That does not indicate any ill intent or offence.

[3.45 p.m.]

CHAIR - What about any other products that have come into the State inadvertently or wrongfully?

Ms FORREST - Such as foxes?

Mr SCHAAP - There have been a number of infringement notices issued during the year.

CHAIR - Could that information be tabled or can you take it on notice?

Mr SCHAAP - I can scabble through and find it as you speak, if you like.

CHAIR - What proportion of those breaches is prosecuted?

Mr SCHAAP - All of the infringement notices issued so far have been dealt with through infringement notices. There may be one or two of those issued this year that go to court.

CHAIR - So you will be able to table this information?

Mr SCHAAP - Yes.

Mr GREEN - There has been quite a bit said about the carp program and there is an additional \$400 000 in the budget this year to facilitate that program. The reason we have had to do that is that we effectively had a spawning aggregation in Lake Sorell as a result of the high water levels, where carp were seen to do something they had not done before and that is jump over the nets. As a result, we have recruited a different age class of carp in Lake Sorell, which is of major concern to us.

I am very pleased as was the previous minister and I think most people in general that it has been deemed that carp have been eradicated from Lake Crescent, which is a huge win for the IFS and they are to be congratulated. Lake Sorell is far more difficult, it is larger and the opportunity for fish to spawn is greater and the opportunity exists in wide and varied parts of the lake. The additional funds that will be made available will ensure that the barriers are maintained to a greater level in that gill nets will be set up in behind the barriers themselves. We will be closing Lake Sorell again to ensure we do our best to get on top of the carp. Already this year we have caught 40 000 juvenile carp.

CHAIR - Have you hooked any?

Mr GREEN - No, I haven't. I did go down to Lake Sorell and try to catch a trout a couple of times last year but I was still very disappointed at the water quality. Even though we had had a lot of rain the water in the marshes was quite clear but out in the main lake it was still filthy dirty. Having said that, they believe that there are fewer than 5 000 carp left in the lake. The program will change to the extent that I think the radio-tracked male fish will be taken out of Lake Sorell now and work will be done on establishing whether those male fish can be sterilised and therefore not viable but still play a role perhaps in detecting spawning aggregations into the future.

CHAIR - Are there any other lakes that have carp in them?

Mr GREEN - No.

CHAIR - So they are still confined?

Mr GREEN - Yes, they are. How they are not in the Clyde River system, nobody knows. I do not know whether it is freak or a fluke or whatever you would call it.

Ms FORREST - Good luck.

Mr GREEN - Absolutely good luck. If we didn't keep on top of this and try to eradicate them - but I am sure if we put this extra effort in hopefully we can get the Commonwealth to assist again. We have spent a lot of money on carp eradication. I see it as one of the major environmental issues that the State has because if they do eventually break out into other river systems, say the Macquarie system or whatever, they would be up the Meander River; they would be everywhere. That is \$400 000 on top of the existing \$400 000 that is in the budget for the carp eradication program.

The committee suspended from 3.52 p.m. to 4.17 p.m.

DIVISION 9

(Department of Premier and Cabinet)

Output group 7

Development of local government

CHAIR - Minister, do you share the Treasurer's criticism of local government, that they are holding back development in Tasmania?

Mr GREEN - From my point of view, it comes back into the Planning portfolio we talked about earlier, and what we have to do in Tasmania is assist with microeconomic reform for growth and development with a consistent planning system. That is why our efforts have been to ensure we establish a system that stands us in good stead with planning decisions in the future. Having said that, there is always a lot of politics at local government, as you would well know -

CHAIR - Never saw any.

Mr GREEN - Most people know that local government politics can be very intense and often people take views to get themselves elected or the other way around, try to stop others from getting elected, and that can have an affect on development projects. My job is to make sure that we get a consistent position and then have a look at that.

CHAIR - Do you think we have too many councils in the State and would you encourage, I suppose, resource sharing? If they were wanting to amalgamate, would you encourage a process where you would try and do that if you had, for example, a couple of councils side by side where one of them was looking unsustainable?

Mr GREEN - As you would be aware, the Local Government Board has made some recommendations that would allow councils to think about an amalgamation process. We saw the potential merger of Break O'Day and Glamorgan-Spring Bay councils and, of course, the Local Government Board knocked that back. What I support is stronger councils with better services and I want to put it on the record again, though, that the Government will not be supporting forced amalgamations. I have said publicly, on a number of occasions, that I believe local government

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has a really good opportunity to think about how they can play a very active role in ensuring that they deliver services better, and at the same time, think outside the square about engaging and providing more opportunities for their local communities. So I am open to people talking to the Government about how they see local governments faring on into the future.

The State is providing \$870 000 through the National Partnership Agreement on long-term financial asset management planning, ensuring that councils know what the situation is with their asset planning and management, and will have a better understanding of their future. That should assist them and assist us in understanding how we can continue to improve. I think there are great opportunities for local government and I would encourage them to think about how they get involved.

Ms FORREST - I am just wondering whether you have a view - and I know it is not entirely within your area here - but the withdrawal of Glenorchy from LGAT, and the threat of others to do likewise.

Mr GREEN - I certainly have a view that the sector, through LGAT, requires a strong advocate for collective bargaining. I think that the strong representation across the whole State means that council and local government will be stronger overall. Of course, they have had the vote and I am also aware that Hobart City Council has expressed dissatisfaction with LGAT. I am also aware that LGAT and Hobart City Council and Glenorchy are working on a number of issues together in the hope that the council's concerns can be addressed.

Ms FORREST - In view of that, would it be a fair to suggest that if, say, some of the councils like Glenorchy and Hobart pulled out that they are still going to get the benefits anyway because the rest of the collective will still do the work, but these two will not pay?

Mr GREEN - It seems the fees themselves are a bit of an issue but where it is based on the budget of the council over there, they are not very large. There are other forums where they will not have any influence like, for example, the Premier's Local Government Council. So they will effectively be divorcing themselves. As Minister I will be listening to LGAT about the ongoing decision making on behalf of local government. If you are not in the tent you can't have any influence over it.

Ms FORREST - Sit on the outside and do whatever you like.

Mr GREEN - You independents, I do not know.

Mr HARRISS - Compulsory voting, Minister, if I might. Do you have a policy position on that?

Mr GREEN - Obviously the Premier has indicated that he is an advocate for compulsory voting. There was a vote taken recently that narrowly knocked back the opportunity to have a compulsory vote.

CHAIR - By LGAT, yes.

Mr GREEN - There are a range of other issues associated with the compulsory vote - terms, all in, all out, those sorts of things. I happen to believe that a healthy democracy requires each

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and every person to make their views known through their votes, so I am a supporter of compulsory voting for local government.

Mr WILKINSON - Will you be coming forward with legislation in relation to it? Or alternatively, would you make available parliamentary council if other members from another House brought forward compulsory voting?

Mr GREEN - As we have indicated we have set the process up to allowing LGAT, and all of the councils understand it requires a vote from them effectively to accept just that by 2011. I am just advised that there is an expectation by the Premier that the issue of compulsory voting would be agreed to and, as a result, legislation would be required.

Mr WILKINSON - Would be required, that is in fact planned, or depending upon what LGAT say?

Mr GREEN - There has to be an agreement first before we move or it was going ahead in 2011 regardless of the vote.

Ms BYRNE - It is going forward in 2011 on the basis of the Premier's own commitment that it will do so, but LGAT and local government have been fully consulted at this stage. A working group has been established between the State Government and LGAT to look at this very issue. Consultation has been undertaken with all of the 29 councils throughout Tasmania, 28 councils have responded to that working group and now final preparation is being made on recommendations to the Premier on what to bring in with compulsory voting for 2011.

Mr HARRISS - If the media reported you correctly, Minister, you are opposed to people serving as a councillor or an alderman and also serving as an elected representative of either house of State Parliament.

Mr GREEN - I did not say I was opposed but what I said was I find it hard to understand how you could manage both roles if you commit yourself fully to the job, for example, of being a member of parliament. That is what I said, knowing from my own experience of what is required.

Mr HARRISS - Does that ignore the fact that many people who are members of State Parliament take on voluntary roles to chair boards, committees and organisations and devote a lot of time to those areas where they might not necessarily be inclined towards local government?

Mr GREEN - No, that does not ignore that but by the same token I do not think there are too many boards that are as demanding as the requirements of being a member of local government. From what I have seen of the paper work, the reading and everything else involved, it is very extensive. That is a personal view and I just think that if you are committed to one position in political life then it is hard to see how you can devote yourself fully to both, in my humble opinion, but I did not say I was opposed.

Mr HARRISS - By the same token, does it not ignore the fact that people who seek election to a local government council probably come from their own business or employment background anyway so they have to hold down another job while they are a councillor. Does that suggest that they are not giving full and proper attention to the job which they have while they are also elected to a local government organisation?

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Mr GREEN - I suppose that is the work-life balance, is it not, but it can also be compromised with respect to your views on various issues and it could well compromise your council.

Mr HARRISS - That probably does not support your view then. I think the note might destroy your view.

Mr GREEN - No, it just says that councils are not full-time and you are making this issue about paid working, but they are not full-time. Mayors of significant municipalities like Mr Gaffney, and I accept that he seems to be going pretty well, and we have Adriana Taylor who is the Mayor of Glenorchy and she is here now and we have Mr Shelton who is the Mayor of Meander, who is a member of the Opposition and has portfolio responsibilities in a shadow capacity for resources et cetera. I guess statements you make at this level, if the council takes a different view and you are expected to adhere to that vote at a local government level, then that could put you in an awkward position. Besides all of that there is a lot of work involved.

Ms FORREST - Especially if you are a minister.

Mr GREEN - Certainly if you are a minister. I think it would be absolutely mission impossible. It is hard enough as a member of parliament generally.

[4.30 p.m.]

Mr WILKINSON - The note continued to say, 'Mr Harris is a wise man', but I didn't want to read that out.

Laughter.

Mr GREEN - I feel asking you the same question. What are your views?

Mr HARRISS - At another time. We can have different views.

Laughter.

Mr GREEN - I know that.

CHAIR - Order, we are the interrogators.

Mr GREEN - It is surprising. I was being grilled about this the day before yesterday, and I made the comment in the context that four of the people in my field of view have all just come from, or are still, members of local government. There is no doubt that a lot of people come through the local government system to this place. My view is that in terms of value for money, it must be extremely hard; they must be very hardworking or great time managers to be able to do both jobs.

Mr HARRISS - It is really no different from having another full-time 60-hour a week job. Other people who get elected to a council still have a job to fulfil.

CHAIR - Mr Harris makes an important point. Even if you are a mayor or whatever, you do not exist on that - it is not a full-time job.

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Mr GREEN - No, I know. I admit I have never been a legislative councillor. But particularly in the lower House, I think it would be pretty awful.

Mr HARRISS - Are you suggesting it might be easier in the upper House?

Mr GREEN - If you are an independent in the upper House and you are a member of local government, I think, yes, but if you are politically aligned and you have to make statements on behalf of your political party and then you go back to a more independent role within local government, I think you could be compromised.

Ms FORREST - Is that workload-wise?

Mr GREEN - Yes, from a mayor's point of view. From what I have seen of the work that mayors are required to do, particularly with public functions, even though you run into one another all the time. In that case, you would be running into yourself, I think.

Laughter.

Mr HARRISS - Like Mr McKim. He has great conversations with himself and then he convinces himself that the world is all good.

Ms FORREST - He has pinched Mr Finch's mirror, I think.

Mr GREEN - Last time I looked in Kerry's office, the mirror was still there.

Laughter.

Dr GOODWIN - I wanted to ask about the partnership agreements program and how that is progressing. Do all councils have a partnership agreement?

Mr GREEN - Yes, the partnership agreement achieved a significant milestone in 2010. The Premier has responsibility for signing off on partnership agreements. The Premier co-signed the 50th partnership agreement with the mayor of the Glamorgan-Spring Bay Council. This milestone is evidence of the ongoing support the program enjoys from the local government sector. In total, five partnership agreements were signed during 2009-10. The total number of partnership agreements in implementation during 2009-10 is 19, including 16 bilateral agreements, two statewide agreements and one tripartite agreement. Five bilateral agreements are included in the years 2009-10 and those agreements are currently under review to identify achievements and learnings. The tripartite agreement for population and ageing also concluded and a review was completed.

Dr GOODWIN - I get the drift. I wanted to know how it was tracking.

Mr GREEN - Yes, it is tracking okay. It has been a great process with State and local government engaging in a way that they wouldn't have done before. There has been a lot of trust between local and State government, in my view, and it has certainly built relationships between departments and local government. I think, over time, it could be freshened up somewhat and we need to look at how we can continue to build those relationships going forward.

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Ms FORREST - Looking at the footnote relating to this output group, it notes that Railton streetscape project is in this, as opposed to being a grant on a capital investment program or the Main Street Makeover program or whatever. Why is that the case?

Mr GREEN - It has come from the heritage fund -

Ms BYRNE - The Railton streetscape project is not under Main Street Makeover because the program is discontinued. The Urban Renewal and Heritage Fund is a separate program. It has not been confirmed to me that this is actually money under the Urban Renewal and Heritage Fund. But it is out of consolidated funds into our division to manage, because successively, the division has managed very similar projects.

Ms FORREST - Are other projects for main streets or streetscapes that need a bit of a tart up, so to speak, likely to be dealt with in this way?

Ms BYRNE - I could not answer that one.

Ms FORREST - Is it a policy thing.

Mr GREEN - I think that there are opportunities to continue to provide funds to assist local government to revive their main streets. I would not necessarily put it in the terms that you did because far from tarting them up, often they have been dressed down a little bit - a back-to-the-future-type arrangement.

Ms FORREST - Restoring the cultural heritage of the place.

Mr GREEN - That is exactly right. Wynyard is a very good example of a main street that looks fantastic as a result. Latrobe is another. There are lots of them. I think it has been a great program which reflects the extra equity that people have achieved as a result of the large increases in home prices in Tasmania, which means that many of them have spent a lot of money on refurbishing homes. This has made a difference to a lot of our cities and towns in Tasmania. I think that work that has been done on Main Street Makeovers and future funds that are expended on ensuring that our streetscapes look fantastic - particularly for tourists. It has been money well spent.

Ms FORREST - We only had two local government board reviews in 2009-10 and only one is anticipated for 2010-11. Can you explain why there have been so few?

Ms BYRNE - In this financial year that we have just had there was only one local government board review, and that was the potential voluntary merger for the two east coast councils. It was one review but it was two significant pieces of work. The local government board as to deliver two reports to the government: one on the merger itself and the merger proposal and the second one on principles for voluntary mergers. That has taken significant resources for the board over that year. Direct funding is just over \$100 000 and added to that are resources and support from our division.

On 2010-11; legislation went through last year to reform the structure and the function of the board to some degree to make it more strategic. That will not be fully through until the current review on voluntary merger principles that is with the Government is considered. Then we have

to go through and officially change the structure of the board. This gave us the realistic option that there would be one review in the coming year, given that change will happen.

Ms FORREST - Have you identified what that review will be?

Ms BYRNE - No, there has been no discussion of that at this point.

CHAIR - With the recent Auditor-General's report on councils was there consultation with the local government board? Did the Auditor-General approach the local government board about some of those matters?

Mr GREEN - Not the board itself, but certainly the councils within the criteria.

CHAIR - He kept that separated.

DIVISION 5

(Infrastructure Energy and Resources.)

Output group 5

Racing policy and regulation

Dr GOODWIN - Minister, Could you give a bit of an overview of the \$40 million capital program, and just how that works in terms of the application process for capital funding for specific things?

Mr GREEN - I could, but the thing is that with Racing Tasmania as opposed to what we are really dealing with here.

Dr GOODWIN - Okay, so the application process is through Racing Tasmania for specific grants for infrastructure issues.

Mr GREEN - Yes, Tasracing.

Ms FORREST - Did you say that was a grant of \$40 million?

Mr GREEN - No, there has been a facility made available for \$40 million.

Ms FORREST - I thought you said it was a grant.

Dr GOODWIN - So with that the debt servicing cost will be met by the government if Tasracing is unable to meet that cost. Is that correct?

Mr GREEN - Yes.

Dr GOODWIN - Do you have any thoughts about the capacity of the industry to actually meet their costs on an ongoing basis, or is it a wait-and-see exercise?

Mr GREEN - I could go into the subject if you would like, but we have all these people here to talk about the services with respect to the budget items that exist. If you would like to talk

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about that issue specifically, I will not be able to give you a full and detailed answer because I do not have the necessary people with me here.

Dr GOODWIN - I just wanted to get a feel from you, Minister, about whether you think the industry has that capacity.

Mr GREEN - The viability of clubs is paramount to the industry going forward, and of course we want to make sure that any capital investment that is made enhances the club's ability to survive and prosper well into the future, and really that is what we are trying to leverage as a result of the capital expenditure that will take place within the racing industry. And I admit that clubs need to be innovative. We need to think of various ways to ensure that they are absolutely viable.

Dr GOODWIN - So is that a role in part of the racing policy section - what is the racing policy?

Mr GREEN - Yes. Racing policy is all about the integrity of the industry, about swabbing, about making sure that the jockeys and trainers - and audits, a whole range of things, they put together the programs, they make sure the industry functions and ticks over, as opposed to the other policy with respect to the board of Tasracing and the funds that they have to administer the actual events themselves.

Dr GOODWIN - So the board has to come up with a strategic vision for the industry -

Mr GREEN - That is it.

Dr GOODWIN - and you are purely about regulation and making sure it is operating as it should.

Mr GREEN - Yes.

Dr GOODWIN - Okay.

Mr GREEN - These are the people who look after the stewards and make sure that the integrity of the industry is intact, which is absolutely important when it comes to the racing industry.

Dr GOODWIN - The issue with race field payments, are you able to provide an update on that or is this crossing over into the other area?

Mr GREEN - It is. Obviously, I have received advice from the Solicitor-General in recent times about that and we are still on a bit of wait-and-see with respect to the appeals that might take place in New South Wales et cetera.

[4.45 p.m.]

Dr GOODWIN - I did a bit of research on that issue earlier when we had the Treasury budget estimates because I had one of those relevant line items, so I was just interested in seeing where that was going. I have a question in relation to the fees that are collected for things like registration - does that money go back into the industry or how does it work?

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Mr MURRAY - It comes back into the Racing Services budget. Under the act I, as the Director of Racing, can use the revenue collected through fees to assist with the administration of the act so it comes back through Racing Services.

Dr GOODWIN - Right, okay. Regarding swabs, which is in table 6.12, you have actually been able to increase the number of swabs and there are plans to increase it even further because of the target increase for 2010-11.

Mr GREEN - Yes.

Dr GOODWIN - Up to 3 800 - how have you been able to do that?

Mr GREEN - By extra funding.

Dr GOODWIN - Increased resources?

Mr GREEN - Yes.

Dr GOODWIN - Does that mean you are taking more or are you doing it differently?

Mr GREEN - As I have just mentioned, it is fundamental to the integrity of racing that all animals and persons when participating in racing and trials do so free of prohibited substances. In the State Budget 2009-10 the Government provided an additional \$165 000 to Racing Services Tasmania to boost racing integrity services. Racing Services Tasmania was able to increase its swabbing budget by \$110 000 to \$298 000. This was an increase of 60 per cent on the previous year to enable an additional 600 swabs to be taken. A focus of the additional swabbing undertaken was out of competition testing, human testing, and whole-race meeting testing - so it has gone up significantly.

Dr GOODWIN - Still on table 6.12, for 'licence applications received' the 2009-10 target and 2010-11 target are the same. Why is that? What does that mean?

Mr MURRAY - It is hard to predict from year to year. The last two years it has been fairly consistent so the target will be that we will maintain the same level of licence participants in the next year. Whether that occurs is a bit of an unknown but generally, the pattern is trending towards consistency on the numbers over the next couple of years.

Dr GOODWIN - Does that mean that the size of the industry is fairly static?

Mr MURRAY - Yes, it means that the size of the participants in the industry is fairly static. In other jurisdictions you will find that it is trending down and as times become tougher and a whole range of other factors come into play, I would say that a consistent pattern in licence numbers would be a positive rather than a negative.

Dr GOODWIN - In terms of appeals to the Racing Appeal Board, is that fairly static as well? Is there any information you can provide on that?

Mr MURRAY - It is. Again, it is an unknown. You do not know what will occur in the next twelve months in terms of any fines, suspensions or disqualifications imposed by the stewards, so

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you just look at the last couple of years' trends and try to make some forecast but it is the best guesstimate, relatively it is an unknown what will occur in the next twelve months.

Dr GOODWIN - I think that is probably about it.

Mr HARRISS - Vanessa Goodwin talked about the swabs. I would be interested to know whether any of the positive swabs - and for 2008-09 it is probably nine positive swabs out of the 2910 - were from winners of races.

Mr MURRAY - From the top of my head, yes, I think a couple of them were. I can get the exact figures for you but generally winners are swabbed more consistently than placegetters or non-placegetters so, generally, winners will be targeted and there will be positives out of winners.

Mr HARRISS - I do not need the detail, Tony, thank you. On the matter of appeals, there is a low incidence of appeal success. What is the process for appeal? Is video evidence permissible in an appeal? I want to try to understand just what process is used when a person wishes to appeal a charge.

Mr MURRAY - There were changes to the appeal system as at 1 January this year. Previously, they were heard on a de novo basis, which is a hearing afresh, so the whole inquiry starts again. With the changes, the hearing is heard on the evidence of the stewards' inquiry, so that is the starting point. A person has a period of time after they are suspended, for example, to appeal. Then the Appeal Board sets a date, the appellant is given a copy of the video evidence of the race and they are also given a copy of the transcript of the stewards' inquiry, so both parties are given that evidence, as well as the Appeal Board itself. Then the appeal commences based on the evidence of the stewards' inquiry.

Mr HARRISS - And the appellant can be represented by an advocate in a normal process?

Mr MURRAY - The appellant can be represented by any person and that can be a legal practitioner - whomever they decide.

CHAIR - Sometimes people on the north-west coast get a bit concerned that racing might be centralised in Hobart and Launceston and they are concerned about the future of Spreyton. Do you have a view on that?

Mr GREEN - I have met with the Spreyton Club recently and they have some very exciting ideas on the future of racing on that course. I think they are making a presentation on 16 August in line with some consultancy work that is being done on the track. I will be looking forward to having a look at that submission - both submissions in fact. If Tasracing is in a position to work with the club to see their plans comes to fruition, that would be a good thing.

CHAIR - So you think that racing at Spreyton in the future will be secure?

Mr GREEN - Yes, that is my view. It is important, given the fact that we have had a number of race meetings cancelled as a result of bad weather, that we have all options available to us.

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CHAIR - In regard to picnic races, trials and that sort of thing, are you disposed to seeing those sorts of activities happen on slightly upgraded tracks such as Deloraine and other places if the Racing Board permits it?

Mr GREEN - I am not sure whether there has been application made.

CHAIR - No, there has not been an application made but it is in the forefront of some people's minds.

Mr GREEN - Is it? Well, we will have a look at the application when it gels.

Mr MURRAY - The safety of the track for participants and for racing animals is paramount. So any decision would be determined to a large degree by the safety of the particular track.

Mr GREEN - The funding has been administered, as you know, for the facility there through DIER but in a different way.

CHAIR - But the \$200 000 went - there is a local committee with the Meander Valley Council and they have spent a bit over a half of it so far, particularly on training facilities and that sort of thing, which has been a good outcome. It has secured those two trainers and I think allowed more trainers there. I think eventually down the track that committee is looking to putting in an application, if as Mr Murray suggested, the condition of the track is okay. I would presume that there are lower thresholds of safety required perhaps for a picnic or trials than there are for full-blown racing. Am I correct in making that assumption?

Mr MURRAY - No, I would not go along with that. I think the standards are continually being raised and I do not think there would be any lowering of the standards for picnic races below those that exist for race meetings. You still have the safety aspect in terms of jockeys and horses. The bar has been raised in recent times and continues to be raised and realistically the Deloraine track remains a long way from being fit to conduct any proper races.

Mr GREEN - It is not what he wanted to hear.

CHAIR - I thought I would ask the question. Jumps racing - we still have that banned at this stage?

Mr MURRAY - Yes.

CHAIR - That is likely to stay? Where is it at in other States at the moment? A couple of jurisdictions are still -

Mr MURRAY - It is current in Victoria and South Australia. Victoria is putting in some very strict KPIs for the current racing season and will make a decision at the conclusion of the season.

Mr GREEN - The hurdles, not the steeple?

CHAIR - Yes.

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Ms FORREST - Minister, as you are the stakeholder or shareholder - I am not sure which - for the Tasmanian Racing Board, as it is a State-owned company now, and the fact that they have the \$40 million loan facility, there is provision in the Budget to assist if they cannot meet the cost of that. What sort of reporting requirements do you require of TRB as far as how they are tracking?

Mr GREEN - As a board?

Ms FORREST - Yes.

Mr GREEN - They face the same scrutiny as every other board. They are responsible for providing me with the updates on their financial position. They have, as you know, an underpinning amount of money to utilise going forward and -

Ms FORREST - \$27 million a year indexed?

Mr GREEN - Yes, and they will face the normal scrutiny of both Houses of Parliament.

Ms FORREST - What is the regime that you expect as the stakeholder minister, though, for them to report?

Mr GREEN - They report post board meetings.

Ms FORREST - They have their board meetings how often?

Mr GREEN - Once a month.

Ms FORREST - So they report to you after every board meeting?

Mr GREEN - Yes, they have done so far.

Ms FORREST - When would you expect them to notify you, as the stakeholder minister, if they were having trouble meeting their obligations under their loan facility with TASCORP?

Mr GREEN - The loan facility position has not been finalised yet so I am not exactly sure of the format or what the loan facility might look like with respect to responsibilities. They will have to provide me with a corporate plan and allow me to understand what the plan looks like and as a result of that, they will provide me with the information as is required -the same as any other GBE.

Ms FORREST - As you know, corporate plans can be provided late in the piece and they might truly reflect the financial situation of a State-owned company but maybe not in a timely manner. So the question I have is that the loan has not been ticked off on yet but that is the only way they are going to fund their capital investment, I understand, because TOTE did not get sold.

Mr GREEN - As the result of TOTE not being sold - yes, there has been a provision. I have been waiting for some documentation to come to me with respect to that and the advice is that I thought I was going to get it this week but that is obviously not the case so -

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Ms FORREST - How confident are you then that TRB, with that \$27 million a year indexed, will be able to meet their obligations to such a loan facility?

Mr GREEN - They have set out a budget that is within the -

Ms FORREST - That includes capital works?

Mr GREEN - Once we have a look at the paper work, we will be in a position to better answer that but TASCORP have to do the due diligence and report to the Treasurer with respect to whether they are meeting their obligations.

Ms FORREST - So TASCORP would no doubt do due diligence on their loan to Aurora as well?

Mr GREEN - I thought that you were going down this strange line -

Ms FORREST - I am just trying to find out - this is a State-owned company that you are responsible for on behalf of the State.

Mr GREEN - You should not even be asking questions in this group.

Ms FORREST - No, no you are Minister of Racing.

Mr GREEN - Yes, I know but you have the wrong -

Ms FORREST - Which group then, which line item is it then?

Mr GREEN - You are in the wrong area. This is the board. What they are responsible for is the integrity of the racing industry. You are fishing in another pond.

[5.00 pm.]

Ms FORREST - We get two hours a year to scrutinise GBEs or the State-owned companies.

Mr GREEN - Yes, that is your opportunity.

Ms FORREST - Several months after the annual reports are released and their corporate plans are released.

Mr GREEN - There is a structure agreed by Parliament to do that.

Dr GOODWIN - I am not sure whether I am trespassing into the other area or not, but I am sure you will let me know. You have met with representatives from the industry group presumably as the new Racing minister. What sort of feedback have they have given you on the new structure? Are they are happy with Racing Tasmania and is there a review provision in the legislation after two or three years to see how things are tracking?

Mr GREEN - No, but people have views about integrity side, whether or not stewards and others are doing the right thing. I have been to have a look at the operations in Launceston to see how it all comes together from the greyhounds to the pacers to the thoroughbreds, how the fields are established, where the tribunals meet and the whole business. I get some feedback.

It has not been in existence for that long and whenever you have some change people react negatively to it. Change is always difficult for some people to accept, but I believe over time - and I know this full well - that the sustainability of the industry is intact as a result of the funds that have been made available to it. If you weight it against other jurisdictions around the country our position is a pretty good one.

Dr GOODWIN - I think the Governor's Cup I think was cancelled twice because of track issues. When the Elwick upgrade happened, I do not know that much money was spent on updating the track and they have had some ongoing problems. Is that right or are you aware of that?

Mr MURRAY - The stewards under the rules have the power to determine whether the track is fit for racing and on those two occasions they deemed it was not fit for racing. Obviously safety, as I said before, is paramount. In terms of the upkeep of the track, Tasracing within their operating budget have an allocation for the upkeep of tracks under their control throughout the State.

Dr GOODWIN - We had a very wet year last year and that had an impact on the industry, I suppose, with races having to be cancelled. I was just familiar with the Governor's Cup because I was going and twice it was cancelled. Eventually we got there.

Mr MURRAY - We can control a lot of things, but the weather is outside of our control.

Veterans' Affairs

Mr WILKINSON - There was some talk last year that the number of people who travel to Gallipoli for the service under Frank MacDonald Memorial Prize should be reduced, but, as I understand it, the reports have been excellent and the students who have attended not only enjoyed and gained knowledge from the experience but also are passing that on to other students and service organisations. Is that correct?

Ms - Absolutely. I know that in previous years we have had quite a few people going on the trip and I think year's trip will be an opportunity to revise the itinerary because it has been quite long. My understanding at this stage is that there will still be the same number of students and teachers attending and the RSL will still nominate representatives to attend on behalf of that organisation.

Students who have attended have all had amazing experiences. I have been lucky enough to go on the trip and the students have talked about it being a life-changing experience. Some of them have thought about new careers because of the trip - not necessarily to join the ADF, but I know of one girl who talked about wanting to become a tour guide and wanting to get into the history of different places and become a tour guide through that. Others are studying international politics and different thing so it has been a significant event for the students.

Mr WILKINSON - In relation to the ceremony itself, obviously the allies lay wreaths and also the Turkish do. That brings me to the comment made a while ago when I was having lunch with the German consul here. One issue she raised was that there should be an invitation to the German consul and, for that matter, the Japanese consul to join the remembrance of Anzac Day.

Do you have any statements in relation to that? They do in other States and we are fighting side by side now in Afghanistan.

Mr GREEN - In fact, the mayor does the invitations for the Hobart service and various RSLs organise their own, so there is no reason they cannot attend. I think you are asking from a policy point of view, whether we would think about that as a recommendation, effectively. I think that is something that we would really need to discuss at a broad level with the advisory council and if the veterans themselves thought that was a reasonable idea, I would be happy to think about it. I would not feel comfortable imposing that idea. We have the council to take on those views. The great thing about it is that it has all been about education with respect to the needs of our veterans and, at the same time, the horrors of war. I think everybody can learn from that.

Mr WILKINSON - What I would be suggesting is that the Government could make a recommendation and I would imagine the Government would get in touch with the RSL clubs around Tasmania.

Mr GREEN - We have a council established under this portfolio to effectively provide advice to me on various issues. So, yes, we could do that.

Mr WILKINSON - This year is the sixtieth anniversary of the Korean War and I have a letter that was supplied to me by an ex-serviceman from that war. It is a letter from the President of the Republic of Korea. I do not know whether you are aware of the letters that the President has been sending to ex-servicemen who fought in the Korean War. It says:

'This year as we commemorate the 60th anniversary of the outbreak of the Korean War, we honour your selfless sacrifice in fighting tyranny and aggression. We salute your courage in enduring the unimaginable horrors of war. We pay tribute to your commitment in protecting liberty and freedom.'

And it goes on with another three paragraphs and finally it says:

'Please accept, once again, our warmest gratitude and deepest respect. You will always remain our true heroes and we assure you that we will continue to do our best to make you proud. On behalf of the Korean people I would like to say thank you.'

That's terrific from the Korean side of things, I would think. Can I ask what Tasmania is doing in order to recognise the 60th anniversary of the outbreak of the Korean war?

Mr GREEN - I know I will definitely be attending the service on the Saturday, I think it is. I am aware of that. I need to take some further advice from Mr Scott who is the chair. I will be attending the service here on 17 July and then all Korean veterans will be invited to Canberra for a service in September.

Mr WILKINSON - The year 2015 is the 100th anniversary of Gallipoli. What have you planned for that? Is there a process in place to ensure that it is properly recognised?

Ms SCHOUTEN - We don't have anything in place yet but the advisory council has certainly spoken about it. There is a program being set up by the Commonwealth through the Department of Veterans' Affairs, I believe, to start the ball rolling on events around the country and the

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advisory council will consider what options we might put forward as a program. We have certainly thought about not just having commemorative events but involving schools, museums, libraries and anything that might actually commemorate and recognise the 100th anniversary of Gallipoli. However, we have only just started those discussions. It is certainly on our radar. We are quite aware of it and the Commonwealth Government is certainly aware of it. We will probably need, as a State, to be advising the Commonwealth this year of what our plans are and how we are going to be organising different events and activities.

Dr GOODWIN - I have a question on the \$50 000 for the program to assist with the repair or renewal of memorials around the State. Does that cover establishing memorials as well?

Ms SCHOUTEN - It won't be about new memorials. It is about repair and maintenance of existing memorials. There are over 100 memorials in the State and they range from the Cenotaph through to plaques in RSLs and various places such as the gardens, the Soldiers Walk, memorial halls and everything in between. The Commonwealth Government has primary responsibility for funding, through a grants program, for repairs of memorials. If there is a new memorial that needs to be established the organisation, which is usually an ex-service organisation, would apply to the Commonwealth for funds and they would need to demonstrate that they have other sources of funding, that they have been collaborating with other parties such as local councils, services clubs, or such. The \$50 000 in the budget is a contribution towards the maintenance and repair of existing memorials. It is really a small amount of money. We are still talking about the guidelines for how it will work but obviously we do not want to give off one grant of \$50 000 somewhere. We want to be able to distribute it around the State so the guidelines will be prepared with the support of the Veterans' Advisory Council and they will give us advice on what they think should be the guidelines and what priorities should be made.

Mr WILKINSON - Have there been any requests from Legacy around Tasmania for any government assistance for work that they do?

Ms SCHOUTEN - Since we have had the portfolio in this State, not to my knowledge. I have not had to prepare anything along those lines for the minister so not as far as I know.

Mr WILKINSON - Has the Government or the body in charge of the area spoken with Legacy to see whether they are suitably funded in relation to the work that they do?

Mr GREEN - I am going out to North Hobart, I think or Glenorchy -

Ms SCHOUTEN - I think it might be in the city actually.

Mr GREEN - I know that I have accepted an invitation to go and I am really looking forward to it. If there are issues that need to be brought forward, I am more than happy to listen.

CHAIR - Thank you to all your staff.

The committee adjourned at 5.17 p.m.